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Confirmation and your representation: In order to be eligible to view this preliminary offering memorandum or make an investment decision with respect to the securities, investors must be non-U.S. persons (as defined in Regulation S under the Securities Act) outside the United States. By accepting the e-mail and accessing this preliminary offering memorandum, you shall be deemed to have represented to us that (1) you and any customers you represent are non-U.S. persons outside the United States and that the e-mail address that you gave us and to which this e-mail has been delivered is not located in the United States and (2) that you consent to delivery of such preliminary offering memorandum by electronic transmission.

Within the United Kingdom, this preliminary offering memorandum is being directed solely at and may only be communicated to persons: who (i) fall within Article 19(5) or Article 49(2)(a)-(d) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, (ii) are outside the United Kingdom, or (iii) are persons to whom an invitation or inducement to engage in an investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise be lawfully communicated or caused to be communicated (all such persons collectively being referred to as "Relevant Persons"). This preliminary offering memorandum is directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this preliminary offering memorandum relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. This preliminary offering memorandum and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person. Any person who is not a Relevant Person should not act or rely on this preliminary offering memorandum or any of its contents. You are reminded that this preliminary offering memorandum has been delivered to you on the basis that you are a person into whose possession this preliminary offering memorandum may be lawfully delivered in accordance with the laws of jurisdiction in which you are located and you may not, nor are you authorized to, deliver or disclose the contents of this preliminary offering memorandum to any other person.

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

This preliminary offering memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently, none of Goldman Sachs (Asia) L.L.C., Haitong International Securities Company Limited and Morgan Stanley & Co. International plc, as Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers (collectively, the "Joint Global Coordinators") and Bank of China (Hong Kong) Limited and The Hongkong and Shanghai Banking Corporation Limited (collectively, the "Joint Bookrunners and Joint Lead Managers" and, together with Joint Global Coordinators, the "Joint Bookrunners"), or any person who controls any of them or any director, officer, employee or agent of any of them or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between this preliminary offering memorandum distributed to you in electronic format and the hard copy version available to you on request from the Joint Bookrunners.

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FE FactEntry

Offering Memorandum **Strictly Confidential**

US$450,000,000

Longfor Properties Co. Ltd.

龍湖地產有限公司

(Incorporated in the Cayman Islands with limited liability)

3.875% SENIOR NOTES DUE 2022
Issue Price: 99.425%

The 3.875% Senior Notes due 2022 (the "Notes") will bear interest from July 13, 2017 at 3.875% per annum payable semi-annually in arrears on January 13 and July 13 of each year, beginning January 13, 2018. The Notes will mature on July 13, 2022.

The Notes are senior obligations of Longfor Properties Co. Ltd. (the "Company").

We may at our option redeem the Notes, in whole or in part, at a redemption price equal to the greater of (x) 100% of the principal amount of the Notes to be redeemed plus accrued and unpaid interest on the Notes to be redeemed, if any, to the date of redemption and (y) the Make Whole Price (as defined herein). We may at our option redeem the Notes, in whole but not in part, at any time, at their principal amount, together with accrued and unpaid interest, if any, to (but excluding) the date of redemption and Additional Amounts (as defined herein), if any, then due and which otherwise would be payable, upon certain changes in the tax laws of any Tax Jurisdiction (as defined herein) becoming effective that would impose withholding taxes or other deductions on the payments on the Notes. Upon the occurrence of a Change of Control Triggering Event (as defined herein), we will make an offer to repurchase all outstanding Notes at a price in cash equal to 101% of their principal amount plus accrued and unpaid interest, if any, to (but excluding) the repurchase date.

The Notes will be the direct, unconditional and unsubordinated obligations of the Company, and rank *pari passu* with all other unsecured and unsubordinated obligations of the Company (other than obligations preferred by applicable law) and senior in right of payment to all other indebtedness of the Company that is designated as subordinate or junior in right of payment to the Notes.

For a more detailed description of the Notes, see "Description of the Notes" beginning on page 138.

Investing in the Notes involves risks. See "Risk Factors" beginning on page 14.

Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the "SGX-ST") for the listing and quotation of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Approval in-principle from, admission to the Official List of, and listing and quotation of the Notes on, the SGX-ST are not to be taken as an indication of the merits of the Company or the Notes. For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Notes will be traded in a minimum board lot size of S$200,000 (or its equivalent in foreign currencies). Accordingly, the Notes will be traded in a minimum board lot size of US$200,000.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Notes are being offered and sold by the Initial Purchasers (as defined herein) only outside the United States to non-U.S. persons in compliance with Regulation S under the Securities Act ("Regulation S"). For a description of certain restrictions on the resale or transfer of the Notes, see "Transfer Restrictions."

The Notes are expected to be rated "BBB-" by Fitch Ratings Ltd. ("Fitch"). A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. Investors should evaluate each rating independently of any other rating of the Notes or other securities of the Company.

With reference to the Notice on the Administrative Reform for the Registration of Offshore Debt Issuances (國家發展改革委關於推進企業發行外債備案登記制管理改革的通知) (the"NDRC Notice") promulgated by National Development and Reform Commission (the "NDRC") of the PRC on September 14, 2015 which came into effect on the same day, we have registered the issuance of the Notes with the NDRC and obtained a certificate from the NDRC dated June 23, 2017 evidencing such registration. Pursuant to the registration certificate, we will cause relevant information relating to the issue of the Notes to be reported to the NDRC within 10 PRC working days after the issue date of the Notes.

It is expected that the delivery of the Notes will be made through the facilities of Euroclear Bank SA/NV ("Euroclear") and Clearstream Banking S.A. ("Clearstream") on or about July 13, 2017 against payment therefor in immediately available funds.

Joint Global Coordinators, Joint Lead Managers and Joint Bookrunners

Goldman Sachs (Asia) L.L.C. **Haitong International** **Morgan Stanley**

Joint Lead Managers and Joint Bookrunners

Bank of China (Hong Kong) **HSBC**

The date of this offering memorandum is July 6, 2017.

FactEntry

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

This offering memorandum is not a prospectus for the purposes of the European Union's Directive 2003/71/EC (and any amendments thereto) as implemented in member states of the European Economic Area (the "EEA") (the "EU Prospectus Directive"). This offering memorandum has been prepared on the basis that all offers of the Notes will be made pursuant to an exemption under the EU Prospectus Directive from the requirement to produce a prospectus in connection with offers of the Notes.

IN CONNECTION WITH THIS OFFERING, MORGAN STANLEY & CO. INTERNATIONAL PLC, AS STABILIZING MANAGER, OR ANY PERSON ACTING FOR IT, MAY PURCHASE AND SELL THE NOTES IN THE OPEN MARKET. THESE TRANSACTIONS MAY, TO THE EXTENT PERMITTED BY APPLICABLE LAWS AND REGULATIONS, INCLUDE SHORT SALES, STABILIZING TRANSACTIONS AND PURCHASES TO COVER POSITIONS CREATED BY SHORT SALES. THESE ACTIVITIES MAY STABILIZE, MAINTAIN OR OTHERWISE AFFECT THE MARKET PRICE OF THE NOTES. AS A RESULT, THE PRICE OF THE NOTES MAY BE HIGHER THAN THE PRICE THAT OTHERWISE MIGHT EXIST IN THE OPEN MARKET. IF THESE ACTIVITIES ARE COMMENCED, THEY MAY BE DISCONTINUED AT ANY TIME AND MUST IN ANY EVENT BE BROUGHT TO AN END AFTER A LIMITED TIME THAT IS NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE NOTES AND 60 DAYS AFTER THE DATE OF ALLOTMENT OF THE NOTES.

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

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

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

No representation or warranty, express or implied, is made by the Initial Purchasers, the Trustee, the Paying Agent, Transfer Agent and the Registrar (together, the "Agents") or any of their respective affiliates or advisors as to the accuracy or completeness of the information set forth herein, and nothing contained in this offering memorandum is, or should be relied upon as, a promise or representation, whether as to the past or the future.

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

We are not, and the Initial Purchasers are not, making an offer to sell the Notes, in any jurisdiction except where an offer or sale is permitted. The distribution of this offering memorandum and the offering of the Notes, may in certain jurisdictions be restricted by law. Persons into whose possession this offering memorandum comes are required by us and the Initial Purchasers to inform themselves about and to observe any such restrictions. For a description of the restrictions on offers, sales and resales of the Notes, and distribution of this offering memorandum, see the sections entitled "Transfer Restrictions" and "Plan of Distribution" below.

This offering memorandum summarizes certain material documents and other information, and we refer you to them for a more complete understanding of what we discuss in this offering memorandum. In making an investment decision, you must rely on your own examination of us and the terms of the offering, including the merits and risks involved. We are not making any

representation to you regarding the legality of an investment in the Notes by you under any legal, investment or similar laws or regulations. You should not consider any information in this offering memorandum to be legal, business or tax advice. You should consult your own professional advisors for legal, business, tax and other advice regarding an investment in the Notes.

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

CERTAIN DEFINITIONS, CONVENTIONS AND CURRENCY PRESENTATION

We have prepared this offering memorandum using a number of conventions, which you should consider when reading the information contained herein. When we use the terms "we," "us," "our," the "Company" and words of similar import, we are referring to Longfor Property Co. Ltd. itself, or to Longfor Property Co. Ltd. and its consolidated subsidiaries, as the context requires.

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

In this offering memorandum, all references to "US$" and "U.S. dollars" are to United States dollars, the official currency of the United States of America, or the United States or U.S.; all references to "HK$" and "H.K. dollars" are to Hong Kong dollars, the official currency of the Hong Kong Special Administrative Region of the PRC, or Hong Kong; and all references to "RMB" or "Renminbi" or "CNY" are to Renminbi, the official currency of the People's Republic of China, or China or the PRC. In this offering memorandum, all references to "2013 Notes" are to the 6.75% senior notes due 2023 in the aggregate principal amount of US$500 million issued by us on January 29, 2013; and all references to "2014 Notes" are to the 6.75% senior notes due 2018 in the aggregate principal amount of CNY2,000 million issued by us on May 28, 2014.

We record and publish our financial statements in Renminbi. Unless otherwise stated in this offering memorandum, all translations from Renminbi amounts to U.S. dollars were made at the rate of RMB6.9430 to US$1.00, the noon buying rate in New York City for cable transfers payable in Renminbi as certified for customs purposes by the Federal Reserve Bank of New York on December 30, 2016, and all translations from H.K. dollars into U.S. dollars were made at the rate of HK$7.7534 to US$1.00, the noon buying rate in New York City for cable transfers payable in dollars as certified for customs purposes by the Federal Reserve Bank of New York on December 30, 2016. All such translations in this offering memorandum are provided solely for your convenience and no representation is made that the Renminbi amounts referred to herein have been, could have been or could be converted into U.S. dollars or H.K. dollars, or vice versa, at any particular rate or at all. For further information relating to the exchange rates, see the section entitled "Exchange Rate Information."

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

References to "Pan Bohai Rim" mean the provinces of Liaoning, Shandong and Hebei of the PRC and the municipalities of Beijing and Tianjin of the PRC. References to "Southern China" mean the provinces of Fujian and Guangdong of the PRC. References to "Western China" mean the provinces of Yunnan, Sichuan and Shaanxi of the PRC and the municipality of Chongqing of the PRC. References to "Yangtze River Delta" mean the provinces of Jiangsu and Zhejiang of the PRC and the municipality of Shanghai of the PRC. References to "Central China" mean the province of Hunan of the PRC.

A property is considered sold after we have executed the purchase contract with a customer and have delivered the property to the customer. All site area and gross floor area, or GFA, information presented in this offering memorandum represent the site area and GFA of the entire project, including that attributable to the minority shareholders of our non-wholly owned project companies. References to "ASP" mean average selling price.

In this offering memorandum, unless the context otherwise requires, all references to "affiliate" are to a person or entity directly or indirectly controlled by, or under the direct or indirect common control of, another person or entity; all references to "subsidiary" are used with the meaning ascribed to it in the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange, as amended, or the Listing Rules.

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

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

In this offering memorandum, contracted sales represent the total purchase price of formal purchase contracts we enter into with purchasers of our properties within a specified period, as disclosed to us by our project companies nationwide, aggregated at our headquarters, and recorded in our internal records on a monthly basis.

Totals presented in this offering memorandum may not total correctly because of rounding of numbers.

FORWARD-LOOKING STATEMENTS

This offering memorandum contains forward-looking statements that are, by their nature, subject to significant risks and uncertainties. These forward-looking statements include statements relating to:

- our business and operating strategies;
- our capital expenditure and property development plans;
- the amount and nature of, and potential for, future development of our business;
- our operations and business prospects;
- various business opportunities that we may pursue;
- the interpretation and implementation of the existing rules and regulations relating to land appreciation tax and its future changes in enactment, interpretation or enforcement;
- the prospective financial information regarding our businesses;
- availability and costs of bank loans and other forms of financing;
- our dividend policy;
- projects under development or planning;
- the regulatory environment of our industry in general;
- the performance and future developments of the property market in China or any region in China in which we may engage in property development;
- changes in political, economic, legal and social conditions in China, including the specific policies of the PRC central and local governments affecting the regions where we operate, which affect land supply, types of property projects, availability and cost of financing, presale, pricing, foreign investments in property development, and volume of our property development projects;
- significant delay in obtaining the various permits, proper legal titles or approvals for our properties under development or planning;
- timely repayments by our purchasers of mortgage loans guaranteed by us;
- changes in competitive conditions and our ability to compete under these conditions;
- the performance of the obligations and undertakings of the third-party contractors under various construction, building, interior decoration, material and equipment supply;
- installation contracts;
- changes in currency exchange control and rates; and
- other factors beyond our control.

In some cases, you can identify forward-looking statements by such terminology as "may," "will," "should," "could," "would," "expect," "intend," "plan," "anticipate," "going forward," "ought to," "seek," "project," "forecast," "believe," "estimate," "predict," "potential" or "continue" or the negative of these terms or other comparable terminology. Such statements reflect the current views of our management with respect to future events, operations, results, liquidity and capital resources and are not guarantee of future performance, some of which may not materialize or may change. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we cannot assure you that those expectations will prove to be correct, and you are cautioned not to place undue reliance on such statements. In addition, unanticipated events may adversely affect the actual results we achieve. Important factors that could cause actual results to differ materially from our expectations are disclosed under the section entitled "Risk Factors" in this offering memorandum. Except as required by law, we undertake no obligation to update or otherwise revise any forward looking statements contained in this offering memorandum, whether as a result of new information, future events or otherwise after the date of this offering memorandum. All forward-looking statements contained in this offering memorandum are qualified by reference to the cautionary statements set forth in this section.

PRESENTATION OF FINANCIAL INFORMATION

Our financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS").

SUMMARY

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

Overview

We are an investment grade national leader in China's real estate market engaged in property development, investment and management with strong presence in, and a focus on first and second tier cities in, Western China, the Pan Bohai Rim, the Yangtze River Delta, Southern China and Central China. We from time to time explore non-traditional real estate opportunities in China and seek micro-innovation in the industry.

From 2014 to 2016, the amount of our annual contracted sales grew from RMB49,046 million to RMB88,144 million (US$12,695 million), representing a CAGR of 34.1%. In 2014, 2015 and 2016, we recognized revenue of RMB50,991 million, RMB47,423 million and RMB54,799 million (US$7,893 million) respectively (of which RMB876 million, RMB1,415 million and RMB1,913 million (US$275 million), respectively, was derived from rental income).

As of December 31, 2016, we had 130 projects with a total completed GFA remaining unsold, GFA under development and GFA under planning of approximately 41,020,718 sq. m. for our development properties in 24 cities, and 35 projects with a total of approximately 4,657,201 sq. m. in completed GFA remaining unsold, GFA under development and GFA under planning for our investment properties in 11 cities. As of the date of this offering memorandum, we have presence in 29 cities in China and we also have presence in Hong Kong.

The following table summarizes our property development projects by city as of December 31, 2016:

CITIES	Completed GFA Remaining Unsold	GFA Under Development	GFA Under Planning
	(sq. m.)	(sq. m.)	(sq. m.)
Western China			
Chongqing	567,193	1,923,157	5,035,427
Chengdu	248,494	1,775,474	1,518,954
Xi'an	9,319	551,200	524,007
Yuxi	—	—	790,407
Subtotal	*825,006*	*4,249,831*	*7,868,795*
Pan Bohai Rim			
Beijing	14,672	1,179,668	743,528
Tianjin	—	19,559	355,818
Qingdao	40,559	871,934	706,395
Jinan	12,321	792,125	1,437,836
Shenyang	133,426	627,194	1,482,039
Dalian	72,059	209,461	669,724
Yantai	80,546	173,321	6,991,454
Subtotal	*353,583*	*3,873,262*	*12,386,794*

CITIES	Completed GFA Remaining Unsold	GFA Under Development	GFA Under Planning
	(sq. m.)	(sq. m.)	(sq. m.)
Yangtze River Delta			
Shanghai	33,796	400,008	811,687
Hangzhou	8,130	1,204,168	936,571
Nanjing	11,430	468,373	365,606
Suzhou	30,017	343,565	52,544
Wuxi	65,771	167,916	493,436
Ningbo	19,517	302,867	406,165
Changzhou	174,163	255,577	196,828
Subtotal	*342,824*	*3,142,474*	*3,262,837*
Central China			
Changsha	49,987	166,011	425,018
Wuhan	—	—	886,304
Subtotal	*49,987*	*166,011*	*1,311,322*
Southern China			
Xiamen	22,762	310,231	641,755
Guangzhou	18,045	131,148	515,252
Foshan	24,276	244,637	—
Quanzhou	50,018	285,203	944,665
Subtotal	*115,101*	*971,219*	*2,101,672*
Total GFA	1,686,501	12,402,797	26,931,420

The following table summarizes our investment properties by city as of December 31, 2016:

CITIES	Completed GFA Remaining Unsold	GFA Under Development	GFA Under Planning
	(sq. m.)	(sq. m.)	(sq. m.)
Western China			
Chongqing	1,034,362	195,708	336,015
Chengdu	407,206	—	258,337
Xi'an	131,766	—	—
Subtotal	*1,573,334*	*195,708*	*594,352*
Pan Bohai Rim			
Beijing	509,646	—	—
Subtotal	*509,646*	—	—
Yangtze River Delta			
Shanghai	253,293	119,600	—
Hangzhou	180,645	216,118	52,456
Nanjing	—	—	162,624
Suzhou	—	190,553	51,736
Wuxi	—	—	167,069
Changzhou	—	119,139	174,328
Subtotal	*433,938*	*645,410*	*608,213*
Southern China			
Xiamen	—	—	96,600
Subtotal	—	—	*96,600*
Total GFA	2,516,918	841,118	1,299,165

We believe we enjoy brand and product recognition among certain regulators (such as those mentioned below), customers and suppliers. Over the past decade, we have received a multitude of recognition and awards, including the following:

- In 2016, we were named "Most Influential Commercial Real Estate Operators" (中國最具影響力商業地產運營商) by Bo'ao Real Estate Forum held by Guandian Real Estate Website; we were also named "The Top 500 Private Enterprises in China" (中國民營企業500強) and "The Top 100 Companies in the Service Industry in China" (中國服務業100強) by All-China Federation of Industry & Commerce; we were also included in the top-ten list for "The Top 100 Real Estate Companies in China With Comprehensive Strength" (中國房地產百強企業綜合實力TOP 10) jointly issued by the Enterprise Institute of the Development Research Center of the State Council, the Real Estate Research Institute of Tsinghua University and the China Index Academy;

- In 2016, our U-City project in Chongqing was awarded "Guangsha Award" (廣廈獎) by China Real Estate Association and Residential Industrializaiton Promotion Center of the Ministry of Housing and Urban-Rural Development;

- In 2015, we were named "Top 10 Companies with Property Comprehensive Strength in China"(中國物業綜合實力TOP 10) by the Enterprise Institute of the Development Research Center of the State Council, the Real Estate Research Institute of Tsinghua University and the China Index Academy; we were also included in the top-ten list for "The Top 100 Real Estate Companies in China With Comprehensive Strength" (中國房地產百強企業綜合實力TOP 10) jointly issued by the Enterprise Institute of the Development Research Center of the State Council, the Real Estate Research Institute of Tsinghua University and the China Index Academy; we were also awarded "Best BIM Research Development & Application Award" (最佳BIM科研發展應用大獎) by buildingSMART Hong Kong;

- In 2015, our North Paradise Walk project in Shanghai was awarded the Gold Prize of the "Best Urban Complex Case Prize"(金綜獎城市綜合體最佳案例獎) by Construction China Real Estate Club and Chief Engineer Club of Shanghai Real Estate; and our Longfor Hill Top's Garden project in Chongqing was awarded the Gold Prize of the "Zhan Tianyou Prize for Excellent Residential Project Areas" (中國土木工程詹天佑獎優秀住宅小區金獎) by the China Civil Engineering Society;

- In 2014, we were named "Execllent Commercial Real Estate Enterprise in China" (中國商業地產優秀企業) by the Enterprise Institute of the Development Research Center of the State Council, the Real Estate Research Institute of Tsinghua University and the China Index Academy; we were also included in the top-ten list for "The Top 100 Real Estate Companies in China With Comprehensive Strength" (中國房地產百強企業綜合實力TOP 10) jointly issued by the Enterprise Institute of the Development Research Center of the State Council, the Real Estate Research Institute of Tsinghua University and the China Index Academy; we were also named "Top 10 China Real Estate Companies for Brand Value" (中國房地產公司品牌價值TOP 10) by the Enterprise Institute of the Development Research Center of the State Council, the Real Estate Research Institute of Tsinghua University and the China Index Academy;

- In 2014, our Chongqing U-City project was awarded "China Civil Engineering Zhan Tianyou Prize" (中國土木工程詹天佑獎) by the China Civil Engineering Society;

- In 2013, we were named "Most Valuable Public Company in the Real Estate Industry in China" (中國最具價值地產上市企業) jointly by Bo'ao Forum Real Estate Committee; we were also named one of "The Best 50 Public Companies in Asia Pacific" by Forbes Magazine in 2013; we were also included in the top-ten list for "The Top 100 Real Estate Companies in China With Comprehensive Strength" (中國房地產百強企業綜合實

力TOP 10) jointly issued by the Enterprise Institute of the Development Research Center of the State Council, the Real Estate Research Institute of Tsinghua University and the China Index Academy; we were also named one of "The Top-Ten Mainland Real Estate Companies listed in Hong Kong" published by the Top-Ten China Real Estate Companies Research Institute and we remained in the top-ten list for "The Best Performing Public Companies in the Real Estate Industy in China" (中國房地產上市公司經營績效十強) jointly issued by the China Real Estate Research Association, China Real Estate Industry Association and China Real Estate Appraisal Center.

- In 2013, our Beijing Summer Palace Splendor project was named "Best International Construction Design" by National Association of Home Builders ("NAHB");

- In 2012, we were named "Most Valuable Public Company in the Real Estate Industry in China" (中國最具價值地產上市企業) jointly by Bo'ao Forum Real Estate Committee and The Guandian Real Estate New Media; we were also named one of "The Best 50 Public Companies in Asia Pacific" by Forbes Magazine in 2012; we were also included in the top-ten list for "The Top 100 Real Estate Companies in China With Comprehensive Strength" (中國房地產百強企業綜合實力TOP 10) jointly issued by the Enterprise Institute of the Development Research Center of the State Council, the Real Estate Research Institute of Tsinghua University and the China Index Academy and the top-five list for "The Best Performing Public Companies in the Real Estate Industry in China" (中國房地產上市公司經營績效五強) jointly issued by the China Real Estate Research Association, China Real Estate Industry Association and China Real Estate Appraisal Center;

- In 2012, our Beijing Time Paradise Walk project was awarded "Dual Golden Award of Residential Classic Planning and Construction" (全國人居經典規劃建築雙金獎) by the Architectural Society of China;

- In 2011, we were included in the top-ten lists for "The Best Real Estate Companies in China" (中國房地產開發企業10強) and "The Most Stable Real Estate Companies in China," (中國房地產開發企業穩健經營10強) both jointly issued by The Real Estate Association of China, The Real Estate Research Committee of China and the Real Estate Evaluation Center of China;

- In 2010, our North Paradise Walk project in Chongqing was named "Best Landlord" in 2010 (together with CR Land's Shenzhen Mixc City and Hang Lung Properties' Shanghai Grand Gateway) by the China Shopping Center Development Association of Mall China (中國購物中心產業資訊中心和中購聯中國購物中心);

- In 2009, our King Land project in Chengdu was awarded the Gold Prize of the "Zhan Tianyou Prize for Excellent Residential Project Areas 2009" by the China Civil Engineering Society (2009中國土木工程詹天佑獎優秀住宅小區金獎);

- In 2008, our "Longhu" (龍湖) brand name was accredited by the State Administration for Industry and Commerce as a "Well-known Trademark in China" (中國馳名商標);

- In 2007, our Crystal Town project in Chongqing was granted the "China Construction Project Luban Prize" (中國建築工程魯班獎), a prize given in recognition of the highest quality of construction work, by the Ministry of Construction and the Architecture Association of China (中國建築業協會); and

- In 2007, we were recognized as one of the "Top 500 in 2006 China Enterprise Information" (2006年度中國企業信息化500強) by the National Information Evaluation Center of the China Electronic Commerce Association (CECA國家資訊化測評中心) (one of the only two real estate companies in China winning such recognition).

Recent Developments

On May 16, 2017, we acquired the Kai Tak plot in Kowloon, Hong Kong. The site has a site area of about 9,700 sq. m., with a planned GFA of 53,500 sq.m. and a planned attributable GFA of 26,700 sq.m.. The transaction marked the Company's first presence in Hong Kong.

On May 16, 2017, we acquired the Shenzhen Shatoujiao plot with a site area of approximately 3,900 sq.m. and a GFA under planning of approximately 13,500 sq. m. in Yantian, Shenzhen. This marked our entry into Shenzhen market and our full presence in all tier one cities in China.

In May, we acquired 70% stake in the Gaobeidian project in Baoding. The plot covers a site area of 309,000 sq.m., with a planned GFA of 772,400 sq.m. and a planned attributable GFA of 540,700 sq.m.. This marked our first entry into Baoding market.

For the first 5 months ended in 2017, we recorded a contracted sales of RMB75,750 million, representing a year-on-year growth of 151%. In 2017, we are expected to have more than 100 key projects available for sale and continue a robust contracted sales growth momentum.

On February 16, 2017, one of our PRC subsidiaries issued green bonds to qualified investors in the total principal amount of RMB1,600 million (with a tenor of five years and a coupon rate of 4.4%) and RMB1,440 million (with a tenor of seven years and a coupon rate of 4.67%). On March 6, 2017, the same PRC issuer issued the second tranche of green bonds in the total principal amount of RMB1,000 million (with a tenor of seven years and a coupon rate of 4.75%).

In February 2017, we acquired the Binhu plot with a site area of approximately 178,000 sq. m. and a GFA under planning of approximately 387,100 sq. m. in Hefei. In March, we acquired E1701 Yaohai District plot in Hefei with a site area of approximately 53,700 sq. m. and a GFA under planning of approximated 161,000 sq. m. These marked our entry into Hefei market.

Our Competitive Strengths

We believe that our success and future prospects are supported by a combination of the following competitive strengths:

- We are an investment grade national leader in China's real estate market with strong growth potential and defensiveness.
- We have adopted systematic land banking and product strategies to drive sustainable development.
- We have a growing investment property portfolio with increasing recurring income to strengthen our earnings stability and quality.
- We have a disciplined balance sheet and solid financing capability with low funding cost.
- We have an efficient operation enabled by our decentralized decision-making structure and experienced management team.

You should refer to the section entitled "Business — Our Strengths" for further information about these strengths.

Our Business Strategies

Our strategy shall be to continue to commit to our core property development, investment and management business, explore non-traditional real estate opportunities in China and seek micro-innovation, strike a balance between growth and prudence, create economies of scale and control costs in a reasonable manner. For our property development business, we strive to achieve a steady and sustainable growth leveraging on quality products and well planned national network. At the same time, we will continue to invest in, and expand our investment property portfolio, and keep increasing our rental income. We target to maintain a high level of customer satisfaction and loyalty in our property management business as it is key to our ability to command a premium pricing. The newly launched long term rental apartment business is expected to become a new growth area to us. Overall, we target to maintain a balanced portfolio of property development, investment and management with a focus on quality. To achieve this, we will continue to adopt a prudent financial strategy to ensure a solid financing capability.

We also believe a systematic land banking strategy is crucial to achieving our business goal. In terms of site selection, our focal point will remain in core urban zones within tier one and tier two cities in China and cities benefiting from spillover effects of core metropolitan areas, which are more secure and enjoy better growth prospects. As for land acquisitions, in addition to tenders and auctions, we will be open to cooperative development, while approaching acquisition opportunities with a positive attitude and a certain level of prudence to control land cost and cash used for land acquisitions.

To stabilize our growth, our principal business strategies are:

- Steady and sustainable growth.
- Continue to expand our investment property portfolio to further increase recurring income.
- Adopt a prudent financial strategy to maintain a disciplined balance sheet and solid financing capability.
- Continue to enhance our land bank and optimize operation.
- Further strengthen our well-recognized brand by providing value to our customers through quality products and premium property management.
- Develop our long term rental apartment business under the Champion Apartments (冠寓) brand, our new growth area.
- Continue to align the interest of our management with shareholders and cultivate leadership and entrepreneurship qualities among our senior management team.

You should refer to the section entitled "Business — Our Strategies" for further information about these strategies.

General Information

Our Company was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law on December 21, 2007. Our registered address is Longfor Properties Co. Ltd., Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

THE OFFERING

The following summary contains basic information about the Notes. It is not intended to be complete and it is subject to important limitations and exceptions. For a more complete description of the terms of the Notes, please refer to the section entitled "Description of the Notes" in this offering memorandum.

Issuer	Longfor Properties Co. Ltd.
Notes Offered	US$450 million aggregate principal amount of 3.875% Senior Notes due 2022.
Issue Price	99.425% of the aggregate principal amount of the Notes.
Maturity Date	July 13, 2022.
Interest	The Notes will bear interest from the Issue Date at the rate of 3.875% *per annum*, payable semi-annually in arrears.
Interest Payment Dates	January 13 and July 13, commencing on January 13, 2018.
Ranking	The Notes will be the direct, unconditional and unsubordinated obligations of us, and rank *pari passu* with all other unsecured and unsubordinated obligations of us (other than obligations preferred by applicable law) and senior in right of payment to all other Indebtedness of us that is designated as subordinate or junior in right of payment to the Notes.
Optional Redemption	At any time, the Company may at its option redeem the Notes, in whole or in part, at a redemption price equal to the greater of (x) 100% of the principal amount of the Notes to be redeemed plus accrued and unpaid interest on the Notes to be redeemed, if any, to the date of redemption and (y) the Make Whole Price, as set forth in "Description of the Notes — Redemption — Optional Redemption."
Optional Tax Redemption	The Notes will be redeemable at our option, in whole but not in part, at any time, at their principal amount, together with accrued and unpaid interest, if any, to (but excluding) the date of redemption and Additional Amounts, if any, then due and which otherwise would be payable, upon certain changes in the tax laws of any Tax Jurisdiction becoming effective that would impose withholding taxes or other deductions on the payments on the Notes. See "Description of the Notes — Redemption — Optional Tax Redemption."

Additional Amounts	Subject to the limitations described under "Description of the Notes — Payment of Additional Amounts," we will pay to each holder of a Note such additional amounts as may be necessary in order that the net amounts paid to such holder, after such deduction or withholding, including deduction or withholding on the additional amounts, will be not less than the amount specified in such note to which such holder is entitled.
Repurchase of Notes upon a Change of Control Triggering Event	Upon the occurrence of a Change of Control Triggering Event, we will make an offer to repurchase all outstanding Notes at a price in cash equal to 101% of their principal amount plus accrued and unpaid interest, if any, to (but excluding) the repurchase date. See "Description of the Notes — Repurchase of Notes upon a Change of Control Triggering Event."
Covenants	We will issue the Notes under an Indenture with Citicorp International Limited, as trustee. The Indenture will, among other things, limit our ability to: • create liens; and • enter into mergers or consolidations. These covenants will be subject to a number of important exceptions and qualifications. For more details, see "Description of the Notes." The Indenture will not contain any other covenants or other provisions designed to afford holders of the Notes protection in the event of a highly leveraged transaction involving us that could adversely affect the holders.
Transfer restrictions	We have not registered the Notes under the Securities Act or any other applicable securities laws and the Notes are subject to restrictions on transferability and resale. For more information, see "Plan of Distribution" and "Transfer Restrictions."
Denomination	The Notes will be issued only in fully registered form, without coupons, in denominations of US$200,000 and integral multiples of US$1,000 in excess thereof and will be initially represented by one or more global notes registered in the name of the common depositary (or its nominee) of Euroclear and Clearstream.

Listing and Trading of the Notes .	Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the "SGX-ST") for the listing and quotation of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Approval in-principle from, admission to the Official List of, and the listing and quotation of the Notes on, the SGX-ST are not to be taken as an indication of the merits of the Company or the Notes. For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Notes will be traded in a minimum board lot size of US$200,000 (or its equivalent in foreign currencies). Accordingly, the Notes will be traded in a minimum board lot size of US$200,000.
Clearing System and Settlement . .	The Notes have been accepted for clearance through the facilities of Euroclear and Clearstream. Certain trading information with respect to the Notes is set forth below:

ISIN	Common Code
XS1633950453	163395045

Only Notes evidenced by a Global Note have been accepted for clearance through Euroclear and Clearstream.

Book-entry Only	The Notes will be issued in book-entry form through the facilities of Euroclear and Clearstream for the accounts of its participants. For a description of certain factors relating to clearance and settlement, see "Description of the Notes — Book-Entry, Delivery and Form."
Delivery of the Notes.	We expect to make delivery of the Notes, against payment in same-day funds, on or about July 13, 2017, which we expect will be the fifth business day following the date of this offering memorandum, referred to as "T+5." You should note that the initial trading of the Notes may be affected by the T+5 settlement. See "Plan of Distribution."
Ratings	The Notes are expected to be rated "BBB-" by Fitch. We cannot assure investors that these ratings will not be adversely revised or withdrawn either before or after delivery of the Notes.
Use of Proceeds.	See "Use of Proceeds."
Trustee.	Citicorp International Limited.
Registrar, Paying Agent and Transfer Agent	Citibank, N.A., London Branch.

Governing law	The Notes and the Indenture will be governed by, and construed in accordance with, the laws of the State of New York.
Risk Factors.	See "Risk Factors" and the other information in this offering memorandum for a discussion of factors that should be carefully considered before deciding to invest in the Notes.

SUMMARY CONSOLIDATED FINANCIAL DATA

The summary consolidated income statement data for the years ended December 31, 2014, 2015 and 2016 and the summary consolidated balance sheet data as of December 31, 2014, 2015 and 2016 below have been derived from our audited consolidated financial statements for the years ended December 31, 2015 and 2016, which have been audited by Deloitte Touche Tohmatsu, Certified Public Accountants, and are included elsewhere in this offering memorandum. You should read the summary financial data below in conjunction with our consolidated financial statements and the related notes included elsewhere in this offering memorandum. Historical results are not necessarily indicative of results that may be achieved in any future period. Our consolidated financial statements have been prepared and presented in accordance with IFRS, which may differ in certain material respects from generally accepted accounting principles in other jurisdictions.

Summary Consolidated Statements of Profit or Loss

	For the year ended December 31,			
	2014	2015	2016	2016
	(RMB'000)	(RMB'000)	(RMB'000)	(US$'000) (unaudited)
Consolidated statement of profit or loss:				
Revenue	50,990,678	47,423,099	54,799,495	7,892,769
Cost of sales	(37,474,835)	(34,408,307)	(38,864,114)	(5,597,597)
Gross profit	13,515,843	13,014,792	15,935,381	2,295,172
Other income	319,766	453,445	336,045	48,401
Other gains and losses	(653,269)	(155,988)	(155,308)	(22,369)
Fair value gain upon transfer to investment properties	363,695	434,251	47,154	6,792
Change in fair value of investment properties	2,190,573	2,439,626	1,970,958	283,877
Change in fair value of derivative financial instruments	—	—	(109,031)	(15,704)
Selling and marketing expenses	(1,065,247)	(1,017,951)	(1,427,723)	(205,635)
Administrative expenses	(1,297,848)	(1,435,026)	(2,022,328)	(291,276)
Finance costs	(22,537)	(43,119)	(53,059)	(7,642)
Share of results of associates	—	(18,707)	1,051,011	151,377
Share of results of joint ventures	275,646	266,864	383,210	55,194
Profit before taxation	13,626,622	13,938,187	15,956,310	2,298,187
Income tax expense	(4,876,244)	(4,574,070)	(6,021,444)	(867,269)
Profit for the year	8,750,378	9,364,117	9,934,866	1,430,918
Profit Attributable to:				
Owners of the Company	8,353,632	8,988,037	9,152,953	1,318,299
Non-controlling interests	396,746	376,080	781,913	112,619
	8,750,378	9,364,117	9,934,866	1,430,918
Earnings per share, in RMB				
Basic	1.53	1.54	1.57	0.23
Diluted	1.52	1.53	1.57	0.23
Other financial data (unaudited):				
EBITDA[1]	13,981,240	13,539,396	15,504,244	2,233,075
EBITDA margin[2]	27.4%	28.6%	28.3%	28.3%

The following table reconciles our profit for the year under IFRS to our definition of EBITDA for the years indicated.

	Year ended December 31,			
	2014	2015	2016	2016
	RMB'000	RMB'000	RMB'000	US$'000 (unaudited)
Profit before taxation	13,626,622	13,938,187	15,956,310	2,298,187
Adjustment				
Finance costs (including capitalized interests)	2,795,703	2,987,536	3,025,718	435,794
Share of results of joint ventures	(275,646)	(266,864)	(383,210)	(55,194)
Share of results of associates	—	18,707	(1,051,011)	(151,377)
Other gains and losses	653,269	155,988	155,308	22,369
Other income	(319,766)	(453,445)	(336,045)	(48,401)
Depreciation and amortization	55,326	33,164	46,255	6,662
Fair value gain upon transfer to investment properties	(363,695)	(434,251)	(47,154)	(6,792)
Change in fair value of investment properties	(2,190,573)	(2,439,626)	(1,970,958)	(283,877)
Change in fair value of derivative financial instruments	—	—	109,031	15,704
EBITDA	13,981,240	13,539,396	15,504,244	2,233,075

(1) EBITDA consists of profit before taxation, finance costs (including capitalized interests), share of results of associates, share of results of joint ventures, other gains and losses, other income, depreciation and amortization, fair value gain upon transfer to investment properties, change in fair value of investment properties and change in fair value of derivative financial instruments. EBITDA is not a standard measure under IFRS. EBITDA is a widely used financial indicator of a company's ability to service and incur debt. EBITDA should not be considered in isolation or construed as an alternative to cash flows, net income or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. In evaluating EBITDA, we believe that investors should consider, among other things, the components of EBITDA such as sales and operating expenses and the amount by which EBITDA exceeds capital expenditures and other charges. We have included EBITDA because we believe it is a useful supplement to cash flow data as a measure of our performance and our ability to generate cash flow from operations to cover debt service and taxes. EBITDA presented herein may not be comparable to similarly titled measures presented by other companies. Investors should not compare our EBITDA to EBITDA presented by other companies because not all companies use the same definition.

(2) EBITDA margin is calculated by dividing EBITDA by revenue.

Summary Consolidated Statement of Financial Position

	For the year ended December 31,			
	2014	2015	2016	2016
	(RMB'000)	(RMB'000)	(RMB'000)	(US$'000) (unaudited)
Consolidated statement of financial position:				
Non-current assets				
Investment properties	33,361,500	43,385,100	49,030,600	7,061,875
Property, plant and equipment	190,095	208,374	198,642	28,610
Prepaid lease payments	14,940,036	11,774,585	17,421,955	2,509,284
Interests in associates	8,499	355,793	1,585,693	228,387
Interests in joint ventures	3,295,220	882,285	2,737,328	394,257
Available-for-sale investments	8,600	130,920	180,021	25,929
Deposits paid for acquisition of land use rights	4,958,938	4,849,295	11,925,639	1,717,649
Derivative financial instruments	184,441	701,083	639,233	92,069
Deferred taxation assets	1,271,972	1,623,857	2,622,641	377,739
Total non-current assets	58,219,301	63,911,292	86,341,752	12,435,799
Current assets				
Inventories	765,833	777,384	838,729	120,802
Properties under development for sales	68,090,667	70,829,748	89,426,431	12,880,085
Properties held for sales	10,265,598	10,428,963	10,246,730	1,475,836
Accounts and other receivables, deposits and prepayments	5,667,815	9,920,130	10,324,224	1,486,998
Amounts due from non-controlling interests	—	2,301,758	3,854,408	555,150
Amounts due from associates	—	2,695,676	—	—
Amounts due from joint ventures	2,872,828	1,772,453	2,248,153	323,801
Taxation recoverable	3,237,633	3,291,225	3,844,962	553,790
Derivative financial instruments	—	—	349,513	50,340
Pledged bank deposits	242,069	240,313	97,368	14,024
Bank balances and cash	18,794,481	17,919,664	17,258,104	2,485,684
Total current assets	109,936,924	120,177,314	138,488,622	19,946,510
Current liabilities				
Accounts and bills payables, deposits received and accrued charges	54,490,142	52,942,119	66,725,559	9,610,480
Amounts due to non-controlling interests	—	—	2,953,235	425,354
Amounts due to associates	—	179,612	1,823,964	262,706
Amounts due to joint ventures	2,322,529	772,930	1,686,533	242,911
Amounts due to a controlling shareholder of an associate	—	669,363	—	—
Taxation payable	9,576,795	10,304,622	12,939,782	1,863,716
Bank and other borrowings — due within one year	7,972,731	6,177,916	5,333,349	768,162
Total current liabilities	74,362,197	71,046,562	91,462,422	13,173,329
Net current assets	35,574,727	49,130,752	47,026,200	6,773,181
Total assets less current liabilities	93,794,028	113,042,044	133,367,952	19,208,980
Capital and reserves				
Share capital	505,814	507,823	508,438	73,230
Reserves	47,258,111	54,616,826	61,256,261	8,822,737
Equity attributable to owners of the Company	47,763,925	55,124,649	61,764,699	8,895,967
Non-controlling interests	2,508,078	7,343,005	13,350,481	1,922,869
Total equity	50,272,003	62,467,654	75,115,180	10,818,836
Non-current liabilities				
Bank and other borrowings — due after one year	32,193,616	38,158,492	47,027,089	6,773,310
Senior notes	7,574,953	7,929,172	5,511,632	793,840
Derivative financial instruments	2,077	—	215,915	31,098
Deferred taxation liabilities	3,751,379	4,486,726	5,498,136	791,896
Total non-current liabilities	43,522,025	50,574,390	58,252,772	8,390,144
Total equity plus total non-current liabilities	93,794,028	113,042,044	133,367,952	19,208,980

RISK FACTORS RISKS RELATING TO OUR BUSINESS

We are heavily dependent on the performance of the PRC property market. Any market downturn or implementation of government regulations or control measures affecting medium- to high-end properties in the PRC may have an adverse impact on us.

Although we have been pursuing and will continue to pursue opportunities in different regions of the PRC, as of the date of this offering memorandum, we have presence in 29 cities in China, namely Chongqing, Chengdu, Xi'an, Kunming and Yuxi in Western China; Beijing, Tianjin, Qingdao, Jinan, Shenyang, Dalian, Yantai and Baoding in Pan Bohai Rim; Shanghai, Hangzhou, Nanjing, Suzhou, Wuxi, Ningbo, Changzhou, Hefei and Shaoxing in Yangtze River Delta; Xiamen, Guangzhou, Shenzhen, Foshan and Quanzhou in Southern China; Changsha and Wuhan in Central China. We also have presence in Hong Kong. As such, our business is heavily affected by the performance of the PRC property market, particularly that of the cities where we operate. Since 2011, the PRC government has taken measures to control inflation and slow the price increases in the property market, as the economy and the real estate market recovered. Any government measures aiming to regulate the pace of economic growth in China may affect the real estate markets where we operate.

We have exposure to the mid- to high-end sectors of property markets in the PRC. As the future demand for different types of properties in the PRC is uncertain, any change in customer preferences and market conditions may materially and adversely affect our business, results of operations and financial condition if we fail to respond to such changes in a timely manner. Any adverse development in the supply of or demand for properties and any measures that the PRC government may take in restricting the growth of the property market in the PRC, particularly in the cities where our projects are located, may also materially and adversely affect our business, results of operations and financial condition. For example, our main sources of land for development are public tender, auction or listing-for-sale. Any change in the regulations or policies related to such processes, or our ability to participate in any such processes, may materially and adversely affect our business, results of operations and financial condition.

We generate revenue primarily from the sale of properties, which in turn depends on the schedule of development of our property projects. Our results of operations may therefore vary significantly from period to period.

At present, we derive our revenue primarily from the sale of properties that we have developed and derive a relatively small portion from income on investment properties including rental income and property management fees. We generated 96.7%, 94.9%, and 93.9% of our revenue for the financial years ended December 31, 2014, 2015, and 2016, respectively, from the sale of properties. Our future revenue is difficult to predict and may be volatile due to the nature of our business.

Our results of operations may fluctuate due to factors such as the schedule of development of our property projects, the timing of the sale of properties that we have developed, our revenue recognition policies and any fluctuation in expenses such as land costs and construction costs. The overall schedules of our property development and the number of properties that we can develop or complete during any particular period are limited as a result of the substantial capital required for the acquisition of land, demolition and resettlement and construction. The sale of properties we develop is subject to general market and economic conditions in the areas where we conduct our business and the level of acceptance of our properties by prospective customers. We recognize revenue upon the completion and delivery of the properties to purchasers, which may typically take up to two years after the commencement of pre-sales. Therefore, in periods in which we pre-sell a large aggregate GFA, we may not generate a correspondingly high level of revenue if the properties pre-sold are not delivered within the same period.

Our financial results included the changes in fair value of investment properties and our results may fluctuate due to such changes in the fair value of our investment properties.

We reassess the fair value of our investment properties at every reported statement of financial position date based on the market value for which the property could be exchanged between knowledgeable and willing parties in an arm's-length transaction. According to the International Accounting Standard ("IAS") for investment properties issued by the International Accounting Standard Board ("IASB") or IAS 40, investment properties may be recognized by using either the fair value model or the cost model. We have selected the fair value model to report the value of investment properties because we take the view that periodic fair value adjustments in accordance with the then prevailing market conditions, irrespective of whether such market trend moves upwards or downwards, should be recorded so that our financial statements present a more updated picture of the fair value of our investment properties. However, an upward change in the fair value only reflects unrealized capital gain of such investment properties at the relevant statement of financial position dates and not profit generated from day to day rentals of our investment properties, which in turn are largely dependent on the prevailing property markets. Property values are subject to market fluctuation and there can be no assurance that we will continue to record gains in the fair value of investment properties in the future. Should there be any material downward change in the fair value of our investment properties in the future, our business, results of operations and financial condition may be materially and adversely affected.

Our future growth depends on our ability to develop our business in other areas of the PRC.

A substantial portion of our revenue during the three years ended December 31, 2016 was derived principally from the sale of properties in Chongqing, Hangzhou, Shanghai, Chengdu, Qingdao, Nanjing, Xi'an, Suzhou, Ningbo, Changzhou, Jinan, Xiamen and Beijing. We are continuing to seek development opportunities in selected regions in the PRC where we see a potential for growth. However, our experience as primarily a residential property developer in our established regions may not be applicable in other regions. When we enter new markets, we may face intense competition from local developers with experience or an established presence in those markets, and from other developers with similar expansion plans. In addition, expansion or acquisition requires a significant amount of capital investment and human resources, and may divert the resources and time of our management. We may not be able to hire or train sufficient talent to manage our operations in new markets. Our ability to manage and integrate new projects and businesses may affect our operating efficiency. The possible failure of our expansion plans may materially and adversely affect our business, results of operations and financial condition.

Our business relies on the availability of suitable land sites at commercially acceptable prices and our ability to identify and acquire suitable sites for future development.

Our revenue is dependent upon our ability to identify and acquire suitable sites at appropriate prices and our ability to sell our projects. Our revenue is mainly derived from the sale of properties that we have developed. We need to build up our land reserve in order to grow our business and we may incur significant costs in identifying, evaluating and acquiring suitable new sites for future development. Our ability to identify and acquire suitable development sites is subject to a number of factors, some of which are beyond our control.

The availability of substantially all of the land in China is controlled by the PRC government. Thus the PRC government's land policies have a direct impact on our ability to acquire land use rights for development and its costs of acquisition.In recent years, the PRC central and local governments have implemented various measures to regulate the means by which property developers obtain land for property development. The PRC government also controls land supply through zoning, land usage regulations and other means. All these measures further intensify the competition for land in China among property developers. For example, subsequent

re-zoning by the PRC government may adversely affect the Group's ability to obtain land use rights. If we fail to identify and acquire sufficient and appropriate new sites for development at commercially acceptable prices, our future growth prospects and results of operation may be materially and adversely affected.

Our business is capital intensive and our business nature may expose us to unstable and unpredictable cash flow. We may not be able to obtain sufficient funding for our business expansion.

Our business requires substantial capital outlay during construction and it is not unusual for a property developer to generate negative operating cash flow over a period when the cash outflows for land acquisition and construction, after offsetting changes in other working capital items, exceed the cash inflows from property sales over the same period. We cannot assure you that we will not experience negative cash flow in the future or that external financing means will be available to fund any such negative operating cash flow.

We require significant funding to acquire land and develop property. Our property development projects are generally funded through shareholders' contributions, internally generated funds from pre-sale of properties, bank loans and other funds we raise from capital markets. We expect to continue to fund our projects through such sources. We cannot assure you that additional financing can, in the future, be obtained on satisfactory or commercially acceptable terms, or at all. A number of factors such as general economic conditions, our financial strength and performance, credit availability from financial institutions and monetary policies in the PRC may affect our ability to obtain adequate financing for our projects on favorable terms and to achieve a reasonable return on such projects.

We may not be able to refinance our indebtedness as it matures.

We maintain significant indebtedness to finance our property development activities. As of December 31, 2016, our total consolidated borrowings, representing our current and non current bank loans and other borrowings and senior notes, was RMB57,872.1 million (US$8,335.3 million), of which RMB5,333.3 million (US$768.2 million) of bank loans and other borrowings would be due within one year. We cannot assure you that we will be able to refinance our indebtedness as it matures, in which case we will need to repay our debt with cash generated from operating activities or some other sources. We cannot assure you that our business will generate sufficient cash flow from operations to repay our borrowings as they mature. Repaying borrowings with cash generated by operating activities will divert our financial resources from land acquisitions and development activities. Our Company and certain of our subsidiaries have entered into loan agreements with various banks in the PRC or Hong Kong pursuant to which they have pledged shares, land use rights, buildings and other assets as security.

Our financing cost may be adversely affected by interest rate fluctuation in the PRC or other places. We may lose part or all of this collateral if we cannot repay or refinance such borrowings as they mature, which could materially and adversely affect our business prospects, financial condition and results of operations.

Our revenue depends on the availability of mortgages to our prospective customers and their ability to obtain mortgages.

Many of our customers rely on mortgages to fund their purchases. An increase in interest rates may significantly increase the cost of mortgage financing, thus reducing the attractiveness of mortgages as a source of financing for property purchases and adversely affecting the affordability

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of residential properties. In addition, the PRC government and commercial banks may also increase down payment requirements, impose other conditions or otherwise change the regulatory framework in a manner that would make mortgage financing unattractive or unavailable to potential property purchasers.

In line with industry practice, we provide guarantees to banks for mortgage loans they offer to purchasers of our properties. If there are changes in laws, regulations, policies or practices that would prohibit property developers from providing such guarantees and these banks do not accept alternative guarantees from third parties, if available, property purchasers may not be able to obtain mortgages from banks, which may inhibit pre-sales of our projects, which could materially and adversely affect our business prospects, results of operations and financial condition.

Any disruption to, or change in, the banking sector in the PRC that affects our customers' ability to obtain mortgages, or our ability to provide guarantees to such mortgages, may materially and adversely affect our liquidity, business, results of operations and financial condition. Although we are not aware of any such impending changes in laws, regulations, policies or practices, we cannot assure you that such changes will not occur in the future.

We guarantee the mortgages provided by financial institutions to our purchasers and, consequently, we are liable to the mortgagees if our purchasers default.

We have entered into arrangements with various banks for the provision of mortgage financing to our customers. We do not conduct independent credit checks on our customers, but rely on credit checks conducted by relevant banks. As with other property developers in the PRC, the banks usually require us to guarantee our customers' obligations to repay the mortgage loans on the properties and the aggregate amount of such guarantee could be substantial. If a customer defaults under a mortgage loan during the term of the guarantee, we may be required to repay all debt owed by such purchaser to the mortgagee bank under the loan. Under such circumstances, we have the right to forfeit the down payment received and sell the repossessed properties. If a significant amount of our guarantees are called upon at the same time or in close succession, our business, results of operations and financial condition may be materially and adversely affected to the extent that there is a material depreciation in the value of the relevant properties from the price paid by the customers or that we cannot sell such properties due to unfavorable market conditions or other reasons.

We rely on external contractors for the construction of our property development projects. Our business, results of operations and financial condition may be materially and adversely affected by the breach of their contractual obligations.

We engage external contractors to provide various services, including the construction of our property development projects. We select external contractors through competitive bids and also through our assessment of their capabilities and reputation for quality and price. Completion of our projects is subject to the performance of these external contractors of their obligations under contracts entered with us, including the pre-agreed schedule for completion, and we cannot assure you that the services rendered by any of these external contractors will always be satisfactory or match our requirements for quality. If the performance of any external contractor is unsatisfactory, or they are in breach of their contractual obligations, we may need to replace such contractor or take other actions to remedy the situation, which could materially and adversely affect the cost and construction progress of our projects. The completion of our property developments may be delayed, and we may incur additional costs due to a contractor's financial or other difficulties. Any of these factors may have a material adverse effect on our business, results of operations and financial condition.

We are exposed to general risks associated with the ownership and management of investment properties

Property investment are subject to risks incidental to the ownership and management of residential, office and retail properties, including, among other things, competition for tenants, changes in market rents, inability to renew leases or re-let space as existing leases expire, inability to collect rent from tenants due to bankruptcy or insolvency of tenants or otherwise, inability to dispose of major investment properties for the values at which they are recorded in the financial statements, increased operating costs and the need to renovate, repair and re-let space periodically and to pay the associated costs.

Additionally, our investment properties may experience low occupancy rates, which would lead to a loss of income or have an adverse impact on our reputation. If we were unable to successfully manage our investment properties, our business, financial condition, results of operations and prospects could be materially and adversely affected.

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

For the years ended December 31, 2014, 2015 and 2016, our rental income from leasing of properties accounted for 1.7%, 3.0% and 3.5%, respectively, of our total revenue. As we seek to selectively increase our portfolio of investment properties by adding investment properties with good locations and high appreciation potential, rental income may become an increasingly important contributor to our revenue going forward. We may not, however, be able to identify new tenants or retain existing tenants for our properties for lease. In addition, an increase in the number of competing properties, particularly in close proximity to our properties, could increase competition for tenants and force us to reduce rent or incur additional costs in order to make our properties more attractive. If there is a significant downturn in the commercial property leasing markets generally or in the cities where we have investment properties, we may not be able to maintain our current levels of rental income. Our inability to expand our portfolio of commercial properties for lease and operations, to secure suitable tenants or otherwise to enhance the profitability of our investment properties or to maintain our current levels of rental income may have a material adverse effect on our business, financial condition and results of operations.

The illiquid nature of, and the lack of alternative uses for, investment properties could limit our ability to respond to adverse changes in the performance of our properties

Investments in properties, in general, are relatively illiquid compared to many other types of investments. Therefore, our ability to sell one or more of our investment properties in response to changing economic, financial and investment conditions promptly, or at all, is limited. Valuations of investment properties as recorded on our consolidated balance sheet are not a prediction of the actual value we may achieve from the sale of such properties in a public market transaction. Unforeseen changes relating to the properties, the market conditions or otherwise could significantly affect the value of investment properties.

We cannot assure you that we will be able to sell any or all of our investment properties at prices equal to their valuations on our balance sheet or otherwise on terms satisfactory to us, or at all. We cannot predict the length of time needed to find a purchaser and to complete the sale of a property currently held or planned to be held for investment purposes. Moreover, should we decide to sell a property subject to a tenancy agreement, we may have to obtain consent from or pay termination fees to our tenant.

In addition, investment properties may not be readily convertible to alternative uses if they become unprofitable due to competition, age, decreased demand or other factors. The conversion of investment properties to alternative uses generally requires substantial capital expenditures. In particular, we may be required to expend funds to maintain properties, correct defects, or make

improvements before a property can be sold and we may not have sufficient funds available for such purposes. These factors and any others that would impede our ability to respond to adverse changes in the performance of our investment properties could adversely affect our ability to retain tenants and to compete against our competitors and, therefore, may materially and adversely affect our business, prospects, financial condition and results of operations.

If our provisions for land appreciation tax ("LAT") prove to be insufficient, our financial results would be materially and adversely affected.

Our properties developed for sale are subject to LAT collectible by the local tax authorities.Under PRC tax laws and regulations, all income derived from the sale or transfer of land use rights, buildings and their ancillary facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% on the appreciation of land value. LAT is calculated based on proceeds received from the sale of properties less deductible expenditures as provided in the relevant tax laws. Under current regulations, local tax authorities can formulate their own implementation rules relating to LAT settlement. There is an exemption for the sale of ordinary residential properties if the appreciated value does not exceed 20% of the total deductible expense items allowed under the relevant LAT regulations. This exemption is not available for sales of luxury residential properties, villas and commercial properties. In May 2010, the State Administration of Taxation issued the Notice on Strengthening the Collection of Land Appreciation Tax, which requires that the minimum LAT prepayment rate shall be 2% for provinces in the eastern region of China, 1.5% for provinces in the central and northeastern regions, and 1% for provinces in Western China. According to the notice, the local tax bureaus shall determine the applicable LAT prepayment rates based on the property type. Property developers are normally required to file tax returns with the relevant authorities within seven days from the date the property sale or transfer contract is signed, and the LAT is payable within the period specified by the local tax authorities. However, with the approval of the relevant tax authorities, real estate enterprises may file tax returns for LAT on a regular basis if they have a consistently high volume of transactions, which makes it impracticable to file a tax return for each sale or transfer. We have been approved by the relevant tax authorities to file tax returns for LAT on a monthly basis and to settle our LAT liabilities for each month prior to the tenth day of the immediately following month.

We make provisions for the full amount of applicable LAT in accordance with the relevant PRC tax laws and regulations from time to time pending settlement of the same with the relevant tax authorities. As we often develop our projects in phases, deductible items for calculation of LAT, such as land costs, are apportioned amongst such different phases of development. Provisions for LAT are made on our own estimates based on, among others, our own apportionment of deductible expenses, which is subject to final confirmation by the relevant tax authorities upon settlement of the LAT. We believe that our overall provisions for LAT are sufficient. However, given the time gap between the point at which we make provision for and the point at which we settle the full amount of LAT payable, the relevant tax authorities may not necessarily agree with our own apportionment of deductible expenses or other bases on which we calculate LAT. Hence, our LAT expenses as recorded in our financial statements of a particular period may require subsequent adjustments. If we substantially underestimate LAT for a particular period, a payment of the overdue LAT we owe to the tax authorities could materially and adversely affect our financial results for a subsequent period.

Our engagement as the provider of property management services may be terminated by property owners at their discretion.

We provide post-sales property management services to the owners of all of our residential and commercial projects that we have developed through our property management subsidiaries. Under PRC laws and regulations, the home owners in a residential community have the right to

change the property management company through collective action. If owners of the projects that we have developed elect to discontinue our property management services, our branding strategy and the marketing of our future property development could be adversely and significantly affected.

We have entered into letters of intent and framework agreements with local governments in the PRC, and the land developments contemplated under such letters of intent and framework agreement may not be implemented.

We have entered into letters of intent and framework agreements with local governments in the PRC in respect of the development of parcels of land. Pursuant to such letters of intent and framework agreements, we and the relevant local governments agreed to cooperate in the development of the relevant parcels of land whereby the local governments will attend to the preparatory work for the tender, auction or listing for sale of the lands, and we will participate in such tender, auction or listing for sale process and, if we succeed in our bid and acquire the land, develop the land. In spite of such letters of intent and framework agreements, we expect to go through the public tender, auction or listing-for-bidding process, and if we succeed in our bid, enter into a land grant contract and pay the relevant land premium as required by the relevant laws and regulations in order to obtain the title to the land.

We cannot assure you that there will not be changes to the manner of implementation of the letters of intent and framework agreement we have entered into. We cannot assure you that we will succeed in the relevant tenders, auctions or listings for sale or in securing the land grant contracts and obtaining the titles in respect of such lands and that the development plans contemplated under such letters of intent and framework agreement will be implemented.

We are subject to rising costs for labor and materials, which we may not be able to pass on to construction contractors or to purchasers.

Construction and development costs account for the majority of our cost of sales and are one of the significant factors affecting our financial condition and results of operations. As a result of economic growth and the boom in the property industry in the PRC prior to the PRC government implementing certain policies to cool down the industry, wages for construction workers and the prices of construction materials and building equipment have substantially increased in recent years. Under the terms of most of our construction contracts, contractors may adjust the contract prices upwards by 10% to cover increases in wages and costs of construction materials. In addition, in negotiations that follow upward materials cost fluctuations post-contract, we often agree to bear a greater share of the materials costs than is contractually required. We do so in order to maintain good relations with our contractors, which allows us to repeatedly source good quality and service. We are also exposed to the price volatility of labor and construction materials to the extent that we periodically enter into new or renew existing construction contracts at different terms during the life of a project, which may span several years, or if we choose to hire the construction workers directly or purchase construction materials directly from suppliers. Furthermore, we are unable to pass increased costs on to pre-sale purchasers when construction costs increase subsequent to the date of the pre-sale contract. If we are unable to pass on any increase in the cost of labor, construction materials or building equipment to either our construction contractors or to the purchasers of our properties, our business prospects, results of operations and financial condition may be materially and adversely affected.

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

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

Under current PRC laws and regulations, we may be subject to late penalties as stipulated in the land grant contracts if we fail to pay any outstanding land premium by the stipulated deadline. If we fail to commence development for more than one year from the commencement date stipulated in the land grant contracts, the relevant PRC land bureau may serve an investigation notice and impose an idle land fee of up to 20% of the land premium on us if the delay is found out not to be caused by government actions or force majeure. If we fail to commence development for more than two years, the land may be subject to forfeiture by the PRC government unless the delay is caused by government actions or force majeure. Furthermore, even if we commence development in accordance with the land grant contracts, if the developed land area is less than one-third of the total land area, or if the total capital expenditure on land development is less than one-fourth of the total amount expected to be invested in the project as specified in the project registration or approval documents, not including the purchase price of the land, and the development of the land is suspended for over one year without government approval, the land will still be treated as idle land.

We cannot assure you that we will be able to fully comply with the obligations under the land grant contracts in the future due to factors which are beyond our control, or that our property development projects will not be subject to idle land penalties or be taken back by the government as a result of such delays. If we fail to comply with the terms of any land grant contract as a result of delays in project development or any other reasons, we may lose our previous investments in the land and the opportunity to develop the project, which may have a material adverse effect on our business, results of operations and financial condition.

Our business, results of operations and financial condition may be materially and adversely affected if we fail to obtain, or if there is any material delay in obtaining, any of the relevant PRC governmental approvals for our development projects.

In developing and completing a property development, we are required to obtain various permits, licenses, certificates and other approvals including, but not limited to, the State-owned Land Use Rights Certificates (國有土地使用證), Planning Permit for Construction Land (建設用地規劃許可證), Planning Permit for Construction Works (建設工程規劃許可證), Permit for Commencement of Construction Works (建築工程施工許可證), Pre-sale Permit for Commodity Housing (商品房預售許可證) and certificates or confirmation of completion and acceptance from the relevant administrative authorities at various stages of the development of the property project. In particular, we are required to obtain state-owned Land Use Rights Certificates before commencing any property development and such certificates would generally only be issued after certain conditions have been satisfied. Such conditions include the relevant project company having executed the state-owned Land Use Right Granting Contracts (國有土地使用權出讓合同) with the relevant authorities whereby the land use right is obtained by grant, provided we have paid the land grant premium in full and relocated the local residents from the site area if so required.

We cannot assure you that we will obtain all necessary certificates and permits for our projects in a timely manner, or at all, and we cannot assure you that we will not encounter problems in fulfilling all or any of the conditions imposed for the grant of the necessary certificates or permits, or that we will be able to expeditiously adapt to new laws, regulations or policies that may come into effect from time to time with respect to the granting of such items.

There may also be significant delays in the granting of such items to us by the relevant PRC administrative bodies. If we fail to obtain, or are considered by relevant governmental authorities to have failed to obtain, or experience significant delays in obtaining, the requisite governmental approvals, penalties could be levied on us and our schedule of property development could be substantially disrupted. This could materially and adversely affect our business, results of operations and financial condition.

We may not be able to successfully manage our growth.

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

We may be subject to legal and business risks if we fail to obtain, renew or maintain qualification certificates.

Property developers must obtain a qualification certificate in order to carry out property development in the PRC. According to the Provisions on Administration of Qualification of Real Estate Developers (房地產開發企業資質管理規定) (the "Provisions on Administration of Qualifications"), newly established property developers must first apply for a provisional qualification certificate, which is valid for one year and can be renewed for a maximum of two additional years. A property developer is required to obtain a formal qualification certificate with an approved class before its provisional qualification certificate expires. Formal qualification certificates are subject to renewal on an annual basis. Government regulations require developers to fulfill all statutory requirements before obtaining or renewing their qualification certificates. See "Regulation." In addition, before commencing their business operations, entities engaged in property service are required to obtain qualification certificates in accordance with the Measures for Administration of Qualifications of Property Service Enterprises (物業服務企業資質管理辦法).

Each of our project companies is responsible for the annual submission of its renewal application and shall engage in property developments within its qualification certificate class. If any of our project companies is unable to meet the relevant qualification requirements, it will generally be given a grace period to rectify any noncompliance and may be subject to a penalty of between RMB50,000 and RMB100,000. Failure to ratify the noncompliance within the grace period could result in the revocation of the qualification certificate and the business license of the relevant project company. We cannot assure you that we will be able to renew our provisional qualification certificates, or obtain or renew our formal qualification certificates in a timely manner, or at all. If any of our project companies fails to do so, our business prospects, results of operations and financial condition may be materially and adversely affected.

We are subject to potential environmental liabilities.

We are subject to a variety of laws and regulations concerning the protection of the environment. The particular PRC environmental laws and regulations which apply to any given project development site vary according to the location, the environmental condition, the present and former uses of the site, as well as adjacent properties. The relevant property development project may be delayed due to our efforts to comply with environmental laws and regulations. In some environmentally-sensitive regions or areas, the compliance costs could be prohibitively expensive.

In addition, each property development project is required by the relevant PRC laws and regulations to undergo environmental assessments and to submit an environmental impact assessment report to the relevant government authorities for approval before commencement of construction. Failure to obtain such approval prior to construction may result in suspension of construction and a penalty amounting to RMB50,000 to RMB200,000 for each project. Furthermore, it is possible that these assessments did not reveal all environmental liabilities and there may be environmental liabilities of which we are unaware that may have a material adverse effect on our business and financial condition. In addition, if more stringent regulations are adopted in the future, we cannot assure you that we will be able to fully comply with such regulations and the costs of compliance with these new regulations may be substantial. If any of these occur, our business prospects, results of operations and financial condition may be materially and adversely affected.

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

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

We may encounter delay in issuance and delivery of title documents after sale and such delay may in turn give rise to claims from our customers.

The sale contracts relating to our property projects are prepared in accordance with applicable legal requirements and if applicable, local regulations and practices prescribed by local governmental authorities. Under PRC laws, sale contracts must be properly registered with the relevant authorities in order for the property transfer to be effective, and the failure to so register may result in delay of the property transfer. We generally undertake to attend to all filing and registration procedures required of property developers so as to facilitate subsequent applications by our customers for issuance of strata-title Building Ownership Certificates (分戶產權證). If there are any changes in practice of the relevant government authorities or interpretation of the applicable rules and regulations, we may be under legal obligations to procure delivery of strata-title Building Ownership Certificates for our customers and we may experience delays which are beyond our control, such as time-consuming examination and approval processes at various government agencies, in completing certain deliverables. In such circumstances, we may be subject

to claims from our customers for breaching the terms of the sale contracts or otherwise and our business, results of operations and financial condition may be materially and adversely affected and our reputation may be damaged in the case of serious delays of one or more of our property projects.

We do not have adequate insurance to cover certain kinds of losses and claims in our operations.

We maintain what we consider are commercially adequate levels of insurance against certain risks, such as insuring our projects under development against damage and destruction by fire, flood, lightning, explosions and other hazards during construction periods and insuring our assets against certain natural disasters. We also maintain third-party liability insurance and profit insurance protecting us against unexpected profit declines. However, we do not maintain insurance against all risks associated with our industry, either because we have deemed it commercially unfeasible to do so, or because our insurers have carved certain risks out of their standard policies. We may incur losses, damages or liabilities during any stage of our property development which are uninsured, and we may not have sufficient funds to cover the same or to rectify or replace any property or project that has been damaged or destroyed. In addition, any payments we make to cover any losses, damages or liabilities may materially and adversely affect our business, results of operations and financial condition.

Third-party infringement of our intellectual property rights or an adverse finding of our infringing upon others' intellectual property rights may damage our reputation and materially and adversely affect our business, results of operations and financial condition.

We regard our copyrights, service marks, trademarks, patents, design patents, trade secrets and other intellectual property as important to our success. For more information about our intellectual property, see "Business—Intellectual Property." Unauthorized use of our intellectual property by third parties may materially and adversely affect our business and reputation. We rely on trademark and copyright law, trade secret protection and confidentiality agreements with our employees, customers, business partners and others to protect our intellectual property rights. Despite our precautions, it may be possible for third parties to obtain and use our intellectual property without authorization. Moreover, litigation may be necessary in the future to enforce our intellectual property rights, to protect our trade secrets or to determine the validity and scope of the proprietary rights of others. Future litigation could result in substantial costs and diversion of resources.

Should we fail to renew the registration of any of the trademarks upon the renewal date or should we be held by any court or tribunal to be infringing or have infringed any trademark or intellectual property rights of others or should our brand image suffer any deterioration or damages, our business, results of operations and our general reputation may be materially and adversely affected. An adverse ruling in any such litigation or proceedings could subject us to significant liability to third parties, require us to seek licenses from third parties, to pay ongoing royalties, or subject us to injunctions prohibiting the use of such trademarks.

The discovery of cultural relics at a construction site could result in the delay or abandonment of a property development project.

A number of locations where we conduct our real estate development were ancient political, economic and cultural centers of China and home to a large quantity of valuable cultural relics and historic sites. Pursuant to the Cultural Relics Protection Law of the PRC (中華人民共和國文物保護法), if any cultural relics are discovered beneath our development sites during our construction process, such discovery must be immediately reported to the local department of cultural relics administration, and construction must be immediately suspended or partly suspended for archaeological surveying. If an underground discovery is classified as "highly valuable" by archaeologists and a parcel of land is considered to be of public interest because of

its historical or archaeological significance, the parcel of land has to be returned to the government and the entire project must be relocated. Although the government is required to compensate a property developer for a parcel of land returned to it for archaeological purposes, there is no assurance that such compensation will be sufficient to cover the full amount of the land premium paid or any other expenses incurred by the developer in connection with the relevant site. If any historic relics are discovered under any of our construction sites in the future, the completion of our projects may be delayed or we may even be required to return the relevant parcels of land to the government, which may materially and adversely affect our business prospects, results of operations and financial condition.

We depend on our management team for our continuous development.

Our success and growth depends on our ability to identify, hire, train and retain highly skilled and qualified employees, including management personnel with relevant professional skills. Our directors and members of senior management are important to our success and we depend on them for our continuous business development. The loss of a significant number of our directors and senior management or Madam Wu could have a material adverse effect on our business, results of operations and financial condition if we are unable to find suitable replacements in a timely manner. As competition for such personnel is intense in the property sector in the PRC, any failure to recruit and retain the necessary management personnel at any time could materially and adversely affect our business, results of operations and financial condition.

The interests of our controlling shareholders may not align with our interests or those of the holders of the Notes.

Charm Talent and Junson Development are our controlling shareholders which are in turn indirectly controlled by HSBC International Trustee as trustee of the Wu Family Trust and the Cai Family Trust. See "Principal Shareholders." As of December 31, 2016, Charm Talent and Junson Development, in aggregate, held a substantial majority in our issued share capital. Accordingly, they will be able to exert significant control and influence over our business and on matters of significance to us and the holders of the Notes.

Notwithstanding that the Wu Family Trust and the Cai Family Trust are of a discretionary nature and that HSBC International Trustee as trustee is entitled to make decisions regarding any matters relating to the trusts at its own discretion and based on its own judgment, HSBC International Trustee as trustee is bound by the fiduciary duties of a trustee in making any decisions regarding corporate actions to be taken by Charm Talent and Junson Development and the interests of Charm Talent or Junson Development may not be aligned with those of the holders of the Notes. There is no assurance that Charm Talent, Junson Development or HSBC International Trustee will not prevent us from taking actions or exercising our rights under agreements to which we are a party including the agreements we entered into with our founders (also as founders of the Wu Family Trust and the Cai Family Trust) or our controlling shareholders. When conflicts of interest arise between our founders, controlling shareholders and the holders of the Notes, our controlling shareholders may prevent or delay us from entering into transactions that might be desirable to the holders of the Notes.

We cannot assure you that our controlling shareholders and HSBC International Trustee will act entirely in our interests or that conflicts of interest will be resolved in our favor. The interests of our controlling shareholders may differ from our interests or those of our creditors, including the holders of the Notes, and our controlling shareholders are free to vote according to their interests.

Disputes with our joint venture partners may materially and adversely affect our business, results of operations and financial condition.

We have developed certain projects through joint ventures with our PRC or foreign partners. Our joint venture partners or project development partners may have economic or business interests or goals that are inconsistent with ours, take actions contrary to our instructions or requests or contrary to our policies or objectives, may be unable or unwilling to fulfill their obligations under the relevant joint venture or cooperation agreements or have financial difficulties. A dispute with our joint venture partners or project development partners or the early termination of our joint venture or cooperation arrangements could materially and adversely affect our business, results of operations and financial condition. If a situation arises in which we cannot complete a project being jointly developed with our joint venture partners or project development partners or we are required to pay a substantial sum to resolve such dispute, due to one of the above reasons or for any other reason, the rights and obligations of each party with respect to the incomplete project will be determined by the relevant joint venture or cooperation agreements. If such agreements are silent or inconclusive with regard to such rights and obligations, the resolution of any dispute may require arbitration or, failing that, litigation, which could have an material adverse effect on our business, results of operations and financial condition.

The valuation attached to our property interests contains assumptions that may or may not materialize.

Under IFRS, gains or losses arising from changes in the fair value of our investment properties are included in our consolidated statements of profit or loss and other comprehensive income in the period in which they arise. According to IFRS, the value of investment properties can be recognized by using either the fair value model or the cost model. Our directors have selected the fair value model to report the value of investment properties because they are of the view that periodic fair value adjustments in accordance with the then prevailing market conditions, irrespective of whether such market trend moves upwards or downwards, help present a more updated picture of the fair value of our investment properties in our financial statement. The valuations are based on certain assumptions which, by their nature, are subjective and uncertain and may differ materially from actual results. Accordingly, the valuations are not a prediction of the actual value we expect to realize from these properties. Unanticipated results or changes in particular property developments, or changes in general or local economic conditions or other relevant factors, including changes in government regulations, could affect such values. In addition, valuation differences of investment properties are recognized in our consolidated statement of profit or loss and other comprehensive income. Accordingly, a decrease in the value of our investment properties would reduce the amount of our net income and could lead to a net loss during a particular period.

Our properties may be subject to natural disaster risks.

Our properties may be subject to natural disaster risks, including flood, hurricane, earthquake or other acts of God. If such natural disasters or acts of God damage our properties, our business, results of operations and financial condition may be materially and adversely affected.

Our operations could be affected by the global economic crisis and the slowdown in world markets.

The global economic crisis in 2008 caused a slowdown in world markets. As financial institutions, companies, investors and consumers attempted to retrench in an effort to reduce exposure, save capital and weather the economic contraction, the demand for and hence value of real estate and the supply of credit decreased. Although the global economy and the real estate market have started recovering in the past years, there is no assurance that any economic recovery

is sustainable or that the earlier economic crisis and slowdown have come to an end. If market conditions deteriorate or market downturn occurs and becomes more severe, longer lasting or broader than expected, we could face a material loss of revenue and shareholder value and our business, results of operations and financial condition could be materially and adversely affected.

In addition, on June 23, 2016, the United Kingdom held a remain-or-leave referendum on its membership within the European Union, the result of which favored the exit of the United Kingdom from the European Union ("Brexit"). A process of negotiation will determine the future terms of the United Kingdom's relationship with the European Union, as well as whether the United Kingdom will be able to continue to benefit from the European Union's free trade and similar agreements. Given the lack of precedent, it is unclear how Brexit would affect the fiscal, monetary and regulatory landscape within the United Kingdom, the European Union and globally. This event has resulted in a downgrade of the credit ratings of the United Kingdom and the uncertainty before, during and after the period of negotiation may also create a negative economic impact and increase volatility in global markets. The outlook for the world economy and financial markets remains uncertain.

RISKS RELATING TO THE PROPERTY INDUSTRY IN THE PRC

We are subject to regulations implemented by the PRC government, which may adopt further measures intended to prevent overheating of the property sector in the PRC.

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

In the last decade, the PRC government has regularly introduced policies to restrict development in the property sector, in response to concerns over the scale of the increase in property investment and the potential overheating of the property sector in the PRC. See "Regulation" for more information.

The PRC government's restrictive regulations and measures could increase our operating costs in adapting to these regulations and measures, limit our access to capital resources or even restrict our business operations. We cannot be certain that the PRC government will not issue additional and more stringent regulations or measures, which could further adversely affect our business and prospects.

Our investments in the PRC are subject to the PRC government's control over foreign investment in the property sector.

The PRC government imposes restrictions on foreign investment in the property sector to curtail the overheating of the property sector by, among other things, increasing the capital and other requirements for establishing foreign-invested real estate enterprises, tightening foreign exchange control and imposing restrictions on purchases of properties in China by foreign persons. For example, in May 2007, the PRC Ministry of Commerce (中華人民共和國商務部) ("MOFCOM") and the PRC State Administration of Foreign Exchange (中華人民共和國國家外匯管理局) ("SAFE") jointly issued the Notice on Further Strengthening and Regulating the Approval

and Supervision on Foreign Investment in Real Estate Sector in the PRC (關於進一步加強、規範外商直接投資房地產業審批和監管的通知), which, among other things, provides that:

- Foreign investment in the real estate sector in the PRC relating to high-end properties should be strictly controlled.

- Prior to obtaining approval for establishment of a Foreign-Invested Real Estate Entity (the "FIREEs"), foreign investors must first obtain land use rights and property ownership certificates, or have entered into pre-sale or pre-granting agreements with the land administration authority or property developer/owner.

- Acquisition of or investment in domestic real estate enterprises by way of round-trip investment (including the same actual controlling person) shall be strictly controlled.

- Further, overseas investors may not avoid approval procedures for foreign investment in property by changing the actual controlling person of the domestic real estate enterprise.

- Once the foreign exchange authority has found the foreign-invested property enterprise to have been established by deliberate evasion of foreign exchange and false representation, it shall take action against the enterprise's remittance of capital and interest accrued without approval, and the enterprise shall bear liability for the illegal purchase and evasion of foreign exchange.

- Shareholders of FIREEs are prohibited from guaranteeing a fixed return or the same effect to the other party in any way.

- If foreign-invested enterprises in China engage in real estate development or operations or if FIREEs in China engage in new real estate project developments, they must first apply to the examination and approval authorities for their expansion of scope of business or scale of operations in accordance with the PRC laws and regulations related to foreign investments.

- The local examination and approval authorities must file with MOFCOM their approvals of establishment of FIREEs for record-keeping, and must exercise due control over foreign investments in high-end properties.

- For those FIREEs which have not completed the required filing with MOFCOM, local SAFE administrations and designated foreign exchange banks must not permit any foreign exchange sales and settlement under such FIREEs' capital accounts.

- MOFCOM shall have the right to investigate and rectify the approvals of FIREEs which are not in compliance with the laws and regulations made by local examination and approval authorities, and SAFE shall not handle the foreign exchange registration for such FIREEs.

These restrictions imposed by the PRC government on foreign investment in the property sector may affect our ability to make further investments in our PRC subsidiaries and, as a result, may limit our business growth and have a material adverse effect on our business prospects, financial condition and results of operations.

The PRC government has imposed restrictions on the ability of PRC property developers to receive offshore funds, which could affect our ability to deploy funds raised outside China in our business inside China.

The PRC government has introduced a number of policies and regulations aimed at regulating overseas investment in the property industry in the past few years. On July 11, 2006, the Ministry of Construction, MOFCOM, NDRC, PBOC, SAIC and SAFE issued the Opinions on Regulating the Entry and Administration of Foreign Investment into the Real Estate Market ("Circular 171") (關於規範房地產市場外資准入和管理的意見). On August 19, 2015, Ministry of Housing and Urban-rural Development and Other Authorities issued the Circular on Adjusting Policies on the Market Access and Administration of Foreign Investment in the Real Estate Market (住房城鄉建設部等部門關於調整房地產市場外資准入和管理有關政策的通知) which adjusted the relevant policies on the purchase of houses by foreign-invested real estate companies, foreign institutions, and individuals as prescribed in the "Circular 171". On May 23, 2007, the MOFCOM and SAFE issued the Circular on the Reinforcement and Regulation of Approval and Supervision of Foreign Direct Investment in the Real Estate Section (關於進一步加強規範外商直接投資房地產業審批和監管的通知) ("Notice 50").

On May 10, 2013, SAFE issued the Circular of the State Administration of Foreign Exchange on Printing and Distributing the Administrative Provisions on Foreign Exchange in Domestic Direct Investment by Foreign Investors and Relevant Supporting Documents (國家外匯管理局關於印發外國投資者境內直接投資外匯管理規定及配套文件的通知). According to this circular, local branches of the SAFE must not register any foreign debt of a FIREE unless it obtained approval for its new establishment or capital increase from the local MOFCOM branches and filed such approval with the MOFCOM. This circular is another restrictive measure taken by the PRC government to limit foreign investment in the PRC property market. Pursuant to the requirements in the above circulars, we must apply to the relevant examination and approval authorities if we plan to expand the scope of our business or the scale of our operations, engage in new project developments or operations or increase the registered capital of our PRC-domiciled foreign-invested subsidiaries in the future.

Pursuant to the requirements in the above-mentioned circulars, we must apply to the relevant competent authorities if we plan to increase the registered capital of our PRC foreigninvested subsidiaries in the future. If the PRC government promulgates further policies or regulations to further regulate or restrict foreign investment in the PRC property industry and if these policies or regulations have a direct application to our business and operations, our ability to secure new projects may suffer and our business, financial condition, results of operations and prospects could be materially adversely affected.

We are heavily dependent on the performance of the property market in China, which is at a relatively early stage of development.

Private ownership of property in the PRC is still in a relatively early stage of development. Although demand for private property in the PRC has been growing rapidly in recent years, such growth is often coupled with volatility in market conditions and fluctuation in property prices. It is extremely difficult to predict how much and when demand will develop, as many social, political, economic, legal and other factors, most of which are beyond our control, may affect the development of the property market. The level of uncertainty is increased by the limited availability of accurate financial and market information as well as the overall low level of transparency in the PRC. The lack of a liquid secondary market for residential real estate may discourage investors from acquiring new properties as resale is not only difficult, but can also be a long and costly process. The limited amount of property mortgage financing available to PRC individuals, compounded by the lack of security of legal title and enforceability of property rights, may further inhibit demand for property developments.

There is a lack of reliable and updated information on property market conditions in the PRC.

We are subject to property market conditions in the PRC. Currently, reliable and up-to-date information on the amount and nature of property development and investment activities, the demand for such development, the supply of new properties being developed or the availability of land and buildings suitable for development and investment is not generally available in the PRC. Consequently, our investment and business decisions may not always have been, and may not in the future be, based on accurate, complete and timely information. Inaccurate information may adversely affect our business decisions, which could materially and adversely affect our business prospects, results of operations and financial condition.

RISKS RELATING TO THE PRC

Our business may be materially and adversely affected by changes in the PRC's political, economic and social conditions, laws, regulations and policies, as well as their interpretation and enforcement. Our operations are subject to the uncertainties of the PRC legal system.

Since our assets are generally located in, and our revenue is predominantly derived from, our operations in the PRC, our business, results of operations, financial condition and prospects are subject to the risks of future economic, political and legal developments in the PRC. The PRC economy differs from the economies of other developed countries in terms of structure, government intervention, development, growth rate, control of foreign exchange, and resource allocation. Since the late 1970s, the PRC government has been implementing economic reform measures in using market forces to develop the PRC economy and has since transitioned from a planned economy to a more market-oriented economy. The PRC government, however, continues to play a significant role in regulating industries by promulgating economic policies. We cannot predict whether changes in the PRC's political, economic and social conditions, laws, regulations and policies will have any adverse effect on our current or future business, results of operations or financial condition.

Our operations are subject to the uncertainties of the PRC legal system which is essentially a civil law system based on written statutes where, unlike common law systems, decided legal cases have little value as precedents. The PRC government had, since 1979, begun promulgating a comprehensive system of laws and regulations governing economic matters in general. These laws and regulations are, however, relatively new and are often changing and published cases concerning these laws and regulations are limited. Their interpretation and enforcement therefore, involve a fair amount of uncertainties. We cannot predict the effect of future developments in the PRC legal system, particularly with regard to property rights. We may be required in the future to procure additional permits, authorizations and approvals for our existing and future projects and we cannot assure you that we will obtain these in a timely fashion or at all. For example, pre-sales constitute one of the most important sources of our operating cash inflow during our project development process. Currently, PRC law allows us to pre-sell properties before their completion upon satisfaction of certain requirements and requires us to use the pre-sales proceeds to develop the particular project that has been pre-sold. The amount and timing of cash inflows from pre-sales are affected by a number of factors, including the development schedule of each of our projects, restrictions on pre-sales imposed by the PRC government, market demand for our properties subject to pre-sales and the number of properties we have available for pre-sales. Reduced cash flow from pre-sales of our properties will likely increase our reliance on external financing, which may increase our costs and may impact our ability to finance our continuing property developments.

We make certain undertakings in our pre-sale contracts. These pre-sale contracts, along with PRC laws and regulations provide for remedies with respect to breaches of such undertakings. For example, if we pre-sell a property project and fail to complete the property project in accordance with the terms of the pre-sale contract, we may be liable to the purchasers for their losses. We cannot assure you timely completion and delivery of our projects.

The Renminbi is not freely convertible; there are significant restrictions on the remittance of Renminbi into and outside the PRC; and the availability of Renminbi funds from our PRC operations for servicing the Notes may be subject to future limitations imposed by the PRC Government.

The Renminbi is not freely convertible at present. The PRC Government continues to regulate conversion between the Renminbi and foreign currencies despite the significant reduction over the years by the PRC Government of control over routine foreign exchange transactions under current accounts. Participating banks in Hong Kong have been permitted to engage in the settlement of Renminbi trade transactions under a pilot scheme introduced in July 2009. This represents a current account activity. The pilot scheme was extended in August 2011 to cover all of the PRC and to make Renminbi trade and other current account item settlement available in all countries worldwide.

On April 7, 2011, SAFE promulgated the Circular on Issues Concerning the Capital Account Items in connection with Cross-Border Renminbi (國家外匯管理局綜合司關於規範跨境人民幣資本項目業務操作有關問題的通知) ("SAFE RMB Circular"), which became effective on May 1, 2011. According to the SAFE RMB Circular in the event that foreign investors intend to use cross-border Renminbi (including offshore Renminbi and onshore Renminbi held in the capital accounts of non-PRC residents) to make contributions to an onshore enterprise or make payments for the transfer of an equity interest of an onshore enterprise by a PRC resident, such onshore enterprise shall be required to submit the prior written consent of the MOFCOM or the relevant local counterparts to the relevant local branches of SAFE of such onshore enterprise and register for a foreign invested enterprise status. Further, the SAFE RMB Circular clarifies that the foreign debts borrowed, and the external guarantee provided, by an onshore entity in Renminbi shall, in principle, be regulated under the current PRC foreign debt and external guarantee regime.

On October 13, 2011, PBOC issued the Measures on Administration of the RMB Settlement in relation to Foreign Direct Investment (外商直接投資人民幣結算業務管理辦法) (the "PBOC RMB FDI Measures"), to roll out PBOC's detailed RMB FDI administration system, which covers almost all aspects of RMB FDI, including capital injection, payment of purchase price in the acquisition of PRC domestic enterprises, repatriation of dividends and distribution, as well as RMB denominated crossborder loans. Under the PBOC RMB FDI Measures, special approval for RMB FDI and shareholder loans from the PBOC which was previously required is no longer mandatory. On June 14, 2012, PBOC further issued the implementing rules for the PBOC RMB FDI Measures.

On July 5, 2013, the PBOC promulgated the Notice on Simplifying the Procedures of Cross-border Renminbi Business and Improving Relevant Policies (關於簡化跨境人民幣業務流程和完善有關政策的通知) (the "Notice"), which simplifies the operating procedures on current account cross-border Renminbi settlement and further publishes policies with respect to issuance of offshore Renminbi notes by onshore non-financial institutions. The Notice intends to improve the efficiency of cross-border Renminbi settlement and facilitate the use of cross-border Renminbi settlement by banks and enterprises.

On December 3, 2013, MOFCOM promulgated the Circular on Issues in relation to Cross-border Renminbi Foreign Direct Investment (關於跨境人民幣直接投資有關問題的公告) (the "MOFCOM RMB FDI Circular") which became effective on January 1, 2014. Pursuant to the MOFCOM RMB FDI Circular, the proceeds of foreign direct investment in RMB may not be used towards investment in securities, financial derivatives or entrustment loans in the PRC, except for investments in PRC domestic listed companies under the PRC strategic investment regime with the approval of MOFCOM pursuant to the Administrative Measures for Strategic Investment by Foreign Investors in Listed Companies (外國投資者對上市公司戰略投資管理辦法).

There is no assurance that the PRC Government will continue to gradually liberalise control over cross-border Renminbi remittances in the future, that the pilot scheme introduced in July 2009 will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of Renminbi into or outside the PRC. In the event that funds cannot be repatriated outside the PRC in Renminbi, we will need to source Renminbi offshore to finance our obligations under the Notes, and our ability to do so will be subject to the overall availability of Renminbi outside the PRC.

Governmental control over currency conversion may limit our ability to utilize our cash effectively and potentially affect our ability to pay interest to Noteholders.

Substantially all of our turnover is denominated in Renminbi. The PRC government imposes controls on the convertibility of Renminbi into foreign currencies and, in certain cases, the remittance of currency out of China. Under existing PRC foreign exchange regulations, payments of current account items, including profit distributions, interest payments and expenditures from trade related transactions, can be made in foreign currencies without prior approval from SAFE by complying with certain procedural requirements. However, approval from SAFE or its local branch is required where Renminbi is to be converted into foreign currency and remitted out of China to pay capital expenses such as the repayment of loans denominated in foreign currencies. The PRC government may also at its discretion restrict access in the future to foreign currencies for current account transactions.

Under our current corporate structure, our Company's income is primarily derived from dividend payments from our PRC subsidiaries. Shortages in the availability of foreign currency may restrict the ability of our PRC subsidiaries to remit sufficient foreign currency to pay dividends or other payments to us, or otherwise satisfy their foreign currency-denominated obligations. In addition, since a significant amount of our future cash flow from operations will be denominated in Renminbi, any existing and future restrictions on currency exchange may limit our ability to purchase goods and services outside of China or otherwise fund our business activities that are conducted in foreign currencies.

It may be difficult to effect service of process upon us or our directors or senior officers who reside in China or to enforce against them in China any judgments obtained from non-PRC courts.

A significant portion of our assets and our subsidiaries are located in the PRC. In addition, most of our directors and officers reside in the PRC, and the assets of our directors and officers may also be located in the PRC. As a result, it may not be possible to effect service of process outside the PRC upon most of our directors and officers, including with respect to matters arising under applicable securities laws. A judgment of a court of another jurisdiction may be reciprocally recognized or enforced in the PRC if that jurisdiction has a treaty with the PRC or if judgments of the PRC courts have been recognized before in that jurisdiction, subject to the satisfaction of any other requirements. Our PRC legal adviser has advised us that the PRC does not have treaties providing for the reciprocal acknowledgement and enforcement of judgments of courts with the United States and most other western countries. In addition, Hong Kong has no arrangement for the reciprocal enforcement of judgments with the United States. As a result, recognition and enforcement in the PRC or Hong Kong of judgments of a court in any of these jurisdictions may be difficult.

Our business may be adversely affected by a renewed outbreak of SARS, H1N1, avian influenza or any other highly contagious disease.

In March 2003, there was an outbreak of Severe Acute Respiratory Syndrome ("SARS"), a highly contagious disease, in China and some other countries. A renewed outbreak of SARS in China or other neighboring countries, or an outbreak of another highly contagious disease, will affect China's overall economy. This may in turn significantly affect our business. In addition, if

an employee of any of our subsidiaries were to contract SARS or another highly contagious disease, we may need to restrict or even suspend the operations of such company. In recent years, an epidemic of highly pathogenic avian influenza has affected humans throughout Asia and is considered to be a public health concern. There also have recently been a number of documented cases of humans found to have contracted H1N1 in the PRC. If outbreaks of H1N1 or avian influenza infections or any other serious contagious disease were to escalate, their effects on the PRC economy could be similar to or worse than those experienced as a result of the SARS outbreak.

We may be deemed a PRC resident enterprise under the EIT Law, in which case we would be subject to PRC taxation on our worldwide income and may be obligated to withhold PRC income tax on payment of interest on the Notes, and gain from the transfer of Notes may be subject to PRC tax.

Under the EIT Law enacted by the National People's Congress in March 2007, enterprises established under the laws of foreign countries or regions whose "de facto management bodies" are located within the PRC are considered "resident enterprises" for PRC tax purposes and will generally be subject to the enterprise income tax at the rate of 25% on their global income. The implementation rules of the EIT Law define the term "de facto management body" as a management body that exercises full and substantial control and management over the business, personnel, accounts and properties of an enterprise. The SAT promulgated the Circular on Identifying Chinese-Controlled Offshore Enterprises as Chinese Resident Enterprises in Accordance with Criteria for Determining Place of Effective Management (關於境外註冊中資控股企業依據實際管理機構標準認定為居民企業有關問題的通知) in April 2009 and enforced on January 1, 2008 (as amended on January 29, 2014), which specifies certain criteria for the determination of the "de facto management bodies" for foreign enterprises that are controlled by PRC enterprises or PRC enterprise groups. However, there have been no official implementation rules regarding the determination of the "de facto management bodies" for enterprises established offshore by private individuals or foreign enterprises like us. Substantially all of our management is currently located in the PRC. If we are treated as a PRC resident enterprise for income tax purposes, we will be subject to income tax at the rate of 25% on our global income. Furthermore, we may be obligated to withhold PRC income tax at a rate of 10% from payments of interest on the Notes to investors that are nonresident enterprises (or 20% in the case of nonresident individual investors), because the interest may be regarded as being derived from sources within the PRC. If we fail to make proper withholdings, we may be subject to fines and other penalties. In addition, any gain realized by nonresident enterprise investors from the transfer of the Notes may be regarded as being derived from sources within the PRC and accordingly may be subject to a 10% PRC income tax (or 20% in the case of nonresident individual investors). If we are required to withhold PRC taxes on any payments on the notes, we would, subject to certain exceptions, be required to pay additional amounts as will result in the receipt by noteholders of the same amounts as would have been received by them had no such withholding or deduction be required as described under "Description of the Notes—Additional Amounts". The requirement to pay additional amounts may impact our cash flows.

RISK RELATING TO THE NOTES

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

We are a holding company with no material operations. We conduct our operations through our PRC subsidiaries. The Notes will not be guaranteed by any of our current or future subsidiaries. In addition, shares of our subsidiaries will not be pledged for the benefit of the holders of the Notes. Our primary assets are loans to and ownership interests in our subsidiaries. Accordingly, our ability to pay principal and interest on the Notes will depend upon our receipt of

principal and interest payments on the intercompany loans and distributions of dividends from our subsidiaries. See "— Risks Relating to the PRC — Governmental control over currency conversion may limit our ability to utilize our cash effectively and potentially affect our ability to pay interest to Noteholders."

Creditors, including trade creditors of our subsidiaries and any holders of preferred shares in such entities, would have a claim on such subsidiaries, assets that would be prior to the claims of holders of the Notes. As a result, our payment obligations under the Notes will be effectively subordinated to all existing and future obligations of our subsidiaries, and all claims of creditors of our subsidiaries will have priority as to the assets of such entities over our claims and those of our creditors, including holders of the Notes.

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

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

The Notes are unsecured obligations.

As the Notes are unsecured obligations, their repayment may be compromised if:

- we enter into bankruptcy, liquidation, reorganization or other winding-up proceedings;
- there is a default in payment under our future secured indebtedness or other unsecured indebtedness; or
- there is an acceleration of any of our indebtedness.

If any of these events occur, our assets may not be sufficient to pay amounts due on the Notes.

The Notes do not contain restrictive financial or operating covenants.

The Indenture will contain covenants intended to benefit the interests of holders of the Notes and that limit our ability to, among other things:

- incur liens; and
- consolidate or merge with or into, or sell substantially all of our assets to, another person.

These covenants are subject to a number of important exceptions and qualifications. For example, the lien covenant has a general carve-out of up to 10.0% of the Company's tangible net worth and specific carve-outs for various types of permitted liens, which have no size limit. To the extent the Company utilizes these exceptions, it will be able to incur liens on its relevant

assets to secure the relevant indebtedness without having to extend the benefit of the security interest to the holders of the Notes. For more details, see "Description of the Notes." The Indenture, however, does not contain restrictive financial or operating covenants or restrictions on the payments of dividends, the incurrence of indebtedness or the issuance or repurchase of securities by us. In addition, the Indenture does not contain any other covenants or provisions designed to afford holders of the Notes protection in the event of a highly leveraged transaction involving us or in the event of a decline in our credit rating or the rating of the Notes as the result of a takeover, recapitalization, highly leveraged transaction or similar restructuring involving us that could adversely affect such holders. Subject to the terms of our existing corporate debt and other credit facilities, we may incur substantial additional indebtedness in the future.

The Notes will be structurally subordinated to all of our secured debt and if a default occurs, we may not have sufficient funds to fulfill our obligations under the Notes.

The Notes are general senior unsecured obligations that rank equally in right of payment with all of our existing and future unsecured and unsubordinated indebtedness, including our short-term debentures. The Notes will be structurally subordinated to all our secured indebtedness and other obligations to the extent of the value of the assets securing that indebtedness and other obligations. As of December 31, 2016, the outstanding amount of our secured bank loans was approximately RMB14,468 million (US$2,084 million). In addition, the Indenture will, subject to some limitations, permit us to incur additional secured indebtedness and your Notes will be effectively junior to any additional secured indebtedness we may incur.

In the event of our bankruptcy, liquidation, reorganization or other winding up, our assets that secure our secured indebtedness will be available to pay obligations on the Notes only after all secured indebtedness, together with accrued interest, has been repaid in full from our assets. If we are unable to repay our secured indebtedness, the lenders could foreclose on substantially all of our assets which serve as collateral. In this event, our secured lenders would be entitled to be repaid in full from the proceeds of the liquidation of those assets before those assets would be available for distribution to other creditors, including holders of the Notes. Holders of the Notes will participate in the proceeds of the liquidation of our remaining assets ratably with all holders of our unsecured indebtedness that is deemed to be of the same class as the Notes, and potentially with all of our other general creditors. We advise you that there may not be sufficient assets remaining to pay amounts due on any or all the Notes when outstanding.

In addition, the Notes will not be guaranteed by any of our subsidiaries while certain of our existing indebtedness is. For this reason, holders of Notes will not have a direct claim on the subsidiary guarantors of our such existing indebtedness, while holders of such existing indebtedness will.

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

We now have, and will continue to have after the offering of the Notes, a substantial amount of indebtedness. As of December 31, 2014, 2015 and 2016, our total borrowings amounted to approximately RMB47,741.3 million, RMB52,265.6 million and RMB57,872 million (US$8,335 million), respectively.

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

- limit our ability to satisfy our obligations under the Notes and other debt;
- increase our vulnerability to adverse general economic and industry conditions;

- require us to dedicate a substantial portion of our cash flow from operations to servicing and repaying our indebtedness, thereby reducing the availability of our cash flow to fund working capital, capital expenditures and for other general corporate purposes;

- limit our flexibility in planning for or reacting to changes in our businesses and the industry in which we operate;

- place us at a competitive disadvantage compared to our competitors that have less debt;

- limit, along with the financial and other restrictive covenants of our indebtedness, among other things, our ability to borrow additional funds; and

- increase the cost of additional financing.

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

Certain of our other financing arrangements also impose operating and financial restrictions on our business. Such restrictions in our other financing arrangements may negatively affect our ability to react to changes in market conditions, take advantage of business opportunities, obtain future financing, fund required capital expenditures, or withstand a continuing or future downturn in our business. Any of these factors could materially and adversely affect our ability to satisfy our obligations under the Notes and other debt.

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

As a holding company, we depend on the receipt of dividends and the interest and principal payments on intercompany loans or advances from our subsidiaries, including our PRC subsidiaries, to satisfy our obligations, including our obligations under the Notes. The ability of our subsidiaries to pay dividends and make payments on intercompany loans or advances to their shareholders is subject to, among other things, distributable earnings, cash flow conditions, restrictions contained in the articles of association of our subsidiaries and applicable laws. In addition, if any of our subsidiaries raises capital by issuing equity securities to third parties, dividends declared and paid with respect to such shares would not be available to us to make payments on the Notes. These restrictions could reduce the amounts that we receive from our subsidiaries, which would restrict our ability to meet our payment obligations under the Notes.

PRC laws and regulations permit payment of dividends only out of accumulated profits as determined in accordance with PRC accounting standards and regulations. Our PRC subsidiaries are also required to set aside a portion of their after-tax profits according to PRC accounting standards and regulations to fund certain reserves that are not distributable as cash dividends by the board of directors. In addition, dividends paid by our PRC subsidiaries to their non-PRC parent companies will be subject to a 10% withholding tax, unless there is a tax treaty between the PRC and the jurisdiction in which the overseas parent company is incorporated, which specifically exempts or reduces such withholding tax. Pursuant to a double tax treaty between Hong Kong and the PRC, if the non-PRC parent company is a Hong Kong resident and directly holds a 25% or more interest in the PRC enterprise, such withholding tax rate may be lowered to

5%. However, according to a Circular of the PRC State Administration of Taxation dated October 27, 2009, tax treaty benefits will be denied to "conduit" or shell companies without substantive business activities. As a result of such limitations, there could be limitations on payments from our PRC subsidiaries to meet payments required by the Notes, and there could be restrictions on payments required to redeem the Notes at maturity or as required for any early redemption.

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

As a result of the foregoing, we cannot assure you that we will have sufficient cash flow from dividends or payments on intercompany loans or advances from our subsidiaries to satisfy our obligations under the Notes.

We may be able to amend important terms of the Notes with the consent of holders of not less than 75% in aggregate principal amount of the outstanding Notes.

Under the terms of the Notes, we may amend important terms of the Notes with the consent of holders of 75% in aggregate principal amount of the outstanding Notes. These important terms include principal amount, stated rate and time for payment of interest, stated maturity, amount payable on a change of control offer, date or price of redemption, payment currency, stated protection of the right of holders of the Notes to payment and to institute suit for the enforcement of payment. See "Description of the Notes — Amendments and Waivers — Amendments with Consent of Holders." This is different from terms of senior notes of many similarly situated PRC issuers, where any change to any such important term will require the consent of each holder affected thereby. If we obtain consent from holders of 75% or more in aggregate principal amount of the outstanding Notes to amend any of these important terms, the amended terms will be binding on all holders of the Notes, including those who have not validly consented to the amendments proposed by us. Any change in such important terms may significantly affect the economic substance of your investment in the Notes. Accordingly, potential investors are cautioned as to the potential material adverse impact on market value of the Notes due to our ability to amend important terms of the Notes.

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

The Notes are denominated in U.S. dollars, while substantially all of our revenue are generated by our PRC operating subsidiaries and are denominated in Renminbi. Pursuant to reforms of the exchange rate system announced by the PBOC on July 21, 2005, Renminbi-to-foreign currency exchange rates are allowed to fluctuate within a narrow and managed band against a basket of foreign currencies, rather than being effectively linked to the U.S. dollar. Further, from May 18, 2007, the PBOC enlarged the floating band for the trading prices in the inter-bank foreign exchange market of the Renminbi against the U.S. dollar from 0.3% to 0.5% around the central parity rate, effective on May 21, 2007. This allows the Renminbi to fluctuate against the U.S. dollar by up to 0.5% above or below the central parity rate published by the PBOC. The floating band was further widened to 1.0% on April 16, 2012. These changes in currency policy resulted in the Renminbi appreciating against the U.S. dollar by approximately 32.8% from July 21, 2005 to December 31, 2012. The PRC government may adopt further reforms

of its exchange rate system, including making the Renminbi freely convertible in the future. If such reforms were implemented and resulted in devaluation of the Renminbi against the U.S. dollar, our financial condition and results of operations could be adversely affected because of our substantial U.S. dollar denominated indebtedness and other obligations. Such a devaluation could also adversely affect the value, translated or converted into U.S. dollars or otherwise, of our earnings and our ability to satisfy our obligations under the Notes.

There are limited hedging instruments available in China to reduce our exposure to exchange rate fluctuations between the Renminbi and other currencies. In addition, following the offering of the Notes, we may enter into foreign exchange or interest rate swap agreements in respect of our U.S. dollar-denominated liabilities under the Notes. These swap agreements may require us to pledge or transfer cash and other collateral to secure our obligations under the agreements, and the amount of collateral required may increase as a result of mark-to-market adjustments. The Initial Purchasers and their affiliates may enter into such swap agreements permitted under the Indenture governing the Notes, and these agreements may be secured by pledges of our cash and other assets as permitted under the Indenture. If we were unable to provide such collateral, it could constitute a default under such agreements.

Any hedging obligation entered into or to be entered into by us or our subsidiaries, may contain terms and conditions that may result in the early termination, in whole or in part, of such hedging obligation upon the occurrence of certain termination or analogous events or conditions (howsoever described), including such events relating to us and/or any of our subsidiaries, and the terms and conditions of such hedging obligation(s) may provide that, in respect of any such early termination, limited or no payments may be due and payable to, or that certain payments may be due and payable by, us and/or any of our subsidiaries (as relevant) in respect of any such early termination. Any such early termination, in whole or in part, of any such hedging obligation(s), and the payment and any other consequences and effects of such early termination(s), may be material to our financial condition and/or any of our subsidiaries and may be material in relation to the performance of our or their respective obligations under or in relation to the Notes (if applicable), any indebtedness or any other present or future obligations and commitments.

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

In certain circumstances, the Trustee may request holders of the Notes to provide an indemnity and/or security to its satisfaction before it will take actions on their behalf. The Trustee will not be obliged to take any such actions if not indemnified and/or secured to its satisfaction. Negotiating and agreeing to an indemnity and/or security can be a lengthy process and may impact on when such actions can be taken. Further, the Trustee may not be able to take actions, notwithstanding the provision of an indemnity or security to it, in breach of the terms of the Indenture or in circumstances where there is uncertainty or dispute as to such actions' compliance with applicable laws and regulations. In such circumstances, to the extent permitted by any applicable agreements or applicable laws, it will be for the holders of the Notes to take such actions directly. In addition, under the terms of the Notes, if a bankruptcy event occurs to a significant subsidiary of the Company, the repayment obligations of the Company under the Notes will not be automatically triggered as is the case in many similar debt instruments, and the holders of the Notes will need to act through the Trustee or form a group to pursue further actions. See "Description of the Notes — Events of Default."

We may not be able to repurchase the Notes upon a Change of Control Triggering Event.

Upon the occurrence of a Change of Control Triggering Event, the holder of each Note will have the option to require us to redeem all or some of the holder's Notes at a purchase price equal to 101% of the principal amount plus accrued and unpaid interest. See "Description of the Notes."

The source of funds for any such purchase would be our available cash or third-party financing. However, we may not have enough available funds at the time of the occurrence of any change of control triggering event to make purchases of the outstanding Notes. Our failure to make the offer to purchase or to purchase the outstanding Notes would constitute an event of default under the Notes. The event of default may, in turn, constitute an event of default under other indebtedness, any of which could cause the related debt to be accelerated after any applicable notice or grace periods. If our other debt were to be accelerated, we may not have sufficient funds to purchase the Notes and repay the debt.

In addition, the definition of Change of Control Triggering Event for purposes of the indenture governing the Notes does not necessarily afford protection for the holders of the Notes in the event of some highly leveraged transactions, including certain acquisitions, mergers, refinancings, restructurings or other recapitalizations, although these types of transactions could increase our indebtedness or otherwise affect our capital structure or credit ratings. The definition of change of control triggering event for purposes of the Indenture governing the Notes also includes a phrase relating to the sale of "all or substantially all" of our assets. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition under applicable law. Accordingly, our obligation to make an offer to purchase the Notes, and the ability of a holder of the Notes to require us to purchase its Notes pursuant to the offer as a result of a highly-leveraged transaction or a sale of less than all of our assets may be uncertain.

We may be able to redeem the Notes in whole at a redemption price equal to 100% of the principal amount if we are repaired to pay additional amounts with respect to PRC withholding taxes.

As described in "Taxation—PRC Taxation," we may be treated as a PRC resident enterprise under the EIT Law. If we are treated as a PRC resident enterprise under the EIT Law, we may be required to withhold PRC tax on interest paid to our nonresident investors and pay, subject to certain exceptions, additional amounts with respect to such withholding tax. As described in "Description of the Notes—Optional Tax Redemption," in the event we are required to pay additional amounts as a result of certain changes in tax law, including changes in existing official position or the stating of an official position that results in our being required to withhold tax, we may redeem the Notes in whole at a redemption price equal to 100% of the principal amount plus accrued and unpaid interest.

Noteholders may be unable to enforce their rights under U.S. bankruptcy law.

We are incorporated under the laws of the Cayman Islands, and our principal assets are located in the PRC. Under federal bankruptcy law in the United States, courts typically have jurisdiction over a debtor's property, wherever located, including property situated in other countries. However, courts outside of the United States may not recognize the United States bankruptcy court's jurisdiction. Accordingly, difficulties may arise in administering a United States bankruptcy case involving a Cayman Islands debtor with property located outside of the United States, and any orders or judgments of a bankruptcy court in the United States may not be enforceable outside of the United States.

The insolvency laws of the Cayman Islands and other local insolvency laws may differ from bankruptcy law or those of another jurisdiction with which holders of the Notes are familiar.

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

We may be unable to obtain and remit foreign exchange.

Our ability to satisfy our obligations under the Notes depends solely upon the ability of our subsidiaries in the PRC to obtain and remit sufficient foreign currency to pay dividends to us and to repay shareholder loans. Our PRC subsidiaries must present certain documents to the SAFE, its authorized branch, or the designated foreign exchange bank, for approval before they can obtain and remit foreign currencies out of the PRC (including, in the case of dividends, evidence that the relevant PRC taxes have been paid and, in the case of shareholder loans, evidence of the registration of the loan with the SAFE). Prior to payment of interest and principal on any shareholder loan we make to our PRC subsidiaries, the relevant PRC subsidiary must also present evidence of payment of the 10% (or 7% if the interest is paid to a Hong Kong resident, subject to approval by local tax authorities) withholding tax on the interest payable in respect of such shareholder loan. If any PRC subsidiary for any reason fails to satisfy any of the PRC legal requirements for remitting foreign currency payments, the PRC subsidiary will be unable to pay us dividends or interest and principal on our existing shareholder loans, which may affect our ability to satisfy our obligations under the Notes.

If we are unable to comply with the restrictions and covenants in our debt agreements or the Indenture, there could be a default under the terms of these agreements or the Indenture, which could cause repayment of our debt to be accelerated.

If we are unable to comply with the restrictions and covenants in the Indenture governing the Notes, or our current or future debt obligations and other agreements, there could be a default under the terms of these agreements. In the event of a default under these agreements, the holders of the debt could terminate their commitments to lend to us, accelerate repayment of the debt and declare all amounts borrowed due and payable or terminate the agreements, as the case may be. Furthermore, some of our debt agreements, including the Indenture, contain cross-acceleration or cross-default provisions. As a result, our default under one debt agreement may cause the acceleration of repayment of debt, including the Notes, or result in a default under our other debt agreements, including the Indenture. If any of these events occur, we cannot assure you that our assets and cash flow would be sufficient to repay in full all of our indebtedness, or that we would be able to find alternative financing. Even if we could obtain alternative financing, we cannot assure you that it would be on terms that are favorable or acceptable to us.

Our operations are restricted by the terms of the Notes and certain of our other debt agreements, which could limit our ability to plan for or to react to market conditions or meet our capital needs, which could increase your credit risk.

The Indenture and other debt agreements include a number of significant restrictive covenants. These covenants restrict, among other things, our ability to:

- incur or guarantee additional indebtedness and issue disqualified or preferred stock;
- declare dividends on capital stock or purchase or redeem capital stock;
- make investments or other specified restricted payments;
- issue or sell capital stock of restricted subsidiaries;
- guarantee indebtedness;
- sell assets;
- create liens;
- enter into sale and leaseback transactions;

- engage in any business other than permitted business;
- enter into agreements that restrict the restricted subsidiaries' ability to pay dividends;
- transfer assets or make intercompany loans;
- enter into transactions with shareholders or affiliates; and
- effect a consolidation or merger.

These covenants could limit our ability to plan for or react to market conditions or to meet our capital needs. Our ability to comply with these covenants may be affected by events beyond our control, and we may have to curtail some of our operations and growth plans to maintain compliance.

A trading market for the Notes may not develop, and there are restrictions on resale of the Notes.

The Notes are a new issue of securities for which there is currently no trading market. Although we have received the eligibility letter for listing of the Notes from the Hong Kong Stock Exchange, we cannot assure you that we will obtain or be able to maintain a listing on the Hong Kong Stock Exchange, or that if listed, a liquid trading market will develop. We have been advised that the Initial Purchasers intend to make a market in the Notes, but the Initial Purchasers are not obligated to do so and may discontinue such market making activity at any time without notice. In addition, the Notes are being offered pursuant to exemptions from registration under the Securities Act and, as a result, you will only be able to resell your Notes in transactions that have been registered under the Securities Act or in transactions not subject to or exempt from registration under the Securities Act. See "Transfer Restrictions." We cannot predict whether an active trading market for the Notes will develop or be sustained.

The ratings assigned to the Notes may be lowered or withdrawn in the future.

The Notes are expected to be rated "BBB-" by Fitch. The ratings address our ability to perform our obligations under the terms of the Notes and credit risks in determining the likelihood that payments will be made when due under the Notes. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time. We cannot assure you that the ratings will be confirmed or they will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by the relevant rating agency if in its judgment circumstances in the future so warrant. We have no obligation to inform holders of the Notes of any such revision, downgrade or withdrawal. A suspension, reduction or withdrawal at any time of the rating assigned to the Notes may adversely affect the market price of the Notes.

The liquidity and price of the Notes following the offering may be volatile.

The price and trading volume of the Notes may be highly volatile. Factors such as variations in our revenue, earnings and cash flows and proposals for new investments, strategic alliances and/or acquisitions, interest rates, fluctuations in price for comparable companies and government regulations and changes thereof applicable to our industry and general economic conditions nationally or internationally could cause the price of the Notes to change. Any such developments may result in large and sudden changes in the trading volume and price of the Notes. We cannot assure you that these developments will not occur in the future.

There may be less publicly available information about us than is available in certain other jurisdictions.

There may be less publicly available information about companies listed in Hong Kong than is regularly made available by public companies in certain other countries. In addition, the

financial information in this offering memorandum has been prepared in accordance with IFRS, which differ in certain respects from generally accepted accounting principles in other jurisdictions, or other GAAPs, which might be material to the financial information contained in this offering memorandum. We have not prepared a reconciliation of our consolidated financial statements and related footnotes between IFRS and other GAAPs. In making an investment decision, you must rely upon your own examination of us, the terms of the offering and our financial information. You should consult your own professional advisors for an understanding of the differences between IFRS and other GAAPs and how those differences might affect the financial information contained in this offering memorandum.

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

The Notes will initially only be issued in global certificated form and held through Euroclear and Clearstream. Interests in the global notes representing the Notes will trade in book-entry form only, and notes in definitive registered form will be issued in exchange for book-entry interests only in very limited circumstances. Owners of book-entry interests will not be considered owners or holders of the Notes for purposes of the Indentures. The common depositary for Euroclear and Clearstream will be the sole registered holder of the global notes. Accordingly, you must rely on the procedures of Euroclear or Clearstream, and if you are not a participant in Euroclear or Clearstream, on the procedures of the participant through which you own your interest, to exercise any rights and obligations of a holder of the Notes under the Indenture. Upon the occurrence of an Event of Default under the Indenture, unless and until definitive registered notes are issued with respect to all book-entry interests, if you own a book-entry interest, you will be restricted to acting through the relevant clearing system. The procedures to be implemented through Euroclear and Clearstream may not be adequate to ensure the timely exercise of rights under the Notes. See "Description of the Notes — Book-Entry, Delivery and Form."

Certain facts and statistics in this offering memorandum are derived from publications not independently verified by us, the Initial Purchasers or our or their respective advisors.

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

USE OF PROCEEDS

We expect that our proceeds will be used for refinancing only, in accordance with the approval that we obtained from the PRC National Development and Reform Commission on June 23, 2017.

EXCHANGE RATE INFORMATION

CHINA

PBOC publishes daily a base exchange rate with reference primarily to the supply and demand of Renminbi against a basket of currencies in the market during the prior day. PBOC also takes into account other factors, such as the general conditions existing in the international foreign exchange markets. From 1994 to July 20, 2005, the conversion of Renminbi into foreign currencies, including Hong Kong dollars and U.S. dollars, was based on rates set daily by PBOC on the basis of the previous day's inter-bank foreign exchange market rates and then current exchange rates in the world financial markets. During this period, the official exchange rate for the conversion of Renminbi to U.S. dollars remained generally stable. Although the PRC government introduced policies in 1996 to reduce restrictions on the convertibility of Renminbi into foreign currencies for current account items, conversion of Renminbi into foreign currencies for capital items, such as foreign direct investment, loan principals and securities trading, still requires the approval of SAFE and other relevant authorities. On July 21, 2005, the PRC government introduced a managed floating exchange rate system to allow the value of the Renminbi to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. On the same day, the value of the Renminbi appreciated by approximately 2% against the U.S. dollar. On May 18, 2007, PBOC enlarged the floating band for the trading prices in the inter-bank foreign exchange market of the Renminbi against the U.S. dollar from 0.3% to 0.5% around the central parity rate, effective on May 21, 2007. This allows the Renminbi to fluctuate against the U.S. dollar by up to 0.5% above or below the central parity rate published by PBOC. The floating band was widened to 1.0% on April 16, 2012 and further to 2.0% on March 17, 2014. Effective since August 11, 2015, market makers are required to quote their central parity rates for Renminbi against the U.S. dollar to the China Foreign Exchange Trade System daily before the market opens by reference to the closing rate of the PRC inter-bank foreign exchange market on the previous trading day in conjunction with the demand and supply conditions in the foreign exchange markets and exchange rate movements of major currencies. The PBOC has further authorized the China Foreign Exchange Trade System to announce its central parity rate for Renminbi against the U.S. dollar through a weighted averaging of the quotes from the market makers after removing the highest quote and the lowest quote.

The following table sets forth the noon buying rate for U.S. dollars in New York City for cable transfers in Renminbi as certified for customs purposes by the Federal Reserve Bank of New York for the periods indicated:

	Noon buying rate			
Period	**Period end**	**Average[1]**	**High**	**Low**
		(RMB per US$1.00)		
2012	6.2301	6.3088	6.3879	6.2221
2013	6.0537	6.1478	6.2438	6.0537
2014	6.2046	6.1620	6.2591	6.0402
2015	6.4778	6.2827	6.4896	6.1870
2016	6.9430	6.6400	6.9580	6.4480
2017				
January	6.8768	6.8907	6.9575	6.8360
February	6.8665	6.8694	6.8821	6.8517
March	6.8832	6.8940	6.9132	6.8687
April	6.8900	6.8876	6.8988	6.8778
May	6.8098	6.8843	6.9060	6.8098
June	6.7793	6.8066	6.7793	6.8382

Note:

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

On December 31, 2016, the noon buying rate for U.S. dollars in New York City for cable transfers in Renminbi was US$1.00 = RMB6.9430 as certified for customs purposes by the Federal Reserve Bank of New York.

HONG KONG

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

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

The following table sets forth the noon buying rate for U.S. dollars in New York City for cable transfer in Hong Kong dollars as certified for customs purposes by the Federal Reserve Bank of New York for the periods indicated:

	Noon buying rate			
Period	**Period end**	**Average[1]**	**High**	**Low**
		(HK$ per US$1.00)		
2012	7.7507	7.7569	7.7700	7.7493
2013	7.7539	7.7565	7.7654	7.7503
2014	7.7531	7.7545	7.7669	7.7495
2015	7.7507	7.7524	7.7686	7.7495
2016	7.7534	7.7620	7.8270	7.7505
2017				
January	7.7579	7.7560	7.7580	7.7540
February	7.7627	7.7596	7.7627	7.7575
March	7.7714	7.7658	7.7714	7.7611
April	7.7779	7.7737	7.7806	7.7687
May	7.7929	7.7868	7.7933	7.7775
June	7.8055	7.7984	7.8055	7.7908

Note:

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

On December 31, 2016, the noon buying rate for U.S. dollars in New York City for cable transfers in Hong Kong dollars was US$1.00 = HK$7.7534 as certified for customs purposes by the Federal Reserve Bank of New York.

CAPITALIZATION AND INDEBTEDNESS

The table below sets forth our consolidated current borrowings and capitalization as of December 31, 2016:

- on an actual basis; and
- on an adjusted basis to give effect to the issuance of the Notes before deducting the underwriting discounts and commissions and other estimated expenses relating to this offering payable by us.

You should read this table in conjunction with our consolidated financial statements and the related notes included elsewhere in this offering memorandum.

	As of December 31, 2016			
	Actual		As adjusted	
	(RMB'000)	(US$'000)	(RMB'000)	(US$'000)
Bank and Other Borrowings:				
Bank loans, secured	14,468,448	2,083,890	14,468,448	2,083,890
Bank loans, unsecured	17,875,656	2,574,630	17,875,656	2,574,630
Bonds, unsecured	20,016,334	2,882,952	20,016,334	2,882,952
Total bank and other borrowings	52,360,438	7,541,472	52,360,438	7,541,472
Less: Bank and other borrowings — due within one year	(5,333,349)	(768,162)	(5,333,349)	(768,162)
Bank and other borrowings — due after one year	47,027,089	6,773,310	47,027,089	6,773,310
Senior Notes:				
2013 Notes	3,538,902	509,708	3,538,902	509,708
2014 Notes	1,972,730	284,133	1,972,730	284,133
Notes offered hereby	—	—	3,106,298	447,400
Equity				
Share capital	508,438	73,230	508,438	73,230
Other reserves	6,846,449	986,094	6,846,449	986,094
Retained earnings	54,409,812	7,836,643	54,409,812	7,836,643
Capital and reserves attributable to equity holders of the Company	61,764,699	8,895,967	61,764,699	8,895,967
Total capitalization[(1)]	114,303,420	16,463,118	117,409,718	16,910,518

Notes:

(1) Total capitalization equals total non-current bank and other borrowings and senior notes plus capital and reserves attributable to equity holders of the Company.

(2) On February 16, 2017, one of our PRC subsidiaries issued green bonds to qualified investors in the total principal amount of RMB1,600 million (with a tenor of five years and a coupon rate of 4.4%) and RMB1,440 million (with a tenor of seven years and a coupon rate of 4.67%). On March 6, 2017, the same PRC issuer issued the second tranche of green bonds in the total principal amount of RMB1,000 million (with a tenor of seven years and a coupon rate of 4.75%).

Except as otherwise disclosed in this offering memorandum, there has been no material adverse change in our indebtedness or capitalization since December 31, 2016.

CORPORATE STRUCTURE

The chart below sets forth a simplified corporate structure of our Company and principal subsidiaries as of the date of the offering memorandum.

(1) Including the following companies:

Company Name	Place of Incorporation	Company Name	Place of Incorporation
Silver Oak Enterprises Limited	BVI	Longfor Properties Management Company Limited	Hong Kong
Join Dragon Limited	BVI	Longlake (Holdings) Company Limited	Hong Kong
Jasmine Spread Investment Limited	BVI	Longhu (Holdings) Company Limited	Hong Kong
Fully Grace Group Limited	BVI	Fortune Chance Investment Limited	Hong Kong
Fantastic Star Investment Limited	BVI	Grace Dragon Enterprise Limited	Hong Kong
Everbay Investment Limited	BVI	Profit Dragon Corporation Limited	Hong Kong
Fortune Glister Development Limited	Hong Kong	Treasure State Limited	Hong Kong
Joyline Corporation Limited	Hong Kong	Longfor Company Limited	Hong Kong
Longfor Land Company Limited	Hong Kong	Everest Investment Holding Limited	Hong Kong
Longfor (Holdings) Company Limited	Hong Kong	ING COF V SRL *(formely known as Long Growth SRL)*	Barbados
Longfor Properties Development Company Limited	Hong Kong	China Wish Investment Limited	Hong Kong
Longfor Property (Group) Company Limited	Hong Kong	Lead Chance Investment Limited	Hong Kong
Longfor Construction Company Limited	Hong Kong	Power Creation Investment Limited	Hong Kong
Longfor Hotels (Holdings) Company Limited	Hong Kong	COF I SRL	Barbados
Longfor Asset Management Company Limited	Hong Kong	Wish Joy Limited	Hong Kong
Yunsheng Investments Limited	Hong Kong	East Crown Corporation Limited	Hong Kong
Joy Wealth Trading Limited	Hong Kong	Champ Sky Corporation Limited	Hong Kong
Smart Sight Trading Limited	Hong Kong	Billion Way International Trading Limited	Hong Kong
Sure Fortune Trading Limited	Hong Kong	Win Team Trading Limited	Hong Kong
Faith Billion Limited	Hong Kong	Famous Great Limited	Hong Kong
Goodfar Holdings Limited	BVI	Greatest Leading Limited	Hong Kong
Shiny Royal Limited	Hong Kong	Leader Future Limited	Hong Kong
Rich Force Ventures Limited	BVI		

(2) Including the following companies:

Company Name	Place of Incorporation	Shareholders	Ownership Percentage	Our Effective Shareholding
Northpole Intermediary, Limited	Cayman Islands	Longfor Company Limited	61.54%	100.00%
		Lead Chance Investment Limited	38.46%	
COF I (HK) Limited	Hong Kong	Northpole Intermediary, Limited	100.00%	100.00%
Front Harbour Investments Limited	Hong Kong	Northpole Intermediary, Limited	100.00%	100.00%
COF V (HK) Limited	Hong Kong	Northpole Intermediary, Limited	100.00%	100.00%
Sunny Champ Group Limited	Hong Kong	Northpole Intermediary, Limited	100.00%	100.00%
Hope Glory International Limited	BVI	Everbay Investment Limited	100.00%	100.00%
Wealth Wish Limited	BVI	Everbay Investment Limited	100.00%	100.00%

(3) Including the following companies:

Company Name	Place of Incorporation	Our Effective Shareholding
Easy Rise Enterprise Limited	Hong Kong	51.00%
Fast Great Investment Limited	Hong Kong	51.00%
Top Grand International Enterprise Limited	Hong Kong	50.00%

(4) Including the following companies:

Company Name	Our Effective Shareholding
重慶龍湖企業拓展有限公司 (Chongqing Longhu Development Company Limited)	100.00%
重慶龍湖地產發展有限公司 (Chongqing Longhu Properties Company Limited)	100.00%
重慶興龍湖置地發展有限公司 (Longhu Land Limited)	50.00%
重慶龍湖凱安地產發展有限公司 (Chongqing Longhu Kaian Real Estate Development Co., Ltd.)	100.00%
重慶恒弘投資有限公司 (Chongqing Henghong Investment Inc.)	100.00%
重慶天卓投資有限公司 (Chongqing Tianzhuo Investment Company Limited)	100.00%
重慶龍湖成恒地產開發有限公司 (Chongqing Longhu Chengheng Real Estate Development Inc.)	100.00%
重慶龍湖科恒地產發展有限公司 (Chongqing Longhu Keheng Real Estate Development Co., Limited)	100.00%
重慶龍湖嘉凱地產開發有限公司 (Chongqing Longhu Jiakai Real Estate Development Co., Ltd.)	51.00%
成都龍湖錦華置業有限公司 (Chengdu Longhu Jinhua Real Estate Company Limited)	100.00%
成都龍湖西錦置業有限公司 (Chengdu Longfor Xijin Real Estate Co., Ltd.)	100.00%
北京匯晟投資有限公司 (Beijing Huicheng Investment Limited)	100.00%
北京龍湖中佰置業有限公司 (Beijing Longhu Zhongbai Properties Company Limited)	100.00%
北京古北水鎮房地產開發有限公司 (Beijing Gubei Town Real Estate Development Ltd)	60.00%
北京通瑞萬華置業有限公司 (Beijing Tongrui Wanhua Real Estate Co., Ltd.)	100.00%
北京龍湖興潤置業有限公司 (Beijing Xingrun Real Estate Co., Ltd.)	100.00%
上海恒青房地產有限公司 (Shanghai Hengqing Real Estate Co., Ltd.)	100.00%
上海恒駿房地產有限公司 (Shanghai Hengjun Real Estate Co., Ltd.)	100.00%
上海恒馳房地產有限公司 (Shanghai Hengchi Real Estate Company Limited)	100.00%
上海軼偉投資管理有限公司 (Shanghai Yiwei Investment Co, Ltd.)	100.00%
南京金名城置業有限公司 (Nanjing Jinmingcheng Real Estate Co., Ltd.)	100.00%
南京名萬置業有限公司 (Nanjing Mingwan Real Estate Co., Ltd.)	51.00%
西安龍湖地產發展有限公司 (Xi'an Longhu Real Estate Inc.)	100.00%
杭州龍湖房地產開發有限公司 (Hangzhou Longhu Real Estate Development Co., Ltd.)	100.00%
杭州龍信房地產開發有限公司 (Hangzhou Longxin Real Estate Co., Ltd.)	100.00%
杭州嘉騰房地產開發有限公司 (Hangzhou Jiateng Real Estate Development Co., Ltd.)	100.00%
杭州龍耀房地產開發有限公司 (Hangzhou Longyao Real Estate Development Ltd)	51.00%
蘇州龍湖基業房地產有限公司 (Suzhou Longfor Real Estate Co., Ltd.)	51.00%
濟南泰瑞房地產開發有限公司 (Jinan Tairui Real Estate Development Co., Ltd.)	100.00%

OVERVIEW

We are an investment grade national leader in China's real estate market engaged in property development, investment and management with strong presence in, and a focus on first and second tier cities in, Western China, the Pan Bohai Rim, the Yangtze River Delta, Southern China and Central China. We from time to time explore non-traditional real estate opportunities in China and seek micro-innovation in the industry.

As of December 31, 2016, we had 130 projects with a total completed GFA remaining unsold, GFA under development and GFA under planning of approximately 41,020,718 sq. m. for our development properties in 24 cities, and 35 projects with a total of approximately 4,657,201 sq. m. in completed GFA remaining unsold, GFA under development and GFA under planning for our investment properties in 11 cities. As of the date of this offering memorandum, we have presence in 29 cities in China and we also have presence in Hong Kong.

From 2014 to 2016, the amount of our annual contracted sales grew from RMB49,046 million to RMB88,144 million (US$12,695 million), representing a CAGR of 34.1%. In 2014, 2015 and 2016, we recognized revenue of RMB50,991 million, RMB47,423 million and RMB54,799 million (US$7,893 million) respectively (of which RMB876 million, RMB1,415 million and RMB1,913 million (US$275 million), respectively, was derived from rental income).

Project Development

The following table summarizes our property development projects by city as of December 31, 2016:

CITIES	Completed GFA Remaining Unsold	GFA Under Development	GFA Under Planning
	(sq. m.)	(sq. m.)	(sq. m.)
Western China			
Chongqing	567,193	1,923,157	5,035,427
Chengdu	248,494	1,775,474	1,518,954
Xi'an	9,319	551,200	524,007
Yuxi	—	—	790,407
Subtotal	*825,006*	*4,249,831*	*7,868,795*
Pan Bohai Rim			
Beijing	14,672	1,179,668	743,528
Tianjin	—	19,559	355,818
Qingdao	40,559	871,934	706,395
Jinan	12,321	792,125	1,437,836
Shenyang	133,426	627,194	1,482,039
Dalian	72,059	209,461	669,724
Yantai	80,546	173,321	6,991,454
Subtotal	*353,583*	*3,873,262*	*12,386,794*

CITIES	Completed GFA Remaining Unsold	GFA Under Development	GFA Under Planning
	(sq. m.)	(sq. m.)	(sq. m.)
Yangtze River Delta			
Shanghai	33,796	400,008	811,687
Hangzhou	8,130	1,204,168	936,571
Nanjing	11,430	468,373	365,606
Suzhou	30,017	343,565	52,544
Wuxi	65,771	167,916	493,436
Ningbo	19,517	302,867	406,165
Changzhou	174,163	255,577	196,828
Subtotal	*342,824*	*3,142,474*	*3,262,837*
Central China			
Changsha	49,987	166,011	425,018
Wuhan	—	—	886,304
Subtotal	*49,987*	*166,011*	*1,311,322*
Southern China			
Xiamen	22,762	310,231	641,755
Guangzhou	18,045	131,148	515,252
Foshan	24,276	244,637	—
Quanzhou	50,018	285,203	944,665
Subtotal	*115,101*	*971,219*	*2,101,672*
Total GFA	1,686,501	12,402,797	26,931,420

Property Investment

The following table summarizes our investment properties by city as of December 31, 2016:

CITIES	Completed GFA Remaining Unsold	GFA Under Development	GFA Under Planning
	(sq. m.)	(sq. m.)	(sq. m.)
Western China			
Chongqing	1,034,362	195,708	336,015
Chengdu	407,206	—	258,337
Xi'an	131,766	—	—
Subtotal	*1,573,334*	*195,708*	*594,352*
Pan Bohai Rim			
Beijing	509,646	—	—
Subtotal	*509,646*	—	—
Yangtze River Delta			
Shanghai	253,293	119,600	—
Hangzhou	180,645	216,118	52,456
Nanjing	—	—	162,624
Suzhou	—	190,553	51,736
Wuxi	—	—	167,069
Changzhou	—	119,139	174,328
Subtotal	*433,938*	*645,410*	*608,213*
Southern China			
Xiamen	—	—	96,600
Subtotal	—	—	*96,600*
Total GFA	2,516,918	841,118	1,299,165

FactEntry

RECENT DEVELOPMENTS

On May 16, 2017, we acquired the Kai Tak plot in Kowloon, Hong Kong. The site has a site area of about 9,700 sq. m., with a planned GFA of 53,500 sq.m. and a planned attributable GFA of 26,700 sq.m.. The transaction marked the Company's first presence in Hong Kong.

On May 16, 2017, we acquired the Shenzhen Shatoujiao plot with a site area of approximately 3,900 sq. m. and a GFA under planning of approximately 13,500 sq. m. in Yantian, Shenzhen. This marked our entry into Shenzhen market and our full presence in all tier one cities in China.

In May, we acquired 70% stake in the Gaobeidian project in Baoding. The plot covers a site area of 309,000 sq.m., with a planned GFA of 772,400 sq.m. and a planned attributable GFA of 540,700 sq.m.. This marked our first entry into Baoding market.

For the first 5 months ended in 2017, we recorded a contracted sales of RMB75,750 million, representing a year-on-year growth of 151%. In 2017, we are expected to have more than 100 key projects available for sale and continue a robust contracted sales growth momentum.

On February 16, 2017, one of our PRC subsidiaries issued green bonds to qualified investors in the total principal amount of RMB1,600 million (with a tenor of five years and a coupon rate of 4.4%) and RMB1,440 million (with a tenor of seven years and a coupon rate of 4.67%). On March 6, 2017, the same PRC issuer issued the second tranche of green bonds in the total principal amount of RMB1,000 million (with a tenor of seven years and a coupon rate of 4.75%).

In February 2017, we acquired the Binhu plot with a site area of approximately 178,000 sq. m. and a GFA under planning of approximately 387,100 sq. m. in Hefei. In March, we acquired E1701 Yaohai District plot in Hefei with a site area of approximately 53,700 sq. m. and a GFA under planning of approximated 161,000 sq. m. These marked our entry into the Hefei market.

RECOGNITION AND AWARDS

We believe we enjoy brand and product recognition among certain regulators (such as those mentioned below), customers and suppliers. Over the past decade, we have received a multitude of recognition and awards, including the following:

- In 2016, we were named "Most Influential Commercial Real Estate Operators" (中國最具影響力商業地產運營商) by Bo'ao Real Estate Forum held by Guandian Real Estate Website; we were also named "The Top 500 Private Enterprises in China" (中國民營企業500強) and "The Top 100 Companies in the Service Industry in China" (中國服務業100強) by All-China Federation of Industry & Commerce; we were also included in the top-ten list for "The Top 100 Real Estate Companies in China With Comprehensive Strength" (中國房地產百強企業綜合實力TOP 10) jointly issued by the Enterprise Institute of the Development Research Center of the State Council, the Real Estate Research Institute of Tsinghua University and the China Index Academy;

- In 2016, our U-City project in Chongqing was awarded "Guangsha Award" (廣廈獎) by China Real Estate Association and Residential Industrializaiton Promotion Center of the Ministry of Housing and Urban-Rural Development;

- In 2015, we were named "Top 10 Companies with Property Comprehensive Strength in China"(中國物業綜合實力TOP 10) by the Enterprise Institute of the Development Research Center of the State Council, the Real Estate Research Institute of Tsinghua University and the China Index Academy; we were also included in the top-ten list for "The Top 100 Real Estate Companies in China With Comprehensive Strength" (中國房地產百強企業綜合實力TOP 10) jointly issued by the Enterprise Institute of the

Development Research Center of the State Council, the Real Estate Research Institute of Tsinghua University and the China Index Academy; we were also awarded "Best BIM Research Development & Application Award" (最佳BIM科研發展應用大獎) by buildingSMART Hong Kong;

- In 2015, our North Paradise Walk project in Shanghai was awarded the Gold Prize of the "Best Urban Complex Case Prize"(金綜獎城市綜合體最佳案例獎) by Construction China Real Estate Club and Chief Engineer Club of Shanghai Real Estate; and our Longfor Hill Top's Garden project in Chongqing was awarded the Gold Prize of the "Zhan Tianyou Prize for Excellent Residential Project Areas" (中國土木工程詹天佑獎優秀住宅小區金獎) by the China Civil Engineering Society;

- In 2014, we were named "Execllent Commercial Real Estate Enterprise in China" (中國商業地產優秀企業) by the Enterprise Institute of the Development Research Center of the State Council, the Real Estate Research Institute of Tsinghua University and the China Index Academy; we were also included in the top-ten list for "The Top 100 Real Estate Companies in China With Comprehensive Strength" (中國房地產百強企業綜合實力TOP 10) jointly issued by the Enterprise Institute of the Development Research Center of the State Council, the Real Estate Research Institute of Tsinghua University and the China Index Academy; we were also named "Top 10 China Real Estate Companies for Brand Value" (中國房地產公司品牌價值TOP 10) by the Enterprise Institute of the Development Research Center of the State Council, the Real Estate Research Institute of Tsinghua University and the China Index Academy;

- In 2014, our Chongqing U-City project was awarded "China Civil Engineering Zhan Tianyou Prize" (中國土木工程詹天佑獎) by the China Civil Engineering Society;

- In 2013, we were named "Most Valuable Public Company in the Real Estate Industry in China" (中國最具價值地產上市企業) jointly by Bo'ao Forum Real Estate Committee; we were also named one of "The Best 50 Public Companies in Asia Pacific" by Forbes Magazine in 2013; we were also included in the top-ten list for "The Top 100 Real Estate Companies in China With Comprehensive Strength" (中國房地產百強企業綜合實力TOP 10) jointly issued by the Enterprise Institute of the Development Research Center of the State Council, the Real Estate Research Institute of Tsinghua University and the China Index Academy; we were also named one of "The Top-Ten Mainland Real Estate Companies listed in Hong Kong" published by the Top-Ten China Real Estate Companies Research Institute and we remained in the top-ten list for "The Best Performing Public Companies in the Real Estate Industy in China" (中國房地產上市公司經營績效十強) jointly issued by the China Real Estate Research Association, China Real Estate Industry Association and China Real Estate Appraisal Center.

- In 2013, our Beijing Summer Palace Splendor project was named "Best International Construction Design" by National Association of Home Builders ("NAHB");

- In 2012, we were named "Most Valuable Public Company in the Real Estate Industry in China" (中國最具價值地產上市企業) jointly by Bo'ao Forum Real Estate Committee and The Guandian Real Estate New Media; we were also named one of "The Best 50 Public Companies in Asia Pacific" by Forbes Magazine in 2012; we were also included in the top-ten list for "The Top 100 Real Estate Companies in China With Comprehensive Strength" (中國房地產百強企業綜合實力TOP 10) jointly issued by the Enterprise Institute of the Development Research Center of the State Council, the Real Estate Research Institute of Tsinghua University and the China Index Academy and the top-five list for "The Best Performing Public Companies in the Real Estate Industry in China" (中國房地產上市公司經營績效五強) jointly issued by the China Real Estate Research Association, China Real Estate Industry Association and China Real Estate Appraisal Center;

- In 2012, our Beijing Time Paradise Walk project was awarded "Dual Golden Award of Residential Classic Planning and Construction" (全國人居經典規劃建築雙金獎) by the Architectural Society of China;

- In 2011, we were included in the top-ten lists for "The Best Real Estate Companies in China" (中國房地產開發企業10強) and "The Most Stable Real Estate Companies in China," (中國房地產開發企業穩健經營10強) both jointly issued by The Real Estate Association of China, The Real Estate Research Committee of China and the Real Estate Evaluation Center of China;

- In 2010, our North Paradise Walk project in Chongqing was named "Best Landlord" in 2010 (together with CR Land's Shenzhen Mixc City and Hang Lung Properties' Shanghai Grand Gateway) by the China Shopping Center Development Association of Mall China (中國購物中心產業資訊中心和中購聯中國購物中心);

- In 2009, our King Land project in Chengdu was awarded the Gold Prize of the "Zhan Tianyou Prize for Excellent Residential Project Areas 2009" by the China Civil Engineering Society (2009中國土木工程詹天佑獎優秀住宅小區金獎);

- In 2008, our "Longhu" (龍湖) brand name was accredited by the State Administration for Industry and Commerce as a "Well-known Trademark in China" (中國馳名商標);

- In 2007, our Crystal Town project in Chongqing was granted the "China Construction Project Luban Prize" (中國建築工程魯班獎), a prize given in recognition of the highest quality of construction work, by the Ministry of Construction and the Architecture Association of China (中國建築業協會); and

- In 2007, we were recognized as one of the "Top 500 in 2006 China Enterprise Information" (2006年度中國企業信息化500強) by the National Information Evaluation Center of the China Electronic Commerce Association (CECA國家資訊化測評中心) (one of the only two real estate companies in China winning such recognition).

OUR STRENGTHS

We believe that our success and future prospects are supported by a combination of the following competitive strengths:

We are an investment grade national leader in China's real estate market with strong growth potential and defensiveness.

We are an investment grade national leader in the PRC real estate market, with a focus on first and second tier cities in, Western China, the Pan Bohai Rim and the Yangtze River Delta, Southern China and Central China. As of the date of this offering memorandum, we have presence in 29 cities in China and we also have presence in Hong Kong. As of December 31, 2016, we had 130 projects with a total completed GFA remaining unsold, GFA under development and GFA under planning of approximately 41,020,718 sq. m. for our development properties in 24 cities, and 35 projects with a total of approximately 4,657,201 sq. m. in completed GFA remaining unsold, GFA under development and GFA under planning for our investment properties in 11 cities. From 2014 to 2016, the amount of our contracted sales grew from RMB49,046 million to RMB88,144 million (US$12,695 million), representing a CAGR of 34.1%. In 2014, 2015 and 2016, we recognized revenue of RMB50,991 million, RMB47,423 million and RMB54,799 million (US$7,893 million) respectively (of which RMB876 million, RMB1,415 million and RMB1,913 million (US$275 million) respectively was derived from rental income).

Western China. Our business originated in Chongqing in 1994, and following our success in Chongqing, we subsequently expanded into Chengdu, Xi'an, Kunming and Yuxi. We are market leaders in Chongqing, Chengdu and Xi'an, ranking 2nd for Chongqing and 4th for both Chengdu and Xi'an in terms of contracted sales in 2016*.

Pan Bohai Rim. Within the Pan Bohai Rim, we have presence in Beijing, Tianjin, Qingdao, Jinan, Shenyang, Dalian, Yantai and Baoding. In 2016, in terms of contracted sales, we ranked 8th in Beijing and Shenyang and 10th in Qingdao and Yantai.* We entered the Tianjin market for the first time in 2016 with the launch of the Tianjin Longfor Mansion, and all phase one units of this project were sold out after launch. Our Qingdao Chunjiang Central project was also almost all sold out after launch.

Yangtze River Delta. We have presence in Shanghai, Hangzhou, Nanjing, Suzhou, Wuxi, Ningbo, Changzhou, Shaoxing and Hefei. In 2016, in terms of contracted sales, we ranked 5th in Hangzhou and 7th in both Suzhou and Changzhou.*

Southern China. Currently, we have projects in Xiamen, Guangzhou, Shenzhen, Foshan and Quanzhou. In 2016, in terms of contracted sales, we ranked 3rd in Xiamen, one of the most populous cities in Southern China.*

Central China. In Central China, we have presence in Changsha and Wuhan.

We have achieved a relatively short development cycle. Our standardized development process and project execution capabilities enable us to generate cash inflow quickly and achieve positive cash flow soon after land acquisitions. For our typical project development, construction starts approximately three to six months after land acquisition and pre-sales occur approximately six to nine months after land acquisition. We typically reach cash break-even twelve to fourteen months after land acquisition. This quick turnover strategy ensures a healthy cash flow during a development cycle. In 2014, 2015 and 2016, our cash collection rate generally exceeded 90%.

We have maintained high standards across different product lines and have earned strong market recognition as well as various professional and governmental accreditations. See "Recognition and Awards" for more details.

We have a loyal customer base. According to the customer survey conducted by FG Consulting Co., Ltd. (北京賽惟諮詢有限公司) in 2016, our customer satisfaction rate was 88%, and our customer loyalty rate was 78%, which reflects our customers' satisfaction with our products and services and their loyalty to us.

We believe that our track record of success in Western China, the Pan Bohai Rim, the Yangtze River Delta, Southern China and Central China, will continue to pave the path of our success in these regions, and will enable us to continue expanding our business into other regions of the PRC.

We have adopted systematic land banking and product strategies to drive sustainable development.

We have adopted systematic land banking and product strategies:

Proprietary "City Analysis" (城市解讀) Methodology and In-depth Customer Research. We have developed our proprietary and in-depth "City Analysis" (城市解讀) methodology and Customer Research to conduct research on cities to be entered and products to be offered. We

* Source: Jointly published by CRIC and other third-party agencies.

conduct analysis by considering factors like economy structure, population density, amenities availability such as education or healthcare, transport infrastructure, and the presence of other businesses. By evaluating those factors, we categorize cities into different regions, namely "Preferred Area", "Be Selective Area", "Be Cautious Area" and "Do-not-enter Area". As such, we can prioritize each region and set a clear investment goal. We also conduct analysis through detailed study and research on the profiles of our customer to determine the appropriate types of products to be offered. For residential buyers, we divide them into different segmentations like "Upgrader", "Settler", "Retired", "LOHAS group" by considering their life-styles and needs. For commercial buyers, we conduct segmentation according to their demands (i.e., demand for investment or self-use) and needs.

A wide product range. Through systematic customer research, we provide a wide product range, which includes:

- mid to high end properties including high-rise and low-rise apartment buildings, low-rise garden apartments, townhouses and luxury stand-alone houses;

- investment properties that we own, develop and operate, such as shopping malls that target different population segments;

- recently we are offering residential rental units under the brand Champion Apartments (冠寓) with facilities catering for the younger generation, and shared co-working space under the brand EASYWORK (一展空間), suitable for start-ups located in commercial buildings. We are expecting to introduce similar products in Beijing, Shanghai, Shenzhen, Guangzhou, Hangzhou, Chongqing and Chengdu; and

- in terms of the style of our development, we have a proprietary product design bank encompassing various structural layout modules, such as the high-rise apartment buidlings, mansions, quasi-detached villa, the courtyard-townhouse and the duplex apartment, and property styles, such as the Toscana, the Contemporary Chinese, the Mediterranean and the British styles. These innovative modular product designs can be quickly fine-tuned, matched and combined to suit the tastes of customers in a broad range of markets.

The foregoing would not only diversify our target customer base but also increase our chance of securing demand for upgrades from our existing customers since we can offer them choices of higher-end properties as their purchasing power improves. Our multi-series product offerings based on modular product designs, combined with our quick turnover and quality work, have helped us replicate our success in various cities, achieve sales growth and brand building. Our diversified product portfolio also puts us in a better position to mitigate market risks in the PRC.

Relatively low land cost. We have a low land cost relative to ASP. For the year ended December 31, 2016, our contracted sales ASP was RMB14,642 per sq. m. and as of December 2016, our average land cost was RMB4,039 per sq. m., accounting for approximately 27.6% of our ASP. Given this relative low ratio, we can dedicate more capital and resources to building quality products and increasing our profit margin and ensuring our stable profit, ultimately delivering more value to both our customers and shareholders and consequently further strengthening our brand name.

Well diversified land bank with mixed uses. Our land bank is well diversified across Western China, the Pan Bohai Rim, the Yangtze River Delta, Southern China and Central China, ensuring a well-balanced development presence. As of December 31, 2016, we had 130 projects with a total GFA under development and GFA under planning of approximately 39,334,217 sq. m. for our

development properties in 24 cities, and 15 projects with a total of approximately 2,140,283 sq. m. in GFA underdevelopment and GFA under planning for our investment properties in 11 cities. Among these projects, by GFA, approximately 39% was in the Pan Bohai Rim, 31% in Western China, 18% in the Yangtze River Delta, 8% in Southern China and 4% in Central China;

Revamped land bank built upon quality, cost controlled and disciplined acquisitions in tier one and tier two cities: The majority of our land bank is located in tier one and tier two cities. As of December 31, 2016, by GFA, approximately 10% was in tier one cities, 42% in leading tier two cities (being Tianjin, Chongqing, Chengdu, Hangzhou, Nanjing, Suzhou, Wuhan and Xiamen), 24% in other tier two cities and the remainder in tier three cities. To ensure our land bank quality, we adopt a cost controlled and disciplined acquisition strategy through multi-channels, including public auction, acquisition and cooperation with external parties. In 2016, 34 land acquisitions were done through public auction while 9 land acquisitions were done through acquisition. In addition, in 2016, 100% of our land acquisitions are in tier one and tier two cities, among those, 13% are in tier one cities, 54% are in leading tier two cities and 33% are in other tier two cities.

Cooperation with renowned joint venture partners. An increasing number of our projects were developed with carefully selected independent third parties, which are typically seasoned financial investors, state owned enterprises and developers with track record, such as Canada Pension Plan Investment Board, Beijing Capital Development Holding (Group) Co., Ltd, and Hongkong Land Holdings Limited. As a result of the joint venture arrangements, we were able to acquire prime parcels of land at our target price with less competition, achieve synergy with our joint venture partners and fund our developments through diversified channels.

The success of our above land acquisition strategy and development process was showcased by several of our launches in markets new to us in 2014 to 2016:

- in 2014, our Suzhou Times Paradise Walk, a joint venture project with Canada Pension Plan Investment Board, recorded contracted sales year of RMB1,902 million (acquired in April 2013 and launched in May 2014). The land cost of the site for such project was RMB4,037 per sq. m., and the ASP on the first year of launch was RMB16,497 per sq. m.;

- in 2015, our Nanjing Chunjiang Center project recorded contracted sales of RMB2,705 million (acquired in May 2014 and launched in June 2015). The land cost of the site for such project was RMB6,070 per sq. m., and the ASP on the first year of launch was RMB22,287 per sq. m.; and

- in 2016, all phase one units of the Tianjin Longfor Mansion were sold out after launch (acquired in March 2016 and launched in October 2016). The land cost of the site for such project was RMB3,963 per sq. m., and the ASP on the first year of launch was RMB19,070 per sq. m..

We have a growing investment property portfolio with increasing recurring income to strengthen our earnings stability and quality.

We have developed and operated our investment properties, including shopping malls that target different population segments: metropolitan shopping centers (the Paradise Walk series), community shopping centers (the Starry Street series) and lifestyle shopping centers (the MOCO series). As of December 31, 2016, we had 35 projects with a total of approximately 4,657,201 sq. m. in completed GFA remaining unsold, GFA under development and GFA under planning for our investment properties in 11 cities. In 2016, we launched three shopping malls in the Paradise Walk series: Beijing Daxing Paradise Walk, Chongqing Times Paradise Walk Phase III and Shanghai Hongqiao Paradise Walk. We are expecting to add another 6 Paradise Walk series shopping malls to our portfolio by the end of 2018.

In 2014, 2015 and 2016, we recognized revenue derived from rental income of RMB876 million, RMB1,415 million and RMB1,913 million (US$275 million), respectively, representing a CAGR of 47.8%. As of December 31, 2016, the occupancy rate was 95.1%. Our investment property brought us steady rental income.

To ensure sustainable growth of our investment property portfolio, we from time to time adjust our tenants mix and organize exclusive themed events or shows at our shopping malls to attract customers. As a policy, we target to use up to 10% of the cash generated from our contracted sales to develop our investment property projects. We expect that our investment property will continue to be an important part of our revenue component.

We have a disciplined balance sheet and solid financing capability with low funding cost.

Prior to us attaining investment grade ratings, we already had access to diversified funding channels, which increased our liquidity and optimized our financing capabilities:

- within the PRC, we have solid relationships with major domestic banks and we are one of the headquarter-level strategic partners and top 10 clients in real estate for the four major state-owned commercial banks in 2016. We also regularly issue domestic bonds, most recently in February 2017 and March 2017; and

- outside of the PRC, we were able to from time to time, raise funds through different means, including in the equity capital market (our IPO in November 2009 and our share placing in 2012), the debt capital market (we issued our first senior bonds in 2011 and thereafter once every year from 2012 to 2014), the syndicated loan market and bilateral loan arrangements.

Our cost of funding was relatively low. As of December 31, 2016, our average borrowing cost was 4.92% and the average debt tenor was 5.9 years. In terms of onshore financing, our cost was at the low end of the industry. Our onshore corporate bond issuance in July 2016 achieved record low coupon rates of 3.06% and 3.68% for 5-year tenor and 7-year tenor, respectively.

We also have a relatively low and gradually decreasing net gearing ratio (being net debt (including pledged bank deposits and bank balances and cash) divided by total equity), being 57%, 55% and 54%, as of December 31, 2014, 2015 and 2016, respectively.

We maintained a healthy and optimized debt structure. In terms of debt breakdown by maturity, as of December 31, 2016, 49% of our debts are with maturities of more than 3 years, 42% with maturities of 1-3 years and only 9% with maturities of less than 1 year. In terms of debt breakdown by collateral type, as of December 31, 2016, 75% of our debts are unsecured and 25% are secured. In terms of debt breakdown by currency, as of December 31, 2016, 85% of our debts are denominated in RMB and 15% are denominated in foreign currencies.

We recently achieved investment grade ratings across all of Standard & Poor's, Moody's, Fitch, Dagong, China Chengxin and Shanghai Brilliance Rating — a testament to our paced and unwavering growth. We believe that our investment grade ratings will open the door to more sources of lower cost of funding, which we believe will further increase our liquidity and profit margin.

We have an efficient operation enabled by our decentralized decision-making structure and experienced management team.

We have an efficient operation enabled by our decentralized decision-making structure and experienced management team.

We are a national real estate development company with a decentralized, two-level decision-making structure. Our two-level structure, namely, the headquarters and the regional management, is flat and nimble. Our headquarters delegate substantial power to the regional level management in making project-specific and city-specific operational decisions while retaining company-wide decision-making authority. We believe the decentralized decision-making structure is critical given the localized nature of the property business and the distinctive cultures in different regions of China. This structure also enables our senior management to be promptly informed of market developments and contributes crucially to our quick execution.

Pursuant to our human resources strategy, we recruit our managers with an emphasis on entrepreneurial spirit and our general staff on a service-oriented attitude. Emphasizing on-the-job training, we evaluate our employees comprehensively and provide them with career opportunities. We strive to cultivate a "One Longfor" corporate culture of commitment and discipline across the entire company. We emphasize passion and dedication and downplay title and status. We encourage collaboration and discourage bureaucracy. Our employees are driven by their passion for excellence and at the same time are highly disciplined and methodical. Our result-driven remuneration policy provides competitive total compensation (base salary, bonus and stock options).

We have a highly experienced management team led by Madam Wu Yajun (Chairperson and Executive Director) since its inception in 1994. 98% of our headquarter and regional senior management team hold bachelor's degrees or above, whereas 68% possess master's or higher degrees. Our senior management team has an average industry experience of 20 years and an average tenure with the Company of 8 years.

OUR STRATEGY

Our strategy shall be to continue to commit to our core property development, investment and management business, explore non-traditional real estate opportunities in China and seek micro-innovation, strike a balance between growth and prudence, create economies of scale and control costs in a reasonable manner. For our property development business, we strive to achieve a steady and sustainable growth leveraging on quality products and well planned national network. At the same time, we will continue to invest in, and expand our investment property portfolio, and keep increasing our rental income. We target to maintain a high level of customer satisfaction and loyalty in our property management business as it is key to our ability to command a premium pricing. The newly launched long term rental apartment business is expected to become a new growth area to us. Overall, we target to maintain a balanced portfolio of property development, investment and management with a focus on quality. To achieve this, we will continue to adopt a prudent financial strategy to ensure a solid financing capability.

We also believe a systematic land banking strategy is crucial to achieving our business goal. In terms of site selection, our focal point will remain in core urban zones within tier one and tier two cities in China and cities benefiting from spillover effects of core metropolitan areas, which are more secure and enjoy better growth prospects. As for land acquisitions, in addition to tenders and auctions, we will be open to cooperative development, while approaching acquisition opportunities with a positive attitude and a certain level of prudence to control land cost and cash used for land acquisitions.

Steady and sustainable growth.

As of the date of this offering memorandum, we have presence in 29 cities in five strategic regions of the PRC: Western China, the Pan Bohai Rim, the Yangtze River Delta, Southern China

and Central China. We also have presence in Hong Kong. We will continue to increase our presence in these regions, with a focus on tier one and tier two cities. Within each of the Pan Bohai Rim, the Yangtze River Delta, Southern China and Central China regions, we will continue to explore opportunities in other cities as well.

We will also continue to explore business opportunities in other regions of the PRC. We are constantly monitoring the PRC real estate market and looking for the next strategic expansion target. Once we make a decision to enter into a new region, we will continue to follow our strategy of first capturing the key cities in that region and then leveraging our success in the key cities to gradually expand into cities benefiting from spillover effects of core metropolitan areas within that region.

Continue to expand our investment property portfolio to further increase recurring income.

Expanding our investment property portfolio shall remain as one of our key strategies. As of December 31, 2016, our investment property portfolio has presence in 11 cities, including Chongqing, Chengdu, Beijing, Shanghai, Xi'an, Wuxi, Nanjing, Xiamen, Changzhou, Hangzhou, and Suzhou. We will continue to deepen our presence in existing cities and enhance the performance of existing malls. Our 2017-2018 pipeline projects include Chongqing Hometown Paradise Walk, Suzhou Shishan Paradise Walk, Hangzhou Binjiang Paradise Walk, Chongqing U-City Paradise Walk, Shanghai Baoshan Paradise Walk and Changzhou Longcheng Paradise Walk.

We will continue to expand our investment property portfolio and grow our rental income. As of December 31, 2014, 2015 and 2016, we had 15, 17 and 21 investment properties in operation respectively, with a total GFA in operation of 1.25 million sq. m., 1.49 million sq. m. and 1.94 million sq. m., respectively. In 2014, 2015 and 2016, our rental income was RMB876 million, RMB1,415 million and RMB1,913 million (US$ 275 million), respectively, representing a CAGR of 47.8% from 2014 to 2016. Our rental income interest coverage ratio (defined as rental income divided by finance costs (including capitalized interests)) improved steadily to approximately 0.63 times in 2016.

We target to invest up to 10% of our cash generated from contracted sales into our investment properties. We believe our investment properties portfolio will diversify our revenue sources and improve our profit stability, which will reduce our exposure to volatility within any particular property segment.

Adopt a prudent financial strategy to maintain a disciplined balance sheet and solid financing capability.

We will continue to adopt a prudent financial strategy to maintain diversified, cross-border and low-cost financing channels in a bid to enhance our credit profile and become a stronger investment grade name.

We will continue to maintain a stable net gearing ratio and target to further reduce it. As of December 31, 2014, 2015 and 2016, our net gearing ratio was 57%, 55% and 54%, respectively.

We will also continue to optimize our debt structure. In terms of debt maturity, we will continue to increase the use of long term financing. In 2014, 2015 and 2016, our average debt maturity years are 4.5 years, 5.2 years and 5.9 years, respectively. In terms of collateral status, we will continue to reduce the use of secured debt financing. In 2014, 2015 and 2016, our secured debt percentage of total debt was 52%, 41% and 25%, respectively. In terms of denomination currency, we will continue to maintain diversified and cross border financing channels and examine our debt currency denomination structure from time to time with well-planned foreign currency risk management.

With all the efforts stated above, we aim at further lowering our cost of borrowing as we achieved in the past. In 2014, 2015 and 2016, the average cost of borrowing was 6.4%, 5.7% and 4.9%, respectively.

Continue to enhance our land bank and optimize operation.

We will continue to focus our land bank replenishment on tier one and two cities to drive sustainable development by making informed investment decisions through rigorous proprietary analysis. We will further optimize our existing decentralized and two-level (headquarter and regional) decision making structure, shorten our development cycle, improve our product quality and maintain an effective cost control. Through advancing our IT systems in all operational aspects, we also seek to make our operational system more seamless and efficient.

We seek to maintain our short development cycle and fast turnover and continue to boost our operational efficiency. We believe that this strategy will continue to improve our cash flow, optimize our liquidity position and financing profile.

Further strengthen our well-recognized brand by providing value to our customers through quality products and premium property management.

We will continue to reinforce our premium brand image by providing value to our customers. Through detailed customer research, we will continue to provide a wide range of quality products to meet customers' demands and needs. In terms of residential property, our product range includes high-rise and low-rise apartment buildings, low-rise garden apartments, townhouses and luxury stand-alone houses. In terms of commercial property, our product range includes shopping malls that target different population segments. In terms of our long term rental apartment business and shared co-working space business, we operate under brand Champion Apartments (冠寓) and brand EASYWORK (一展空間) respectively. We will also continue to provide premium property management. Ultimately, we aim at maintaining high customer satisfaction, strong customer loyalty and brand premium.

Develop our long term rental apartment business under the Champion Apartments (冠寓) brand, our new growth area.

Recently, we are offering long term rental apartments under the brand Champion Apartments (冠寓), which provide white-collar population with quality and comprehensive rental and lifestyle services and facilities. We are expecting to further expand this business in tier one cities such as Beijing, Shanghai, Shenzhen and Guangzhou and leading tier two cities such as Hangzhou, Chongqing and Chengdu.

Continue to align the interest of our management with shareholders and cultivate leadership and entrepreneurship qualities among our senior management team.

We will fully consider our employees' ownership of our Company to further align our employees' interests with our shareholders.

We believe that apart from possessing professional skills, a senior management team with leadership and entrepreneurial qualities is a key for us to remain competitive in the long term and forms the basis on which we can formulate our management succession plan. We will continue to emphasize such qualities in our recruitment policy and offer appropriate internal and external trainings on a regular basis.

OUR BUSINESS

Overview of Our Projects

Our projects include both development properties, which we sell to customers, and investment properties, which we hold for investment purposes. If the construction of a development property is completed but not all of its GFA is sold, the development property would continue to be listed as one of our projects. Investment properties are listed as our projects regardless of the stage of its construction, as we continue to own them for investment purposes after completion of construction.

Depending on the construction and development stage, we categorize the GFA of both types of projects into three groups: completed GFA remaining unsold, GFA under development, and GFA under planning. For investment properties, completed GFA remaining unsold means the entire GFA of the investment properties as we continue to own them after completion of construction. Our GFA under development and GFA under planning constitute our land bank.

As of December 31, 2016, we had 130 projects with a total completed GFA remaining unsold, GFA under development and GFA under planning of approximately 41,020,718 sq. m. in GFA for our development properties in 24 cities, and approximately 4,657,201 sq. m. in completed GFA remaining unsold, GFA under development and GFA under planning for our investment properties in 11 cities.

As some of our projects comprise multiple-phase developments on a rolling basis, a single project may include different phases at various stages of completion, under development or for future development. A project or certain phase of a project is considered completed when we have received the Completed Construction Works Certified Report from the relevant government construction authorities. A project or certain phase of a project is considered to be under development immediately following the issuance of the required construction works commencement permits and before completion of the project or the relevant phase of the project.

A project or certain phase of a project is considered to be under planning when we have received the relevant land use rights certificates, or have signed the relevant land grant contracts, but have not yet obtained land use rights certificates, or have signed the confirmation letters on bidding for granting land use rights, but have not yet signed the relevant land grant contracts and, in each case, construction work has not yet commenced. With respect to properties for which confirmation letters on bidding for granting land use rights have been signed by the relevant government authority, according to the Rules on Bidding, Auctioning and Listing of State-owned Land Use Rights, which took effect on November 1, 2007, the confirmation letter on bidding for granting land use rights has legal effect on the successful bidders as well as the grantors. If the grantors change the bidding result, or if the successful bidders give up the target land, they shall assume legal responsibility. The winning bidders shall sign the State-owned Land Granting Contract with the grantors as prescribed in the confirmation letter on bidding for granting land use rights. On such basis, we have classified such properties as projects under planning.

We set out below the GFA breakdown of our portfolio of projects under various stages of development by planned use as of December 31, 2016:

	Completed GFA Remaining Unsold	GFA under Development	GFA under Planning
	(sq. m.)	(sq. m.)	(sq. m.)
Property Development	1,686,501	12,402,797	26,931,420
Property Investment	2,516,918	841,118	1,299,165
Total	4,203,419	13,243,915	28,230,585

A property is treated as "pre-sold" when the purchase contract has been executed but the property has not yet been delivered to the customer. A property is considered "sold" when the purchase contract with a customer has been executed and the property has been delivered to the customer. Delivery is deemed to take place on the date stated on the property delivery document.

We include in this offering memorandum the project names which we have used, or intend to use, to market our properties. Some of the names for property developments may be different from the names registered with the relevant authorities. They are subject to approval by the relevant authorities and are therefore subject to change.

PROPERTY DEVELOPMENT

As of December 31, 2016, we had 130 projects with a total completed GFA remaining unsold, GFA under development and GFA under planning of approximately 41,020,718 sq. m. for our property development projects in 24 cities.

The following table sets forth certain key information about all of our property development projects as of December 31, 2016.

Development Properties

Project Name		Group's Interest in the Project	Location	Completed GFA Remaining Unsold (sq. m.)	GFA Under Development (sq. m.)	GFA Under Planning (sq. m.)
Western China						
U-City	U城	100.00%	Chongqing	19,553	127,590	—
Bamboo Grove	江與城	50.00%	Chongqing	74,529	230,935	—
Hill Top's Garden	紫雲台	100.00%	Chongqing	62,667	24,925	191,426
La Defense	拉特芳斯	100.00%	Chongqing	29,468	127,529	434,912
Chunsen Land	春森彼岸	100.00%	Chongqing	26,058	67,853	119,572
Times Paradise Walk	時代天街	100.00%	Chongqing	29,105	—	192,745
Hometown	源著	100.00%	Chongqing	129,023	77,873	—
1st Avenue	新壹街	51.00%	Chongqing	30,967	177,597	91,169
Keyuan Rd. Plot	科園路地塊	100.00%	Chongqing	—	143,039	—
For Colourful Life	伯樂街	100.00%	Chongqing	—	108,850	—
Peace Hill County	悠山郡	100.00%	Chongqing	—	—	59,704
Glory Villa	天琅	50.00%	Chongqing	—	505,434	377,925
Longfor Ideal City	兩江新宸	100.00%	Chongqing	165,823	331,532	1,277,696
Zhaomushan Plot	照母山地塊/重慶舜山府	70.00%	Chongqing	—	—	412,722
Lijia II Plot	禮嘉II地塊	70.00%	Chongqing	—	—	768,060
Zhaomushan Plot II	照母山地塊II/重慶舜山府	70.00%	Chongqing	—	—	124,354
Lijia III Plot	禮嘉III地塊	100.00%	Chongqing	—	—	567,430
Caijia Plot	蔡家地塊	60.00%	Chongqing	—	—	417,712
Chongqing Subtotal				567,193	1,923,157	5,035,427

Project Name		Group's Interest in the Project	Location	Completed GFA Remaining Unsold (sq. m.)	GFA Under Development (sq. m.)	GFA Under Planning (sq. m.)
Times Paradise Walk	時代天街	100.00%	Chengdu	184,930	501,707	—
Jade Town	小院青城	100.00%	Chengdu	12,784	9,572	31,026
Century Peak View	世紀峰景	100.00%	Chengdu	7,901	112,644	—
Jasper Sky	九里晴川	51.00%	Chengdu	—	316,601	—
Poetic Life	三千庭	50.00%	Chengdu	—	345,914	—
Peace Hill County	悠山郡	100.00%	Chengdu	42,879	—	208,260
Yurenxi Rd Plot	育仁西路地塊/成都西宸原著	100.00%	Chengdu	—	287,683	215,003
Huazhao Plot	花照地塊	49.00%	Chengdu	—	201,353	594,736
Dafeng Plot	大豐地塊	60.00%	Chengdu	—	—	327,685
Sansheng Str. Plot	三聖街道地塊	100.00%	Chengdu	—	—	142,244
Chengdu Subtotal				248,494	1,775,474	1,518,954
Chianti	香醍國際	100.00%	Xi'an	2,115	321,980	340,718
Aerospace Town B Plot	航太城B地塊	100.00%	Xi'an	—	97,298	138,402
Chanba Plot	源著 (滻灞地塊)	100.00%	Xi'an	7,204	131,922	9,450
Chang'an Wonder	夜長安 (園中園)	100.00%	Xi'an	—	—	35,437
Xi'an Subtotal				9,319	551,200	524,007
Paradise Seasons	仙湖錦綉	100.00%	Yuxi	—	—	790,407
Yuxi Subtotal				—	—	790,407
Pan Bohai Rim						
Great Wall Chinoiserie	長城源著	60.00%	Beijing	775	118,626	49,628
Jade Mansion	西宸原著	50.00%	Beijing	10,941	52,861	—
Rose and Gingko Mansion	蘭瀾新宸	34.00%	Beijing	2,809	65,547	—
Fengtai Kandan Plot	豐台看丹路地塊	16.50%	Beijing	—	55,259	—
Mentougou Newtown Plot	門頭溝新城地塊	17.00%	Beijing	—	130,779	—
Emerald Legend	天璞	50.00%	Beijing	147	42,028	—
Taipingzhuang plot	太平莊地塊	25.00%	Beijing	—	17,380	—
Daxing Yinghai plot	大興瀛海	50.00%	Beijing	—	188,206	—
Shunyi Newtown Plot	順義新城地塊	20.00%	Beijing	—	236,163	—
Shunyi Renhe Plot	順義仁和地塊	26.00%	Beijing	—	109,238	—
South Dongba Plot	東壩南地塊	34.00%	Beijing	—	87,194	106,180
Hou Sha Yu	白辛莊	100.00%	Beijing	—	—	161,806
Huanbaoyuan Plot	環保園地塊	100.00%	Beijing	—	—	57,164
The Orient Original (Sunhe II)	景粼原著	25.00%	Beijing	—	76,387	130,915
Changyang Plot	長陽地塊	50.00%	Beijing	—	—	237,835
Beijing Subtotal				14,672	1,179,668	743,528
Banyan Bay A/C	葡醍海灣A/C	100.00%	Yantai	80,546	173,321	6,295,307
Banyan Bay B	葡醍海灣B	100.00%	Yantai	—	—	696,147
Yantai Subtotal				80,546	173,321	6,991,454
Rose and Ginkgo VillaI	蘭瀾山一期	100.00%	Shenyang	16,834	39,923	—
Rose and Ginkgo Villa II	蘭瀾山二期	100.00%	Shenyang	21,044	10,574	185,832
Chianti	香醍漫步	100.00%	Shenyang	32,283	—	398,432
Longfor Hometown	源著	100.00%	Shenyang	21,802	63,638	251,013
Jinhai Road plot	晉海路地塊	100.00%	Shenyang	—	164,001	213,935

Project Name		Group's Interest in the Project	Location	Completed GFA Remaining Unsold (sq. m.)	GFA Under Development (sq. m.)	GFA Under Planning (sq. m.)
Pitosporum Tobira	花千樹	100.00%	Shenyang	—	—	58,993
Fairy Castle	紫都城	100.00%	Shenyang	21,850	18,438	—
Tangning One	唐寧ONE	100.00%	Shenyang	19,613	198,192	—
Chunjiang Central (Shiji Rd. Plot)	春江酈城	60.00%	Shenyang	—	132,428	54,938
Shenxin Plot	沈新地塊	100.00%	Shenyang	—	—	318,896
Shenyang Subtotal				133,426	627,194	1,482,039
Rose & Gingko Coast	白沙河	100.00%	Qingdao	10,896	151,216	40,458
Rose & Gingko Coast F.	灩瀾海岸F	100.00%	Qingdao	10,625	71,391	43,383
Original	原山	100.00%	Qingdao	5,031	1,273	—
Peace Hill County	悠山郡	100.00%	Qingdao	1,565	61,721	9,704
An Le	錦璘原著	100.00%	Qingdao	12,442	110,594	22,412
Chunjiang Central (Haijing Plot)	春江酈城	25.10%	Qingdao	—	424,427	542,725
Zhongcun II Plot	仲村II 地块	100.00%	Qingdao	—	51,312	47,713
Qingdao Subtotal				40,559	871,934	706,395
MingJing Tai	名景台	100.00%	Jinan	12,321	37,244	72,840
Chunjiang Central (Licheng Plot)	春江酈城	51.00%	Jinan	—	408,554	480,965
Hancang Plot	韓倉地塊	30.00%	Jinan	—	68,640	515,837
Tangye Plot	唐冶地塊	51.00%	Jinan	—	—	276,331
Changheyuan Plot	暢和園地塊	20.00%	Jinan	—	277,687	—
Huaiyin District Plot	槐蔭區地塊	100.00%	Jinan	—	—	91,863
Jinan Subtotal				12,321	792,125	1,437,836
Crystal Town	水晶酈灣	100.00%	Dalian	28,771	3,153	—
Rose and Ginkgo Villa	灩瀾山	100.00%	Dalian	43,288	51,343	—
Longhe II	旅順龍河 2 期	50.00%	Dalian	—	—	669,724
Gaoxinyuanqu Plot	高新園區地塊	100.00%	Dalian	—	154,965	
Dalian Subtotal				72,059	209,461	669,724
Longfor Mansion	天宸原著	34.00%	Tianjin	—	19,559	179,937
Jinnan District Plot	津南區地塊/天津紫宸	100.00%	Tianjin	—	—	175,881
Tianjin Subtotal					19,559	355,818
Yangtze River Delta						
Songjiang Newtown	松江新城地塊/上海新壹城	100.00%	Shanghai	—	108,697	—
Jiading Jiangqiao Plot	嘉定江橋地塊/上海天璞	100.00%	Shanghai	—	144,674	88,498
Hongqiao Paradise Walk	虹橋天街	100.00%	Shanghai	10,847	53,037	—
North Paradise Walk	北城天街	100.00%	Shanghai	22,949	93,600	—
Maqiao Town Plot	馬橋鎮地塊	50.00%	Shanghai	—	—	132,265
Zhuanqiao Town Plot	顓橋鎮地塊	100.00%	Shanghai	—	—	337,054
Kunxiu Lake Plot	昆秀湖地塊	65.00%	Shanghai	—	—	253,870
Shanghai Subtotal				33,796	400,008	811,687
Rose and Ginkgo Valley	灩瀾山	100.00%	Wuxi	—	—	84,923

FactEntry

Project Name		Group's Interest in the Project	Location	Completed GFA Remaining Unsold (sq. m.)	GFA Under Development (sq. m.)	GFA Under Planning (sq. m.)
Jiu Shu	九墅	100.00%	Wuxi	5,513	69,480	112,159
Quiet tale	悠山郡	100.00%	Wuxi	10,645	98,436	205,853
Mountain Top Garden	紫雲台	100.00%	Wuxi	49,613	—	90,501
Wuxi Subtotal				65,771	167,916	493,436
Sunshine City	酈城 2 期	100.00%	Changzhou	39,872	—	57,897
Hongzhuang Project	龍譽城	100.00%	Changzhou	69,988	255,577	—
Dongjing 120 Project	原山	100.00%	Changzhou	64,303	—	138,931
Changzhou Subtotal				174,163	255,577	196,828
Times paradise walk	時代天街	51.00%	Suzhou	30,017	126,995	52,544
Longfor Mansion	獅山原著	50.00%	Suzhou	—	216,570	—
Suzhou Subtotal				30,017	343,565	52,544
Rose and Ginkgo Town	下沙灩瀾山	100.00%	Hangzhou	—	63,364	—
Chunjiang Central	濱江春江酈城	100.00%	Hangzhou	8,130	43,768	—
Xingyi Plot	興議地塊	40.00%	Hangzhou	—	139,101	—
The Honor of City	世紀之光	10.00%	Hangzhou	—	323,151	—
West Lake Sandun Plot	西湖三墩地塊	30.00%	Hangzhou	—	123,589	—
Central Courtyard	武林九里	100.00%	Hangzhou	—	241,364	—
Xingyi II Plot	興議II地塊/杭州春江天璽	100.00%	Hangzhou	—	153,191	—
Xingyi III Plot	興議III地塊	100.00%	Hangzhou	—	116,640	—
Beigandong Plot	蕭山北幹東地塊/杭州天鉅	55.00%	Hangzhou	—	—	185,569
Xianghu Plot	湘湖地塊	26.00%	Hangzhou	—	—	153,058
Changmu Plot	長睦地塊	35.00%	Hangzhou	—	—	98,172
Shijicheng Plot	世紀城項目/杭州春江天璞	25.00%	Hangzhou	—	—	159,242
W. Lake Jiangcun Plot	西湖蔣村地塊	100.00%	Hangzhou	—	—	340,530
Hangzhou Subtotal				8,130	1,204,168	936,571
Chianti	香醍漫步	100.00%	Ningbo	—	—	149,735
Rose and Ginkgo Coast	灩瀾海岸	100.00%	Ningbo	19,517	258,180	—
Yinzhou Newtown Plot	鄞州新城地塊	20.00%	Ningbo	—	44,687	—
Panhuo II Plot	潘火II地塊	100.00%	Ningbo	—	—	113,656
Zhonggongmiao Plot	鐘公廟地塊	51.00%	Ningbo	—	—	54,648
Zhonggongmiao II plot	鐘公廟II地塊	100.00%	Ningbo	—	—	88,126
Ningbo Subtotal				19,517	302,867	406,165
Chunjiang Center	春江紫宸	100.00%	Nanjing	11,430	130,317	163,974
Chunjiang Central	春江酈城	51.00%	Nanjing	—	338,056	32,927
Jiangning II	江寧II地塊	34.00%	Nanjing	—	—	78,079
Jianning Road Plot	建寧路地塊	100.00%	Nanjing	—	—	90,626
Nanjing Subtotal				11,430	468,373	365,606
Southern China						
Island in the City	嘉嶼城	100.00%	Xiamen	8,115	1,844	134,645
Chunjiang Land	春江彼岸	51.00%	Xiamen	—	209,442	167,233
Chunjiang Central	春江酈城	49.00%	Xiamen	14,647	98,945	27,057
JimeiIIPlot	集美II地塊	51.00%	Xiamen	—	—	120,000

Project Name		Group's Interest in the Project	Location	Completed GFA Remaining Unsold (sq. m.)	GFA Under Development (sq. m.)	GFA Under Planning (sq. m.)
Xiang'An Plot	翔安地塊	51.00%	Xiamen	—	—	192,820
Xiamen Subtotal				22,762	310,231	641,755
Ascension to the Throne	嘉天下	100.00%	Quanzhou	50,018	285,203	944,665
Quanzhou Subtotal				50,018	285,203	944,665
Chunjiang Land	春江名城	80.02%	Foshan	24,276	244,637	—
Foshan Subtotal				24,276	244,637	—
Longfor Mansion	天宸原著	50.00%	Guangzhou	18,045	131,148	150,699
Baiyun New Town Plot	白雲新城地塊	50.00%	Guangzhou	—	—	94,630
Dvpt. Zone Plot	開發區地塊	50.00%	Guangzhou	—	—	269,923
Guangzhou Subtotal				18,045	131,148	515,252
Central China						
Wang Cheng	湘風原著	100.00%	Changsha	49,987	166,011	425,018
Changsha Subtotal				49,987	166,011	425,018
Changfeng Plot	長豐地块	60.00%	Wuhan	—	—	886,304
Wuhan Subtotal					886,304	
TOTAL				1,686,501	12,402,797	26,931,420

Notes:

(1) Some project names are not final and are subject to change.

(2) "Completed GFA" is based on figures provided in surveying reports or Record of Acceptance Examination Upon Project Completion (竣工驗收備案證明) by relevant government departments.

(3) "GFA Under Development" is based on figures provided in the Planning Permit for Construction Works (建設工程規劃許可證).

(4) "GFA Under Planning" is based on figures provided or calculated based on figures in the land grant contracts and confirmation letters on bidding for granting land use rights.

In 2014, 2015 and 2016, we achieved contract sales of RMB49,046 million, RMB54,544 million and RMB88,144 million respectively (representing a CAGR of 34.1%), and recognized revenue of RMB49,289 million, RMB44,993 million and RMB51,441 million (US$7,409 million) respectively from our property development projects (representing a CAGR of 2.2%). Adopting our strategy of focusing on major first and second tier cities, we have experienced a steady growth in 2014, 2015 and 2016, in terms of both contract sales and revenue. In 2014, 2015 and 2016, the average selling price of GFA sold was RMB10,803 per square meter, RMB12,825 per square meter, and RMB14,642 per square meter respectively, representing a CAGR of 16.4%.

OUR MAJOR PROPERTY DEVELOPMENT PROJECTS

We set out below a description of our major property development projects.

CHONGQING

Longfor Ideal City (重慶兩江新宸)

Longfor Ideal City comprises of mansions, garden houses, high-rise apartment buildings and residential SOHO units, satisfying owners' requirements in an all-around way. It is located in the Lijia Commercial Zone in the core area of Liangjiang New District, a key development area of the north area of Chongqing. The project occupies a total site area of approximately 584,104 sq. m. and has a GFA under planning of approximately 1,277,696 sq. m. The project adopts environment-friendly construction and achieved the national green building certification (國家綠色建築認證).

Glory Villa (重慶天琅)

Glory Villa comprises of mansions, garden houses and high-rise apartment buildings. It is located in Dazhulin region in Northern New District of Chongqing, enjoying a superior geological location. The project occupies a total site area of approximately 348,000 sq. m. and has a GFA under development of approximately 505,434 sq. m. and a GFA under planning of approximately 377,925 sq. m. Leaning the mountains and facing the river, the project harbors the highest greenland reserve in the urban district and is one of the best ecological living areas in Chongqing.

Zhaomushan Plot & Zhaomushan Plot II (照母山地塊 & 照母山地塊 II/重慶舜山府)

Zhaomushan Plot and Zhaomushan Plot II comprise of mansions, small high-rises and villas with low density. It is located in the Zhaomushan Forest Park of Liangniang New District, Chongqing. The two plots occupy a total site area of approximately 284,625 sq. m. and have a GFA under planning of approximately 537,076 sq. m. Located in the hinterland of 4,300 mu Zhaomushan Forest Park, it is surrounded by Zhaomushan Forest Park, making it a rarely seen low-density ecological high-end project with forestry resources in the core area of Chongqing.

CHENGDU

Jasper Sky (成都九里晴川)

Jasper Sky comprises of high-rise apartment buildings and mansions. It is located at No. 216 Yahe South 4th Road, Gaoxin District of Chengdu, close to exit B of Guangdu station on Subway Line 1. The project occupies a total site area of approximately 68,045 sq. m. and has a GFA under development of approximately 316,601 sq. m. Jasper Sky is built on highly desirable land in the southern part of the city, with fine landscapes of all seasons and three open cartyards. It creates a low-density high-quality residential area that is rarely seen in the district.

Yurenxi Rd Plot (育仁西路地塊/成都西宸原著)

Yurenxi Rd Plot comprises of high-rise apartment buildings, mansions, SOHO units, ground floor stores, rental apartments and schools. It is located at Yuren West Road, close to 3rd Ring Road and opposite to Chadianzi subway station. The project occupies a total site area of approximately 88,463 sq. m. and has a GFA under development of approximately 287,683 sq. m. and a GFA under planning of approximately 215,003 sq. m.

BEIJING

Great Wall Chinoiserie (北京長城源著)

Great Wall Chinoiserie is located in the middle of the Gubeikou resort. To the north of the project is the Simatai Great Wall and to the east is the Gubei Water Town, a national tourist attraction. Great Wall Chinoiserie is the only residential property within the resort. The project occupies a total site area of approximately 239,403 sq. m. and has a completed GFA remaining unsold of approximately 775 sq. m., a GFA under development of approximately 118,626 sq. m. and a GFA under planning of approximately 49,628 sq. m.

SHANGHAI

North Paradise Walk (上海北城天街)

North Paradise Walk comprises of commercial and office buildings. It is located between the Luxiang Road and Danxiashan Road, Baoshan District, Shanghai, above the ground of Metro Line 7, and close to Gucun Park. It is a one-stop commercial complex located in the northern area of

Shanghai. The project occupies a total site area of approximately 81,637 sq. m. and has a completed GFA remaining unsold of approximately 22,949 sq. m. and a GFA under development of approximately 93,600 sq. m. The Shanghai Baoshan Paradise Walk within the project will open business in 2018, with an aggregate GFA of approximately 96,803 sq. m.

Jiading Jiangqiao Plot (嘉定江橋地塊/上海天璞)

Jiading Jiangqiao Plot comprises of finely-renovated high-rises. It is located in Jiangqiao Town, Jiading District, Shanghai. It is 6km from the Hongqiao Commercial Zone and 10 kilometers from the Sun Yat Sen Park. The project occupies a total site area of approximately 95,382 sq. m. and has a GFA under development of approximately 144,674 sq. m. and a GFA under planning of approximately 88,498 sq. m. There are not many competitive projects in the surrounding. The project is a scarce high-end residence project well equipped with transportation and commercial facilities.

Songjiang Newtown (上海松江新城地塊/上海新壹城)

Songjiang Newtown is a mega commercial complex integrating SOHO units, LOFT units and street shops. It is located in the junction of Meijiabang Road, Guyang North Road, Songjiang District, Shanghai. It is 500 meters from the Songjiang University Town station of Metro Line 9. The project occupies a total site area of approximately 38,404 sq. m. and has a GFA under development of approximately 108,697 sq.m. The surrounding area enjoys abundant educational resources and well-equipped commercial infrastructure.

XI'AN

Chianti (西安香醍國際)

Chianti is located in the middle section of Chanhe West Road, Chanba Ecological District of Xi'an. It is a complex residential project with stand-alone houses, high-rises and apartments. Its target customers are middle- to high- income classes. The project occupies a total site area of approximately 461,661 sq. m. and has a completed GFA remaining unsold of approximately 2,115 sq. m., a GFA under development of approximately 321,980 sq. m. and a GFA under planning of approximately 340,718 sq. m. Located in the Chanba Ecological District, the project creates a cozy living environment. With pure Spanish construction style, it is a large-scale high-end community. The surrounding is well equipped with transportation infrastructure, educational and healthcare facilities.

QINGDAO

Chunjiang Central (Haijing Plot) (青島春江酈城)

Chunjiang Central comprises of high-rise apartment buildings, ground floor stores, and apartments. It is located in No.19 Kaifeng Road, Shibei District, Qingdao, and adjacent to Metro Line 1. The project occupies a total site area of approximately 223,812 sq. m. and has a GFA under development of approximately 424,427 sq. m. and a GFA under planning of approximately 542,725. As a high-end residential complex located in the new center in the northern area of downtown, the project has high-quality kindergartens and primary schools established by the government. The surrounding is well equipped with commercial infrastructure.

HANGZHOU

Beigandong Plot (蕭山北幹東地塊/杭州天鉅)

Beigandong Plot comprises of high-rise apartment buildings and garden houses. It is located at the intersection of Yucai North Road and Boxue Road, East of Yinhe Experimental Primary School, Xiaoshan District, Hangzhou. The project occupies a total site area of approximately 47,441 sq. m. and has a GFA under planning of approximately 185,569 sq. m. The project is within the governmental area of Xiaoshan District. With Hangzhou's eastward expansion and the crossing-river development, this area is gaining the importance of easing the population of urban districts. The surrounding infrastructure is well developed. High-end infrastructure including Wanxianghui (萬象匯), New Century Grand (開元名都), Hang Lung Plaza (恆隆廣場) are within walking distance.

Xingyi II Plot (興議 II 地塊/杭州春江天璽)

Xingyi II Plot comprises of high-rise apartment buildings and twonhouses. It is located at the intersection of Jianshesi Road and Boao Road, Xiaoshan District, Hangzhou. The project occupies a total site area of approximately 45,968 sq. m. and has a GFA under development of approximately 153,191 sq. m. It is located within 1 kilometer of the Hangzhou Olympic Sports Expo Center, in which the government has invested enormously, and is close to the core main stadium, venue of the G20 summit.

Shijicheng Plot (世紀城地塊/杭州春江天璞)

Shijicheng Plot comprises of small high-rise apartment buildings, high-rise apartment buildings and garden houses. It is located at the intersection of Jinji Road and Jingben Road, Xiaoshan District, Hangzhou, and close to Yingfeng Station of Metro Line 2. The project occupies a total site area of approximately 47,065 sq. m. and has a GFA under planning of approximately 159,242 sq. m. The project is located in the Olympic Physical area, which is the venue for events such as the G20 Hangzhou Summit and the 2022 Asian Games, and is a new center of Hangzhou.

Central Courtyard (杭州武林九里)

Central Courtyard provides high-rise apartment buildings and garden houses. It is located in 300 meters east of the intersection of Tongxie Road and Huafeng Road, Xiaoshan District, Hangzhou. The project occupies a total site area of approximately 79,425 sq. m. and has a GFA under development of approximately 241,364 sq. m. This project is a garden villa project which is rarely found in the main urban district of Hangzhou. The project enjoys well-developed surrounding infrastructure and natural resources such as Banshan National Forest Park.

XIAMEN

Chunjiang Land (廈門春江彼岸)

Chunjiang Land comprises of stacked mansion, and is a high-level superior ecological residential area. It is located in the northeastern side of the intersection of Maluanwan Avenue and Guanxin Road of Plot 05-06, Haicang District, Xiamen, within the Xiamen Maluanwan area. Leveraging on the ecological and coastal resources, Maluanwan area focuses on high-end costal ecological residential developments with high-tech development center and large-scale leisure, recreation, and sports facilities. The area is well equipped with educational and healthcare infrastructure, close to Metro Line 1 and 6. The project occupies a total site area of approximately 122,960 sq. m. and has a GFA under development of approximately 209,442 sq. m.and a GFA under planning of approximately 167,233 sq. m.

JINAN

Chunjiang Central (Licheng Plot) (濟南春江酈城)

Chunjiang Central comprises of high-rise apartment buildings, houses, etc. It is a middle- to high-class residential area. It is located in east of Hancang River, Licheng District, Jinan, and west of express loop highway. Railway will be built within such area, which makes travelling more convenient. The project occupies a total site area of approximately 266,412 sq. m. and has a GFA under development of approximately 408,554 sq. m. and a GFA under planning of approximately 480,965 sq. m. To the south of the project sits Wanda Cultural Tourism City. The surrounding has huge development potential.

NANJING

Chunjiang Central (南京春江酈城)

Chunjiang Central comprises of high-rise apartment buildings, small high-rise apartment buildings, houses, SOHO units, and commercial buildings. It is located at No.555 Xinting West Road, Dongshan Street, Jiangning District, Nanjing. The project occupies a total site area of approximately 151,101 sq. m. and has a GFA under development of approximately 338,056 sq. m. and a GFA under planning of approximately 32,927 sq. m.

Chunjiang Central is our second project in Nanjing. It is located adjacent to Jiangning Citizen's Park. The project aims to build high-quality flagship residences, including finely-renovated residences, highly-functional duplex apartment and a limited number of scarce water villa. Located in the core area of the Southern city, this project is well equipped with infrastructure, enjoys convenient transportation, surrounded by commercial areas, and adjacent to the Metro Line 1, above the ground of Metro Lines 5 and 12 (expected). The project also comprises of a 80,000 sq. m. Longfor Paradise Walk shopping mall.

TIANJIN

Longfor Mansion (天津天宸原著)

Longfor Mansion is a project with stand-alone houses and townhouses. It is located in the Haihe Educational Park of Tianjin, a key development area on the city axis of Tianjin. This area is well-equipped with infrastructure, converging 13 universities, including Nankai University and Tianjin University. The project occupies a total site area of approximately 127,322 sq. m. and has a GFA under development of approximately 19,559 sq. m. and a GFA under planning of approximately 178,937 sq. m. This is our first project in Tianjin. We will devote sufficient resources to establish our local branding.

Jinnan District Plot (津南區地塊/天津紫宸)

Jinnan District Plot comprises of low rise apartments. It is located in the Jinnan District of Tianjing. The area is well equipped with infrastructure. Adjacent to the Xianshuigu commercial circle, the project is located at the core area of Jinnan District. The project occupies a total site area of approximately 93,218 sq. m. and has a GFA under planning of approximately 175,881 sq. m.

PROPERTY INVESTMENT

As of December 31, 2016, all investment properties of the Company are shopping malls under three major product series, namely, the Paradise Walk series, which are metropolitan shopping malls, Starry Street series, which are community shopping malls, and MOCO, which are household and lifestyle shopping centers. The Company continues to maintain a prudent investment property strategy.

As of December 31, 2016, we had investment properties of approximately 1,938,418 sq. m. in GFA which have commenced operations, with an occupancy rate of 95.1%.

The following table sets forth certain key information about all of our investment property projects as of December 31, 2016.

Investment Properties

Project Name		Group's Interest in the Project	Location	Completed GFA Remaining Unsold (sq. m.)	GFA Under Development (sq. m.)	GFA Under Planning (sq. m.)
Western China						
North Paradise Walk	重慶北城天街	100.00%	Chongqing	146,262	—	—
Fairy Castle	重慶紫都城	100.00%	Chongqing	29,413	—	—
Crystal Castle	重慶晶郾館	100.00%	Chongqing	33,600	—	—
West Paradise Walk	重慶西城天街	100.00%	Chongqing	111,654	—	—
MOCO	重慶MOCO家悦薈	100.00%	Chongqing	29,104	—	—
Times Paradise Walk I	重慶時代天街一期	100.00%	Chongqing	218,569	—	—
Times Paradise Walk II	重慶時代天街二期	100.00%	Chongqing	257,113	—	—
Times Paradise Walk III	重慶時代天街三期	100.00%	Chongqing	122,758	—	—
U-City I	重慶U城天街一期	100.00%	Chongqing	31,271	—	—
U-City II	重慶U城天街二期	100.00%	Chongqing	—	102,365	—
Chunsen Starry Street	重慶春森星悦薈	100.00%	Chongqing	54,618	—	—
Hometown Paradise Walk	重慶源著天街	100.00%	Chongqing	—	93,343	—
Longfor Ideal City	重慶兩江新宸	100.00%	Chongqing	—	—	336,015
Three Thousands Mall	成都三千集	100.00%	Chengdu	38,043	—	—
North Paradise Walk	成都北城天街	100.00%	Chengdu	215,536	—	—
Times Paradise Walk I	成都時代天街一期	100.00%	Chengdu	61,989	—	—
Times Paradise Walk II	成都時代天街二期	100.00%	Chengdu	—	—	258,337
Jinnan Paradise Walk	成都金楠天街	100.00%	Chengdu	91,638	—	—
Xi'an Daxing Starry Street	西安大興星悦薈	100.00%	Xi'an	53,267	—	—
Xi'an Qujiang Starry Street	西安曲江星悦薈	100.00%	Xi'an	78,499	—	
Pan Bohai Rim						
Summer Palace Starry	北京頤和星悦會	100.00%	Beijing	6,320	—	—
Changying Paradise Walk	北京長楹天街	100.00%	Beijing	300,192	—	—
Beijing Daxing Paradise Walk	北京大興天街	100.00%	Beijing	203,134	—	—
Yangtze River Delta						
Hongqiao Paradise Walk	上海虹橋天街	100.00%	Shanghai	253,293	22,797	
Shanghai Baoshan Paradise Walk	上海寶山天街	100.00%	Shanghai	—	96,803	—
Blue Lake	無錫淨湖水岸	100.00%	Wuxi	—	—	127,069
Wuxi Splendor Paradise Walk	無錫悦城天街	100.00%	Wuxi	—	—	40,000
Dongjing 120 Project II	常州原山	100.00%	Changzhou	—	—	174,328
Longcheng Paradise Walk	常州龍城天街	100.00%	Changzhou	—	119,139	—
Jinsha Paradise Walk I	杭州金沙天街一期	100.00%	Hangzhou	180,645	—	—
Jinsha Paradise Walk II	杭州金沙天街二期	100.00%	Hangzhou	—	58,051	
Binjiang Paradise Walk	杭州濱江天街	100.00%	Hangzhou	—	158,067	52,456

Project Name	Group's Interest in the Project	Location	Completed GFA Remaining Unsold (sq. m.)	GFA Under Development (sq. m.)	GFA Under Planning (sq. m.)
Suzhou Shishan Paradise Walk . . . . . 蘇州獅山天街	51.00%	Suzhou	—	190,553	51,736
Chunjiang Central . . . . . 南京春江郦城	51.00%	Nanjing	—	—	162,624
Southern China					
Chunjiang Central . . . . . 廈門春江郦城	49.00%	Xiamen	—	—	96,600
Total			2,516,918	841,118	1,299,165

We have experienced rapid growth in our rental income. In 2014, 2015 and 2016, our rental income was RMB876 million, RMB1,415 million and RMB1,913 million (US$ 275 million), respectively, representing a CAGR of 47.8% from 2014 to 2016. For the financial year ended December 31, 2016, the series of Paradise Walk, Starry Street and MOCO accounted for 86.8%, 11.4% and 1.8% of the total rent respectively.

The following table sets forth the occupancy rate and rental income generated by our investment property projects in 2014, 2015 and 2016.

Property Investment

Project Name		Occupancy Rate			Rental Income*			Total GFA**
		2014	2015	2016	2014	2015	2016	
			(RMB'000)			(RMB'000)		(sq. m.)
Western China								
Chongqing North Paradise Walk	重慶北城天街	98.7%	100.0%	87.0%	352,243	387,885	401,506	120,778
Chongqing West Paradise Walk	重慶西城天街	99.9%	99.1%	96.1%	131,258	151,909	156,723	76,031
Chongqing Time Paradise Walk Phase I	重慶時代天街1期	92.7%	95.9%	96.0%	166,114	230,362	249,992	160,168
Chongqing Time Paradise Walk Phase II	重慶時代天街2期	66.5%	92.1%	94.6%	202	79,168	122,129	154,460
Chongqing Time Paradise Walk Phase III	重慶時代天街3期	—	—	98.6%	—	—	25,676	73,774
Chongqing Crystal Castle	重慶晶郦館	97.2%	100.0%	86.3%	21,858	20,823	18,747	16,161
Chongqing Chunsen Starry Street	重慶春森星悦薈	82.3%	83.9%	72.9%	25,144	28,126	27,223	54,618
Chongqing Fairy Castle	重慶紫都城	100.0%	100.0%	100.0%	11,236	11,428	11,668	29,413
Chongqing University City	重慶U城	94.7%	93.4%	96.7%	7,072	12,056	14,725	15,516
Chongqing MOCO	重慶MOCO	99.2%	100.0%	100.0%	30,906	32,102	33,798	29,104
Chengdu North Paradise Walk	成都北城天街	79.1%	86.6%	93.2%	59,976	94,394	109,955	215,536

Project Name		Occupancy Rate			Rental Income*			Total GFA**
		2014	2015	2016	2014	2015	2016	
			(RMB'000)			(RMB'000)		(sq. m.)
Chengdu Time Paradise Walk Phase I	成都時代天街1期	78.6%	87.2%	99.3%	3,978	21,339	29,045	61,989
Chengdu Jinnan Paradise Walk	成都金楠天街	—	92.9%	99.9%	—	18,142	91,256	91,638
Chengdu Three Thousand Mall	成都三千集	93.7%	98.4%	98.8%	22,919	29,561	30,283	38,043
Xi'an Daxing Starry Street	西安大興星悅薈	92.2%	91.7%	96.4%	6,790	34,870	37,354	44,227
Xi'an Qujiang Starry Street	西安曲江星悅薈	—	—	98.6%	—	—	44,047	63,206
Pan Bohai Rim								
Beijing Changying Paradise Walk	北京長楹天街	86.8%	91.8%	99.1%	14,266	182,664	242,169	221,286
Beijing Daxing Paradise Walk	北京大興天街	—	—	99.0%	—	—	64,571	144,565
Beijing Summer Palace Starry Street	北京頤和星悅薈	100.0%	100.0%	100.0%	15,144	18,120	19,070	6,320
Yangtze River Delta								
Shanghai Hongqiao Paradise Walk	上海虹橋天街	—	—	92.4%	—	—	7,256	170,450
Hangzhou Jinsha Paradise Walk	杭州金沙天街	—	99.6%	99.0%	—	44,420	160,129	151,135

* Amount excluding tax.

** Total GFA equals to completed GFA Remaining Unsold minus GFA for car parking space.

We plan to complete and commence operation of 6 additional mid- to large-scale shopping centers with a total GFA of approximately 760,270 sq. m. by the end of 2018. These shopping centers will be located in Chongqing, Shanghai, Changzhou, Hangzhou and Suzhou. Please see below table for further information:

Project Name		GFA under Developement
		(sq. m.)
Chongqing Hometown Paradise Walk	重慶源著天街	93,343
Suzhou Shishan Paradise Walk	蘇州獅山天街	190,553
Hangzhou Binjiang Paradise Walk	杭州濱江天街	158,067
Chongqing U — City Paradise Walk	重慶U城天街	102,365
Shanghai Baoshan Paradise Walk	上海寶山天街	96,803
Changzhou Longcheng Paradise Walk	常州龍城天街	119,139
Projects under construction in total		760,270

We have accumulated fourteen years of operational experience of managing investment properties since 2003. One of our main shopping centers, the North Paradise Walk (重慶北城天街), is regarded as a landmark mall in Chongqing. In 2010, we, as the owner of the North Paradise Walk in Chongqing, were named "Best Landlord" one of the only three recipients in the PRC, by the China Shopping Center Development Association Mall China.

OUR MAJOR INVESTMENT PROPERTY PROJECTS

We set out below a description of our major investment property projects which have commenced operations and are entirely owned by us*.

CHONGQING

North Paradise Walk (重慶北城天街)

Opened in 2003, North Paradise Walk is one of the earliest shopping centers, named as "The Fashion Trend Landmark of Chongqing" (重慶時尚潮流地標). It is situated in the Guanyinqiao commercial area of Jiangbei District of Chongqing, with an aggregate completed GFA remaining unsold of approximately 146,262 sq. m. The North Paradise Walk has generated an increasing rental income for three consecutive years, with the rental income of approximately RMB401.51 million in 2016.

Time Paradise Walk (重慶時代天街)

Time Paradise Walk consists of Phase I, Phase II and Phase III. Located at Daping, Yuzhong District of Chongqing, it covers an aggregate completed GFA remaining unsold of approximately 598,440 sq. m. Comprising over 1200 shops and restaurants, including jewellery shops, brand name cosmetics and trendy clothing stores, Time Paradise Walk offers a dynamic and inspirational one-stop shopping experience. While primarily targeting young families and fashion crowds, it seeks to create an "All People's Life Theme Park" (全民生活遊樂場) with fashion, leisure, fine dining and entertainment. In the year of 2016, its total customer volume reached nearly 70 million, and it generated a rental income of approximately RMB 397.80 million.

CHENGDU

North Paradise Walk (成都北城天街)

Chengdu North Paradise Walk is located in No.1 Wukuaishi Road, Jinniu District, Chengdu. It covers business units including Yonghui Superstores, Guanjun Ice Rink, Suning Electronic, Lumiere Cinema, In Fac City, Taroko Sports, and Mirako Sport. It is positioned as the "national playground", and has become one of the large-scale integrated shopping centers after three years' operation.

It has an aggregate completed GFA remaining unsold of approximately 215,536 sq. m. In 2016, it generated a rental income of RMB109.96 million.

BEIJING

Changying Paradise Walk (北京長楹天街)

Beijing Changying Paradise Walk is located in the Changying County, Chaoyang District, close to the North Chaoyang Road and above the Changying Station of Metro Line 6. Located in the hub of CBD eastern area, it connects CBD core area westwards, and Tongzhou New Town Commercial Zone eastwards. As the largest urban complex with the most abundant business operations, it covers shopping malls, office buildings and high-end residences. There are approximately 480 communities within 5km distance, with a permanent population of over 500,000.

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* All completed GFA remaining unsold used in this section includes GFA for car parking space.

It has an aggregate completed GFA remaining unsold of approximately 300,192 sq. m. In 2016, it generated a rental income of RMB242.17 million.

Beijing Daxing Paradise Walk (北京大興天街)

Beijing Daxing Paradise Walk is located in Beizangcun Town, Daxing District, connected with accessible transportation to the area above the Biomedical Base Station of Metro Line 4. It is 1.3 km of South Sixth Ring to the north, and 200m of Beijing-Kaifeng Highway to the east. The customer base surrounding the project is abundant and many newly built residential areas are 30 minutes driving from the shopping center. The area has a population of over 1,250,000, making it an advantageous location.

The project is positioned as the centers for family life, trendy fashion and food and recreation. It attaches importance to the shopping experience. The enormous business volume satisfies family needs in an all-around way.

It has an aggregate completed GFA remaining unsold of approximately 203,134 sq. m. In 2016, it generated a rental income of RMB64.57 million.

SHANGHAI

Shanghai Hongqiao Paradise (上海虹橋天街)

Shanghai Hongqiao Paradise Walk is located in Yonghong Road, South Shenbin Road, Minhang District, Shanghai (within the core area of Hongqiao Central Business District).

Shanghai Hongqiao Paradise Walk is adjacent to the comprehensive transportation hub of Hongqiao. It will achieve the linkage of aviation, high-speed railway, long-distance buses, and city buses for the first time, and will become the largest comprehensive transportation hub in mainland China or even the world.

Shanghai Hongqiao Paradise Walk not only fills in the business gap in the western region of Shanghai, but also changes and upgrades the living style of surrounding residents and working class. It upgrades local traditional shopping to one-stop experiential center, creating a good place for leisure apart from office and living room.

It has an aggregate GFA of approximately 276,090 sq. m. (including completed GFA remaining unsold and GFA under development). In 2016, it generated a rental income of RMB7.26 million.

HANGZHOU

Hangzhou Jinsha Paradise Walk (杭州金沙天街)

Hangzhou Jinsha Paradise Walk is located in the core area of Jinshahu CBD in the Hangzhou Economic and Technological Development Area (Xiasha), and above the ground of Metro Line 1. It is a regional urban complex integrating shopping, leisure, recreation, entertainment and services. It has comprehensive business operations and has satisfied the consuming needs of all-level customers. Based on the positioning elements including fashion, trend, and family, the retail business attracts multiple fashionable international and domestic brands and catering brands. Hangzhou Jinsha Paradise Walk Phase attaches importance to experiential shopping and intends to increase the proportion of catering, entertainment and services.

It has an aggregate completed GFA remaining unsold of approximately 180,645 sq. m. In 2016, it generated a rental income of RMB160.13 million.

PROJECT DEVELOPMENT

Roles of Our Headquarters and Regional Companies

We operate under a decentralized corporate structure. While our regional companies enjoy management autonomy in handling project-level operations, our headquarters, which we believe should remain nimble, is in charge of providing overall strategic direction, promoting best practices among regional companies, maximizing economies of scale in sharing capital and market intelligence, nurturing human resources, designing appraisal and incentive systems and controlling risks. As a result, despite our decentralized structure, we share a common corporate culture, work under the same operating system and policies, and are able to redeploy and rotate our managers freely among our operating companies, thereby reducing the possibility of any regional company from becoming overly independent.

In terms of division of labor, our headquarters are responsible for:

- formulating strategy and budgeting;
- building corporate-wide operation and information technology systems;
- deciding on land acquisition and fund-raising;
- setting accounting policies and consolidating financial information;
- setting human resources policies;
- maintaining investor, public and government relations;
- internal control and internal audit; and
- exploring and entering new regional markets.

Our regional companies are responsible for:

- implementing land acquisition decisions;
- obtaining government permits required for project development;
- architectural design and product research and development;
- cost assessment and procurement;
- engineering and managing projects;
- sales and marketing;
- providing property management services;
- managing customer relations; and
- developing and managing rental properties.

The following outlines the key work flows for our property development business.

Overview of Property Development Process

In developing a project, we follow a systematic process of planning and execution while maintaining a high degree of flexibility in order to accommodate new developments in the fast-evolving business and regulatory environment of China's property market. As each project development is unique and is designed to cater to the preferences of specific target customers and markets, the details of this systematic process of planning and execution will vary from project to project. Typically, our systematic process of planning and execution involves the steps set forth in the diagram below:

Site Selection

To ensure the investment return of a project, a site will be selected only after thorough and stringent analysis involving different checks and balances and where certain investment benchmarks, such as project internal rate of return and profit margin, are met. Before determining a potential development site, we would conduct "City Analysis" (城市解讀) by dividing each city into different regions based on factors like economy structure, population density, amenities availability such as education or healthcare, transport infrastructure, and the presence of other businesses. By evaluating those factors, we can prioritize each region and set a clear investment goal.

Site selection is typically conducted via a three-stage process. First, the development department of a regional company is responsible for identifying a potential project, conducting market research and performing a primary screening. Second, should a potential project pass the primary screening, the Project Management Office ("PMO"), which consists of the heads of all the functional departments in charge of different stages of development of the project, will be summoned to conduct an in-depth study based on the collective experience of the parties involved and data extracted from our project database. At this stage, the positioning of the project will be decided, a "pre-final" version of the design drawings will be produced and an in-depth model will be built to calculate the returns of the project under different scenarios. Thereafter, a detailed feasibility study together with the advanced-stage drawings and model will be submitted to the finance department of the headquarters for fact-checking before submitting to the investment decision committee of the headquarters, which consists of the Chief Executive Officer, the Chief Financial Officer and the General Managers of various business functions and regional companies, for its final investment decision.

Land Acquisition

According to the "Regulations on the Granting of State-Owned Land Use Rights through Public Tender, Auction and Listing-for-sale"(招標拍賣掛牌出讓國有土地使用權規定), which has been effective since July 1, 2002, all land to be developed for commercial purposes, including for business or residential property development purposes, must be granted through public tender, auction and listing-for-sale. In the case of public tender, the relevant authorities will assess either solely on tender prices or, alternatively, by reference to a matrix of parameters, including tender prices, credit record of the bidders, quality of the development proposals, in determining whom to grant such rights. On the other hand, where land use rights are granted through auction or listing-for-sale, the highest bidder normally wins.

We may enter into letters of intent or framework agreements with the relevant governmental authorities in respect of land development before the process of the tender, auction and listing for sale of the land.

Grantees of land use rights may dispose of their land use rights through private sales, subject to the terms and conditions of the original land use right granting contracts and the relevant PRC laws and regulations. To the extent permitted by law, we may acquire land use rights in the secondary market from third parties through negotiated transfers. We may also obtain such rights by acquiring equity interests in companies that hold the relevant land use rights.

In addition, we may also participate in primary land development to enhance our position in acquiring quality land plots. During the process of primary land development, we would try and obtain an in-depth understanding of the condition of the land and other related matters, such as its surrounding area, so as to allow us in gaining additional time for optimal investment planning while demonstrating to the local government our development and financial strengths. These provide us with a competitive advantage in acquiring land in the tender process.

Financing

We rely on internally generated funding including proceeds from pre-sales, proceeds from other investors, bank loans and external fund raising from capital markets, to finance our costs of construction and payments of land grant premiums.

Our policy is to finance our property development projects through internal resources to the extent practicable so as to reduce the level of external funding required. We use the pre-sale proceeds of a project to fund a portion of our project construction costs for such project or to repay bank loans obtained for such project. Under PRC laws, we may pre-sell properties prior to the completion of construction upon satisfaction of certain requirements, though the pre-sale proceeds are required to be used for developing the same project. There are various PRC laws and regulations governing the pre-sale of properties, which impose conditions to be fulfilled before the pre-sale of a particular property can commence. These include obtaining the relevant State-owned Land Use Rights Certificates, Planning Permit for Construction Land, Planning Permit for Construction Works, Permit for Commencement of Construction Works and Pre-sale Permit for Commodity Housing.

Project Design

To maximize project value, our regional companies have dedicated in-house professional research and development departments responsible for the overall planning and conceptual design. We constantly send our in-house architects and designers overseas to expose them to new innovative designs and ideas in order to keep them abreast of architectural innovation.

Our architects study the characteristics of each specific site we acquired to lay out the optimal product mix and use of space. Apart from innovative project planning, we have also invested in product innovation. In the past several years, we have successfully designed and launched various types of new products, such as "Spanish-style courtyards" and "sky townhouses." These products enable our residents to enjoy a spacious, quality environment, which would otherwise only be offered by lower density projects. These products were well-received by our customers and we were able to fetch a premium on product prices.

Apart from internal experts, we also retain reputable international architects and designers to assist us in architectural and interior design. In addition, we hire renowned international landscape designers for the landscape design of our projects.

Contracting, Procurement, Project Management and Quality Control

We outsource substantially all of our construction work to external contractors, all of whom are Independent Third Parties and the duration of our relationships with these contractors range from two months to 36 months. We are not engaged in the construction business. Pursuant to the "Law on Tender and Bidding of the PRC" (中華人民共和國招標投標法) and the "Tender Law & the Rules on the Tender Scope & Criteria for Construction Projects" (工程建設項目招標範圍和規模標準規定), we are required to select contractors by way of a tender process in respect of certain construction projects. We have a tender committee which is comprised of our engineering department and our procurement department whereby our engineering department assesses the work quality of the external contractor and our procurement department prepares the tender document.

We conduct the following pre-selection work on contractors before offering construction contracts to them:

- researching and collecting information about prospective contractors via industry associations, industry information centers, recommendations from internal sources and cooperation between contractors and architects;
- narrowing the list of candidates by interviewing them in person or via telephone, and by inspecting and assessing their quality, financial status and business reputation;
- selecting contractors based on assessment results before proceeding with the tender process;
- verifying the management, construction and project capability of the contractors by inviting other entities that have previously worked with them to comment;
- answering queries raised by the contractors in accordance with the tender document;
- inviting contractors to visit the sites of our projects, hold seminars and clearly explain our engineering concepts;
- requesting the contractors to issue letters of undertaking in respect of labor capacity, availability and quality;
- selecting a contractor based on various criteria; and
- supervising the progress during construction and control quality by applying high standards of examination during completion.

Our contractors carry out various construction works including foundation digging, general construction, installation of equipment, as well as decoration and engineering work. The contractors are subject to warranties stipulated in the relevant construction contracts in respect of the quality and construction completion schedule. Under our standard construction contract, contractors are required to pay fines in the event of a delay and bear the costs of curing any construction defects.

We make payment in stages to our contractors in accordance with the terms and conditions as stipulated in the standard construction contract signed between us and the contractors. The percentage of stage payments varies from case to case. In general, the contractors will be paid for approximately 70% to 80% of the work completed on a monthly basis. Upon completion of the project, the contractors will have received approximately 70% to 90% of the total payment. At closing and settlement, we will settle 95% to 98% of the total payment, and retain the remaining 2% to 5% as retention money.

In terms of selecting major construction materials, our procurement model comprises of two types, namely centralized group procurement and procurement by regional subsidiaries. The centralized group procurement process has two steps: it begins with the central group entering into framework agreements, which estimate the procurement amount and set the unit price, and continues with the regional subsidiaries entering into procurement contracts according to the progress of projects. This process has been utilized more and more each year, especially when procuring materials relating to elevators, renovation or those benefitted by improved centralized quality and cost control. Procurement by regional subsidiaries, on the other hand, mainly concerns the purchase of goods and construction equipment.

Over time, we have formulated a set of policies for our central group and regional subsidiaries to ensure that each procurement process proceeds smoothly and with fairness. This begins with public bidding — a process required for each procurement. We have a pool of suppliers and only such suppliers are eligible for the bidding. To facilitate this process, our engineering department conducts evaluation and management of the involved bidders and our procurement department is responsible for the negotiation of contract terms. As for the bidding proposals themselves, several departments work together in their appraisal. To avoid cheating during the procurement process, the central group has established a database which enables the comparison of prices (including internal procurement prices and the procurement prices of competitors) to ensure the prices are within a reasonable range. A standard form procurement contract is used in the procurement, while each level has uniform standards for the workload, labor division, and bidding appraisals.

We place a great deal of emphasis on quality control and management of our projects. The following are some important measures or procedures we adopt for quality control of our projects:

- we implement a "model adaptation" system where the quality control system of any "model project" will be referred to and adapted for the construction of other projects;

- we have in place a research and development department for each regional company which conducts inspection of the projects under construction and provides comments thereon on a monthly basis;

- we retain qualified professional firms, as well as the quality supervision units of the relevant local government authorities to oversee and supervise the overall construction of our projects;

- we compile various sets of standardized technical guidelines for construction management of each project (such as the "Rules on Project Construction Management of Chongqing Company 2007");

- we carry out quality control in accordance with the relevant laws, regulations, and other compulsory standards promulgated by the relevant PRC governmental authorities and other industry associations; and

- we ensure that our contractors comply with the relevant rules and regulations including environmental, labor, social and safety regulations, and thereby minimize our risks and liabilities by appointing independent construction engineers or our own representatives to supervise the progress of the contractors on site.

Sales and Marketing

The sales and marketing department of each of our regional companies is responsible for marketing our property products. In marketing our products, we focus not only on selling our property products to potential customers, but also on reinforcing and maintaining customer satisfaction during the pre- and post-sales periods by managing the entire purchase and residence cycles of our customers. We target customers who seek a high living standard. We conduct comprehensive monthly market research, surveys and sales analysis. Our headquarters negotiate with the media companies and allocate resources to regional companies. We market our properties mainly by way of outdoor advertising and print media. We place special emphasis on the design and environment of the sales centers and the show flats at the development sites, as well as the friendly, helpful and honest attitude of our frontline staff so as to create a memorable shopping experience for our potential customers.

We retain external agents including advertising companies to assist with the marketing of our properties. Our sales and marketing department coordinates with these agents in formulating and executing strategies and plans, and the agents assist and coordinate with our sales and marketing department to achieve various sales targets.

The sales process of our property projects generally begins with pre-sales. We generally pre-sell properties prior to completion of construction and use the sales proceeds as cash flow and for financing our project development. There are various PRC laws and regulations governing pre-sale of properties, which impose conditions to be fulfilled before the pre-sale of a particular property can commence. These include obtaining the relevant State-owned Land Use Rights Certificates, Planning Permit for Construction Land, Planning Permit for Construction Works, Permit for Commencement of Construction Works and Pre-sale Permit for Commodity Housing.

Customers Payment Arrangements

Our customers may purchase their property either through one lump sum payment or through mortgage loans. Should our customer choose to make a lump sum payment for the purchase, the customer will be required to fully settle the purchase price shortly after the date of the execution of the contract. Should the customer wish to settle the purchase through mortgage, the customer is required to pay at least 20% to 80% of the purchase price as down payment.

We assist our customers with mortgage loans. Customers may seek mortgage facilities through various banks with which we have made arrangements. We generally provide guarantees as security for mortgage loans from the banks to our customers. Guarantees provided by us would cover the full value of mortgages granted by the banks to our customers for their purchases and any payment or penalty imposed by mortgagee banks for defaults in mortgage payment by the purchasers. See "Risk Factors—We guarantee the mortgages provided by financial institutions to our purchasers and, consequently, we are liable to the mortgagees if our purchasers default."

Delivery of Properties

We aim to deliver properties to our customers within the time frame prescribed in the sale and purchase contracts (including the pre-sale contracts). Under the current PRC rules and regulations, we are required to obtain a "Record of Acceptance Examination Upon Project Completion" (竣工驗收備案證明) prior to delivering properties to our customers. As of the date of this offering memorandum, we have complied with such requirement.

The sales and marketing departments of our regional companies are responsible for delivering properties to our customers. There are guidance notes setting out procedures and division of responsibilities among our functional departments to ensure that they work closely together in carrying out instructions and in monitoring the progress of delivery. For example, our engineering department may conduct on-site inspection before delivery and furthermore, we may from time to time arrange for our customers to inspect their purchased property prior to the expected delivery date to ensure the properties meet our prescribed standards as well as our customers' needs. Our property management companies provide comprehensive pre-sale training to our staff responsible for direct liaison with customers for delivery. We always stay in touch with our customers after delivery to obtain their feedback on future improvement of our products and services.

In general, we assist our customers in applying for strata-title Building Ownership Certificates (分戶產權證). See "Risk Factors—We may encounter delay in issuance and delivery of title documents after sale and such delay may in turn give rise to claims from our customers."

PROPERTY MANAGEMENT

We place great emphasis on property management as we believe it enhances property value for our customers and improves our brand name. We predominantly provide property management services to our customers through our own property management companies. Our property management teams normally get involved in the early stage of property development and participate throughout the overall design planning stage to minimize future maintenance costs. We charge our customers management fees on a monthly, quarterly or annual basis.

We believe we have a strong property management team. We offer our team members attractive remuneration packages as well as frequent training to update them on the relevant skills and knowledge required in property management. In providing property management services, we embrace a concept of "For you forever" (善待你一生) and we are committed to providing all our property owners with comprehensive and considerate professional property management services. We conduct semi-annual customer surveys on our management performance. We obtained the ISO 9002 certification in recognition of our quality property management in 1998.

Under PRC law, owners have a right to engage or dismiss a property management company if owners together holding exclusive parts within the managed area representing more than half of the total area of buildings and owners representing more than half of the total number of owners agree.

INTELLECTUAL PROPERTY

We believe our well-known brand, as formally recognized on a national level, is an invaluable asset. In March 2008, our trademark "Longhu" ("龍湖") was awarded a Well-known Trademark in China by the State Administration for Industry and Commerce of the People's Republic of China ("SAIC"). We have also registered certain "Longfor 龍湖地產" trademarks with the Hong Kong Trade Marks Registry.

INSURANCE

Our properties are covered with adequate insurance provided by reputable independent insurance companies and with commercially reasonable deductibles and limits on coverage, in line with industry practice.

ENVIRONMENTAL MATTERS

Property developers are subject to PRC national environmental laws and regulations as well as environmental regulations promulgated by the relevant local government authorities. These include regulations on air pollution, noise emissions and water and waste discharge. Each property developed by us must undergo environmental assessments and an environmental impact study report needs to be submitted to the relevant government authorities before approval is granted for commencement of the property development except for some early property developments which were approved before the applicable environmental laws were promulgated. At completion of each property, the relevant government authorities will also need to inspect the site to ensure that applicable environmental standards have been complied with, and the resulting report is then presented together with other specified documents to the local construction administration authorities for their record.

Our operations are also subject to inspections by government authorities with regard to various safety and environmental issues. We believe that we are in compliance in all material respects with applicable governmental regulations in the jurisdictions in which the we operate. Compliance with such laws has not had, and in our opinion is not expected to have, a material adverse effect upon our capacity, expenditure, earnings or competitive position. We are not aware of any governmental proceedings or investigations to which we are or might become a party and which may have a material adverse effect on our properties and operations.

LEGAL PROCEEDINGS

We have been involved in litigation proceedings in the past concerning the quality of our products and services or contractual arrangements with our external contractors which, in our view, are immaterial in terms of their impact on our financial and operational conditions. Inaddition, we are subject to legal or arbitration proceedings, disputes or claims in the ordinary course of business. None of our directors has been or is currently subject to any legal proceedings, legal disputes or arbitration procedures and there is no other litigation or claim of material importance pending or threatened against any member of us.

LABOR AND SAFETY

The relevant PRC labor and safety laws and regulations primarily include the following: the PRC Labor Law (中華人民共和國勞動法), PRC Labor Contract Law (中華人民共和國勞動合同法), PRC Labor Dispute Mediation and Arbitration Law (中華人民共和國勞動爭議調解仲裁法), Social Insurance Law (社會保險法), Opinions on Several Questions Concerning the Implementation of the Labor Law (關於貫徹執行中華人民共和國勞動法若干問題的意見), Interpretation of Questions Relating to Labor Contract on Implementation of the Labor Law (實施勞動法中有關勞動合同問題的解答), Provisions on Minimum Wages (最低工資規定), Regulations on the Administration of Work Safety of Construction Projects (建設工程安全生產管理條例), Provisions on Collective Contracts (集體合同規定), the Trial Procedures for Childbirth Insurance for Enterprise Employees (企業職工生育保險試行辦法), Decision of the State Council on Establishing the Basic Medical Insurance System for Urban Employees (國務院關於建立城鎮職工基本醫療保險制度的決定),

Provisional Regulations on the Collection and Payment of Social Insurance Premiums (社會保險費徵繳暫行條例), Regulations on Work-Related Injury Insurance (工傷保險條例), Regulations on Unemployment Insurance (失業保險條例), Decision of the State Council on Establishing a Uniform Basic Old-Age Insurance System for Enterprise Employees (國務院關於建立統一的企業職工基本養老保險制度的決定) and the Regulations on the Management of the Housing Provident Fund (住房公積金管理條例). The aforementioned laws and regulations set forth relevant provisions on labor contracts, collective contracts, working hours, rest and vacation, wages, health and safety, the special protection of female and juvenile employees, social insurance and welfare for our employees.

The following discussion summarizes the principal laws, regulations, policies and administrative directives to which we are subject.

The PRC Legal System

The PRC legal system is based on the PRC Constitution and is made up of written laws, administrative regulations, local regulations, autonomous regulations, separate regulations, rules of the ministries and commissions under the State Council, rules of the local governments, laws of Special Administrative Regions and laws resulting from international treaties entered into by the PRC government. Court verdicts do not constitute binding precedents. However, they are used for the purposes of judicial reference and guidance.

The National People's Congress of the PRC, or NPC, and the Standing Committee of the NPC are empowered by the PRC Constitution to exercise the legislative power of the State. The NPC has the power to amend the PRC Constitution and enact and amend basic laws governing State agencies and civil, criminal and other matters. The Standing Committee of the NPC is empowered to enact and amend all laws except for the laws that are required to be enacted and amended by the NPC.

The State Council is the highest organ of the State administration and has the power to enact administrative regulations. The ministries and commissions under the State Council are also vested with the power to issue rules within the jurisdiction of their respective departments. All administrative regulations and rules promulgated by the State Council and its ministries and commissions must be consistent with the PRC Constitution and the national laws enacted by the NPC and the Standing Committee of the NPC. In the event that a conflict arises, the Standing Committee of the NPC has the power to annul administrative regulations and the State Council has the power to annul rules.

At the regional level, the people's congresses and their respective standing committees of the provinces, autonomous regions and municipalities under direct administration of the PRC central government may enact local regulations and the people's governments of the provinces, autonomous regions, municipalities and comparatively large cities may promulgate rules applicable to their own administrative areas. These local regulations and rules must be consistent with the PRC Constitution, the national laws and the administrative regulations promulgated by the State Council. The people's congresses or their standing committees of the comparatively larger cities may, in light of the specific local conditions and actual needs, formulate local regulations, provided that they do not contradict the PRC Constitution, the national laws, the administrative regulations and the local regulations of their respective provinces or autonomous regions, and they shall submit the regulations to the standing committees of the people's congresses of the provinces or autonomous regions for approval before implementation.

The State Council may also enact or issue administrative regulations in new areas of the law for experimental purposes. After gaining sufficient experience with experimental measures, the State Council may submit legislative proposals to be considered by the NPC or the Standing Committee of the NPC for enactment at the national level.

The PRC Constitution vests the power to interpret laws in the Standing Committee of the NPC. According to the Decision of the Standing Committee of the NPC Regarding the Strengthening of Interpretation of Laws (全國人民代表大會常務委員會關於加強法律解釋工作的決議) passed in June 1981, the Supreme People's Court has the power to give general interpretation on the application of laws in judicial proceedings. The State Council and its ministries and

commissions are also vested with the power to interpret administrative regulations and rules that they have promulgated. At the regional level, the power to interpret local regulations is vested in the regional legislative bodies which promulgate such regulations. The regional administrative bodies have the power to interpret the enforcement of such local regulations.

The PRC Judicial System

Under the PRC Constitution and the Law of Organization of the People's Courts (中華人民共和國人民法院組織法) passed on July 1, 1979 and amended on October 31, 2006, the judicial system is made up of the Supreme People's Court, the local courts, military courts and other special courts. The local courts are comprised of the primary courts, the intermediate courts and the higher courts. The primary courts are organized into civil, criminal, economic and administrative divisions. The intermediate courts are organized into divisions similar to those of the basic courts, and are further organized into other special divisions, such as the intellectual property division. The higher courts supervise the primary and intermediate courts. The people's procuratorates also have the right to exercise legal supervision over the civil proceedings of courts of the lower levels. The Supreme People's Court is the highest judicial body in China. It supervises the administration of justice by all other courts.

The civil trial system of PRC follows a two-tier appellate system. A party may appeal against a civil judgment or order of a local court to the court at the next higher level. Second judgments or orders given at the next higher level are final. First civil judgments or orders of the Supreme People's Court are also final. If, however, the Supreme People's Court or a court at a higher level finds an error in an effective judgment which has been given in any court at a lower level, or the president of a court finds an error in an effective judgment which has been given in the court over which he presides, the case may then be retried according to the judicial supervision procedures.

The Civil Procedure Law of the PRC (中華人民共和國民事訴訟法) adopted in April 1991 and amended on October 28, 2007 and August 31, 2012, sets forth the criteria for instituting a civil action, the jurisdiction of the courts, the procedures to be followed for conducting a civil action and the procedures for enforcement of a civil judgment or order. All parties to a civil action conducted within the PRC must comply with the Civil Procedure Law. Generally, a civil case is initially heard by a local court in which the defendant resides. The parties to a contract may, by express agreement, select a jurisdiction where civil actions may be brought, provided that the jurisdiction is either the plaintiff's or the defendant's place of residence, the place of execution or implementation of the contract or the object of the action. However, such selection can not violate the stipulations of grade jurisdiction and exclusive jurisdiction in any case.

A foreign individual or enterprise generally has the same litigation rights and obligations as a citizen or legal person of the PRC. If a foreign country's judicial system limits the litigation rights of PRC citizens and enterprises, the PRC courts may apply the same limitations to the citizens and enterprises of that foreign country within the PRC. If any party to a civil action refuses to comply with a judgment or order made by a court or an award granted by an arbitration panel in the PRC, the aggrieved party may apply to the court to request for enforcement of such judgment, order or award within two years. If any party fails to satisfy a civil judgment or order made by the court within the stipulated time, the other party may apply to a people's court for enforcement, or the judge in charge of such case may transfer such judgment or order to the enforcement personnel for enforcement.

A party seeking to enforce a civil judgment or order of a people's court against a party who is not located within the PRC or does not own any property in the PRC may apply to a foreign court with proper jurisdiction for recognition and enforcement of such judgment or order. When a legally effective judgment or ruling made by foreign court requires recognition and enforcement by a people's court in the PRC, a party concerned may apply directly to a competent intermediate people's court for recognition and enforcement, or a foreign court may, in accordance with the provisions of the international treaties concluded between or acceded to by the foreign country

and the PRC or according to the principle of reciprocity, request the people's court for recognition and enforcement. Any judgment or ruling that results in a violation of the basic legal principles of the PRC, the State's sovereignty, security, or the social and public interests shall not be recognized or enforced.

Establishment of a Real Estate Development Enterprise

According to the PRC Law on Administration of Urban Real Estate (城市房地產管理法) promulgated by the Standing Committee of the National People's Congress, effective on January 1, 1995 and amended on August 27, 2009, real estate developer is defined as an enterprise that engages in the development and operation of real estate for the purpose of making profits. Under the Regulations on Administration of Development of Urban Real Estate (城市房地產開發經營管理條例) promulgated by the State Council on July 20, 1998 and amended on January 8, 2011, an enterprise that is to engage in development of real estate must satisfy the following requirements:

- its registered capital must be RMB1 million or more; and
- it must have four or more full-time professional real estate/construction technicians and two or more full-time accounting officers, each of whom must hold the relevant qualification certificate.

The local government of a province, autonomous region or municipality directly under the PRC central government may, based on local circumstances, impose more stringent requirements on the registered capital and the professional personnel of a real estate developer.

To establish a real estate development enterprise, the developer must apply for registration with the administration for industry and commerce. The developer must also report its establishment to the real estate development authority in the location of its registration, within 30 days of the receipt of its business license. Where a foreign-invested enterprise is to be established to engage in the development and operation of real estate, it must also comply with the relevant requirements under the PRC laws and administrative regulations regarding foreign-invested enterprises and apply for approvals relating to foreign investments in China.

Under the Catalogue of Guidance on Industries for Foreign Investment (2015 version) (外商投資產業指導目錄) (2015年修訂) jointly promulgated by MOFCOM and NDRC on March 10,2015 and enforced on April 10, 2015, the following have been removed from the restricted category to the permitted category:

- the development of a large scale of land lots to be operated by sino-foreign equity joint venture or sino-foreign cooperative joint venture only;
- the construction and operation of high-end hotels, premium office buildings and international conference centers; and
- real estate transaction in second-grade market, housing agents and brokerages.

However, the construction and operation of villas by foreign investors is still in the prohibited category.

A foreign investor intending to engage in the development and sale of real estate in China may establish an equity joint venture, a cooperative joint venture or a wholly foreign-owned enterprise by the foreign investor in accordance with the PRC laws and administrative regulations governing foreign-invested enterprises.

Pursuant to the Notice on Adjusting the Percentage of Capital Fund for Investment Projects in Fixed Assets (關於調整固定資產投資項目資本金比例的通知) issued by the State Council on May 25, 2009, the minimum portion of the capital funding for ordinary commodity housing projects and affordable housing projects has been reduced to 20%, while the portion for other real estate projects has been decreased to 30%.

On July 11, 2006, MOC (currently known as MOHURD), MOFCOM, NDRC, PBOC, SAIC and SAFE jointly issued an Opinion on Standardizing the Admittance and Administration of Foreign Capital in the Real Estate Market (關於規範房地產市場外資准入和管理的意見), which provides, among other things, that:

(a) An overseas entity or individual investing in real estate in China other than for self-use must apply for the establishment of a FIREE in accordance with applicable PRC laws and the FIREE may only conduct operations within the authorized business scope.

(b) If the total investment of a FIREE exceeds or equals US$10 million, the registered capital must not be less than 50% of the total investment. If the total investment is less than US$10 million, the amount of the registered capital shall follow the existing regulations.

(c) For the establishment of a FIREE, the commerce authorities and the department of administration of industry and commerce are in charge of granting approval for establishment and effecting registration of the foreign-invested property development enterprise and issuing the approval certificate for a Foreign Investment Enterprise and the Business License which are only effective for one year. After settlement of the land premiums, the enterprise should apply for the Grant of State-owned Land Use Rights certificate by presenting the above-mentioned certificate and license. With the land use rights certificate, the enterprise will receive an official approval certificate for a Foreign Investment Enterprise from the commerce authorities, and shall replace the Business License with one that has the same operation term as the formal Approval Certificate for Foreign Investment Enterprise in the department of administration of industry and commerce, and then it shall apply for tax registration with the tax authorities.

(d) Transfers of projects of or shares in FIREE, and the acquisitions of domestic real estate enterprises by foreign investors should follow strictly the relevant laws, regulations and policies to obtain the approvals. The investor should submit: (i) the guarantee letters for the performance of the Grant of State-owned Land Use Right, the Planning Permit for Construction Land and Construction Work Planning Permit; (ii) Certificate of Land Use Right; (iii) the certification on alteration of archival files issued by construction authorities; and (iv) the certification on the payment of tax issued by the relevant tax authorities.

(e) When merging and acquiring domestic real estate enterprises by way of share transfer or other means, or the purchase of shares from the Chinese party in a sino-foreign equity joint venture, the foreign investors shall properly resettle the employees, settle the bank loans and pay all the consideration at a time with its internal fund. The foreign investors with an unfavorable record shall not be allowed to conduct any of the aforesaid activities.

On May 23, 2007, MOFCOM and SAFE issued the Circular on Strengthening and Regulating the Examination and Approval and Supervision of Foreign Direct Investment in the Real Estate Sector (關於進一步加強、規範外商直接投資房地產業審批和監管的通知), or Circular 50. Under Circular 50:

(a) Foreign investment in the real estate sector in the PRC relating to high-end properties should be strictly controlled.

(b) Prior to applying for establishment of FIREEs, foreign investors must first obtain land use rights, property ownership, or have entered into pre-sale or pre-granting agreements with the land administration authority or property developer/owner.

(c) Acquisition of or investment in domestic real estate enterprises by way of round-trip investment (including the same actual controlling person) shall be strictly controlled. Further, overseas investors may not avoid approval for foreign investment in property by way of changing the actual controlling person of the domestic real estate enterprise. Once the foreign exchange authority has found the foreign-invested property enterprise established by way of deliberately avoiding approval and false representation, it shall take action against the enterprise's conduct of remittance of capital and interest accrued without approval, and the enterprise shall bear the liability for fraudulent purchases and evasion of foreign exchange.

(d) Shareholders of FIREEs are prohibited from guaranteeing a fixed return or a similar guarantee to the other party in any way.

(e) If foreign-invested enterprises in China engage in real estate development or operations or if FIREEs in China engage in new real estate project developments, they must first apply to the examination and approval authorities for their expansion of scope of business or scale of operations in accordance with the PRC laws and regulations related to foreign investments.

(f) The local examination and approval authorities must file with MOFCOM their approvals of establishment of FIREEs for the record, and must exercise due control over foreign investments in high-end properties.

(g) For those FIREEs which have not completed the required filing with the MOFCOM, local SAFE administrations and designated foreign exchange banks must not permit any foreign exchange sales and settlements under such FIREEs' capital account.

(h) MOFCOM shall have the right to investigate and rectify the approvals of FIREEs which are not in compliance with the laws and regulations made by local examination and approval authorities, and SAFE shall not handle the foreign exchange registration for such FIREEs.

In connection with the filing requirement, MOFCOM issued the Notice on the Proper Filings of Foreign Investment in the Real Estate Sector (關於做好外商投資房地產業備案工作的通知) on June 18, 2008 to authorize the competent MOFCOM's branch at the provincial level to verify and check the filing documents.

Moreover, on November 22, 2010, MOFCOM promulgated the Notice on Strengthening Administration of the Approval and Filing of Foreign Investment into Real Estate Industry (關於加強外商投資房地產業審批備案管理的通知), which provides that, among other things, in the case that a real estate enterprise is established within the PRC with overseas capital, it is prohibited to purchase and/or sell real estate properties completed or under construction within the PRC for arbitrage purposes. The local MOFCOM authorities are not permitted to approve investment companies to engage in real estate development and management.

According to the Several Opinions of the State Council on Further Strengthening the Utilization of Foreign Investment (國務院關於進一步做好利用外資工作的若干意見), promulgated by the State Council on April 6, 2010 and the Notice on Issues Related to Delegation of Powers of Examination and Approval of Foreign Investment to Authorities at Lower Levels (關於下放外商投資審批權限有關問題的通知), promulgated by MOFCOM on June 10, 2010, MOFCOM's branch at the provincial level is responsible for the examination and approval of the establishment of and changes in foreign-invested enterprises in encouraged or permitted industries with a total investment of less than US$300 million and with a total investment of less than US$50 million in restricted industries. Pursuant to the Administrative Measures for Approval and Recording-filing of Foreign Investment Projects (外商投資專案核准和備案管理辦法), promulgated by NDRC on May 17, 2014, foreign investment in real estate industries or other restricted industries with a total investment of less than US$50 million will be examined and approved by NDRC's branches at the provincial level.

On June 24 2014, the MOFCOM and SAFE promulgated the Circular on Improving the Record-Filing for Foreign Investment in the Real Estate Sector (關於改進外商投資房地產備案工作的通知), which simplified and changed the current paper record-filing form to the form of electronic data for foreign investment in real estate. Under the circular, a selective examination scheme and a credit system of recording-filing foreign investment will be conducted after the record-filing increase the level of disclosure on violations, and improve the relevant information sharing mechanism. On November 6, 2015, MOFCOM and SAFE jointly enacted the Circular of the Ministry of Commerce and the State Administration of Foreign Exchange on Further Improving the Filing of Foreign Investments in Real Estate (商務部、外匯局關於進一步改進外商投資房地產備案工作的通知), which was effective on the same day, to further simplify the administrative procedures for foreign-funded real estate companies and cancel the registry publication procedures on the website of the MOFCOM.

On October 8, 2016, Ministry of Commerce issued the Notice of the Ministry of Commerce on Soliciting Public Opinions on the Interim Measures for Record-filing Administration of the Establishment and Change of Foreign-invested Enterprises (外商投資企業設立及變更備案管理暫行辦法) ("Circular 3"), which came into effect on the same day, to further expanding liberalization, promoting the reform of the foreign investment management system. Where the establishment of a foreign-invested enterprise falls within the scope of record-filing prescribed herein, after the enterprise name has been preliminarily approved, the representative designated, or the agent jointly entrusted, by all investors (or all promoters, if the foreign-invested enterprise is a foreign-invested company limited by shares) shall, before the issuance of the business license, or the representative designated, or the agent entrusted, by the foreign-invested enterprise shall, within 30 days after the issuance of the business license, fill out and submit online the Application Form for Record-filing of the Establishment of Foreign-invested Enterprises (hereinafter referred to as the "Application Form for Establishment") and relevant documents via the Record-filing System to go through the procedures for record-filing of establishment. The competent commerce department of the State Council, the competent commerce departments of all provinces shall be the record-filing authorities for the establishment and change of foreign-invested enterprises. Record-filing authorities shall carry out record-filing work via the comprehensive management information system for foreign investment.

Qualifications of a Real Estate Developer

Under the Provisions on Administration of Qualifications of Real Estate Developers (房地產開發企業資質管理規定), or the Provisions on Administration of Qualifications, promulgated by MOC on March 29, 2000, as amended on May 4, 2015, a real estate developer must apply for registration of its qualifications according to such Provisions on Administration of Qualifications. An enterprise may not engage in property development without a qualification

classification certificate for real estate development. MOC (currently known as MOHURD) oversees the qualifications of real estate developers with national operations, and local real estate development authorities at or above the county level oversee the qualifications of local real estate developers.

In accordance with the Provisions on Administration of Qualifications, real estate developers are classified into four classes: class 1, class 2, class 3 and class 4.

- Class 1 qualifications are subject to preliminary examination by the construction authorities at the provincial level and final approval of MOHURD. A class 1 real estate developer is not restricted as to the scale of its real estate projects and may undertake a real estate development anywhere in the country.

- Class 2 or lower qualifications are regulated by the construction authorities at the provincial level subject to delegation to lower level government agencies. A real estate developer of class 2 or lower may undertake a project with a GFA of less than 250,000 sq. m. subject to confirmation by the construction authorities at the provincial level.

Under the relevant PRC laws and regulations, the real estate development authorities will examine applications for registration of qualifications submitted by real estate developers by considering the professional personnel in their employ, financial condition and operating results. A real estate developer that passes the qualification examination will be issued a qualification certificate of the relevant class by the qualification examination authority. A developer of any qualification classification may only engage in the development and sale of real estate within its approved scope of business and may not engage in business which is limited to another classification.

For a newly established real estate developer, the real estate development authority will issue a provisional qualification certificate, if it is an eligible developer, within 30 days of receipt by the authority of the application. The provisional qualification certificate will be effective for one year from its date of issue and may be extended for not more than two additional years with the approval of the real estate development authority. The real estate developer must apply for qualification classification to the real estate development authority within one month before expiration of the provisional qualification certificate.

Development of a Real Estate Project

Under the Foreign Investment Industrial Guidance Catalogue (2015 Revised) (外商投資產業指導目錄(2015修訂)) jointly promulgated by the MOFCOM and the NDRC in March 2015, which came into effect on 10 April 2015, construction and operation of villas falls within the category of industries in which foreign investment is prohibited.

Pursuant to the Circular of the State Council on Promulgating the Catalogue of Investment Projects Subject to the Approval of the Government (2014 Edition) (國務院關於發佈政府核准的投資項目目錄 (2014年本)的通知)) issued by State Council on 31 October 2014, which came to effect on the same date, restricted real estate projects and other restricted projects with total investment (including capital increase) of less than US$100 million in the Catalogue for the Guidance of Foreign Investment Industries shall be subject to the approval of provincial-level governments.

According to the "Urban and Rural Planning Law of the People's Republic of China" (中華人民共和國城鄉規劃法) enacted by the Standing Committee of the National People's Congress on October 28, 2007 and enforced on January 1, 2008 (amended on April 24, 2015), which repealed the "City Planning Law of the People's Republic of China" (中華人民共和國城市規劃法) enacted by the Standing Committee of the National People's Congress on December 26, 1989 and enforced on April 1, 1990, and the "Measures for Planning Administration of Granting and Transfer of Right to Use Urban State-owned Land" (國有土地使用權出讓轉讓規劃管理辦法)

enacted by the Ministry of Construction on December 4, 1992 and enforced on January 1, 1993 (amended on January 26, 2011), a property developer shall apply for the Planning Permit for Construction Land (建設用地規劃許可證) from the city and county planning authority under the people's government with the granting contract and the relevant documents of approval, assessment, and record for the proposed real estate project. The granting of a contract without any provisions relating to land planning will be invalidated. In cases where the construction site of buildings, roads, pipelines or other structures is located in a planning zone of a city or county, the construction enterprises or individuals shall apply for a Planning Permit for Construction Works (建設工程規劃許可證) from the city/county planning authority or a people's government at village level designated by the provincial people's governments. Under the "Urban and Rural Planning Law of the People's Republic of China," governments above the county level are entitled to withdraw the relevant approval documents when any permit for access to or use of the land is granted to the developer before obtaining the land planning permit; land occupied shall be returned immediately and the compensation shall be paid when damages to parties concerned have resulted.

On January 21, 2011, the Regulations on the Expropriation of Buildings on State-owned Land and Compensation (國有土地上房屋徵收與補償條例) was promulgated by the State Council, a summary of the important provisions is set forth below:

- Where a building of any entity or individual on state-owned land is expropriated for public interest, the owner of the expropriated building shall be fairly compensated;

- The people's government at the city or county level shall publish in a timely manner the public opinions solicited and the amendments made according to the public opinions;

- Before making a decision on building expropriation, the people's government at the city or county level shall make a social stability risk assessment according to the relevant provisions;

- The compensation granted to an owner by the people's government at the city or county level which makes a building expropriation decision shall include:

  (1) compensation for the value of the building expropriated;

  (2) compensation for the relocation or temporary settlement resulting from the building expropriation; and

  (3) compensation for the production or business interruption losses resulting from the building expropriation;

- The compensation for the value of the building expropriated shall not be less than the market price of real estate similar to the building expropriated on the date of announcement of the building expropriation decision;

- An owner may choose either monetary compensation or exchange of titles; and

- Compensation shall be made before relocation, and demolition and relocation with violence is prohibited.

According to the Measures for the Administration of Construction Permits for Construction Projects (建築工程施工許可管理辦法) promulgated by MOHURD on June 25, 2014, a property developer shall, after obtaining the construction land planning permit and the construction work planning permit, apply for a construction work commencement permit (建築工程施工許可證), or

Construction Permit, from the construction authority at or above county level, which is a governmental permit for commencing the construction work of a project. In a commodity real estate project, the construction authority will issue such construction work commencement permit to a developer when the following conditions have been satisfied:

- land grant contract has been signed and the construction land planning permit has been obtained;
- the construction work planning permit has been obtained;
- all required demolishing work is completed and the site is substantially ready for construction;
- the construction engineering contractor(s) having competent qualifications has been employed through appropriate approach;
- designing drawings for construction have been passed the examination by construction authority;
- reasonable measures to ensure construction quality and security have been passed the examination by construction authority;
- qualified construction supervision institution has been employed;
- sufficient capital for commence the construction has been arrived, which in principle, for construction contracts with term less than one year, shall not be less than 50% of the contract price and, for construction contracts with term longer than one year, shall not be less than 30% of contract price; and
- other conditions may be required by the competent construction authority.

According to the above Measures for the Administration of Construction Permits for Construction Projects, in cases where the investment amount is less than RMB300,000 or the construction area is less than 300 sq. m., such property projects are not required to obtain a Construction Permit. For a property project which requires a Construction Permit under the aforesaid regulations, the real estate developer must apply for such Construction Permit and may not begin construction without a Construction Permit.

On November 1, 1997, the Construction Law of the People's Republic of China (中華人民共和國建築法) was promulgated by the 28th Meeting of the Standing Committee of the Eighth National People's Congress, which became effective as of March 1, 1998 and amended on July 1, 2011. A summary of the important provisions in respect of construction production safety management in the Construction Law is set forth below:

- Construction project production safety management must adhere to the policy of safety and prevention first, and must establish and perfect a system of production safety. Construction project design shall conform to the construction safety procedures and technical standards formulated in accordance with state provisions to ensure the safe execution of the project.
- A building construction enterprise shall work out corresponding safety technical measures according to the characteristics of each construction project when developing its construction plans; for specialty-intensive items of the project, special-purpose designs for safe construction shall be compiled and safety technical measures taken. A building construction enterprise shall take such measures as the maintenance of safety

and precautions against danger and fire prevention at the construction site. A building construction enterprise shall take safety protection measures in the case of the construction site causing possible damage to its adjoining buildings, structures or special operational environment.

- A construction unit shall, pursuant to the relevant state provisions, go through the formalities of application for approval in case of any of the following circumstances:

  (1) need to temporarily occupy sites beyond the approved planned scope;

  (2) possibility of damaging such public facilities as roads, pipes and cables, electricity, postal service and telecommunications;

  (3) need to temporarily suspend the water supply, electricity supply or road traffic;

  (4) need to conduct explosion operations; and

  (5) other circumstances requiring application for approval as prescribed by laws and regulations.

- The competent department of construction administration shall be responsible for the administration of construction safety in production and subject to the guidance and supervision of the competent department of labor in construction safety in production in accordance with law.

- The building construction enterprise shall be responsible for construction site safety. The general contracting unit shall be responsible for construction site safety of the project under the general contract for construction. Subcontracting units shall be responsible to the general contracting unit and subordinate themselves to the management of the general contracting unit for construction site safety in production.

- In the event of an accident during the construction process, the building construction enterprise shall take emergency measures to reduce personnel casualties and losses caused by the accident, and submit a timely report to the departments concerned pursuant to relevant state provisions.

On November 24, 2003, the State Council promulgated the Administrative Regulations on Safety in Construction Projects (建設工程安全生產管理條例), which set up sound regulations and rules to curb illegal operations, and make clear the obligations of each participant for construction safety. In addition, the regulations reinforce legal punishment for illegal operations.

According to the Notice Regarding Strengthening and Regulating the Administration of Newly-commenced Projects (國務院辦公廳關於加強和規範新開工項目管理的通知) issued by the General Office of the State Council on November 17, 2007, before commencement of construction, all projects shall fulfill certain conditions, including, among other things, compliance with national industrial policy, development planning, land supply policy and market access standards, completion of all approval and filing procedures, compliance with zoning regulations in terms of site and planning, completion of proper land use procedures and obtaining proper environmental valuation approvals and construction permits or reports.

The development of a real estate project must comply with various laws and legal requirements on construction quality, safety standards and technical guidance on architecture, design and construction work, as well as provisions of the relevant contracts. On January 30, 2000, the State Council promulgated and implemented the Regulation on the Quality Management of Construction Projects (建設工程質量管理條例), which sets the respective quality responsibilities and liabilities for developers, construction companies, reconnaissance companies, design companies and construction supervision companies. On August 1, 2008, the State Council issued

the Regulations on Energy Efficiency for Civil Buildings (民用建築節能條例), which reduces the energy consumption of civil buildings and improves the efficiency of the energy utilization. According to this regulation, the design and construction of new buildings must meet mandatory criteria on energy efficiency for buildings, and failure to meet such criteria will result in neither commencement of construction or acceptance upon completion. Among other things, this regulation sets forth additional requirements for property developers in the sale of commodity buildings in this respect. After completion of construction, the real estate developer must organize an acceptance examination by relevant government authorities and experts according to the Interim Provisions on Inspection Upon Completion of Buildings and Municipal Infrastructure (房屋建築和市政基礎設施工程竣工驗收規定) promulgated by MOHURD on December 2, 2013, and file with the construction authority at or above the county level where the project is located within 15 days after the construction is qualified for the acceptance examination according to the Measures for Reporting Details Regarding Acceptance Examination Upon Completion of Buildings and Municipal Infrastructure (房屋建築工程和市政基礎設施工程竣工驗收備案管理辦法) promulgated by MOC on April 4, 2000, as amended by MOHURD on October 19, 2009. A "Record of acceptance examination upon project completion" will be issued to the real estate developer. For a housing project or other building complex project, an acceptance examination shall be conducted upon completion of the whole project and where such a project is developed in phases, separate acceptance examinations may be carried out for each completed phase.

In China, there are two registers of property interests. "Land registration" is effected by the issue of land use right certificates by the relevant authorities to the land users. Land use rights may be assigned, mortgaged or leased. The building registration is effected by the issue of property ownership certificates to the property owners. "Property or building ownership rights" are only related to the building or improvements erected on the land. Under the PRC laws and regulations, all land use rights and property ownership rights that are duly registered are protected by law. Most cities in China maintain separate registries for such registration. However, Shenzhen, Shanghai, Guangzhou and some other major cities have a consolidated registry for both land use rights and the property ownership interests for the building erected on the relevant land.

Land for Property Development

On April 12, 1988, the National People's Congress amended the PRC Constitution (中華人民共和國憲法) to permit the transfer of land use rights in accordance with the laws and regulations. On December 29, 1988, the National People's Congress amended the PRC Land Administration Law (中華人民共和國土地管理法) to permit the transfer of land use rights in accordance with the laws and regulations. The PRC Land Administration Law has been further amended on August 29, 1998 and August 28, 2004.

Under the Interim Regulations of the People's Republic of China on Grant and Assignment of the Use Right of State-owned Urban Land (城鎮國有土地使用權出讓和轉讓暫行條例) promulgated by the State Council on May 19, 1990, the PRC adopted a system to grant and assign the right to use state-owned land. A land user must pay a land premium to the state as consideration for the grant of the right to use a land site within a specified period of time, and the land user may assign, lease out, mortgage or otherwise commercially exploit the land use rights within the term of use. Under the relevant PRC laws and regulations, the land administration authority at the local government of the relevant city or county level may enter into a land grant contract with the land user to provide for the grant of land use rights. The land user must pay the land premium as provided by the land use rights grant contract. After payment in full of the land premium, the land user may register with the land administration authority and obtain a land use rights certificate, which evidences the acquisition of land use rights. The relevant PRC laws and regulations provide that land use rights for a site intended for real estate development must be obtained through grant except for land use rights which may be obtained through premium-free allocation by the PRC

government pursuant to the PRC laws or the stipulations of the State Council. Government-allocated land is not allowed to be transferred unless the transfer is approved by the relevant PRC government authorities and the land premium as determined by the relevant PRC government authorities has been paid.

Under the Regulation on Grant of State-owned Land Use Rights by Agreements (協議出讓國有土地使用權規定) promulgated by the Ministry of Land and Resources on June 11, 2003 and enforced on August 1, 2003, except for the project that must be granted through tender, auction and listing-for-sale as required by the relevant laws and regulations, land use right may be granted through transfer by agreement and the land premium for the transfer by agreement of the state-owned land use right shall not be lower than the land price set by the State. In some areas which has the benchmark land price, the land premium for the transfer by agreement shall not be lower than 70% of the benchmark land price where the land is located.

According to the Notice of the Ministry of Land and Resources on Relevant Issues Concerning the Strengthening of Examination and Approval of Land Use in Urban Construction (the Land Use Approval Notice) (關於加強城市建設用地審查報批工作有關問題的通知) enacted by the Ministry of Land and Resources on September 4, 2003, commencing from the day of distribution of the Land Use Approval Notice, land use for luxurious commodity houses shall be stringently controlled, and applications for land use for building villas shall be stopped.

The Urgent Notice on Further Governing and Rectifying Land Market and Strengthening Administration of Land (關於深入開展土地市場治理整頓嚴格土地管理的緊急通知) issued by the General Office of the State Council on April 29, 2004 restated the principle of strict administration of the approval process for the construction land and protection of the basic farmlands.

The Notice on Issues Relating to Strengthening the Land Control (關於加強土地調控有關問題的通知) promulgated by the State Council on August 31, 2006 sets forth the administration of the receipt and disbursement of the land premium, modifies the tax policies relating to the construction land, and builds up the system of publicity for the standards of the lowest price with respect to the granted state-owned land use right.

On March 16, 2007, the National People's Congress adopted the PRC Property Rights Law (中華人民共和國物權法), which became effective on October 1, 2007. According to the Property Rights Law, when the term of the right to use construction land for residential (but not other) purposes expires, it will be renewed automatically. Unless it is otherwise prescribed by any law, the owner of construction land use rights has the right to transfer, exchange, and use such land use rights as equity contributions or collateral for financing. If the state takes the premises owned by entities or individuals, it must compensate the property owners in accordance with law and protect the lawful rights and interests of the property owners.

On September 8, 2007, the Ministry of Land and Resources promulgated a Notice on Strengthening the Disposing of Idle Land (關於加大閒置土地處置力度的通知) providing that the grant of state-owned land use right shall be granted by ways of "Cultivated Land." It means that the grant of state-owned land use right can only be transferred after the payment of compensation fees for landing and settlement and completion of the land development at the earlier stage. The notice also prescribes that the state-owned land use rights certificate shall not be issued before the land grant premium for acquisition of land has been paid in full, nor be issued separately according to the ratio of payment of land grant premium.

In September 2007, the Ministry of Land and Resources further promulgated the Regulations on the Grant of State-owned Construction Land Use Rights Through Public Tender, Auction and Listing-for-sale (招標拍賣掛牌出讓國有建設用地使用權規定), which was enforced on November 1, 2007. This regulation requires that land for industrial use, except land for mining, must also be

granted by public tender, auction and listing-for-sale. Only after the grantee has paid the land premium in full under the land grant contract, can the grantee apply for the land registration and obtain the land use right certificates. Furthermore, land use rights certificates may not be issued in proportion to the land premium paid under the land grant contract.

On February 27, 2007, the Ministry of Land and Resources and the Ministry of Finance jointly promulgated the Provisional Measures on Financial Administration of Reserve Land Funds (土地儲備資金財務管理暫行辦法) for the purpose of perfecting the land reserve system, strengthening land regulation and control, regulating the operation of the land market, strengthening land administration and regulating land reserve administrative behaviors.

On November 19, 2007, the Ministry of Land and Resources, the Ministry of Finance and PBOC jointly promulgated the Administration Measures on Land Reserve (土地儲備管理辦法), pursuant to which, local authorities should reasonably decide the scale of land reserve in accordance with the macro-control of the land market. Those idle, unoccupied, and low-efficient state-owned construction land inventory shall be used as land reserve in priority. The purpose of reserving such land is to control the property market and promote the appropriate use of land resources.

On December 30, 2007, the Ministry of Land and Resources promulgated the Rules on Land Registration (土地登記辦法), which further stresses payment in full of the land premium prior to the application for the registration of state-owned construction land use rights.

The State Council issued the Circular on Saving Intensive-use Land (國務院關於促進節約集約用地的通知) on land conservation and improving the efficiency of land use on January 3, 2008, in order to better protect arable land. The circular called on relevant government agencies to map out large-scale "scientific infrastructure" programs, tighten land use approval in both rural and urban areas and step up land market monitoring. The circular prescribed that, if land approved for development remains unused for more than two years, it should be recovered by the government according to laws and regulations. If the land remains idle for more than one year and less than two years, land developers should pay a 20% non-usage fee. More than 70 percent of the land used for construction of urban housing should be designated for residential purposes for low-rent units, affordable housing, price-limited housing and smaller units of less than 90 sq. m. The circular also stipulates that lending and financing services will not be provided for illegally used land. Moreover, financial institutions should be very prudent when they provide loans and/or when they examine financing for real estate projects that exceed one year from the start date listed in the land use right granting contract, for which less than of the development area has been completed, or for which less than 1/4 of the investment has been made.

On November 18, 2009, the Ministry of Finance, the Ministry of Land and Resources, PBOC, the PRC Ministry of Supervision and the PRC National Audit Office jointly promulgated the Notice on Further Enhancing the Revenue and Expenditure Control over Land Grant (關於進一步加強土地出讓收支管理的通知). The notice raises the minimum down-payment for land premiums to 50% and requires the land premium to be fully paid within one year after the signing of a land grant contract, subject to limited exceptions.

On March 8, 2010, the Ministry of Land and Resources promulgated the Notice on Issues Regarding Strengthening Control and Monitor of Real Estate Land Supply (關於加強房地產用地供應和監管有關問題的通知). According to the notice, at least 70% of total land supply must be provisioned for affordable housing, redevelopment of shanty towns and small/medium residential units for self-use and the land supply for large residential units will be strictly controlled and while land supply for villa projects will be banned. The notice also requires that the lowest land grant price must be at least 70% of the basic land price in which the granted land is located and the real estate developers' bid deposit should be at least 20% of the lowest land grant price. The land grant contract must be executed within ten working days after the land transaction is confirmed. The minimum down payment of the land premium will be 50% and must be paid

within one month after the execution of the land grant contract. The remainder of the land grant payment must be paid in accordance with the agreement within one year. The land grant contract cannot be executed if it is not in accordance with the requirement above; if the grantee does not sign the land grant contract in accordance with the timeline, the land cannot be handed over and the deposit will not be returned. If no land grant premium is paid after the execution of the land grant contract, the land must be withdrawn.

To implement the Notice of Firmly Curbing Housing Price in Certain Cities circulated by the State Council (國務院關於堅決遏制部分城市房價過快上漲的通知) on April 17, 2010, on September 21, 2010, the Ministry of Land and Resources and MOHURD jointly promulgated the Notice on Further Strengthening Control and Regulation of Land and Construction of Property Development (關於進一步加強房地產用地和建設管理調控的通知), which stipulated, among other things, that: (i) at least 70% of land designated for construction of urban housing must be used for affordable housing, housing for resettlement of shanty towns and small to medium-sized ordinary commercial housing; in areas with high housing prices, the supply of land designated for small to medium-sized, price-capped housing must be increased; (ii) developers and their controlling shareholders are prohibited from participating in land biddings before the rectification of certain misconduct, including (1) illegal transfer of land use rights; (2) failure to commence required construction within one year from the delivery of land under land grant contracts due to such developers' own reasons; (3) noncompliance with the land development requirements specified in land grant contracts; and (4) crimes such as swindling land by forging official documents and illegal land speculation; (iii) developers are required to commence construction within one year from the date of delivery of land under the relevant land allocation decision and land grant contract and complete construction within three years of commencement; (iv) development and construction of projects of low-density and large-sized housing must be strictly limited and the plot ratio of the planned GFA to the total site area of residential projects must be more than 1:1; and (v) the grant of two or more bundled parcels of lands and undeveloped land is prohibited.

On December 19, 2010, the Ministry of Land and Resources promulgated the Notice on Strict Implementation of Policies Regarding Regulation and Control of Real Property Land and Promotion of the Healthy Development of Land Markets (關於嚴格落實房地產用地調控政策促進土地市場健康發展有關問題的通知), which provides, among other things, that: (i) cities and counties that have less than 70% of their land supply designated for affordable housing, housing for redevelopment of shanty towns or small/medium residential units must not provide land for large-sized and high-end housing before the end of year 2010; (ii) land and resource authorities in local cities and counties will report to Ministry of Land and Resources and provincial land and resource authorities, respectively regarding land with a premium rate of more than 50%; (iii) for any land which has been designated for affordable housing, is used for property development against relevant policies the illegal income will be confiscated and the relevant land use rights will be withdrawn. Moreover, changing the plot ratio without approval is strictly prohibited.

On January 26, 2011, the State Council circulated Notice on Further Regulating the Real Estate Market (國務院辦公廳關於進一步做好房地產市場調控工作有關問題的通知), which provides stricter management of housing land supply, among other things, that participants or individual biding on any land unit shall show proof of funding sources.

According to the Notice on Implementation Measures on Urban Housing Land Management and Regulation in 2011 (關於切實做好2011年城市住房用地管理和調控重點工作的通知) promulgated by the Ministry of Land and Resources in February 2011, construction land for 10 million units of affordable housing units shall be implemented in 2011. It also requires that the target total supply of urban housing land shall not be lower than the annual average supply for the preceding two years.

According to the Notice on Implementation Measures on Urban Housing Land Management and Regulation in 2012 (關於做好2012年房地產用地管理和調控重點工作的通知) promulgated by the Ministry of Land and Resources in February 2012, the target total supply of urban housing land shall not be lower than the annual average supply for the preceding five years.

According to the Circular on the Distribution of the Catalog for Restricted Land Use Projects (2012 Edition) and the Catalog for Prohibited Land Use Projects (2012 Edition) (關於印發 (限制用地項目目錄) (2012年本) 和 (禁制用地項目目錄) (2012年本)的通知) promulgated by the Ministry of Land and Resources in May 2012, the transferred area of the residential housing projects should not exceed (i) seven hectares for small cities and towns, (ii) 14 hectares for medium-sized cities, or (iii) and 20 hectares for large cities and plot ratio which is not more than 1.0.

On June 1, 2012, the MLR revised and promulgated the Measure for the Disposal of Idle Land (閑置土地處置辦法), which further clarified the scope and definition of idle land, as well as the corresponding punishment measures compared to the old version. Pursuant to the new Measures for the Disposal of Idle Land, under the following circumstances, a parcel of land shall be defined as "idle land":

- any State-owned land for construction use, of which the holder of the land use right fails to start the construction and development thereof within one year after the commencement date of the construction and development work as agreed upon and prescribed in the contract for fee-based use of State-owned land for construction use, or the decision on allocation of State-owned land for construction use;

- any State-owned land for construction use of which the construction and development have been started but the area of land that is under construction and development is less than one third of the total area of land that should have been under construction and development or the amount invested is less than 25% of the total investment, and the construction and development of which has been suspended for more than one year.

- if a parcel of land is deemed as idle land by competent department of land and resources, unless otherwise prescribed by the new Measures for the Disposal of Idle Land, the land shall be disposed of in the following ways:

  - where the land has remained idle for more than one year, the competent department of land and resources at the municipal or county level shall, with the approval of the people's government at the same level, issue a Decision on Collecting Charges for Idle Land to the holder of the right to use the land and collect the charges for idle land at the rate of 20% of the land assignment or allocation fee; and the said charges for idle land shall not be included in the production cost by the holder of the land use right; and

  - where the land has remained idle for more than two years, the competent department of land and resources at the municipal or county level shall, with the approval of the people's government at the same level, issue a Decision on Taking Back the Right to Use the State-owned Land for Construction Use to the holder of the land use right.

Sale of Commodity Houses

Under the Measures for Administration of Sale of Commodity Houses (商品房銷售管理辦法) promulgated by MOC on April 4, 2001 and enforced on June 1, 2001, sale of commodity houses can include both sales before the completion of the properties, or pre-sale, and sales after the completion of the properties.

Any pre-sale of commodity buildings must be conducted in accordance with the Measures for Administration of Pre-sale of Commodity Buildings in Urban Area promulgated by MOC on November 15, 1994 (城市商品房預售管理辦法), as amended on August 15, 2001 and July 20, 2004, and other related regulations. The pre-sale regulations provide that any pre-sale of commodity properties is subject to specified procedures. According to the current PRC laws and regulations, a pre-sale permit must be in place before a commodity building may be put to pre-sale. Specifically, a developer intending to sell a commodity building before its completion must apply to the real estate development authorities for a pre-sale permit. A commodity building may be sold before completion only if:

- the land premium has been paid in full for the grant of the land use rights involved and a land use rights certificate has been properly obtained;
- a construction planning permit and a construction permit have been properly obtained;
- funds invested in the development of the commodity buildings for pre-sale represent 25% or more of the total investment in the project and the construction progress, as well as the completion and delivery dates have been properly ascertained; and
- the pre-sale has been registered and a pre-sale permit has been obtained.

The pre-sale proceeds of commodity buildings must be used to develop the relevant project so pre-sold.

Commodity buildings may be put to post-completion sale and delivery after they have passed the acceptance examination and otherwise satisfy the various preconditions for such sale. Under the "Measures for Administration of Sales of Commodity Houses" (商品房銷售管理辦法), commodity buildings may be put to post-completion sale when the following pre-conditions have been satisfied: (a) the property development enterprise offering to sell the post-completion properties shall have an enterprise legal person business license and a qualification certificate of a property developer; (b) the enterprise has obtained the State-owned Land Use Rights Certificate or other approval documents of land use; (c) the enterprise has the Planning Permit for Construction Works and the Construction Permits; (d) the commodity properties have been completed and been inspected and accepted as qualified; (e) the relocation of the original residents has been well settled; (f) the ancillary infrastructure facilities for supplying water, electricity, heating, gas, communication, etc. have been made ready for use, and other ancillary essential facilities and public facilities have been made ready for use, or the schedule of construction and delivery date of have been specified; (g) the property management plan has been completed. Before the post-completion sale of a commodity building, the developer must, among other things, submit a real estate development project manual and other documents relating to the project evidencing the satisfaction of the preconditions for post-completion sale to the real estate development authority for its record.

On April 13, 2010, MOHURD issued the Notice on Further Enhancing the Supervision of the Real Estate Market and Perfecting the Pre-sale System of Commodity Houses (關於進一步加強房地產市場監管完善商品住房預售制度有關問題的通知). Pursuant to the notice, without pre-sale approval, the commodity houses are not permitted to be pre-sold and the real estate developer is not allowed to charge the buyer any deposit, prepayment or payment of a similar nature. Meanwhile, local government should accelerate the enactment of the regulatory system of the pre-sale proceeds and enhance the supervision of the proceeds as well. All commodity housing pre-sale proceeds, shall be deposited in escrow accounts under the supervision of regulatory institutions. In addition, the notice urges local governments to enact regulations on the sale of completed commodity properties in light of local conditions and encourages property developers to engage in the practice of selling completed commodity properties. The administrative department of construction on the real estate development at the province level may further set up their implementation rules in accordance with the above state level measures and notices. The

Provisions on Sales of Commodity Properties at Clearly Marked Price (商品房銷售明碼標價規定) was promulgated by the NDRC on March 16, 2011 and became effective on May 1, 2011. According to the provisions, any real estate developer or real estate agency ("real estate operators") is required to mark the selling price explicitly and clearly for both newly-build and second-hand commodity properties. The provisions require real estate operators to clearly indicate to the public the prices and relevant fees of commodity properties, as well as other factors affecting the prices of commodity properties. With respect to the real estate development projects that have received property pre-sale licence or have completed the filing procedures for the sales of constructed properties, real estate operators shall announce all the commodity properties available for sales at once within the specified time limit. Furthermore, with regard to a property that has been sold, real estate operators are obliged to disclose this information and to disclose the actual transaction price. Real estate operators cannot sell commodity properties beyond the stated price or charge any other fees not explicitly marked. Moreover, real estate operators may neither mislead property purchasers with false or irregular price marking, nor engage in price fraud by using false or misleading price marking methods.

According to the Regulation on Clear Pricing of Commercial Property (商品房銷售明碼標價規定) promulgated by the NDRC in March 2011 and effective in May 2011, the real estate developers shall clearly mark the sales prices of houses.

Transfer of Real Estate

According to the PRC laws and the Provisions on Administration of Transfer of Urban Real Estate (城市房地產轉讓管理規定) promulgated by MOC on August 7, 1995, as amended on August 15, 2001, a real estate owner may sell, gift or otherwise legally transfer the property to another natural person or legal entity. When transferring a property, the ownership of the property and the land use rights to the site on which the property is situated are transferred together. The parties to a transfer must enter into a written real estate transfer contract and register the transfer with the real estate administration authority having jurisdiction over the location of the property within 90 days of the execution of the transfer contract.

Where the land use rights are originally obtained by grant, the real property may only be transferred on the condition that:

- the land premium has been paid in full for the granted land use rights as required by the land grant contract and a land use rights certificate has been properly obtained; and
- in the case of a project in which buildings are being developed, development representing more than 25% of the total investment has been completed; or
- in case of a whole land lot development project, construction works have been carried out as planned, water supply, sewerage, electricity supply, heat supply, access roads, telecommunications and other infrastructure or utilities have been made available, and the site has been leveled and made ready for industrial or other construction purposes; or
- in the case of the construction of buildings have been completed, the building ownership certificate should have been obtained.

If the land use rights are originally obtained by grant, the term of the land use rights after transfer of the real estate will be the remaining portion of the original term in the land grant contract. In the event that the assignee intends to change the use of the land provided in the land grant contract, consent must first be obtained from the original land use rights grantor and the planning administration authority at the relevant city or county and an agreement to amend the land grant contract or a new land grant contract must be signed in order to, *inter alia*, change the use of the land and adjust the land premium accordingly.

If the land use rights are originally obtained by allocation, such allocated land use right may be changed to granted land use rights upon approval by the government vested with the necessary approval power as required by the State Council. After the government authorities vested with the necessary approval power approve such change, the grantee (the above-mentioned assignee should act as the grantee) must complete the formalities for the grant of the land use rights and pay the land premium according to the relevant statutes.

Leases of Buildings

Measures for Administration of Leases of Commodity Property (商品房屋租賃管理辦法) promulgated by MOHURD on December 1, 2010 and enforced on February 1, 2011, repealing the Measures for Administration of Leases of Buildings in Urban Areas (城市房屋租賃管理辦法) promulgated by MOC on May 9, 1995 and enforced on June 1, 1995, provides that parties to a lease of a building must enter into a lease contract in writing. China has adopted a system to register the leases of real properties. When a lease contract is signed, amended or terminated, the parties must register the details with the real estate administration authority at the city or county in which the building is situated. If the parties to a leasehold arrangement of a property do not register the lease of properties with the competent authorities, and also fail to correct their behavior within a definite time, they will be subject to fine.

Mortgages of Real Estate

Under the PRC Urban Real Estate Administration Law (中華人民共和國城市房地產管理法) promulgated by the Standing Committee of the National People's Congress on July 5, 1994, enforced on January 1, 1995 and amended on August 30, 2007, the PRC Security Law (中華人民共和國擔保法) promulgated by the National People's Congress on June 30, 1995 and enforced on October 1, 1995, and the Measures for Administration of Mortgages of Urban Real Estate (城市房地產抵押管理辦法) promulgated by MOC on May 29, 1997, enforced on June 1, 1999 and amended on August 15, 2001, when a mortgage is created on the ownership of a building legally obtained, such mortgage must be simultaneously created on the land use rights of the land on which the building is situated. The mortgagor and the mortgagee must sign a mortgage contract in writing. China has adopted a system to register mortgages of real estate. After a real estate mortgage contract has been signed, the parties to the mortgage must register the mortgage with the real estate administration authority at the location where the real estate is situated. A real estate mortgage contract will become effective on the date of registration of the mortgage. If a mortgage is created on the real estate in respect of which a property ownership certificate has been obtained legally, the registration authority will, when registering the mortgage, make an entry under "third party rights" on the original property ownership certificate and then issue a certificate of third-party rights to the mortgagee. If a mortgage is created on the commodity building put to pre-sale or on works in progress, the registration authority will, when registering the mortgage, record the details on the mortgage contract. If construction of a real property is completed during the term of a mortgage, the parties involved will re-register the mortgage of the real property after issue of the property ownership certificates evidencing the rights and ownership to the real estate.

The PRC Property Rights Law (中華人民共和國物權法) promulgated on March 16, 2007 that became effective on October 1, 2007 further widens the scope of assets that can be mortgaged, allowing for any asset associated with property rights to be mortgaged as collateral unless a specific prohibition under another law or regulation applies. The PRC Property Rights Law provides that the mortgage registration of buildings and other objects fixed to land, the right to use construction land and a building under construction shall be gone through, such mortgage right shall be established as of the date of registration. The buildings newly constructed on the land after the mortgage of the right to use construction land may not belong to the mortgaged properties. Such newly constructed buildings can be disposed of together with the disposal of the aforesaid right to use construction land so as to realize the mortgage right; however, the mortgagee has no right to seek preferred payments from the money generated from the disposal of these newly constructed buildings.

On December 30, 2007, the Ministry of Land and Resources, issued the Administrative Measures on Land Registration (土地登記辦法). The measures are scheduled to take effect on February 1, 2008. According to the measures, land registration refers to the recording of land use rights on land registered for public review. The measures stipulate that the administrative department of land and resources must conclude land registrations within 20 days after receiving an application. If the case is complex, a ten-day extension can be approved by the principal of land and resources' administrative department.

On April 8, 2008, the Ministry of Land and Resources released the Circular on Implementing the Land Registration Measures and Further Strengthening Land Registration Work in accordance with the Administrative Measures on Land Registration (關於貫徹實施《土地登記辦法》進一步加強土地登記工作的通知) (the "Circular"), which calls for stringent land registration according to laws, cessation of illegal registration, and prohibition of legalizing illegal land through land registration.

The Circular points out that the registrations will not be granted to cases involving unresolved land disputes, as well as cases where the full contract price has not been paid or where the use of land has been changed illegally. In addition, the Circular stipulates that personnel without a Land Registration Qualification Certificate must not be engaged in land ownership investigation and examination. Any person responsible for incorrect registration or incomplete registrations must bear the consequences.

On February 15, 2008, MOC released Procedures for Property Registration (房屋登記辦法) (the "Procedures"). The Procedures are scheduled to take effect on July 1, 2008. Measures on Administration of Urban Houses Registration (城市房屋權屬登記管理辦法) and Decisions by the MOC to Revise Measures on Administration of Urban Houses Registration (建設部關於修改《城市房屋權屬登記管理辦法》的決定) was revoked on that day. The Procedures stipulate that in property registrations, the owners of the housing property rights should correspond with the owners of the land use rights. Based on PRC Property Rights Law, the Procedures specifically regulate the pre-registration, registration of mortgage rights for construction work in process, registration for maximum mortgage amount, registration of rectification, registration for objection and registration for easement, which make property registrations more operable.

According to the Interim Regulations on Real Estate Registration (不動產登記暫行條例) promulgated by the State Council on 24 November 2014 and implemented on 1 March 2015, the state applies a uniform registration system over real estate.

Property Finance

The PBOC issued the Circular on Further Strengthening the Management of Loans for Property Business (關於進一步加強房地產信貸業務管理的通知) on June 5, 2003 to specify the requirements for banks to provide loans for the purposes of real estate development and individual home mortgage as follows:

- The real estate loan by commercial banks to real estate development enterprises shall be granted only under the title of real estate development loan and it is strictly forbidden to extend such loans as current capital loan for real estate development projects or other loan items. No lending of any type shall be granted to enterprises which have not obtained the State-owned Land Use Rights Certificate, Planning Permit for Construction Land, Planning Permit for Construction Works and Permit for Commencement of Construction Works;

- Commercial banks shall not grant loans to real estate developers to pay off land premium; and

Commercial banks may only provide mortgage loans to individual buyers when the main structural buildings have been topped out. When a borrower applies for individual home loans for his first residential unit, the down payment shall remain 20%. In respect of the borrower's loan application for his or her second or more (including the second) residential unit(s), the percentage of the first installment shall be increase.

In a Circular on Facilitating the Continuously Healthy Development of the Real Estate Market (關於促進房地產市場持續健康發展的通知) issued by the State Council on August 12, 2003, a series of measures were adopted by the government to control the real estate market. They included, among others, strengthening the construction and management of low-cost affordable houses, increasing the supply of ordinary commodity houses and controlling the construction of high-end commodity houses. Additionally, the government staged a series of measures on lending for residential development, including, among others, improving the loan evaluation and lending process, improving the guarantee mechanism of individual home loans and strengthening the monitoring over property loans. It is expected that the circular will have a positive effect on the development of the PRC real estate market in the long run by facilitating a continuously healthy growth of the property market in China.

Pursuant to the Guidance on Risk Management of Property Loans of Commercial Banks (商業銀行房地產貸款風險管理指引) issued by CBRC on August 30, 2004, any real estate developer applying for real estate development loans shall have at least 35% of capital funds required for the development.

According to the "Notice of the People's Bank of China on the Adjustment of Commercial Bank Housing Loan Policies and the Interest Rate of Excess Reserve Deposit" (中國人民銀行關於調整商業銀行住房信貸政策和超額準備金存款利率的通知) enacted by the PBOC on March 16, 2005, starting from March 17, 2005, the down payment of individual residential property loan increased from 20% to 30% in cities and areas where property prices grow too quickly. The commercial banks can independently determine the scope of such property price rise according to specific situations in different cities or areas.

On May 24, 2006, the State Council forwarded the "Opinion of the Ministry of Construction and Other Departments on Adjusting the Housing Supply Structure and Stabilizing Property Prices" (關於調整住房供應結構穩定住房價格的意見). The regulations provide the following:

- Tightening the control of real estate advancing loan facilities. Commercial banks are not allowed to advance their loan facilities to real estate developers who do not have the required 35% or more of the total capital for the construction projects. Commercial banks should be prudent in granting loan facilities and/or revolving credit facilities in any form to the real estate developers who have a large number of idle lands and unsold commodity properties. Banks shall not accept mortgages of commodity properties remaining unsold for three years or longer.

- From June 1, 2006 and onward, individual purchasers need to pay a minimum of 30% of the purchase price as down payment. However, if individual purchasers purchase apartments with a floor area of 90 sq. m. or less for residential purposes, the existing requirement of 20% of the purchase price as down payment remains unchanged.

According to the "Circular on Standardizing the Admittance and Administration of Foreign Capital in the Property Market" (關於規範房地產市場外資進入和管理的意見) enforced on July 11, 2006, foreign-invested real estate development enterprises who have not fully paid up their registered capital fund fully, or failed to obtain the State-owned Land Use Rights Certificate, or with under 35% of the total investment for the project, will not be allowed to obtain a loan in or outside China, and foreign exchange administration departments shall not approve any settlement of foreign loans by such enterprises.

On September 27, 2007, the PBOC and CBRC jointly promulgated a Circular on Strengthening the Management of Commercial Real Estate Credit Loans (關於加強商業性房地產信貸管理的通知), with a supplement issued in December 2007. The circular aims to tighten the control over real estate loans from commercial banks to prevent granting excessive credit. The measures include:

- for a first-time home owner, increasing the minimum amount of down payment to 30% of the purchase price of the underlying property if the underlying property has a unit floor area of 90 sq. m. or more and the purchaser is buying the property as its own residence;

- for a second-time home buyer, increasing (i) the minimum amount of down payment to 40% of the purchase price of the underlying property and (ii) the minimum mortgage loan interest rate to 110% of the relevant PBOC benchmark one-year bank lending interest rate. If a member of a family (including the buyer, his/her spouse and their children under 18) has financed the purchase of a residential unit, any member of the family that buys another residential unit with bank loans will be regarded as a second-time home buyer;

- for a commercial property buyer, (i) requiring banks not to finance any purchase of pre-sold properties, (ii) increasing the minimum amount of down payment to 50% of the purchase price of the underlying property, (iii) increasing the minimum mortgage loan interest rate to 110% of the relevant PBOC benchmark one-year bank lending interest rate and (iv) limiting the terms of such bank loans to no more than ten years, although commercial banks are given certain flexibility based on their risk assessment;

- for a buyer of commercial/residential dual-purpose properties, increasing the minimum amount of down payment to 45% of the purchase price of the underlying property, with the other terms to be decided by reference to commercial properties; and

- prohibiting commercial banks from providing loans to real estate developers who have been found by relevant government authorities to be hoarding land and properties.

In addition, commercial banks are also banned from providing loans to the projects that have less than 35% of capital funds (proprietary interests), or fail to obtain land use right certificates, construction land planning permits, construction works planning permits or construction permits. Commercial banks are also prohibited from accepting commercial premises that have been vacant for more than three years as collateral for loans. In principle, real estate development loans provided by commercial banks should only be used for projects where commercial banks are located. Commercial banks may not provide loans to property developers to finance the payment of land premium.

According to the Notice on Extending the Downward Range of the Interest Rate for Commercial Personal Home Loans and Supporting the Residents in First-time Purchase of Ordinary Residential Homes (擴大商業性個人住房貸款利率下浮幅度支援居民首次購買普通住房的通知) issued by PBOC on October 22, 2008, the minimum amount of down payment for the first-time home buyer has been adjusted to 20% since October 27, 2008.

On September 29, 2010, PBOC and CBRC jointly issued the Notice on Relevant Issues Regarding the Improvement of Differential Mortgage Loan Policies (關於完善差別化住房信貸政策有關問題的通知), which raised the minimum down payment to 30% for all first-time house purchases.

It also provides that commercial banks in China shall suspend mortgage loans to purchasers for their third residential property and beyond or to non-local residents who can not provide documentation certifying payment of local tax or social security for longer than a one-year period.

In addition, all property companies with records of being involved in abuse of land, changing the use of land, postponing the construction commencement or completion date, hoarding properties or other non-compliance will be restricted from obtaining bank loans for new projects or extension of credit facilities.

On November 2, 2010, MOHURD, the Ministry of Finance, PBOC and CBRC jointly promulgated the Notice on Relevant Issues Concerning Policies of Regulation of Individual Housing Reserve Loan (關於規範住房公積金個人住房貸款政策有關問題的通知), which provided that, among other things: (i) where a first-time home buyer (including the borrower, spouse and minor children) uses housing reserve loans to buy an ordinary house for self-use with a unit floor area: (a) equal to or less than 90 sq. m., the minimum down payment shall be at least 20%; (b) more than 90 sq. m., the minimum down payment shall be at least 30%; (ii) for a second-time home buyer that uses housing reserve loans, the minimum down payment shall be at least 50% with the minimum lending interest rate of 110% of the benchmark rate; (iii) the second housing reserve loan will only be available to families whose per capita housing area is below the average in locality and such loan must only be used to purchase an ordinary house for self-use to improve residence conditions; and (iv) housing reserve loans to families for their third residential property and beyond will be suspended.

On January 26, 2011, General Office of the State Council issued the Notice of the State Council on Issues Related to Further Enhancing the Regulation and Control of the Real Estate Market (國務院辦公廳關於進一步做好房地產市場調控工作有關問題的通知). According to this Notice, for those households who purchase the second set of housing through loan, the down payment ratio shall not be lower than 60%. The loan interest shall not be lower than 1.1 times the benchmark interest rate. The respective branches of PBOC may raise the down payment ratio and interest rate on loans for second home based on the price control targets set by the local People's Government for newly constructed houses and the policy requirements, and on the basis of national unified credit policies.

On February 26, 2013, the General Office of the State Council issued the Notice on Continuing Adjustment and Control of Property Markets (關於繼續做好房地產市場調控工作的通知) which reaffirmed the above measures. On September 29, 2014, PBOC and CBRC issued the Notice on Further Improvement of Housing Finance Service (關於進一步做好住房金融服務工作的通知), which states that, among other things:

- For the family to purchase its first residential property for private use with an individual loan, the down payment of the purchase shall be 30% of the total purchase price and the minimum of the interest rate of the loan is 70% of the base interest rate, and the specific rate may be determined by the bank at its discretion based on the risk.

- For the family which has already owned one residential property and paid up the relevant loan, should it apply for loan again for the second residential property to improve its living conditions, the bank can treat it as the first residential property for its loan application.

- In cities where the measures of "restrictions on house buying" are lifted or not imposed, for the family who has already owned two or more residential properties and paid up the relevant loans, should it apply for loan again for another residential property, the bank shall decide on the percentage of down payment and interest rate by prudently considering the borrower's solvency and credit status.

Banks may approve loan applications submitted by non-residents who satisfy the relevant policies and qualifications based on local urbanization development plans.

On March 30, 2015, the PBOC, CBRC and Ministry of Housing and Urban-rural Development jointly issued the Notice on Issues of Individual Mortgage Loans Policies (關於個人住房貸款政策有關問題的通知)to lower the minimum down payment to 40% for a family that owns a residential property and has not paid off its existing mortgage loan applying for a new mortgage loan to purchase another ordinary residential property to improve living conditions and allow banks at their own discretion to decide the down payment ratio and loan interest rate taking into consideration the solvency and credit standing of the borrowers.

Where the family of a worker who pays housing provident fund contributions uses a housing provident fund commission loan to purchase the first residential property to be used as the purchaser's residence, the minimum down payment ratio is 20%; where the family of a worker who already owns one residential property, of which relevant housing loan has been settled, files a new application for a housing provident fund commission loan for purchasing of another residential property as the purchaser's residence for the purpose of improving its living conditions, the minimum down payment ratio is 30%.

On February 1, 2016, the PBOC and CBRC issued the Circular on Issues Concerning Adjusting Individual Housing Loan Policies (關於調整個人住房貸款政策有關問題的通知) which requires that: (i) in the cities without restrictive measures for purchasing houses, the minimum down payment for the purchase shall, in principle, be 25% of the house price with regard to the residential mortgage for first time purchasers of common residential houses, and the said percentage may be lowered by five percentage points in different regions; with respect to resident households that own a residential house with an outstanding residential mortgage but apply for another residential mortgage in order to purchase a second house so as to improve living conditions, the minimum down payment for the purchase shall be at least 30% of the corresponding house price; (ii) in the cities with restrictive measures on purchasing houses, the individual housing loan policies shall be subject to the original provisions.

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

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

From September 30, 2016 to date, Shanghai, Suzhou, Wuhan, Beijing, Hangzhou and other cities have issued new property market control policies, including restoring the restriction on purchases of residential properties and tightening credit operations policy. On October 10, 2016, the MOHURD issued the Circular on Further Regulating of Real Estate Developers to Safeguard the Real Estate Market Order (關於規範房地產開發企業經營行為維護房地產市場市場秩序的通知),

which requires improper operations of real estate developers be investigated and punished according to law. The improper operations include releasing or spreading false housing information and advertisements, maliciously and artificially inflating housing prices by fabricating or spreading information on rising property price and other operations.

On August 11, 2016, Suzhou Municipal People's Government issued the Notice on Further Strengthening the Implementation of Real Estate Market Management in Suzhou City (關於進一步加強蘇州市區房地產市場管理的實施意見的通知), or Notice 119, which formulates several opinions, among others, to increase supply of land in the market, adjust land supply conditions, improve real estate pre-sale management, strengthen price management of commercial housing, consummate differential housing credit policy. According to Notice 119, for any family which has owned a residential property with an unsettled individual commercial housing loan, the family is required to pay a down payment of no less than 50% of the purchase price in Suzhou city; and for any family which has owned at least two residential properties with an unsettled individual commercial housing loan, the family is prohibited from borrowing housing loans.

On November 14, 2016, the Wuhan Municipal People's Government General Office issued the Opinions on Further Promoting the Development of Real Estate Market Stably and Healthily (關於進一步促進我市房地產市場持續平穩健康發展的意見), which requires to strengthen restrictive measures on the housing transactions, increase supply of the real estate, prevent excessive increase in land price, improve real estate pre-sale management, strengthen supervision of the real estate market and develop information disclosure and public opinion guidance.

On November 25, 2016, the Shanghai Housing Urban and Rural Construction Management Committee, People's Bank of China Shanghai Branch and China Banking Regulatory Commission Shanghai Regulatory Bureau promulgated the Notice on Promoting the Stable, Healthy and Orderly Development of Shanghai's Real Estate Market and Further Consummating the Differential Housing Credit Policy (關於促進本市房地產市場平穩健康有序發展進一步完善差別化住房信貸政策的通知) (the "Circular 1062"), which, among other things, provides that：

- each housing administrative authority shall strengthen the housing transaction supervision, verify the housing status and information of the purchasers and issue the inspection results according to relevant rules and regulations;

- for any family which purchases its first residential property (namely, the family has no residential property in Shanghai nor any record of commerical housing loan or housing provident fund loan) with individual commercial housing loan, the family is required to pay a down payment of no less than 35% of the purchase price;

- if any of the following conditions is met, for any family which purchases an ordinary residential property with individual commercial housing loan, the family is required to pay a down payment of no less than 50% of the purchase price, and for any family which purchases a non-ordinary residential property with individual commerical housing loan, the family is required to pay a down payment of no less than 70% of the purchase price:

  (a) The family has no residential property in Shanghai but has record(s) of commerical housing loan or housing provident fund loan; or

  (b) The family has one residential property in Shanghai.

On November 29, 2016, the Shanghai Housing Provident Fund Management Committee issued the Circular on Adjusting the Policies of Shanghai Municipality on Housing Provident Fund for Individual Loan (關於調整本市住房公積金個人貸款政策的通知)(the "Circular 18"), which, among other things:

- provides that, for any family which has no residential property in Shanghai nor any record of housing provident fund loan, the residential property bought by such family shall be treated as the first residential property for its loan application and the credit policy remains unchanged.

- provides that, for any family which has no residential property in Shanghai but has one loan record, or has one residential property and intends to purchase the second residential property to improve its living conditions, the residential property bought by such family shall be treated as the second residential property for improving living conidtions for its loan application. Under such circumstances:

  (a) the interst rate of housing provident fund for individual loans is adjusted to 110% of the lending interest rate of a first-time residential property purchaser of the same period;

  (b) the maximum loan amount is adjusted to RMB800,000 (or RMB1,000,000 if additional housing fund is applicable) for a family and RMB400,000 (or RMB500,000 if additional housing fund is applicable) for an individual; and

  (c) the down payment shall be no less than 50% of the purchase price for an ordinary residential property and no less than 70% of the purchase price for a non-ordinary residential property.

- prohibits the Shanghai Housing Provident Fund Management Center from providing a loan to any applicant if:

  (a) the family's record already shows two loans;

  (b) the purpose of purchasing a second residential property by the family is not for improving living conditions.

On March 17, 2017, Beijing Municipal Housing and Urban Construction Committee, People's Bank of China Business Administration Department, China Banking Regulatory Commission Beijing Regulatory Authority, Beijing Housing Provident Fund Management Center issued the Notice on Perfecting Commercial Housing Sales and Differentiated Credit Policy (關於完善商品住房銷售和差別化信貸政策的通知), which suspended the personal housing loans (including housing provident fund loans) with the term more than 25 years and required that:

- for any family which has no residential property in Beijing nor any record of housing provident fund loan or the commercial housing loans, the ordinary self-housing bought by such family shall be treated as the first residential property and its down payment is no less than 35%; and such family is required to pay a down payment of no less than 40% for the non-ordinary self-housing.

- for any family which has one residential property in Beijing and any family which has no residential property in Beijing but has a record of a housing provident fund loan or commercial housing loans, the family is required to pay a down payment of no less than 60% for ordinary self-housing and no less than 80% for non-ordinary self-housing.

On March 28, 2017, Hangzhou Housing Security and Real Estate Administration issued the Notice on Further Improving Housing Restrictions on Sale and Control Measures on Sale (關於進一步完善住房限購及銷售監管措施的通知), which required that: the city adult residents who are single (including divorced residents) should only purchase a set of housing in the restricted area (including the new commercial housing and second-hand housing); and the family which immigrated to Tonglu, Jiande, Lin'an, Chun'an from other place should purchase the housing after the date of immigration with two full years in the restricted area (including the new commercial housing and second-hand housing).

Real Estate Management

Under the Measures for the Administration of Qualifications of Property Service Enterprises (物業管理企業資質管理辦法) promulgated by MOC on March 17, 2004, enforced on May 1, 2004, and amended on November 26, 2007, a property service enterprise must apply for assessment of its qualification by the relevant qualification approval authority. An enterprise which passes such a qualification assessment will be issued a qualification certificate. No enterprise may engage in property management without undertaking a qualification assessment conducted by the relevant authority and obtaining a qualification certificate.

Insurance

There is no mandatory provision under the PRC laws, regulations and government rules which would require a property developer to take out insurance policies for their real estate developments. According to the common practice of the property industry in China, construction companies are usually required to submit insurance proposals in the course of tendering and bidding for construction projects. Construction companies must pay for the insurance premium at their own costs and take out insurance to cover their liabilities, such as third party's liability risk, employer's liability risk, risk of nonperformance of contract in the course of construction and other kinds of risks associated with the construction and installation works throughout the construction period. The insurance coverage for all these risks will cease immediately after the completion and acceptance upon inspection of construction.

In light of the "Construction Law of the People's Republic of China" (中華人民共和國建築法) enacted by the Standing Committee of the National People's Congress on November 1, 1997 and enforced on March 1, 1998, construction enterprises must take out accident and casualty insurance for workers engaged in dangerous operations and pay insurance premium. In the "Opinions of the MOC on Strengthening the Insurance of Accidental Injury in Construction Work" (建設部關於加強建築意外傷害保險工作的指導意見) by the MOC on May 23, 2003, the MOC further emphasizes the importance of insurance for accidental injury in construction work and put forward the detailed opinions of guidance.

Measures on Stabilizing Housing Price

The General Office of the State Council promulgated a Circular on Stabilizing Housing Price (關於切實穩定住房價格的通知) on March 26, 2005, introducing measures to be taken to restrain the housing price from increasing too fast and to promote a stable development of the real estate market. On April 30, 2005, MOC, NDRC, the Ministry of Finance, the Ministry of Land and Resources, PBOC, the State Administration of Taxation and CBRC jointly issued an Opinions on Stabilizing Housing Prices (關於做好穩定住房價格工作的意見) containing the following guidance:

- Where the housing price is growing too fast, while the supply of ordinary commodity houses at medium or low prices and low-cost affordable houses is insufficient, housing construction should mainly involve projects of ordinary commodity houses at medium or low prices and low-cost affordable houses. The construction of low-density, high-end houses should be strictly controlled. The relevant local government authorities are

authorized to impose conditions on planning and design such as building height, plot ratio and green space and to impose such requirements as the selling price, type and GFA as preconditions on land assignment. Local governments are also required to strengthen their supervision of real estate developments in their jurisdictions.

- Where the price of land for residential use and the price for residential housing are growing too fast, the proportion of land supply for residential use to the total land supply should be appropriately raised, and the land supply for the construction of ordinary commodity houses at medium or low prices and low-cost affordable houses should be especially increased. Land supply for villa construction should continue to be suspended, and land supply for high-end housing property construction should be strictly restricted.

- Idle land fee must be imposed on land that has not been developed for one year from the contractual construction commencement date as may be specified in the land grant contract. Land use rights of land that has not been developed for two years must be forfeited without compensation.

- Commencing from June 1, 2005, a business tax upon transfer of a residential house by an individual within two years from his/her purchase will be levied on the entire sales proceeds from such sale. For an individual to transfer an ordinary residential house after two years from his/her purchase, the business tax will be exempted. For an individual to transfer a property other than an ordinary residential house after two years from his/her purchase, the business tax will be levied on the difference between the price of such sale and the original purchase price.

- Ordinary residential houses with medium or small GFAs and at medium or low prices may be granted preferential treatment such as planning permits, land supply, credit and taxation. Houses enjoying these preferential policies must satisfy the following conditions in principle: the plot ratio is above 1.0, the GFA of one single unit is less than 120 sq. m., and the actual transfer price is lower than 120% of the average transfer price of comparable houses at comparable locations. The local governments at the provincial level may, based on their actual local circumstances, formulate specific standards for ordinary residential houses that may enjoy the preferential policies.

- Transfer of unfinished commodity properties by any pre-sale purchaser is forbidden. In addition, purchasers are required to buy properties in their real names. Any commodity property pre-sale contract must also be electronically filed with the relevant government agencies immediately after its execution.

According to the Notice of the People's Bank of China on the Adjustment of Commercial Bank Housing Loan Policies and the Interest Rate of Excess Reserve Deposit (關於調整商業銀行住房信貸政策和超額準備金存款利率的通知), promulgated by the PBOC on March 16, 2005, starting from March 17, 2005, the preferential mortgage loan interest rate was replaced by the commercial loan interest rate subject to certain restrictions on the lower limit on such interest rates. In the urban areas or cities with rapidly increased real estate prices, the minimum down payment ratio for individual housing loans was adjusted from 20% to 30%.

On May 24, 2006, the State Council forwarded the Opinions of the Ministry of Construction and Other Departments on Adjusting the Housing Supply Structure and Stabilization of Property Prices (關於調整住房供應結構穩定住房價格意見的通知). Such opinions reiterated the existing measures and ushered in additional measures that aim to further curb rapid increases in property prices in large cities and to promote healthy development of the PRC property market. These measures include:

- requiring that at least 70% of the land supply approved by a local government for residential property development for any given year must be used for developing low- to medium-cost and small- to medium-sized units and low-cost rental properties;

- requiring that at least 70% of residential projects approved or constructed on or after June 1, 2006 must consist of units with a unit floor area of less than 90 sq. m. per unit and that projects which have received approvals prior to this date but have not obtained construction permits must adjust their planning in order to be in conformity with this new requirement, with the exception that municipalities under direct administration of the PRC central government, such as Beijing, Chongqing and Shanghai, provincial capitals and certain other cities may deviate from such ratio under special circumstances upon approval from the Ministry of Construction;

- increasing the minimum amount of down payment from 20% to 30% of the purchase price of the underlying property if the underlying property has a unit floor area of 90 sq. m. or more, effective from June 1, 2006;

- prohibiting commercial banks from lending to real estate developers with an internal capital ratio, calculated by dividing the internal funds by the total project capital required for the relevant projects, of less than 35%, restricting the grant or extension of revolving credit facilities to property developers holding a large amount of idle land and vacant commodity properties, and prohibiting commercial banks from accepting commodity properties which have been vacant for more than three years as security for their loans; and

- imposing a business tax levy on the entire sales proceeds from transfer of properties if the holding period is shorter than five years, effective from June 1, 2006, as opposed to two years when such levy was initially implemented in June 2005, and allowing such business tax to be levied on the difference between the price for such re-sale and the original purchase price in the event that an individual transfers a property other than an ordinary residential property after five years from his/her date of purchase.

On July 11, 2006, MOC, NDRC, MOFCOM, PBOC, the State Administration for Industry and Commerce, and SAFE jointly issued an Opinion on Regulating the Access and Management of Foreign Capital in the Real Estate Market (關於規範房地產市場外資准入和管理的意見), or the 171 Opinion. The 171 Opinion aims to tighten access by foreign capital to the PRC real estate market and to restrict property purchases in China by foreign institutions or individuals. It provides, among other things, that a foreign institution or individual must establish a foreign-invested enterprise in order to purchase real property in China if the property is not intended for self use. The registered capital of such foreign-invested enterprise must amount to at least 50% of its total investments in PRC real properties if the amounts of such investments exceed US$10 million. Branches and representative offices of foreign institutions in China and foreign individuals who work or study in China for more than one year may purchase real property for their own use but not for any other purposes. In addition, foreign institutions which have no branches or representative offices in China or foreign individuals who work or study in China for less than a year are prohibited from purchasing any real property in China.

On September 1, 2006, SAFE and MOC jointly issued a Notice in Respect of Foreign Exchange Issues in the Real Estate Market (關於規範房地產市場外匯管理有關問題的通知), or the 47 Notice, to implement the 171 Opinion. The 47 Notice provides specific procedures for purchasing real properties by foreign institutions and foreign individuals. The 47 Notice also forbids a foreign-invested real estate enterprise to apply for overseas loans if it has failed to pay its registered capital in full or failed to obtain the land use rights certificates, or its own capital funds do not reach 35% of the total investment for the project.

On September 30, 2007, the Ministry of Land and Resources issued the Notice on Implementation of the State Council's Certain Opinions on Resolving Difficulties and Further Strengthening Macro-control of Land Supply (關於認真貫徹國務院(關於解決城市低收入家庭住房困難的若干意見)進一步加強土地供應調控的通知), pursuant to which at least 70% of the land supply arranged by the relevant land administration authority at city or county level for residential property development for any given year must be used for developing low- to medium-cost and small- to medium-sized units, low-cost rental properties and affordable housing.

On July 29, 2008, the PBOC and CBRC jointly issued the Notice on Financially Promoting the Saving and Intensification of Use of Land (關於金融促進節約集約用地的通知), requiring that relevant financial institutions strengthen the administration of construction land project loans, including the administration of commercial real estate credit loan.

On October 22, 2008, the PBOC issued the Notice on Extending the Downward Range of the Interest Rate for Commercial Personal Home Loans and Supporting Residents in First-time Purchase of Ordinary Residential Homes (擴大商業性個人住房貸款利率下浮幅度支援居民首次購買普通住房的通知), pursuant to which, since October 27, 2008, the bottom limit of the interest rate applicable to commercial personal home loans has been extended, the minimum amount of down payment of first-time home buyers has been adjusted to 20% and the interest rate applicable to individual housing loans financed by provident fund has been also reduced.

On October 22, 2008, the Ministry of Finance and the State Administration of Taxation issued the Notice on the Adjustments to Taxation on Real Property Transactions (財政部、國家稅務總局關於調整房地產交易環節稅收政策的通知), pursuant to which, since November 1, 2008, the rate of deed tax has been reduced to 1% for first-time house purchasers of ordinary residences with a GFA under 90 sq. m.. According to this Notice, individuals who sell or purchase residential properties are temporarily exempted from stamp duty, and individuals who sell residential properties are temporarily exempted from land value-added tax. However, the aforesaid preferential policy regarding deed tax has been replaced by the Notice on Adjustment of Preferential Policies Regarding Deed Tax and Individual Income Tax Incurred in Transfer of Real Property (財政部、國家稅務總局、住房和城鄉建設部關於調整房地產交易環節契稅個人所得稅優惠政策的通知) jointly promulgated by the Ministry of Finance, State Administration of Taxation and MOHURD on September 29, 2010 and enforced on October 1, 2010, pursuant to which, in the case that an individual purchases an ordinary house which is the only house for the family (taking into account the purchaser, the spouse and minor children), the deed tax is reduced by half; in the case that an individual purchases an ordinary house with a GFA of 90 sq. m. or less, and which is the only house for the family (taking into account the purchaser, the spouse and minor children), the deed tax is levied at a rate of 1%.

On December 20, 2008, the General Office of the State Council issued the Several Opinions on Facilitating the Healthy Development of the Real Estate Market (關於促進房地產市場健康發展的若干意見), which aims to, among other things, encourage the consumption of ordinary residences and support the real estate developer in handling the market change. Pursuant to this opinion, in order to encourage the consumption of ordinary residences, from January 1, 2009 to December 31, 2009, business tax is imposed on the full amount of the sale income upon the transfer a non-ordinary residence by an individual within two years from the purchase date. For the transfer of a non-ordinary residence which is more than two years from the purchase date and ordinary residence which is within two years from the purchase date, the business tax is to be

levied on the difference between the sale income and the purchase price. In the case of an ordinary residence, the business tax is exempted if that transfer occurs after two years from the purchase date. Furthermore, individuals with an existing ordinary residence that is smaller than the average size for their locality may buy a second ordinary residence under favorable loan terms similar to first-time buyers. In addition, support for real estate developers dealing with the changing market is to be provided by increasing credit financing services to "low-to-medium-level price" or "small-to-medium-size "ordinary commercial housing projects, particularly those under construction, and providing financial support and other related services to real estate developers with good credit standing for merger and acquisition activities.

On December 29, 2008, the Ministry of Finance and the State Administration of Taxation issued the Notice on the Policy of Business Tax on Re-sale of Personal Residential Properties (關於個人住房轉讓營業稅政策的通知), which reiterates the measures set forth in the above Several Opinions on Facilitating the Healthy Development of the Real Estate Market regarding business tax.

On December 22, 2009, the State Council terminated the policy on preferential treatment relating to business taxes payable upon transfers of residential properties by property owners as previously adopted on December 29, 2008 by the PRC government in response to the global economic slowdown.

In January 2010, the PRC government imposed more stringent requirements on mortgage loans by requiring purchasers who have already purchased a residence through mortgage financing to pay a minimum down payment of 40% of the purchase price for any additional residences. In April 2010, the State Council issued the Notice on Firmly Preventing Property Price from Increasing Too Rapidly in Certain Cities (關於堅決遏制部分城市房價過快上漲的通知) which, among other things, provides that the minimum down payment for the first property that is larger than 90 sq. m. shall be not less than 30% of the purchase price, down payment for the second property bought with mortgage loans shall be not less than 50% of the purchase price and the loan interest rate shall be not lower than 110% the benchmark lending rate published by the PBOC. In certain areas where commodity residential properties are in short supply and prices rise too quickly, the banks may suspend mortgage loans for the third or further properties bought by mortgage applicants or to non-residents who cannot provide any proof of tax or social insurance payment for more than one year.

On January 7, 2010, the General Office of the State Council issued a Circular on Facilitating the Stable and Healthy Development of the Property Market (關於促進房地產市場平穩健康發展的通知), which adopted a series of measures to strengthen and improve the regulation of the property market, stabilize market expectation and facilitate the stable and healthy development of the property market. These include, among others, measures to increase the supply of affordable housing and ordinary commodity housing, provide guidance for the purchase of property, restrain speculation of properties, and strengthen risk prevention and market supervision. Additionally, it explicitly requires a family (including a borrower, his or her spouse and children under 18), who has already purchased a residence through mortgage financing and have applied to purchase a second or more residences through mortgage financing, to pay a minimum down payment of 40% of the purchase price.

On February 11, 2010, CBRC issued a Notice on Relevant Issues on Strengthening Administration of Real Estate Trust Business of Trust Companies (關於加強信託公司房地產信託業務監管有關問題的通知), which provides that, among other things, real estate projects must meet the following conditions to be eligible for loan financing from trust companies: (1) real estate projects must have obtained land use rights certificates, construction land planning permits,

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construction works planning permits and construction permits; (2) developers or their controlling shareholders must be qualified as class 2 developers or higher; (3) the capital ratio of the project must satisfy the minimum requirements set by relevant authorities; and (4) trust companies may not provide trust funds to finance the land reserves.

On April 17, 2010, the State Council issued the Notice on Resolutely Containing the Excessive Hike of Property Prices in Some Cities (堅決遏制部分城市房價過快上漲的通知), or the April 2010 Notice, which provides that: (i) if a first-time home buyer (including a borrower, his or her spouse and children under 18) buys a residence with a unit floor area of more than 90 sq. m. for self use, the minimum down payment shall be at least 30%; (ii) if a second-time home buyer uses mortgage financing, the minimum down payment shall be at least 50% of the purchase price with a minimum mortgage lending interest rate of 110% of the benchmark rate; (iii) if a third-time or more homebuyer uses mortgage financing, the minimum down payment and interest rate thereof will be further raised. The April 2010 Notice further requires that in cities where property prices are overly high with excessive price hikes and strained housing supply, commercial banks may suspend extending bank loans for third-time or more home buyers in light of risk exposure. The provision of mortgage loans to non-local residents who cannot present the local tax clearance certificates or social insurances certification of more than one year will also be suspended.

On May 26, 2010, MOHURD, the PBOC and CBRC jointly issued the Circular on Regulating the Criteria for Identifying the Second Housing Unit in Connection with Commercial Mortgage Loans (關於規範商業性個人住房貸款中第二套住房認定標準的通知), which provides, among other things, that the number of housing units owned by an individual purchaser who is applying for mortgage loans shall be determined by taking into account all housing units owned by the family members of such purchaser (including the purchaser and such purchaser's spouse and children under the age of 18), and that second-time or more purchasers of housing units will be subject to different credit policies when applying for mortgage loans.

On November 4, 2010, MOHURD and SAFE jointly promulgated the Notice on Further Regulating Administration of Purchase of Houses by Overseas Institutions and Individuals (關於進一步規範境外機構和個人購房管理的通知), pursuant to which an overseas individual can only purchase one house for self-use within the PRC, and an overseas institution which has established a branch or representative office in the PRC can only purchase non-residential houses for business use in the city where it is registered within the PRC.

On January 26, 2011, General Office of the State Council issued Notice of the State Council on Issues Related to Further Enhancing the Regulation and Control of Real Estate Market (國務院辦公廳關於進一步做好房地產市場調控工作有關問題的通知). According to this Notice,

- for those households who purchase a second set of housing through loan, the down payment ratio shall not be lower than 60%. The loan interest shall not be lower than 1.1 times the benchmark interest rate. The respective branches of PBOC may raise the down payment ratio and interest rate on loans for a second home based on the price control targets set by the local People's Government for newly constructed houses and the policy requirements, and on the basis of national unified credit policies;

- all municipalities, cities specifically designated in the State plan, provincial capitals and cities in which housing prices are excessively high or rising rapidly are to formulate and implement measures for restriction of housing purchases strictly within a specified period. In principle, households with local registered residence who have already owned one set of housing and households without local registered residence who are able to produce a local tax payment certificate or a proof of social insurance contribution for a certain number of years shall be restricted to purchasing one set of housing (including newly constructed commodity housing and second-hand housing). In respect to households with local registered residence who have already owned two sets or more

housing, households without local registered residence who have already owned one set and more housing, and households without local registered residence who are unable to provide a local tax payment certificate or proof of social insurance contribution for a certain number of years, no houses shall be sold to them within their own administrative area for the time being.

As of November 1, 2011, the people's governments of 47 cities, such as Beijing, Shanghai, Guangzhou, Tianjin, Nanjing, Chengdu, Wuxi, Qingdao, Hangzhou, Xi'an, Changzhou, Shengyang and Dalian, have respectively promulgated local measures for restriction of housing purchases to implement the Notice of the State Council on Issues Related to Further Enhancing the Regulation and Control of the Real Estate Market (國務院辦公廳關於進一步做好房地產市場調控工作有關問題的通知).

On January 27, 2011, Shanghai Municipal Government issued Provisional Measure on levying of Property Tax on Part of Individual Residential Properties in Shanghai on a Trial Basis (上海市開展對部分個人住房徵收房產稅試點的暫行辦法). According to this provisional measure, property tax shall be imposed on any second or more residential property purchased by Shanghai residents and any residential property purchased by non-Shanghai residents from January 28, 2011. For Shanghai residents who purchase the second residential property after January 28, 2011, if the construction area per capita of all residential properties owned by the family is no more than 60 sq. m. (the "tax-free construction area"), such newly purchased residential property could be temporarily exempted from property tax; if the construction area per capita of all residential properties owned by the family is more than 60 sq. m., property tax will be levied on the construction area of the newly purchased residential properties, which exceeds the tax-free construction area. The property tax will be provisionally based on 70% of the market price of the taxable residential property with the tax rate at 0.6%. For the taxable residential property whose market price per square meter is no more than 2 times last year's average sales price of newly constructed commodity residential properties of Shanghai, the tax rate shall temporarily be 0.4%. In February 2011, Shanghai municipal government announced that for taxable residential properties whose market price is no more than RMB28,426, the tax rate is 0.4%. This provisional measure was confirmed to remain in force by the Notice on the Continuance in Force of the Notice of Shanghai Municipal Government concerning the Distribution of Provisional Measure on Levying of Property Tax on Part of Individual Residential Properties in Shanghai on a Trial Basis (關於《上海市人民政府關於印發<上海市開展對部分個人住房徵收房產稅試點的暫行辦法>的通知》繼續有效的通知) issued by Shanghai Municipal Government on December 26, 2012.

On January 27, 2011, Chongqing Municipal Government issued Provisional Measure on levying of Property Tax on Part of Individual Residential Properties on a Trial Basis (重慶市政府對部分個人住房徵收房產稅改革試點暫行辦法) as amended on January 13, 2017, and Detailed Implementation Rules on Administration of Collection of Property Tax of Residential Property in Chongqing Municipality (重慶市個人住房房產稅徵收管理實施細則) as amended on January 13, 2017. Within nine trial districts, property tax shall be imposed on the detached commodity house, newly purchased high-end residential property and first ordinary residential property newly purchased by individuals who do not have local household registration (戶口), entities or jobs in Chongqing from January 28, 2011. The applicable tax rate of detached commodity house and high-end residential property shall be 0.5%, 1% and 1.2%, respectively, based on the transaction prices of such properties. The applicable tax rate of first ordinary residential property newly purchased by individuals who do not have local household registration (戶口), entities or jobs in Chongqing is 0.5%. The provisional measure and its implementation rules also set detailed guidelines on tax exemption and administration on tax collection.

On September 29, 2014, the People's Bank of China and the China Banking Regulatory Commission promulgated the Circular on Further Improving Residential Housing Financial Services (中國人民銀行、中國銀行業監督管理委員會關於進一步做好住房金融服務工作的通知), which stipulates, among other things, that for a household that borrows a loan to purchase its first ordinary owner-occupied residential property, the minimum down payment ratio of such loan shall

be 30%, and the floor of the loan interest rate shall be at 0.7 times the benchmark lending rate. Where a household that owns an existing property for which the property purchase loan has been paid off applies for a new loan to purchase another ordinary commodity housing for the purpose of improving living conditions, the relevant banking financial institution shall adopt the lending policies applicable to the first owner-occupied residential property. In cities where "property purchase control measures" have been cancelled or are not implemented, if a household that owns two or more existing properties for which the property purchase loans have been paid off applies for a new loan to purchase yet another new property, the relevant banking financial institution shall specifically determine the down payment ratio and the loan interest rate in a prudent manner based on the borrower's repayment capability, credit standing and other factors. A banking financial institution may according to the local urbanization development planning, disburse housing loans to non-local residents who satisfy policy conditions.

On March 30, 2015, the Ministry of Finance and the State Administration of Taxation issued the Notice on the Adjustment of Policy of Business Tax on Re-sale of Personal Residential Properties (財政部、國家稅務總局關於調整個人住房轉讓營業稅政策的通知) which repeals the Notice on Adjusting the Policy of Business Tax on Re-sale of Personal Residential Properties promulgated on On January 27, 2011 and provides that transfer of residential properties by individuals within two years of purchase is subject to business tax based on the sales income, while the business tax levied on the transfer of non-ordinary residential properties by individuals after two years of purchase is based on the difference between the sales income and the purchase price. In the case of an ordinary residence, business tax is exempted if that transfer occurs after two years from the purchase date.

On March 30, 2015, Circular of the People's Bank of China, the Ministry of Housing and Urban-rural Development and the China Banking Regulatory Commission promulgated on Issues concerning Individual Housing Loan Policies (中國人民銀行、住房城鄉建設部、中國銀行業監督管理委員會關於個人住房貸款政策有關問題的通知). According to this regulation, where the household of a resident who owns one home of which relevant housing loan has not been settled files a new application for a commercial individual housing loan for purchasing an ordinary home to be used as its owner's residence for the purpose of improving its living conditions, the minimum down payment ratio is adjusted to not less than 40%.

On September 24, 2015, PBOC and CBRC jointly issued the Notice of the People's Bank of China and the China Banking Regulatory Commission on Further Improving the Relevant Issues concerning the Differential Housing Credit Policy (中國人民銀行、中置銀行業監督管理委員會關於進一步完善差別化住房信貸政策有關問題的通知), which provides that in cities where "property purchase control measures" are not implemented the minimum down payment ratio of a personal housing commercial loan obtained by a household to finance the purchase of the first ordinary residential property is adjusted to 25%. On September 29, 2015, MOHURD, Ministry of Finance and People's Bank of China jointly issued the Notice of the Ministry of Housing and Urban-Rural Development, the Ministry of Finance and the People's Bank of China on Effectively Raising the Efficiency of Housing Provident Funds Use (住房和城鄉建設部、財政部、中國人民銀行關於切實提高住房公積金使用效率的通知), which took effect on October 8, 2015. The actual amount that can be borrowed by housing provident funds shall be increased. A city with districts where less than 85% of housing provident funds are used by the end of August 2015 shall take into comprehensive consideration the local housing price level, loan demand and borrowers' repayment abilities to increase the actual amount of personal housing loans that can be borrowed by housing provident funds. Under the premise of ensuring the basic living expenses of a borrower, the maximum monthly loan repayment by the borrower shall be controlled within 50% to 60% of his/her monthly income. The loan repayment period may be extended to five years after the borrower's statutory retirement age, subject to a maximum of 30 years. The business of monthly transfer of housing provident funds for loan service shall be pushed forward.

On February 1, 2016, PBOC and CBRC jointly issued the Circular of the People's Bank of China and China Banking Regulatory Commission on Issues Concerning Adjusting the Individual Housing Loan Policies (中國人民銀行、中國銀行業監督管理委員會關於調整個人住房貸款政策有關問題的通知). The circular specifies that, in principle, in the cities where property purchase control measures are not implemented, the minimum down payment ratio of a personal housing commercial loan obtained by a household to finance the purchase of its first ordinary residential property shall be 25% of the purchase price, however local authorities have been allowed to adjust such down payment ratio to 20%. Meanwhile, with respect to a household that already owns a residential property with unsettled personal housing commercial loan and applies for another personal housing commercial loan to purchase another ordinary residential property for the purpose of improving living conditions, the minimum down payment ratio for that purchase shall be at least 30% of the corresponding purchase price.

On October 10, 2016, the MOHURD issued the Circular on Further Regulating Operations of Real Estate Developers to Safeguard the Real Estate Market Order (關於進一步規範房地產開發企業經營行為維護房地產市場秩序的通知)("Circular 223"), which requires that improper operations of real estate developers shall be investigated and punished according to law. The improper operations include releasing false house information and advertisements, maliciously pushing higher and artificially inflating house prices by fabricating or spreading information on rise in property prices and others.

On September 30, 2016, General Office of the People's Government of Beijing Municipality promulgated the Measures on Accelerating the Stable and Smooth Development of Real Estate Market (關於促進本市房地產市場平穩健康發展的若干措施) which was formulated by Beijing Urban and Rural Construction Committee and other authorities.

On September 30, 2016, General Office of the People's Government of Tianjin Municipality promulgated the Implementation Opinion on Accelerating the Stable and Smooth Development of Real Estate Market (關於進一步促進我市房地產市場平穩健康發展的實施意見).

On October 3, 2016, Jiangsu Province People's Government issued the Circular of the Opinion on Further Strengthening the Administration and Control of the Urban Real Estate Market (關於進一步加強全市房地產市場調控的意見的通知).

Environmental Protection

The laws and regulations governing the environmental protection requirements for real estate development in China include the PRC Environmental Protection Law (中華人民共和國環境保護法), the PRC Prevention and Control of Noise Pollution Law (中華人民共和國環境噪聲污染防治法), the PRC Environmental Impact Assessment Law (中華人民共和國環境影響評價法) and the PRC Administrative Regulations on Environmental Protection for Development Projects (中華人民共和國建設項目環境保護管理條例). Pursuant to these laws and regulations, depending on the impact of the project on the environment, an environmental impact report, an environmental impact analysis table or an environmental impact registration form must be submitted by a developer before the relevant authorities grant approval for the commencement of construction of the property development. In addition, upon completion of the property development, the relevant environmental authorities will also inspect the property to ensure compliance with the applicable environmental protection standards and regulations before the property can be delivered to the purchasers.

Foreign Exchange Controls

Under the PRC Foreign Currency Administration Rules (中華人民共和國外匯管理條例) promulgated in 1996 and revised in 1997 and as amended in 2008 and various regulations issued by SAFE and other relevant PRC government authorities, Renminbi is convertible into other currencies for the purpose of current account items, such as trade-related receipts and payments

and payment interest and dividend. The conversion of Renminbi into other currencies and remittance of the converted foreign currency outside China for the purpose of capital account items, such as direct equity investments, loans and repatriation of investment, requires the prior approval from SAFE or its local office. Payments for transactions that take place within China must be made in Renminbi. Unless otherwise approved, PRC companies may repatriate foreign currency payments received from abroad or retain the same from abroad. Foreign-invested enterprises may retain foreign exchange in accounts with designated foreign exchange banks subject to a cap set by SAFE or its local office. Foreign exchange proceeds under the current accounts may be either retained or sold to a financial institution engaging in settlement and sale of foreign exchange pursuant to relevant rules and regulations of the State. For foreign exchange proceeds under the capital accounts, approval from SAFE is required for its retention or sale to a financial institution engaging in settlement and sale of foreign exchange, except where such approval is not required under the rules and regulations of the State.

On June 20, 1996, the PBOC promulgated the Regulations for Administration of Settlement, Sale and Payment of Foreign Exchange (結匯、售匯及付匯管理規定) (the "Settlement Regulations") which became effective on July 1, 1996. The Settlement Regulations superseded the Provisional Regulations and abolished the remaining restrictions on convertibility of foreign exchange in respect of current account items while retaining the existing restrictions on foreign exchange transactions in respect of capital account items. On the basis of the Settlement Regulations, the PBOC published the Announcement on the Implementation of Foreign Exchange Settlement and Sale Banks by Foreign-invested Enterprises (外商投資企業實行銀行結售匯工作實施方案). The announcement permits foreign-invested enterprises to open, on the basis of their needs, foreign exchange settlement accounts for current account receipts and payments of foreign exchange, and specialized accounts for capital account receipts and payments at designated foreign exchange banks. On April 13, 2006, the PBOC promulgated the Announcement [2006] No. 5. The announcement provides that the system for opening, amending and closing current account-related foreign exchange accounts by enterprises shall be changed from one requiring advance examination and approval to one in which matters shall be handled directly by banks in line with foreign exchange control requirements and commercial practice, and shall be reported to the foreign exchange bureau for its records. The limits on current account-related foreign exchange accounts of enterprises shall be increased. On the same day, SAFE issued a Notice on Adjusting the Policies Concerning the Administration of Current Foreign Exchange Accounts (關於調整經常項目外匯管理政策的通知). The notice abolished the advance examination for opening of current account-related foreign exchange accounts and improved the limits on current account-related foreign exchange accounts.

On October 25, 1998, the PBOC and SAFE promulgated the Notice Concerning the Discontinuance of Foreign Exchange Swapping Business (關於停辦外匯調劑業務的通知) pursuant to which and with effect from December 1, 1998, all foreign exchange swapping business in the PRC for foreign-invested enterprises shall be discontinued, while the trading of foreign exchange by foreign-invested enterprises shall be regulated under the system for the settlement and sale of foreign exchange applicable to banks.

On July 21, 2005, the PBOC announced that, beginning on July 21, 2005, China will implement a regulated and managed floating exchange rate system based on market supply and demand and by reference to a basket of currencies. The Renminbi exchange rate is no longer pegged to the US dollar. PBOC will announce the closing price of a foreign currency such as the US dollar traded against the Renminbi in the inter-bank foreign exchange market after the closing of the market on each business day, setting the central parity for trading of the Renminbi on the following business day.

Save for foreign-invested enterprises or other enterprises which are specially exempted by relevant regulations, all entities in China (except for foreign trading companies and production enterprises having import and export rights, which are entitled to retain part of foreign exchange income generated from their current account transactions and to make payments using such

2 retained foreign exchanges in their current account transactions or approved capital account transactions) must sell their foreign exchange income to designated foreign exchange banks. Foreign exchange income from loans issued by organizations outside the territory or from the issuance of bonds and shares is not required to be sold to designated banks, but may be deposited in foreign exchange accounts with designated banks.

Enterprises in China (including foreign-invested enterprises) which require foreign exchange for transactions relating to current account items may, without the approval of SAFE, effect payment from their foreign exchange account or convert and pay at the designated foreign exchange banks, upon presentation of valid receipts and proof. Foreign-invested enterprises which need foreign currencies for the distribution of profits to their shareholders, and Chinese enterprises which, in accordance with regulations, are required to pay dividends to shareholders in foreign currencies, may with the approval of board resolutions on the distribution of profits, effect payment from their foreign exchange account or convert and pay at the designated foreign exchange banks.

Convertibility of foreign exchange in respect of capital account items, like direct investment and capital contribution, is still subject to restriction and prior approval from SAFE or its competent branch.

In January and April 2005, SAFE issued two regulations that require PRC residents to register with and receive approvals from SAFE in connection with their offshore investment activities. SAFE also announced that the purpose of these regulations is to achieve the proper balance of foreign exchange and the standardization of all cross-border flows of funds.

On September 1, 2006, SAFE and Ministry of Construction jointly issued a Notice on Regulating Issues Relevant to Administration of Foreign Exchange in the Real Estate Market (關於規範房地產市場外匯管理有關問題的通知) which was amended on May 4, 2015. The notice provides: (i) where a foreign-invested real estate enterprise fails to acquire a state-owned land use right certificate or to make its capital fund for a development project reach 35% of the total investment to the project, the foreign exchange bureau will not handle its foreign debt registration or approve the conversion of foreign debt into Renminbi; (ii) where a foreign organization or individual acquires a domestic real estate enterprise, if fail to pay the transfer price in a lump sum by their own fund, the foreign exchange bureau will not handle the registration of foreign exchange income from transfer of equities; (iii) Chinese and foreign investors of a foreign-invested real estate enterprise shall not reach an agreement including any clause which promises a fixed return or fixed revenue in any disguised form to any party, otherwise the foreign exchange bureau will not handle the foreign exchange registration or registration modification of foreign-invested enterprise; and (iv) funds in a foreign exchange account exclusive to foreign investors opened by a foreign organization or individual in a domestic bank shall not be used for real estate development or operation. The notice also provides for a foreign exchange working process related to branches of overseas institutions established within China, overseas individuals, Hong Kong, Macao or Taiwan residents and overseas Chinese purchasing or selling commodity houses within China.

On December 25, 2006, PBOC promulgated the Measures for the Administration of Individual Foreign Exchange (個人外匯管理辦法). The measures use category administration to classify the individual foreign exchange operations as domestic and overseas by participants in the transaction, and current accounts and capital accounts by the nature of the transaction. The measures set the annual total amount of foreign exchange for settlement of individuals and for purchase of domestic individuals, and provide different procedures for individuals who set foreign exchange over the annual total amount and domestic individuals who purchase foreign exchange over the annual total amount according to current accounts items and capital accounts items.

On January 5, 2007, SAFE promulgated the Detailed Rules for the Implementation of the Measures for the Administration of Individual Foreign Exchange (個人外匯管理辦法實施細則) which was amended on May 29, 2016.. The Detailed Rules provide, amongst others, that (i) the annual total amount of foreign exchange for settlement of individuals and for purchase of domestic individuals is US$50,000; (ii) domestic individuals who engage in external direct investment satisfying the relevant rules shall not only get approval from the foreign exchange bureau, but also complete the overseas investment foreign exchange registration procedures before they can purchase foreign exchange or remit with their own foreign exchange; (iii) domestic individuals can engage in financial investment such as overseas fixed-revenue right-interest, etc. through qualified domestic institutional investors such as banks and fund management companies; (iv) in case domestic individuals engage in such foreign exchange operations as an employee stock ownership plan of an overseas listed company or subscription option program, they can only deal with such options after completing registration with the foreign exchange bureau through their company or domestic agency institutions; and (v) the administration of foreign exchange on overseas loans, debts, guarantees, etc. for domestic individuals will be gradually opened.

On August 5, 2008, the State Council further amended the PRC Regulations on the Control of Foreign Exchange(中華人民共和國外匯管理條例), under which several provisions have been revised, including:

- removing the compulsory requirement to repatriate foreign currency payments received from abroad by permitting the foreign currency payments to be repatriated back or deposited abroad in accordance with the required conditions and periods;

- removing the compulsory requirement to convert the foreign currency proceeds in the current account into RMB by permitting those proceeds in the current account to be reserved or sold to financial institutions in accordance with the rules;

- allowing domestic institutions and individuals to invest abroad directly or indirectly, subject to the foreign exchange registration and approval or filing as provided by other laws and regulations; and

- adopting the market-determined and managed floating RMB exchange rates system.

On July 4, 2014, SAFE issued Notice of the State Administration of Foreign Exchange on Relevant Issues Concerning Foreign Exchange Administration for Domestic Residents to Engage in Investing and Financing Overseas and Roundtrip Investment via Special Purpose Vehicles (國家外匯管理局關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知) ("Circular 37"), repealing the Notice on Issues Relating to the Administration of Foreign Exchange in Fund-raising and Reverse Investment Activities of Domestic Residents Conducted via Offshore Special Purpose Companies (關於境內居民通過境外特殊目的公司融資及返程投資外匯管理有關問題的通知) promulgated by SAFE in October 2005. Circular 37 requires PRC residents, including PRC individuals and institutions, to register with SAFE or its local branches before it injects assets or equity interests in an offshore special purpose vehicle which is directly established or controlled by the PRC residents for the purpose of overseas investment and financing. In addition, such PRC residents must update their foreign exchange registrations with SAFE when the offshore special purpose vehicle undergoes material events relating to any change of basic information (including change of such PRC citizens or residents, name and operation term), increases or decreases in investment amount, share transfers or exchanges, or mergers or divisions.

On March 30, 2015, SAFE promulgated Circular of the State Administration of Foreign Exchange on Reforming the Management Approach regarding the Settlement of Foreign Exchange Capital of Foreigninvested Enterprises (國家外匯管理局關於改革外商投資企業外匯資本金結匯管理方式的通知) ("Circular 19"), which became effective on June 1, 2015. On June 9, 2016, SAFE promulgated the Circular of the State Administration of Foreign Exchange on Reforming and

Regulating the Management Policies Regarding the Settlement under Capital Account (國家外匯管理局關於改革和規範資本專案結匯管理政策的通知) ("Circular 16"). Pursuant to the Circular 19 and the Circular 16, the foreign exchange capital of foreign-invested enterprises shall be subject to the discretional foreign exchange settlement, which refers to that the foreign exchange capital in the capital account of foreign-invested enterprises for which the confirmation of rights and interests of monetary contribution by the local foreign exchange bureau (or the book-entry registration of monetary contribution by the banks) has been handled can be settled at the banks based on the actual operation needs of the enterprises. The proportion of discretionary settlement of foreign exchange capital of foreign-invested enterprises is temporarily determined as 100%. SAFE can adjust the aforementioned proportion in due time based on the situation of international balance of payments. In addition, the circular facilitates foreign-invested enterprises in carrying out among others domestic equity investment with the capital obtained from foreign exchange settlement.

Mainland China Taxation

Because virtually all of our business operations are in mainland China and because we carry out these business operations through operating subsidiaries and joint ventures organized under the PRC law, our PRC operations and our operating subsidiaries and joint ventures in mainland China are subject to PRC tax laws and regulations, which may indirectly affect investment in our Notes.

Dividends from Our PRC Operations

Under the PRC tax laws effective prior to January 1, 2008, dividends paid to us by our PRC subsidiaries or joint ventures were exempt from PRC income tax. However, pursuant to the EIT Law and its implementation rules that became effective on January 1, 2008, dividends payable by foreign-invested enterprises, such as subsidiaries and joint ventures in China, to their foreign investors may be subject to a withholding tax at a rate of 10% unless any lower treaty rate is applicable.

Under the EIT Law and its implementation rules, enterprises established under the laws of foreign jurisdictions but whose "de facto management body" is located in China are treated as "resident enterprises" for PRC tax purposes, and will be subject to PRC income tax on their worldwide income. Under the Implementation Rules of the Enterprise Income Tax Law (中華人民共和國企業所得稅法實施條例), "de facto management bodies" are defined as the bodies that have material and overall management control over the business, personnel, accounts and properties of an enterprise. If a foreign enterprise is held to be a PRC resident enterprise for PRC tax purposes by relevant PRC tax authorities, the dividends (not including investment income from stocks issued publicly by other PRC resident enterprises and traded on stock exchanges where the holding period is less than twelve months consecutively) received by this enterprise from its direct equity investment in other PRC resident enterprises should be exempt from enterprise income tax; if this enterprise is held to be a non-resident enterprise, the dividends received from its direct equity investment in PRC resident enterprises shall be subject to enterprise income tax (withholding tax) at the rate of 10%, unless a preferential rate is provided by applicable tax treaties or arrangements entered into between the PRC and the country or region where this enterprise is established. Because this tax law is new and its implementation rules are newly issued, there is uncertainty as to how this new law and its implementation rules will be interpreted or implemented by relevant tax bureaus.

Our Operations in Mainland China

Our subsidiaries and joint ventures through which we conduct our business operations in mainland China are subject to PRC tax laws and regulations.

Deed Tax. Under the PRC Interim Regulation on Deed Tax (中華人民共和國契税暫行條例) enacted by the State Council on July 7, 1997 and enforced on October 1, 1997, a deed tax is chargeable to transferees of land use rights and/or ownership in real properties within the territory of mainland China. These taxable transfers include:

- grant of use right of state-owned land;
- sale, gift and exchange of land use rights, other than transfer of right to manage rural collective land; and
- sale, gift and exchange of real properties.

Deed tax rate is between 3% to 5% subject to determination by local governments at the provincial level in light of the local conditions. In October 2008, the Ministry of Finance and the State Administration of Taxation issued the Notice on the Adjustments to Taxation on Real Property Transactions (財政部國家税務總局關於調整房地產交易環節税收政策的通知), pursuant to which, since November 1, 2008, the rate of deed tax has been temporarily reduced to 1% for a first-time home buyer of an ordinary residence with a GFA less than 90 sq. m.; individuals who sell or purchase residential properties are temporarily exempted from stamp duty and who sell residential properties are temporarily exempted from land value-added tax. However, the aforesaid preferential policy regarding deed tax has been replaced by the Notice on Adjustment of Preferential Policies Regarding Deed Tax and Individual Income Tax Incurred in Transfer of Real Property jointly promulgated by the Ministry of Finance, the State Administration of Taxation and MOHURD (財政部、國家税務總局、住房和城鄉建設部關於調整房地產交易環節契税個人所得税優惠政策的通知) on September 29, 2010 and enforced on October 1, 2010, pursuant to which, in the case that an individual purchases an ordinary house which is the only house for the family (including the purchaser, the spouse and minor children), deed tax is reduced by half; in the case that an individual purchases an ordinary house with a GFA of 90 sq. m. or below which is the only house for the family, deed tax is levied at a rate of 1%.

Enterprise Income Tax. Prior to the EIT Law and its implementation rules that became effective on January 1, 2008, our PRC subsidiaries and joint ventures were generally subject to a 33% corporate income tax. Under the EIT Law, effective from January 1, 2008, a unified enterprise income tax rate is set at 25% for both domestic enterprises and foreign-invested enterprises. The EIT Law and its implementation rules provide certain relief to enterprises that were established prior to March 16, 2007, including (1) continuously enjoying the preferential income tax rate during a five-year transition period if such enterprises are entitled to preferential income tax rate before the effectiveness of the EIT Law; (2) continuously enjoying the preferential income tax rate until its expiry if such enterprises are entitled to tax holidays for a fixed period under the relevant laws and regulations. However, where the preferential tax treatment has not commenced due to losses or accumulated loss not being fully offset, such preferential tax treatment shall be deemed to commence from January 1, 2008 and expire on December 31, 2013. In addition, dividends from PRC subsidiaries to their foreign shareholders are subject to a withholding tax at a rate of 10% unless any lower treaty rate is applicable. However, under the EIT Law and its implementation rules, enterprises established under the laws of foreign jurisdictions but whose "de facto management body" is located in China are treated as "resident enterprises" for PRC tax purposes, and will be subject to PRC income tax on their worldwide income. Dividends from PRC subsidiaries may be excluded from such taxable worldwide income. Under the implementation rules of the EIT Law, "de facto management bodies" is defined as the bodies that have material and overall management control over the business, personnel, accounts and properties of an enterprise. There is uncertainty as to how this new law and its

implementation rules will be interpreted or implemented by relevant tax bureaus. According to the Arrangements in respect of Prevention of Double Taxation and Tax Evasion between Hong Kong and PRC (內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排), the PRC tax resident enterprise who distributes dividends to its Hong Kong shareholders should be levied enterprise income tax according to PRC laws; however, if the beneficiary of the dividends is a Hong Kong tax resident who directly holds not less than 25% equity of the aforesaid enterprise (i.e., the dividends distributor), the tax levied should be 5% of the distributed dividends. An approval from the local tax authority is required in order to benefit from the lower treaty rate and such lower rate may be denied if the recipient company is a company with no business substance.

On April 11, 2008, the State Administration of Taxation issued the Notice of the Prepayment of Enterprise Income Tax of the Real Estate Development Enterprises (關於房地產開發企業所得稅預繳問題的通知), requiring real estate developers to prepay enterprise income tax by quarter (or month) according to the current actual profit. According to the Notice, for the incomes generated from the pre-sale before completion of the construction of buildings for residential or commercial use or other kinds, the tax prepayments thereof shall be paid upon calculation of the estimated quarterly or monthly profit according to the pre-set estimated profit rate, which shall be readjusted according to the actual profit after the completion of the construction of the buildings and settlement of the taxable cost.

Business Tax. Under the PRC Interim Regulation on Business Tax (中華人民共和國營業稅暫行條例) of 1994, as amended in 2008 and entered into effect on January 1, 2009 and its Detailed Implementation Rules on the Provisional Regulations of The People's Republic of China on Business Tax (中華人民共和國營業稅暫行條例實施細則) issued by the Ministry of Finance on December 25, 1993, which was later amended in 2008 and in 2011 respectively, the tax rate on the transfer of immovable properties and services in mainland China are subject to business tax. Taxable services include sale of real property in mainland China. Business tax rate is between 3% to 20% depending on the type of services provided. Sale of real properties and other improvements on the land attract a business tax at the rate of 5% of the turnover of the selling enterprise payable to the relevant local tax authorities. Pursuant to the Circular on Comprehensively Promoting the Pilot Program of Replacing Business Tax with Value Added Tax (財政部、國家稅務總局關於全面推開營業稅改徵增值稅試點的通知) which was promulgated by the Ministry of Finance and the SAT on March 23, 2016 and became effective on May 1, 2016, since May 1, 2016, the government will levy Valued Added Tax in lieu of business tax on a trial basis within the territory of the PRC.

Land Appreciation Tax. Under the PRC Interim Regulation on Land Appreciation Tax (中華人民共和國土地增值稅暫行條例) of 1994 which was amended on January 8, 2011, and its implementation rules of 1995, LAT applies to both domestic and foreign investors in real properties in mainland China, irrespective of whether they are corporate entities or individuals. The tax is payable by a taxpayer on the appreciation value derived from the transfer of land use rights, buildings or other facilities on such land, after deducting the deductible items that include the following:

- payments made to acquire land use rights;
- costs and charges incurred in connection with land development;
- construction costs and charges in the case of newly constructed buildings and ancillary facilities;
- assessed value in the case of old buildings and facilities;
- taxes paid or payable in connection with the transfer of land use rights, buildings or other facilities on such land; and

- other deductible items allowed by the Ministry of Finance.

The tax rate is progressive and ranges from 30% to 60% of the appreciation value as compared to the "deductible items" as follows:

Appreciation value	LAT rate
Portion not exceeding 50% of the sum of deductible items	30%
Portion over 50% but not more than 100% of the sum of deductible items	40%
Portion over 100% but not more than 200% of the sum of deductible items	50%
Portion over 200% of the sum of deductible items	60%

According to the requirements of the LAT Provisional Regulations, the LAT Detailed Implementation Rules and the Notice issued by the MOF in respect of the Levy and Exemption of LAT for Development and Transfer Contracts signed before January 1, 1994 (財政部關於對一九九四年一月一日前簽訂開發及轉讓合同的房地產徵免土地增值稅的通知), which was announced by MOFCOM and State Administration of Taxation on January 27,1995, LAT shall be exempted under any one of the following circumstances:

- Taxpayers constructing ordinary residential properties for sale (i.e., residences built in accordance with the local standard for residential properties used by the general population, excluding deluxe apartments, villas, resorts and other high-end premises), where the appreciation amount does not exceed 20% of the sum of deductible items;

- Real estate taken over or the grant of state-owned land use right of repossessed land which were approved by the government according to laws due to the construction requirements of the state; and

- Due to redeployment of work or improvement of living standards, transfers by individuals of originally self-used residential properties, with five years or longer of self-used residence and with tax authorities' approval.

According to the notice, the LAT regulation does not apply to the following transfers of land use rights:

- real estate transfer contracts executed before January 1, 1994; and

- first-time transfers of land use rights and/or premises and buildings during the five years commencing on January 1, 1994 if the land grant contracts were executed or the development projects were approved before January 1, 1994 and the capital has been injected for the development in compliance with the relevant regulations.

After the enactment of the LAT regulations and the implementation rules in 1994 and 1995, respectively, due to the long period of time typically required for real estate developments and their transfers, many jurisdictions, while implementing these regulations and rules, did not require real estate development enterprises to declare and pay the LAT as they did other taxes. Therefore, in order to assist the local tax authorities in the collection of LAT, the Ministry of Finance, State Administration of Taxation, Ministry of Construction and State Land Administration Bureau separately and jointly issued several notices to reiterate that, after the assignments are signed, the taxpayers should declare the tax to the local tax authorities where the real estate is located, and pay the LAT in accordance with the amount as calculated by the tax authority and within the time period as required. For those who fail to provide proof with respect to the tax paid or the tax exemption from the tax authorities, the real estate administration authority will not process the relevant title change procedures, and will not issue the property ownership certificates.

The State Administration of Taxation issued a further notice in July 2002 to require local tax authorities to require prepayment of LAT on basis of proceeds from pre-sale of real estate.

In December 2006, the State Administration of Taxation issued a Notice on the Administration of the Settlement of Land Appreciation Tax of Property Development Enterprises (國家稅務總局關於房地產開發企業土地增值稅清算管理有關問題通知), which came into effect on February 1, 2007. The notice required settlement of LAT liabilities by real estate developers. Provincial tax authorities are given authority to formulate their implementation rules according to the notice and their local situation.

To further strengthen LAT collection, in May 2009, the State Administration of Taxation released the Rules on the Administration of the Settlement of Land Appreciation Tax (國家稅務總局關於土地增值稅清算管理規程), which come into force on June 1, 2009.

In May 2010, the State Administration of Taxation issued the Circular on Settlement of Land Appreciation Tax (國家稅務總局關於土地增值稅清算有關問題的通知) to strengthen the settlement of LAT. The circular clarifies certain issues with respect to the calculation and settlement of LAT, such as (i) recognition of the revenue upon the settlement of LAT; and (ii) the deduction of fees incurred in connection with the property development.

In May 2010, the State Administration of Taxation issued the Notice on Strengthening the Collection of Land Appreciation Tax (國家稅務總局關於加強土地增值稅徵管工作的通知), which requires that except for affordable residences the minimum LAT prepayment rate shall be 2% for provinces in the eastern region of China, 1.5% for provinces in the central and northeastern regions, and 1% for provinces in the western region. According to the notice, the local tax bureaus shall determine the applicable LAT prepayment rates based on the property type.

Urban Land Use Tax. Pursuant to the PRC Interim Regulations on Land Use Tax in respect of Urban Land (中華人民共和國城鎮土地使用稅暫行條例) promulgated by the State Council in September 1988, land use tax in respect of urban land is levied according to the area of relevant land. The annual tax on urban land was between RMB0.2 and RMB10 per sq. m. An amendment by the State Council in December 2006 changed the annual tax rate to between RMB0.6 and RMB30 per sq. m. of urban land. The changed rates in detail are as follows:

- between 1.5 yuan and 30 yuan in large cities;
- between 1.2 yuan and 24 yuan in medium cities;
- between 0.9 yuan and 18 yuan in small cities; and
- between 0.6 yuan and 12 yuan in county towns, towns/bases operated under an organizational system, and industrial and mining districts.

According to the provisional regulations, land use tax shall be collected from foreign invested enterprises, foreign enterprises and foreign individuals.

On June 11, 2007, SAT issued the Notice on Canceling Certain Administrative Examination and Approval Items for Local Taxes (關於取消部分地方稅行政審批專案的通知), which came into force as of the date of its issuance. Under this Notice, certain preferential treatments of land use tax have been canceled as follows:

- for certain infrastructure construction projects, in particular the large-scale infrastructure construction projects supported by relevant national industry policies, which need large areas of land and long-term construction but without operational revenue during the construction period, the exemption or reduction of land use tax may be granted by the taxation bureau at the provincial level based on the specified situations.

- for real estate development enterprises that have difficulty in paying the land use tax prior to the sale of commercial real estate, the exemption or reduction of land use tax may be granted by the taxation bureau at the provincial level based on the specified situations.

- the exemption or reduction of land use tax as a benefit for using land for port construction, electric power industry and coal industry.

Property Tax. Under the PRC Interim Regulations on Property Tax (中華人民共和國房產稅暫行條例) promulgated by the State Council in September 1986 and was amended on January 8, 2011, property tax applicable to domestic enterprises is 1.2% if it is calculated on the basis of the residual value of a building and 12% if it is calculated on the basis of the rental. The following categories of buildings shall be exempt from property tax:

- a building of governmental agencies, people's organizations and the armed forces for their own use;

- a building of institutions whose operating expenses are allocated by State finance departments for their own use;

- a building religious temples and shrines' parks and places of historic interest and scenic beauty for their own use;

- a building owned by individuals for non-business purposes; and

- tax exemption approved by the Ministry of Finance for other buildings.

And according to the Notice on Issues Relating to Assessment of Property Tax against Foreign-invested Enterprises and Foreign Individuals (關於對外資企業及外籍個人徵收房產稅有關問題的通知) promulgated by the Ministry of Finance and the State Administration of Tax on January 12, 2009, foreign-invested enterprises, foreign enterprises and foreign individuals are to have been levied the property tax (房產稅) since January 1, 2009.

On January 27, 2011, Shanghai Municipal Government issued the Provisional Measure on Levying of Property Tax on Part of Individual Residential Properties in Shanghai on a Trial Basis (上海市開展對部分個人住房徵收房產稅試點的暫行辦法). According to this Provisional Measure, property tax shall be imposed on any second or more residential property purchased by Shanghai residents and any residential property purchased by non-Shanghai residents from January 28, 2011. For Shanghai residents who purchase the second residential property after January 28, 2011, if the construction area per capita of all residential properties owned by the family is no more than 60 sq. m. (the "tax-free construction area"), such newly purchased residential property could be temporarily exempted from property tax; if the construction area per capita of all residential properties owned by the family is more than 60 sq. m., property tax will be levied on the construction area of the newly purchased residential properties, which excesses the tax-free construction area. The property tax will be provisionally based on 70% of the market price of the taxable residential property with the tax rate at 0.6%. For the taxable residential property whose market price per square meter is no more than two times last year's average sales price of newly constructed commodity residential properties of Shanghai, the tax rate shall temporarily be 0.4%. In February 2011, the Shanghai municipal government announced that for taxable residential properties whose market price is no more than RMB28,426, the tax rate is 0.4%.

On January 27, 2011, Chongqing Municipal Government issued Provisional Measure on Levying of Property Tax on Part of Individual Residential Properties on a Trial Basis (重慶市政府對部分個人住房徵收房產稅改革試點暫行辦法) as amended on January 13, 2017, and Detailed Implementation Rules on Administration of Collection of Property Tax of Residential Property in Chongqing Municipality (重慶市個人住房房產稅徵收管理實施細則) as amended on January 13, 2017. Within nine trial districts, property tax shall be imposed on the detached commodity house,

newly purchased high-end residential property and second ordinary residential property newly purchased by individuals who do not have local household registration (戶口), entities or jobs in Chongqing from January 27, 2011. The applicable tax rate of detached commodity house and high-end residential property shall be 0.5%, 1% and 1.2%, respectively, based on the transaction prices of such properties. The applicable tax rate of first ordinary residential property newly purchased by individuals who do not have local household registration (戶口), entities or jobs in Chongqing is 0.5%. The Provisional Measure and its Implementation Rules also set detailed guidelines on tax exemption and administration on tax collection.

Stamp Duty. Under the PRC Interim Regulations on Stamp Duty (中華人民共和國印花稅暫行條例) promulgated by the State Council in August 1988 and was amended on January 8, 2011, for property transfer instruments, including those in respect of property ownership transfers, the duty rate is 0.05% of the amount stated therein; for permits and certificates relating to rights, including property ownership certificates and land use rights certificates, stamp duty is levied on an item-by-item basis of RMB5 per item.

Municipal Maintenance Tax. Under the PRC Interim Regulations on Municipal Maintenance Tax (中華人民共和國城市維護建設稅暫行條例) promulgated by the State Council in 1985 and was amended on January 8, 2011, a taxpayer, whether an individual or otherwise, of consumption tax, value-added tax or business tax is required to pay municipal maintenance tax calculated on the basis of consumption tax, value-added tax and business tax. The tax rate is 7% for a taxpayer whose domicile is in an urban area, 5% for a taxpayer whose domicile is in a county or a town, and 1% for a taxpayer whose domicile is not in any urban area or county or town.

In October 2010, the State Council issued the Notice on Unification of the Application of Municipal Maintenance Tax and Education Surcharge by Domestic and Foreign Enterprises and Individuals (國務院關於統一內外資企業和個人城市維護建設稅和教育費附加制度的通知), pursuant to which, from December 1, 2010, municipal maintenance tax is applicable to both foreign-invested enterprises, foreign enterprises and foreign individuals as well as domestic enterprises and individuals.

Pursuant to the Notice on Relevant Issues of Imposition of Municipal Maintenance and Education Surcharge on Foreign-invested Enterprises promulgated by the Ministry of Finance and the State Administration of Taxation (財政部和國家稅務總局關於對外資企業徵收城市維護建設稅和教育費附加有關問題的通知) in November 2010, foreign-invested enterprises must pay municipal maintenance tax on any value-added tax, consumption tax and business tax incurred on or after December 1, 2010. However, foreign-invested enterprises were exempted from municipal maintenance tax on any value-added tax, consumption tax and business tax incurred before December 1, 2010.

Education Surcharge. Under the Interim Provisions on Imposition of Education Surcharge (徵收教育費附加的暫行規定) promulgated by the State Council in April 1986 and amended in 1990, August 2005 and January 2011, any taxpayer, whether an individual or otherwise, of value-added tax, business tax or consumption tax is liable for an education surcharge, unless such taxpayer is required to pay a rural area education surcharge as provided by the Notice of the State Council on Raising Funds for Schools in Rural Areas. The Education Surcharge rate is 3% calculated on the basis of consumption tax, value-added tax and business tax.

Pursuant to the aforesaid Unification of Application of Municipal Maintenance Tax and Education Surcharge by Domestic and Foreign Enterprises and Individuals (國務院關於統一內外資企業和個人城市維護建設稅和教育費附加制度的通知), from December 1, 2010 an education surcharge is applicable to both foreign-invested enterprises, foreign enterprises and foreign individuals as well as domestic enterprises and individuals.

Pursuant to the aforesaid Notice on Relevant Issues of Imposition of Municipal Maintenance and Education Surcharge on Foreign-invested Enterprises (關於對外資企業徵收城市維護建設稅和教育費附加有關問題的通知), foreign-invested enterprises must pay an education surcharge on any value-added tax, consumption tax and business tax incurred on or after December 1, 2010. However, foreign-invested enterprises will be exempted from paying an education surcharge on any value-added tax, consumption tax and business tax incurred before December 1, 2010.

Pursuant to the Pilot Proposals for the Transformation from Business Tax to Value Added Tax (營業稅改徵增值稅試點方案) ("Pilot Proposals") promulgated by the Ministry of Finance and the SAT and effective on November 16, 2011, the transformation from business tax to value added tax will take effect on January 1, 2012 in pilot business of pilot areas. Pursuant to the Pilot Proposals, two levels of low Valued Added Tax rates of 11% and 6% are added in the current Valued Added Tax rates which are 17% and 13% respectively. The tax rate for business such as the transportation business and the construction business is 11% and the tax rate for certain other modern service business is 6%.

On June 20, 2013, the State Administration of Taxation issued the Notice on Further Improvingthe Collection and Administration of Value-Added Tax on Land (關於進一步做好土地增值稅徵管工作的通知). According to the notice, the State Administration of Taxation will standardize collection and administration of Value-added Tax on Land and further strengthen the administration over the Value-added Tax on Land inquisition in the areas including examination of deductible items, reduction in the assessment and collection items and other aspects.

Pursuant to the Circular on Comprehensively Promoting the Pilot Program of Replacing Business Tax with Value Added Tax (財政部、國家稅務總局關於全面推開營業稅改徵增值稅試點的通知) which was promulgated by the Ministry of Finance and the SAT on March 23, 2016 and became effective on May 1, 2016, since May 1, 2016, the government will levy Valued Added Tax in lieu of business tax on a trial basis within the territory of the PRC, and any taxable activities of taxpayers shall be subject to a tax rate of 6% except for the taxpayer providing transportation, postal, telecom, construction, real estate leasing service, selling real estate, transferring land use right, leasing services of tangible personal property, and any cross-border taxable activity conducted by an entity or individual within the territory.

To provide services related to transportation, postal, telecom, construction, real estate leasing service, selling real estate, transferring land use right, the tax rate is 11%. To provide leasing services of tangible personal property, the tax rate is 17%. For any cross-border taxable activity conducted by an entity or individual within the territory, the tax rate is zero.

For the general taxpayers of real estate developers who sell the real estate projects (excluding the old real estate projects to which the simple tax calculation method is applicable) developed by them, the sales amount shall be the balance of the total price and other charges gained after deduction of the land price paid to the government departments at the time of acceptance of the transferred land. Old real estate projects refer to the real estate projects with the commencement date indicated on the Construction Permit for Construction Engineering being before April 30, 2016. Where a real estate developer recognized as a general taxpayer sells old real estate projects developed by it, the simple tax calculation method may be adopted, with the tax calculated at a levy rate of 5%.

Pursuant to the Interim Measures on the Management of Value Added Tax of Self-developed Real Estate Project by the Sale of Real Estate Developers (房地產開發企業銷售自行開發的房地產項目增值稅徵收管理暫行辦法) issued on March 31, 2016 and implemented on May 1, 2016 by SAT, in the event that a real estate developer recognized as an ordinary taxpayer sells a self-developed real estate project, the general tax calculation method shall be adopted, and the obtained total consideration and other charges after the deduction of the corresponding land price of the real estate project sold for the current period shall be the sales amount.

Directors and Senior Management

The following table sets forth information regarding our directors as of the date of this offering memorandum.

Name	Age	Position/Title
Wu Yajun	52	Chairperson of the Board and Executive Director
Shao Mingxiao	51	Chief Executive Officer and Executive Director
Zhao Yi	40	Chief Financial Officer and Executive Director
Li Chaojiang	48	Executive Director
Frederick Peter Churchouse	67	Independent Non-Executive Director
Chan Chi On, Derek	53	Independent Non-Executive Director
Xiang Bing	54	Independent Non-Executive Director
Zeng Ming	46	Independent Non-Executive Director

Executive Directors

Madam Wu Yajun (吳亞軍), aged 52, was appointed as executive director of the Company on December 21, 2007, and is the Chairperson of the Board of the Group. Madam Wu joined the Group at its inception in 1994. Madam Wu graduated from the Department of Navigation Engineering of Northwestern Polytechnical University in 1984. Madam Wu serves as a member of the National Peoples' Congress, Vice-Chairperson of the Federation of Industry and Commerce of Chongqing Municipality and Vice-Chairperson of the Real Estate Branch Chamber of the Chongqing General Chamber of Commerce. Madam Wu has extensive experience in property development, property investment and property management.

Mr. Shao Mingxiao (邵明曉), aged 51, was appointed as executive director of the Company on June 3, 2011, and is the Chief Executive Officer of the Group. Mr. Shao joined the Group in 2006. Mr. Shao graduated from Renmin University of China with a Master of Economics degree in 1992. Prior to joining the Group, Mr. Shao served as the Deputy General Manager of Hangyu Economic Development Company, a subsidiary of the Beijing Capital Group, and Beijing Xinlian Xiechuang Real Estate Development Limited, respectively. Mr. Shao was also the General Manager of Beijing Zhongjing Yiyuan Real Estate Development Limited and the Director of the real estate development division of Beijing Hualian Group.

Mr. Zhao Yi (趙軼), 40, was appointed as executive director of the Company on March 18, 2015 and is the Chief Financial Officer of the Group and a member of the Investment Committee. Mr. Zhao graduated from Zhongnan University of Economics and Law, majoring in international accounting and obtained a bachelor degree in business administration. He is a member of China Institute of Certified Public Accountants. He joined the Group since 2006 and has served as the Senior Manager of Chongqing Company, the Financial Controller of Chengdu Company, the Head of the Financial Management Centre and the General Manager of the Ministry of Finance of the Group. Before joining the Group, he served at Pan-China (Chongqing) Certified Public Accountants.

Mr. Li Chaojiang (李朝江), aged 48, was appointed as executive director of the company on November 23, 2016, joined the Group in 2011 and is responsible for the Human Resources of the Group. He graduated from Yangzhou Teachers College majoring in Chinese Language and Literature and obtained a Bachelor of Arts degree in 1990. Prior to joining the Group, Mr. Li worked for P & G (China)Company Limited, Ericsson (China) Communications Company Limited and Zovie Real Estate Group Co., Limited.

Independent Non-executive Directors

Mr. Frederick Peter Churchouse, aged 67, was appointed as independent non-executive director and member of the Audit Committee of the Company on November 1, 2009. He has been involved in Asian securities and property investment markets for more than 30 years. Currently, he is a private investor including having his own family business, Portwood Company Limited. He is also an independent non-executive director of Hysan Development Company Limited (a company listed on The Stock Exchange of Hong Kong Limited ("SEHK")). He is also the publisher and author of "The Churchouse Letter". In 2004, Mr. Churchouse set up an Asian investment fund under LIM Advisors. He acted as a director of LIM Advisors and as Responsible Officer until the end of 2009. Prior to this, Mr. Churchouse worked at Morgan Stanley as a managing director and advisory director from early 1988. He acted in a variety of roles including head of regional research, regional strategist and head of regional property research. Mr. Churchouse gained a Bachelor of Arts degree and a Master of Social Sciences degree from the University of Waikato in New Zealand.

Mr. Chan Chi On, Derek (陳志安), aged 53, was appointed as independent non-executive director, Chairman of the Audit Committee and the member of the Remuneration Committee of the Company on November 1, 2009. Mr. Chan is a Group Executive Director of Haitong International Securities Group Limited, a company listed on the Stock Exchange of Hong Kong, and is also currently the Managing Director of Haitong International Capital Limited, in charge of its corporate finance division. Mr. Chan graduated from the University of Hong Kong with a bachelor's degree in Social Sciences (majoring in Economics) in 1985 and from the Hong Kong University of Science & Technology with a master's degree in Business Administration in 1994. Between 1989 and 1996, he worked for The Stock Exchange of Hong Kong Limited. He is an independent non-executive director of GZI REIT Asset Management Limited and Sheng Yuan Holdings Limited, both listed on the Stock Exchange of Hong Kong. He is also an adjunct professor in the School of Accounting and Finance of the Hong Kong Polytechnic University. Mr. Chan possesses over 25 years of experience in the financial services industry.

Mr. Xiang Bing (項兵), aged 54, was appointed as independent non-executive director, member of the Audit Committee and the Remuneration Committee of the Company on November 1, 2009. He obtained a Doctoral degree in Accounting from the University of Alberta in Canada. Mr. Xiang is the founding dean and professor of the Cheung Kong Graduate School of Business in Beijing, China. Mr. Xiang is the independent non-executive director of Dan Form Holdings Company Limited, HC International, Inc., Enerchina Holdings Limited, Sinolink Worldwide Holdings Limited, China Dongxiang (Group) Company Limited and Peak Sport Products Company Limited, all of which are listed on the Hong Kong Stock Exchange. Mr. Xiang is an independent non-executive director of E-House (China) Holdings Limited, which is listed in theU.S.. Prior to this, Mr. Xiang was the independent director of Little Sheep Group Limited and Guangzhou Automobile Group Company Limited, which are listed on the Hong Kong Stock Exchange, the independent non-executive director of Shanxi Qinchuan Machinery Development Company Limited and Yunnan Baiyao Group Company Ltd, which are listed on the Shenzhen Stock Exchange, and the independent director of LDK Solar Company Limited listed in the U.S.and Perfect World Company Limited (delisted).

Mr. Zeng Ming (曾鳴), aged 46, was appointed as an independent nonexecutive director of the Company on June 3, 2011 and chairman of the remuneration committee on April 1, 2012. Mr. Zeng is the Chief Strategy Officer of Alibaba Group. Mr. Zeng obtained his Ph.D in International Business and Strategy from the University of Illinois at Urbana-Champaign, USA in 1998 and a Bachelor of Arts degree in Economics from Fudan University in 1991. Mr. Zeng was the Professor of Strategy at Cheung Kong Graduate School of Business, Beijing, China and a faculty member at INSEAD, France.

Senior Management

Mr. Xu Aiguo (徐愛國), aged 51, was appointed as the vice president of the Group, the member of Investment Committee of the Company, he is assigned responsibly for the investment and development department and the new city preparation of the Group. Mr. Xu joined the Group in 2014. Mr. Xu graduated from Dongbei University of Finance and Economics and obtained a Bachelor degree in Finance and Accounting in 1988. Prior to joining the Group, Mr. Xu worked for China Overseas Land & Investment Ltd..

Mr. Yuan Chun (袁春), aged 42, was appointed as the vice president of the Group, the member of Investment Committee of the Company, he is assigned responsibly for Corporate Branding and Marketing Department and Customer and Market Research Department of the Group. Mr. Yuan joined the Group in 2010 and has served as the General Manager of Hangzhou Longfor. He graduated from the Tongji University and obtained a Bachelor's degree in Heating and Ventilating in 1996. Prior to joining the Group, Mr. Yuan worked for China Overseas Land & Investment Ltd.

Mr. Han Shi (韓石), aged 50, was appointed as the vice president of the Group, and the general manager of innovation division of the Group. Mr. Han joined the Group in 2016. He graduated from University of International Business and Economics (對外經貿大學) majoring in Economics in the department of International Trade and he completed his EMBA program in Cheung Kong Graduate School of Business (長江商學院) in 2009. He titled Senior Economist in 2010. Prior to joining the Group, he worked for China National Cereals, Oils and Foodstuffs Corporation (中糧集團) and its subsidiaries

Mr. Cui Hengzhong (崔恒忠), aged 48, was appointed as the vice president of the Group and the general manager of Chongqing Longfor. Mr. Cui joined the Group in 2007 and was served as the project manager, deputy manager of Operation and Construction Department of Beijing Longfor. He graduated from Beijing University of Technology majoring in Structural Engineering and obtained a Master's degree in Engineering in 1997. Prior to joining the Group, Mr. Cui worked for Jiangsu Urban Construction Engineering Company, Building Research Institute of the Ministry of Metallurgical Industry and Beijing Wanda Real Estate Development Co., Ltd.

Mr. Song Hailin (宋海林), aged 43, was appointed as the vice president of the Group and the general manager of Beijing Longfor. Mr. Song joined the Group in 2011 and was served as the deputy general manager of Beijing Longfor. Mr. Song graduated from the Department of Architectural Design and Theory of Tsinghua University in 2001 and obtained a Doctoral degree in Engineering. Mr. Song was a visiting scholar for Urban and Regional Studies (SPURS) of Massachusetts Institute of Technology (MIT) in the United States from 2009 to 2011. Prior to joining the Group, Mr. Song was the president of the Architectural Design and Research Institute of Tsinghua University and during such office, he acted as the temporary Deputy District Chief of Fushan District of Yantai in Shandong Province.

Mr. Zhang Xuzhong (張旭忠), aged 43, was appointed as the vice president of the Group and the general manager of Hangzhou Longfor. Mr. Zhang joined the Group in 2014. He graduated from Southeast University majoring in civil engineering and obtained a Bachelor degree in Engineering in 1997. Prior to joining the Group, Mr. Zhang worked for the Beijing subsidiary of China Construction First Building (Group) Corporation Limited, China Overseas Holding Limited , and Suzhou, Beijing, Xiamen subsidiaries of China Overseas Land & Investment Ltd.

Mr. Wang Guangjian (王光建), aged 46, was appointed as the vice president of the Group and the chairman of Longfor Property Management Company. Mr. Wang joined the Group in 2000 and was served as property consultant, engineer of the Budgeting and Purchasing Department, civil engineer and project manager of Chongqing Longfor. He was also served as the head of Budgeting and Purchasing Department of both Chengdu Longfor and Chongqing Longfor. He was then served as the deputy general manager of the Operation Department of Chongqing Longfor Property and general manager of Chengdu Longfor. He obtained a Master degree in Management from Chongqing Jianzhu University, majoring in Architectural Economy Management in 2000.

Ms. Shen Ying (沈鷹), aged 42, is the general manager of the Human Resources Department of the Group. Ms. Shen joined the Group in 2016. She graduated from Shanghai University and obtained a Bachelor degree in Economics in 1998 majoring in international finance. Ms. Shen obtained her MBA at Boston College in 2004. Prior to joining the Group, Ms. Shen worked for Hewlett-Packard (HP) and General Electric (GE) where she held a number of key management positions, including the Global Human Resources Director of GE Oil & Gas, and Human Resources Director of GE Healthcare in Greater China Division.

Mr. Huang Shixuan (黃世軒), aged 52, is the general manager of the Engineering Department of the Group. Mr. Huang joined the Group in 1998. He graduated from Chongqing University and obtained a Bachelor degree in Power System and Automation in 1988. Prior to joining the Group, Mr. Huang worked for Chongqing Construction Corporation.

Mr. Wang Yajun (王亞軍), aged 45, is the general manager of the Strategic Development Department of the Group. Mr. Wang joined the Group in 2012. He graduated from Arizona State University in U.S. and obtained a Master's degree in Business Administration (MBA) in 2001. Prior to joining the Group, Mr. Wang worked for Beijing Environmental Resources Management Co., Ltd., United Technologies Corporation, DOW Chemical Company and Mckinsey Consultancy Company.

Company Secretary

Madam Zhang Lei (張蕾), joined the Group in 2008, and is an employee of the Company. She was appointed as the Company Secretary on August 21, 2015. Madam Zhang graduated from the Central University of Finance and Economics with a bachelor's degree in international finance. She is a member of The Chinese Institute of Certified Public Accountants and an Affiliated Person of The Hong Kong Institute of Chartered Secretaries.

Audit Committee

We established an audit committee on November 1, 2009 in compliance with Rules 3.21 and of the Listing Rules. The audit committee comprises three independent non-executive directors, Mr. Chan Chi On, Derek, Mr. Frederick Peter Churchouse and Dr. Xiang Bing. Mr. Chan is the Chairman of the audit committee. The primary duties of the audit committee are to review and supervise the financial reporting process and our internal control procedures and nominate and monitor external auditors.

Remuneration Committee

The Company established the Remuneration Committee on November 1, 2009 with written terms of reference in compliance with the Code as set out in paragraph B.1.2 of Appendix 14 to the Listing Rules. The primary duties of the Remuneration Committee include evaluating and making recommendations to the Board on the remuneration system and package of the directors and senior management, and on the establishment of a formal and transparent procedure for

developing remuneration policy. The Remuneration Committee consists of Madam Wu Yajun and Mr. Li Chaojiang, two executive directors, and Mr. Zeng Ming, Mr. Xiang Bing and Mr. Chan Chi On, Derek, three independent non-executive directors. Mr. Zeng Ming is the Chairperson of Remuneration Committee.

The Remuneration Committee held one meeting during the year to conduct a review on the remuneration structure of the directors and senior management and a review on the basic remuneration internal of senior management of the Group.

Investment Committee

The Investment Committee reports directly to the Board and is responsible for investment proposals (including but not limited to appraising land acquisition as well as making land purchase decisions) submitted by the regional companies and the business development department of the headquarters. The Investment Committee currently consists of Madam Wu Yajun, Mr. Shao Mingxiao, Mr. Zhao Yi, Mr. Yuan Chun and Mr. Xu Aiguo. In 2016, the Investment Committee held 29 meetings, to discuss and make investment decision on 349 projects.

FactEntry

PRINCIPAL SHAREHOLDERS

The following table sets forth information regarding beneficial ownership of our ordinary shares as of December 31, 2016 by (i) our directors and (ii) those persons known by us to beneficially own 5% or more of our outstanding shares (the "Shares").

Name of director	Capacity/Nature of interest	Number of ordinary shares	Interest in underlying shares	Amount of Debentures	Approximate % of interest in the Company
Directors					
Wu Yajun	Founder of a discretionary trust (Note 1)	2,574,533,701	—	—	44.075%
Shao Mingxiao	Beneficial Owner	9,545,000	39,600,000 (Note 2)	US$1,200,000 (Note 3)	0.841%
Zhao Yi	Beneficial Owner	—	5,500,000 (Note 2)	—	0.094%
Li Chaojiang (Appointed on 23 November 2016)	Beneficial Owner	500,000	3,000,000 (Note 2)	—	0.060%
Frederick Peter Churchouse	Beneficial Owner	50,000	550,000 (Note 2)	—	0.010%
Chan Chi On, Derek	Beneficial Owner	—	600,000 (Note 2)	—	0.010%
Xiang Bing	Beneficial Owner	50,000	450,000 (Note 2)	—	0.008%
Zeng Ming	Beneficial Owner	160,000	240,000 (Note 2)	—	0.006%

Note 1: These 2,574,533,701 shares in the Company are held by Charm Talent International Limited ("Charm Talent") as registered holder. The entire issued share capital of Charm Talent is wholly-owned by Silver Sea Asset Limited ("Silver Sea"), the entire issued share capital of which is in turn wholly-owned by HSBC International Trustee Limited ("HSBC International Trustee") as the trustee of the Wu Family Trust. The Wu Family Trust is a discretionary trust set up by Madam Wu Yajun ("Madam Wu") as settlor and protector and HSBC International Trustee as trustee on June 11, 2008. The beneficiary objects of the Wu Family Trust include certain family members of Madam Wu. Madam Wu as founder of the Wu Family Trust is taken to be interested in these 2,574,533,701 shares in the Company held by Charm Talent pursuant to Part XV of the SFO.

Note 2: The relevant director was granted options to subscribe for such number of shares under the Post-IPO Option Scheme.

Note 3: These are the senior notes issued by the Company in 2013 for the aggregate principal amount of US$500 million at a rate of 6.75% due 2023 ("Notes"). Mr. Shao Mingxiao is interested in the Notes in the amount of US$1,200,000 as beneficial owner, representing 0.24% of the aggregate principal amount of the Notes.

Name of shareholder	Capacity/Nature of interest	Number of ordinary shares	Approximate % of interest in the Company
Cai Kui	Founder of a discretionary trust (Note 1)	1,544,941,904	26.449%
	Registered owner (Note 2)	3,100,000	0.053%
Junson Development International Limited ("Junson Development")	Registered owner (Note 1)	1,544,941,904	26.449%
Silverland Assets Limited ("Silverland")	Interest of controlled corporation (Note 1)	1,544,941,904	26.449%
HSBC International Trustee Limited ("HSBC International Trustee")	Trustee (Note 1, 3 and 4)	4,119,565,605	70.526%
Charm Talent International Limited ("Charm Talent")	Registered owner (Note 3)	2,574,533,701	44.075%
Silver Sea Assets Limited ("Silver Sea")	Interest of controlled corporation (Note 3)	2,574,533,701	44.075%
Jumbomax Investments Limited	Interest of controlled corporation (Note 5)	350,130,000	5.994%
Woo Kwong Ching, Peter	Interest of controlled corporation (Note 5)	350,130,000	5.994%
Pao Pui Yung, Bessie	Interest of spouse (Note 5)	350,130,000	5.994%

Note 1: These 1,544,941,904 shares in the Company are held by Junson Development. The entire issued share capital of Junson Development is wholly-owned by Silverland, the entire issued share capital of which is in turn wholly-owned by HSBC International Trustee as the trustee of the Cai Family Trust. The Cai Family Trust is a discretionary trust set up by Mr. Cai as settlor and HSBC International Trustee as trustee on June 11, 2008. The beneficiary objects of the Cai Family Trust include certain family members of Mr. Cai. Mr. Cai as founder of the Cai Family Trust is taken to be interested in the 1,544,941,904 shares in the Company held by Junson Development pursuant to Part XV of the SFO.

Note 2: Mr. Cai Kui is beneficially interested in 3,100,000 Shares.

Note 3: These 2,574,533,701 shares in the Company are held by Charm Talent. The entire issued share capital of Charm Talent is wholly-owned by Silver Sea, the entire issued share capital of which is in turn wholly-owned by HSBC International Trustee as the trustee of the Wu Family Trust. The Wu Family Trust is a discretionary trust set up by Madam Wu as settlor and HSBC International Trustee as trustee on 11 June 2008. The beneficiary objects of the Wu Family Trust include certain family members of Madam Wu. Madam Wu as founder of the Wu Family Trust is taken to be interested in these 2,574,533,701 shares in the Company held by Charm Talent pursuant to Part XV of the SFO.

Note 4: According to the latest disclosure of interests filing submitted by HSBC International Trustee, these 90,000 shares are held by HSBC International Trustee as trustee of several other trusts which are independent third parties of Wu Family Trust and Cai Family Trust.

Note 5: These 350,130,000 shares represent the corporate interest of Jumbomax Investments Limited through a number of its wholly-owned subsidiaries. Mr. Woo Kwong Ching, Peter is interested in these 350,130,000 shares in the Company through the interest of corporation controlled by him while Ms. Pao Pui Yung, Bessie is interested in these 350,130,000 shares in the Company through the interest of spouse.

RELATED PARTY TRANSACTIONS

The following discussion describes certain material related party transactions between our consolidated subsidiaries and our directors, executive officers and principal shareholders and, in each case, the companies with whom they are affiliated. Each of our related party transactions was entered into in the ordinary course of business, on fair and reasonable commercial terms, in our interests and the interests of our shareholders.

The table below sets forth our related party transactions for the periods indicated.

	Year ended December 31,			
	2014	2015	2016	
	RMB'000	RMB'000	RMB'000	US$'000 (unaudited)
Joint ventures				
Property management income	2,993	612	—	—
Key management and shareholders				
Sales of properties to key management and shareholders	29,761	86,202	53,205	7,663
Rental income	—	83	18	2
Related companies				
Consultancy income	—	2,897	340	49
Property management service income	—	—	2,527	364
Remuneration paid and payable to key management personnel who are also directors				
Basic salaries and other benefits	27,070	21,366	25,692	3,700
Bonus	20,500	21,800	34,550	4,976
Retirement benefit contribution	451	404	530	76
Equity-settled share-based payments	25,264	19,418	11,585	1,668
Total	73,285	62,988	72,357	10,420

Except as disclosed in this offering memorandum, there was no related party transaction between us, our consolidated subsidiaries and our directors, executive officers and principal shareholders nor, in each case, the companies with whom they are affiliated, for the three years ended December 31, 2016.

DESCRIPTION OF THE NOTES

For purposes of this "Description of the Notes," the term "Company" refers only to Longfor Properties Co. Ltd., a company incorporated in the Cayman Islands with limited liability, and any successor obligor on the Notes, and not to any of its Subsidiaries.

The Notes are to be issued under an indenture (the "Indenture"), to be dated as of the Issue Date, between the Company and Citicorp International Limited, as trustee (the "Trustee").

The following is a summary of certain material provisions of the Indenture and the Notes. The holders of the Notes will be bound by, and be deemed to have notice of, all the provisions of the Indenture. This summary does not purport to be complete and is qualified in its entirety by reference to all of the provisions of the Indenture and the Notes. It does not restate the Indenture or the Notes in their entirety. Whenever particular sections or defined terms of the Indenture not otherwise defined herein are referred to, such sections or defined terms are incorporated herein by reference. Copies of the Indenture will be available for inspection on or after the Issue Date at the corporate trust office of the Trustee at 39/F, Champion Tower, 3 Garden Road, Central, Hong Kong.

GENERAL

The Notes will be issued in an initial aggregate principal amount of US$450,000,000 and will mature on July 13, 2022, unless the Notes are redeemed earlier pursuant to the terms thereof and of the Indenture. The Notes will bear interest at the rate of 3.875% per annum. Interest on the Notes will accrue from the Issue Date or from and including the most recent Interest Payment Date (as defined below) to which interest has been paid or provided for, to and excluding the next Interest Payment Date or the maturity date, payable semi-annually in arrears on January 13 and July 13 of each year (each, an "Interest Payment Date"), commencing on January 13, 2018, to the persons in whose names the Notes are registered at the close of business (whether or not a Business Day) on June 28 and December 29, respectively (each, an "Interest Record Date") immediately preceding an Interest Payment Date. Interest shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

In any case where the due date for the payment of the principal of or interest on the Notes or the date fixed for redemption of the Notes is not a Business Day, then payment of principal or interest shall be made on the next succeeding Business Day, with the same force and effect as if made on the due date for payment or the date fixed for redemption, as the case may be, and no interest shall accrue with respect to such payment for the period from and after such date that is not a Business Day to such next succeeding Business Day.

The Notes will not be entitled to the benefit of any sinking fund. The Notes shall be denominated in minimum principal amounts of US$200,000 and in integral multiples of US$1,000 in excess thereof.

The Notes will be the direct, unconditional and unsubordinated obligations of the Company, and rank *pari passu* with all other unsecured and unsubordinated obligations of the Company (other than obligations preferred by applicable law) and senior in right of payment to all other Indebtedness of the Company that is designated as subordinate or junior in right of payment to the Notes.

As of December 31, 2016:

- the Company and its subsidiaries had approximately RMB57,872 million (US$8,335 million) of total borrowings;

- the Company and its subsidiaries had approximately RMB14,468 million (US$2,084 million) of secured bank loans; and

- the Company's subsidiaries had approximately RMB41,071 million (US$5,915 million) of indebtedness, to which the Notes would be effectively subordinated.

The Company will pay in U.S. dollars principal of, premium, if any, and interest on the Notes at the office or agency designated by the Company (which will initially be the specified office of the Paying Agent (as defined below) currently located at Citibank, N.A., London Branch c/o Citibank, N.A., Dublin Branch, One North Wall Quay, Dublin 1, Ireland), except that the Company may, at its option, pay interest on the Notes by check mailed to holders of the Notes at their registered address as it appears in the register of the Notes. The Company has initially designated Citibank, N.A., London Branch to act as its paying agent (the "Paying Agent"), registrar (the "Registrar") and transfer agent (the "Transfer Agent"). The Company may, however, change the Paying Agent, Registrar or Transfer Agent without prior notice to the holders of the Notes, and the Company or any of its Subsidiaries may act as Paying Agent, Registrar or Transfer Agent.

The Company will pay principal of, premium, if any, and interest on, Notes in global form registered in the name of a common depositary or its nominee for the accounts of Euroclear and Clearstream in immediately available funds to the common depositary or its nominee, as the case may be, as the registered holder of such global Note. See "— Book-entry, Delivery and Form."

A holder of the Notes may transfer or exchange Notes in accordance with the Indenture. The Registrar, a Transfer Agent or the Trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents. No service charge will be imposed by the Company, the Trustee, the Registrar or any Transfer Agent for any registration of transfer or exchange of Notes, but the Company may require a holder to pay a sum sufficient to cover any transfer tax or other governmental taxes and fees required by law or permitted by the Indenture. The Company is not required to transfer or exchange any Note selected for redemption or repurchase. Also, the Company is not required to (i) register the transfer of or exchange any Note for a period of 15 days before a selection of Notes to be redeemed or (ii) if a redemption or a repurchase pursuant to a Change of Control Offer is to occur after an Interest Record Date but on or before the corresponding Interest Payment Date, to register the transfer of or exchange any Note on or after the Interest Record Date and before the date of redemption or repurchase.

The registered holder of a Note will be treated as the owner of it for all purposes.

FURTHER ISSUES

The Notes will be issued in an initial aggregate principal amount of US$450,000,000. The Company may, however, from time to time, without notice to or the consent of the holders of the Notes, create and issue pursuant to the Indenture, additional notes having the same terms and conditions under the Indenture as the previously outstanding Notes in all respects, except for issue date, issue price, the first payment of interest on them and, to the extent necessary, certain temporary securities law transfer restrictions (such additional notes, the "Additional Notes"). Additional Notes issued may be consolidated with and form a single series with the previously outstanding Notes.

REDEMPTION

Unless earlier redeemed in the limited circumstances set forth below, the Notes will mature on July 13, 2022 at a price equal to 100% of the principal amount thereof. Except as set forth below, the Notes are not redeemable at the option of the Company.

Optional Redemption

At any time, the Company may at its option redeem the Notes, in whole or in part, at a redemption price equal to the greater of (x) 100% of the principal amount of the Notes to be redeemed plus accrued and unpaid interest on the Notes to be redeemed, if any, to the date of redemption and (y) the Make Whole Price. Neither the Trustee nor the Paying Agent shall be responsible for calculating or verifying the Make Whole Price.

At any time on or after the date when Notes of no more than 10% of the aggregate principal amount (x) originally issued on the Issue Date and (y) issued on the issue date of any Additional Notes permitted under "— Further Issues" remain outstanding, the Company may at its option redeem the remaining outstanding Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of such Notes plus accrued and unpaid interest, if any, to (but not including) the redemption date.

The Company will give not less than 30 days' nor more than 60 days' notice of any redemption (which notice shall be irrevocable). If the optional redemption date is on or after an Interest Record Date and on or before the relevant Interest Payment Date, the accrued and unpaid interest, if any, will be paid to the Person in whose name the Note is registered at the close of business on such Interest Record Date, and no additional interest will be payable to holders whose Notes will be subject to redemption by the Company.

In the case of any partial redemption, selection of the Notes for redemption will be made in compliance with the requirements, if any, of the clearing systems through which the Notes are held and/or of the principal stock exchange on which the Notes are listed or, if the Notes are not held through any clearing systems or if there is no applicable requirement of the principal stock exchange on which the Notes are listed or the Notes are not listed, then on a *pro rata* basis, by lot or random lottery or by such other method as the Trustee in its sole discretion will deem to be fair and appropriate unless otherwise required by applicable law, although no Note of US$200,000 in original principal amount or less will be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption relating to such Note will state the portion of the principal amount thereof to be redeemed. With respect to any certificated Note, a new Note in principal amount equal to the unredeemed portion thereof will be issued in the name of the holder thereof upon cancellation of the original Note.

Optional Tax Redemption

The Company, including any Successor Company (as defined below), will be entitled to redeem all, but not part, of the Notes if, as a result of any change in or amendment to the laws, regulations or rulings of any Tax Jurisdiction (as defined below) or any change in the official application or interpretation or the stating of an official position regarding the application of such laws, regulations or rulings (including a holding, judgment or order by a court), which, (i) except as described in (ii) immediately below, becomes effective (or, in the case of an official application, interpretation or position, is announced) on or after the date of this offering memorandum or (ii) in the case of any Successor Company organized or tax resident in a jurisdiction that is not already a Tax Jurisdiction prior to the date the Successor Company assumes responsibility under the Notes ("Succession Date"), becomes effective on or after the Succession Date (a "Change in Tax Law"), the Company is or would be required, on the next succeeding Interest Payment Date, to pay Additional Amounts (as defined below) with respect to the Notes as described under "— Payment of Additional Amounts," and the payment of such Additional Amounts cannot be avoided by the use of any reasonable measures available to the Company. Further, the Company must deliver to the Trustee at least 30 days before the redemption date, (i) an Officers' Certificate stating that the Company is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to its right so to redeem have been satisfied (including that Additional Amounts cannot be avoided by reasonable measures) and (ii) an Opinion of Counsel, of recognized standing with respect to tax matters of the Tax

Jurisdiction, to the effect that the Company has or will become obligated to pay Additional Amounts as a result of such Change in Tax Law at the relevant time. The Trustee shall accept such Officers' Certificate and Opinion of Counsel as sufficient evidence of the satisfaction of the conditions precedent described in the Indenture, in which event such Officers' Certificate and Opinion of Counsel shall be conclusive and binding on the holders of the Notes. The Company must also provide the holders with notice of the intended redemption at least 30 days and no more than 60 days before the redemption date (which notice shall be irrevocable), which notice shall specify the redemption date and shall require the Company to redeem the Notes on such date. Notwithstanding the foregoing, no such notice of redemption will be given (i) earlier than 90 days prior to the earliest date on which the Company would be obligated to make such payment or withholding if a payment in respect of the Notes were then due and (ii) unless at the time such notice is given, such obligation to pay Additional Amounts remains in effect. The redemption price will equal the principal amount of the Notes, plus accrued and unpaid interest thereon, if any, to (but excluding) the redemption date and Additional Amounts, if any, then due and which otherwise would be payable.

Any Notes that are redeemed may be cancelled, at the option of the Company.

PAYMENT OF ADDITIONAL AMOUNTS

If the Company (including any Successor Company) makes any deduction or withholding for or on account of any taxes, assessments, or other governmental charges imposed by (i) any jurisdiction where the Company is organized or otherwise considered by a taxing authority to be a resident for tax purposes or any political organization or governmental authority thereof or therein having the power to tax (a "Tax Jurisdiction") or (ii) any jurisdiction from or through which the Company makes a payment on the Notes, or any political organization or governmental authority thereof or therein having the power to tax (each jurisdiction described in clause (i) or (ii) a "Relevant Tax Jurisdiction") in respect of any payments under the Notes, the Company will pay to each holder of a Note, to the extent it may lawfully do so, such additional amounts ("Additional Amounts") as may be necessary in order that the net amounts paid to such holder, after such deduction or withholding, including deduction or withholding on the Additional Amounts, will be not less than the amount specified in such Note to which such holder is entitled; *provided, however*, that the Company will not be required to make any payment of Additional Amounts for or on account of:

(1) any tax, assessment or other governmental charge which would not have been imposed but for (a) the existence of any present or former connection between such holder (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of a power over, such holder, if such holder is an estate, trust, partnership, limited liability company or corporation) and the Relevant Tax Jurisdiction other than solely by the holding of Notes or by the receipt of principal, premium or interest in respect of the Notes, including, without limitation, such holder (or such fiduciary, settlor, beneficiary, member, shareholder or possessor) being or having been a citizen or resident thereof or being or having been present or engaged in trade or business therein or having or having had a permanent establishment therein or (b) the presentation of a Note (where presentation is required) for payment on a date more than 30 days after (x) the date on which such payment became due and payable or (y) the date on which payment thereof is duly provided for, whichever occurs later except to the extent that the holder would have been entitled to such Additional Amounts if it had presented such Note for payment on any date within such 30 day period;

(2) any estate, inheritance, gift, sales, transfer, personal property or similar tax, assessment or other governmental charge;

(3) any tax, assessment or other governmental charge that is imposed or withheld by reason of the failure by the holder or the beneficial owner of the Note to comply with a timely

written request of the Company addressed to the holder to provide information concerning the nationality, residence or identity of the holder or such beneficial owner, or to make and deliver any declaration or satisfy any information or reporting requirements, which, in each case, is required by a statute, regulation or administrative practice of the Relevant Tax Jurisdiction as a precondition to exemption from all or part of such tax, assessment or other governmental charge;

(4) any tax, assessment or other governmental charge that is payable otherwise than by any deduction or withholding from any payment of the principal of, or any premium or interest on, a Note;

(5) any tax imposed on, or measured by, net income;

(6) any withholding or deduction that is imposed on a Note that is presented for payment (where presentation is required) by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent;

(7) any tax, assessment, withholding or deduction required by sections 1471 through 1474 of the Internal Revenue Code of 1986, as amended ("FATCA"), any current or future Treasury Regulations or rulings promulgated thereunder, any intergovernmental agreement between the United States and any other jurisdiction pursuant to the implementation of FATCA, any law, regulation or other official guidance enacted in any jurisdiction implementing FATCA or an intergovernmental agreement with respect thereto, any agreement with the U.S. Internal Revenue Service under FATCA or any other agreement pursuant to the implementation of FATCA; or

(8) any combination of the above.

No Additional Amounts will be paid with respect to any payment of the principal of, or any premium or interest on, any Note to any holder who is not the beneficial owner of such payment to the extent such payment would be required by the laws of the Relevant Tax Jurisdiction to be included in the income for tax purposes of the beneficial owner and such beneficial owner would not have been entitled to such Additional Amounts had it been the holder of such Note. The Company will provide the Trustee with the official acknowledgment of the governmental authority or political organization of the Relevant Tax Jurisdiction (or, if such acknowledgment is not available, a certified copy thereof) evidencing the payment of the withholding taxes by the Company. The Company will (i) make any required withholding or deduction and (ii) remit the full amount deducted or withheld to the Relevant Tax Jurisdiction in accordance with applicable law. Copies of such documentation will be made available by the Company to the Paying Agent.

All references in this offering memorandum to principal of, premium, if any, and interest on the Notes will include any Additional Amounts payable by the Company in respect of such principal, such premium, if any, and such interest.

REPURCHASE OF NOTES UPON A CHANGE OF CONTROL TRIGGERING EVENT

Unless previously redeemed under "Redemption" above, upon a Change of Control Triggering Event, the Company will be required to make an offer to repurchase all of the Notes at a price in cash equal to 101% of the principal amount of the Notes repurchased, plus accrued and unpaid interest on the principal amount of Notes being repurchased to (but excluding) the date of repurchase (a "Change of Control Offer").

Within 30 days following any Change of Control Triggering Event, the Company will be required to give written notice to holders describing the transaction or transactions that constitute the Change of Control Triggering Event and offering to repurchase all of the Notes on the date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is given (the "Change of Control Purchase Date").

The Company will not be required to make a Change of Control Offer upon a Change of Control Triggering Event if a third party makes such an offer substantially in the manner, at the times and in compliance with the requirements for a Change of Control Offer (and for at least the same purchase price payable in cash) and such third party purchases all Notes properly tendered and not withdrawn under its offer.

A holder will have no right to require the Company to repurchase portions of Notes if it would result in the issuance of new Notes, representing the portion not repurchased, in an amount of less than US$200,000.

If the Change of Control Payment Date is on or after an Interest Record Date and on or before the related Interest Payment Date, any accrued and unpaid interest, if any, will be paid to the Person in whose name a Note is registered at the close of business on such Interest Record Date, and no additional interest will be payable to holders who tender pursuant to the Change of Control Offer.

The Change of Control Triggering Event provisions described above will be applicable whether or not any other provisions of the Indenture are applicable. Except as described above with respect to a Change of Control Triggering Event, the Indenture does not contain provisions that permit the holders to require that the Company repurchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.

The Company will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations conflict with provisions of the Indenture, the Company will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations described in the Indenture by virtue of the conflict.

The Company's ability to repurchase Notes pursuant to a Change of Control Offer may be limited by a number of factors. Other or future obligations of the Company and its Subsidiaries may also contain prohibitions of certain events that would constitute a Change of Control Triggering Event or require such obligations to be repurchased upon a Change of Control Triggering Event. Moreover, the exercise by the holders of their right to require the Company to repurchase the Notes could cause a default under such obligations, even if the Change of Control Triggering Event itself does not, due to the financial effect of such repurchase on the Company.

Finally, the Company's ability to pay cash to the holders upon a repurchase may be limited by the Company's then existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make any required repurchases. Even if sufficient funds were otherwise available, the terms of other or future obligations may prohibit the Company's prepayment of Notes before their scheduled maturity. Consequently, if the Company is not able to

prepay any such other obligations containing similar restrictions or obtain requisite consents, as described above, the Company will be unable to fulfill its repurchase obligations if holders of Notes exercise their repurchase rights following a Change of Control Triggering Event, resulting in a default under the Indenture. A default under the Indenture may result in a cross-default under the terms of other or future obligations.

The definition of Change of Control includes a phrase relating to the sale of "all or substantially all" the assets of the Company. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of Notes to require the Company to repurchase such holder's Notes as a result of a sale of less than all the assets of the Company to another person or group may be uncertain and will depend upon particular facts and circumstances. As a result, there may be a degree of uncertainty in ascertaining whether a sale or transfer of "all or substantially all" the assets of the Company has occurred.

The Trustee shall not be required to take any steps to ascertain whether a Change of Control Triggering Event or any event which could lead to the occurrence of a Change of Control Triggering Event has occurred and shall not be liable to any person for any failure to do so.

Except as described above with respect to a Change of Control Triggering Event, the Indenture does not contain provisions that permit the holders to require that the Company purchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction.

CERTAIN COVENANTS

Set forth below are summaries of certain covenants contained in the Indenture.

Limitation on Liens

So long as any Note remains outstanding (as defined in the Indenture), the Company will not, and the Company will not permit any of its Subsidiaries to, create or have outstanding, any mortgage, charge, lien, pledge or other security interest ("Lien"), upon the whole or any part of its present or future assets or properties of any kind to secure any Relevant Indebtedness (or to secure for the benefit of holders thereof any guarantee or indemnity in respect of such Relevant Indebtedness) without at the same time or prior thereto according to the Notes (i) the same security equally and ratably as is created or subsisting to secure any such Relevant Indebtedness (or such guarantee or indemnity in respect of such Relevant Indebtedness) or (ii) other security as consented to by the holders of a majority in principal amount of the Notes then outstanding, unless, after giving effect thereto, the aggregate outstanding principal amount of all such secured Relevant Indebtedness (other than the Indebtedness secured by Liens described in clauses (1) through (5) below) would not exceed 10.0% of the Company's Tangible Net Worth.

The foregoing restriction will not apply to:

(1) any Lien existing on any property or asset prior to the acquisition thereof by the Company or any Subsidiary or arising after such acquisition pursuant to contractual commitments entered into prior to and not in contemplation of such acquisition;

(2) any Lien on any property or asset securing Relevant Indebtedness incurred or assumed for the purpose of financing the purchase price thereof or the cost of construction, improvement or repair of all or any part thereof (including, in the case of the acquisition of the equity interests of an entity which acquisition is financed by Relevant Indebtedness, a Lien on such equity interests and a Lien on the property or assets of such entity acquired); provided that such Lien attaches to such property or assets concurrently with or within 12 months after the acquisition thereof or completion of construction, improvement or repair thereof;

(3) any Lien arising or already arisen automatically by operation of law which is promptly discharged or disputed in good faith by appropriate proceedings;

(4) Liens on money paid to or money or securities deposited with a fiscal agent, trustee or depository to pay or discharge in full the obligations of the Company or any Subsidiary in respect of Relevant Indebtedness (provided that such money or securities so paid or deposited, and the proceeds therefrom, will be sufficient to pay or discharge such obligations in full); or

(5) any Lien arising out of the refinancing, extension, renewal or refunding of any Relevant Indebtedness secured by any Lien permitted by any of the foregoing clauses; provided that such Indebtedness is not increased and is not secured by any additional property or assets.

Reports

So long as any of the Notes remain outstanding, the Company will file with the Trustee and furnish to the holders of the Notes upon request, as soon as they are available but in any event not more than 10 calendar days after they are filed with The Stock Exchange of Hong Kong Limited or any other recognized exchange on which the Company's Common Stock are at any time listed for trading, true and correct copies of any financial or other report in the English language filed with such exchange; *provided* that if at any time the Common Stock of the Company ceases to be listed for trading on a recognized stock exchange, the Company will file with the Trustee and furnish to the holders:

(i) as soon as they are available, but in any event within 120 calendar days after the end of the fiscal year of the Company, copies of its financial statements (on a consolidated basis and in the English language) in respect of such financial year (including a statement of income, balance sheet and cash flow statement) audited by a member firm of an internationally recognized firm of independent accountants;

(ii) as soon as they are available, but in any event within 90 calendar days after the end of the first semi-annual fiscal period of the Company, copies of its unaudited financial statements (on a consolidated basis and in the English language) in respect of such semi-annual period (including a statement of income, balance sheet and cash flow statement) prepared on a basis consistent with the audited financial statements of the Company and reviewed by a member firm of an internationally recognized firm of independent accountants; and

(iii) as soon as possible and in any event within 14 days after the Company becomes aware, or is reasonably expected to become aware of the occurrence thereof, written notice of the occurrence of any event or condition which constitutes, or which, after notice or lapse of time or both, would become, an Event of Default and an Officers' Certificate of the Company setting forth the details thereof and the action the Company is taking or proposes to take with respect thereto.

Consolidation, Merger and Sale of Assets

The Company will not consolidate with or merge with or into, or convey, transfer or lease all or substantially all its property or assets to, any Person, *unless*:

(1) the resulting, surviving or transferee Person (the "Successor Company"), if not the Company, will expressly assume, by supplemental indenture, executed and delivered to the Trustee, all the obligations of the Company under the Notes and the Indenture;

(2) immediately after giving effect to such transaction, no Default or Event of Default shall have occurred and be continuing; and

(3) the Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that such consolidation, merger or transfer and such supplemental indenture (if any) comply with the Indenture.

For purposes of this covenant, the conveyance, transfer or lease of all or substantially all of the property or assets of one or more Subsidiaries of the Company, which property or assets, if held by the Company instead of such Subsidiaries, would constitute all or substantially all of the property or assets of the Company on a consolidated basis, shall be deemed to be the transfer of all or substantially all of the property or assets of the Company.

The Successor Company will succeed to, and be substituted for, and may exercise every right and power of, the Company under the Indenture, and the predecessor company, except in the case of a lease of all or substantially all its assets, shall be released from the obligation to pay the principal of, premium, if any, and interest on the Notes. Although there is a limited body of case law interpreting the phrase "substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve "all or substantially all" of the property or assets of a Person.

NDRC Reporting

The Company has completed the registration of foreign debt in respect of the offering described in this Offering Memorandum and obtained a certificate of registration from the NDRC in accordance with the NDRC Notice. The Company will (i) file or cause to be filed with the NDRC or its local branch information concerning the offering described in this Offering Memorandum after the Issue Date in accordance with and within the time period prescribed by the NDRC Notice and (ii) ensure that the registration of foreign debt with the NDRC in respect of the offering described in this Offering Memorandum remains in full force and effect for so long as any of the Notes remains outstanding and to the extent required by laws and regulations.

PAYMENTS FOR CONSENT

Neither the Company nor any of its Subsidiaries will, directly or indirectly, pay or cause to be paid any consideration, whether by way of interest, fees or otherwise, to any holder of any Notes for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of the Indenture or the Notes unless such consideration is offered to be paid or is paid to all holders of the Notes that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or amendment.

EVENTS OF DEFAULT

Each of the following is an Event of Default:

(1) default in any payment of interest on any Note when due and payable, and such default continues for 30 consecutive days;

(2) default in the payment of principal of, or premium, if any, on any Note when due and payable at its Stated Maturity, upon optional redemption, upon required repurchase, upon declaration or otherwise;

(3) (i) failure by the Company to comply, for 30 consecutive days after written notice by the holders of 25% or more of the aggregate principal amount of the outstanding Notes, with any of its covenants and obligations under the Indenture and the Notes (other than a default specified in clause (1) or (2) above);

(4) default under any Indebtedness of the Company or any of its Subsidiaries (or the payment of which is guaranteed by the Company or any of its Subsidiaries), whether

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such Indebtedness or guarantee now exists, or is created after the date of the Indenture, which default: (a) is caused by a failure to pay principal of such Indebtedness prior to the expiration of the grace period provided in such Indebtedness ("payment default"); (b) or results in the acceleration of such Indebtedness prior to its maturity; and, in each case, the principal amount of any such Indebtedness, together with the principal amount of any other such Indebtedness under which there has been a payment default or the maturity of which has been so accelerated, in the aggregate exceeds the greater of (x) US$20.0 million (or the Dollar Equivalent thereof) and (y) 0.5% of the Company's Tangible Net Worth (the "cross acceleration provision");

(5) an involuntary case or other proceeding is commenced against the Company or any Significant Subsidiary with respect to it or its debts under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect seeking the appointment of a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Company or any Significant Subsidiary or for any substantial part of the property and assets of the Company or any Significant Subsidiary and such involuntary case or other proceeding remains undismissed and unstayed for a period of 60 consecutive days; or an order for relief is entered against the Company or any Significant Subsidiary under any applicable bankruptcy, insolvency or other similar law as now or hereafter in effect;

(6) the Company or any Significant Subsidiary (a) commences a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or consents to the entry of an order for relief in an involuntary case under any such law, consents to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, sequestrator or similar official of the Company or any Significant Subsidiary or for all or substantially all of the property and assets of the Company or any Significant Subsidiary or (b) effects any general assignment for the benefit of creditors, except (in each instance in sub-paragraphs (a) and (b)) in the case of a Significant Subsidiary, if all the undertaking and assets of such Significant Subsidiary are as a result transferred to or otherwise vested in the Company or another Significant Subsidiary; or

(7) failure by the Company or any Subsidiary to pay one or more final judgments from a court of competent jurisdiction aggregating in excess of the greater of (x) US$20.0 million (or the Dollar Equivalent thereof) and (y) 0.5% of the Company's Tangible Net Worth (net of any amounts that are covered by insurance policies issued by solvent carriers), which judgments are not paid, discharged or stayed for a period of 60 consecutive days (the "judgment default provision").

If an Event of Default (other than an Event of Default described in clauses (5) and (6) above with respect to the Company) occurs and is continuing, the Trustee by written notice to the Company, or the holders of at least 25% in principal amount of the outstanding Notes by written notice to the Company and the Trustee, may, and the Trustee at the request of such holders shall subject to being indemnified and/or secured and/or prefunded to its satisfaction, declare the principal of, premium, if any, and accrued and unpaid interest, if any, on all the Notes to be due and payable. Upon such a declaration, such principal, premium and accrued and unpaid interest will be due and payable immediately. In the event of a declaration of acceleration of the Notes because an Event of Default described in clause (4) under "Events of Default" has occurred and is continuing, the declaration of acceleration of the Notes shall be automatically annulled if the event of default or payment default triggering such Event of Default pursuant to clause (4) shall be remedied or cured by the Company or a Subsidiary or waived by the appropriate portion of holders of the relevant Indebtedness within 30 days after the declaration of acceleration with respect thereto and if (1) the annulment of the acceleration of the Notes would not conflict with any judgment or decree of a court of competent jurisdiction and (2) all existing Events of Default, except nonpayment of principal, premium or interest on the Notes that became due and payable solely because of the acceleration of the Notes, have been cured or waived. In the event of any

such automatic annulment, the Company shall provide written notice thereof to the Trustee with an Officer's Certificate certifying the matters addressed in (1) and (2) of the preceding sentence. The Trustee may rely upon any such notice and Officer's Certificate and may also assume, in the absence of any such notice and Officer's Certificate, that such automatic annulment has not taken place. If an Event of Default described in clauses (5) and (6) above with respect to the Company occurs and is continuing, the principal of, premium, if any, and accrued and unpaid interest on all the Notes will become and be immediately due and payable without any declaration or other act on the part of the Trustee or any holders.

The holders of a majority in principal amount of the outstanding Notes may (by written notice to the Company and the Trustee) waive all past defaults (except with respect to nonpayment of principal, premium or interest) and rescind any such acceleration with respect to the Notes and its consequences if (1) rescission would not conflict with any judgment or decree of a court of competent jurisdiction and (2) all existing Events of Default, other than the nonpayment of the principal of, premium, if any, and interest on the Notes that have become due solely by such declaration of acceleration, have been cured or waived.

Subject to the provisions of the Indenture relating to the duties of the Trustee, if an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the written request or direction of any of the holders unless such holders have offered to the Trustee security and/or indemnity and/or prefunding satisfactory to the Trustee against any cost, loss, liability or expense. Except to enforce the right to receive payment of principal, premium, if any, or interest when due, no holder may pursue any remedy with respect to the Indenture or the Notes *unless*:

(1) such holder has previously given the Trustee written notice that an Event of Default is continuing;

(2) holders of at least 25% in principal amount of the outstanding Notes have requested in writing the Trustee to pursue the remedy;

(3) such holders have offered the Trustee security and/or indemnity and/or prefunding satisfactory to the Trustee against any cost, loss, liability or expense;

(4) the Trustee has not complied with such request within 60 days after the receipt of the written request and the offer of such security and/or indemnity and/or prefunding; and

(5) the holders of a majority in principal amount of the outstanding Notes have not given the Trustee a direction that is inconsistent with such written request within such 60-day period.

Subject to certain restrictions, the holders of a majority in principal amount of the outstanding Notes are given the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. The Indenture provides that in the event an Event of Default has occurred and is continuing, the Trustee will be required in the exercise of its powers to use the degree of care that a prudent person would use in the conduct of its own affairs. The Trustee, however, may refuse to follow any direction that conflicts with law or the Indenture or that the Trustee determines is unduly prejudicial to the rights of any other holder or that would involve the Trustee in personal liability and may take any other action it deems proper that is not inconsistent with any such direction received from holders. Prior to taking any action under the Indenture, the Trustee will be entitled to indemnification and/or security and/or prefunding satisfactory to it in its sole discretion against all losses, liabilities and expenses caused by taking or not taking such action.

The Indenture provides that if a Default or an Event of Default occurs and is continuing, the Trustee must send to each holder notice of the Default or Event of Default within 90 days after it receives written notice of the occurrence of any Event of Default or Default. Except in the case of a payment default, the Trustee will not be deemed to have knowledge of any Event of Default or Default unless a responsible officer of the Trustee has received written notice of such Event of Default or Default. In addition, the Company is required to deliver to the Trustee, at the same time when the Company is obligated to deliver its financial statements for the prior year in accordance with the terms hereof (commencing from the fiscal year ending after the Issue Date), a certificate stating that a review has been conducted of the activities of the Company's performance under the Indenture and the Notes and that the Company has fulfilled all obligations thereunder, or, if there has been a default in the fulfillment of any such obligation, specifying each such default and the nature and status thereof.

AMENDMENTS AND WAIVERS

Amendments with Consent of Holders

Subject to certain exceptions, the Indenture and the Notes may be amended or supplemented by the Company and the Trustee with the consent of the holders of a majority in principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes) and, subject to certain exceptions, any past default or compliance with any provisions may be waived with the consent of the holders of a majority in principal amount of the Notes then outstanding (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes). However, without the consent of the holders of not less than 75% in principal amount of the Notes then outstanding, no amendment may, among other things:

(1) reduce the principal amount of Notes whose holders must consent to an amendment, supplement or waiver;

(2) reduce the stated rate of or extend the stated time for payment of interest on any Note;

(3) reduce the principal of or extend the Stated Maturity of any Note;

(4) reduce the amount payable upon a Change of Control Offer, change the time or manner by which a Change of Control Offer may be made or by which the Notes must be repurchased pursuant to a Change of Control Offer;

(5) change the redemption date or the redemption price of the Notes from that stated under "Redemption — Optional Redemption" or "Redemption — Optional Tax Redemption";

(6) make any Note payable in money other than that stated in the Note;

(7) impair the right of any holder to receive payment of principal of, premium, if any, and interest on such holder's Notes on or after the due dates therefor or to institute suit for the enforcement of any payment on or with respect to such holder's Notes, except as pursuant to the terms of the Indenture; or

(8) make any change in the amendment provisions which require consent from the holders of not less than 75% in principal amount of the Notes or in the waiver provisions.

Amendments without Consent of Holders

Notwithstanding the foregoing, without the consent of any holder, the Company and the Trustee may amend the Indenture and the Notes to:

(1) cure any ambiguity, omission, defect or inconsistency;

(2) comply with the provisions described under "— Consolidation, Merger and Sale of Assets";

(3) provide for the issuance of Additional Notes in accordance with the limitations set forth in the Indenture;

(4) in any other case where a supplemental indenture to the Indenture is required or permitted to be entered into pursuant to the provisions of the Indenture without the consent of any holder;

(5) effect any changes to the Indenture in a manner necessary to comply with the procedures of Euroclear or Clearstream;

(6) add or release guarantees with respect to the Notes;

(5) secure the Notes (including, among others, the entry into any security document or any intercreditor agreement to share equally or ratably any security with holders of Relevant Indebtedness or the appointment of any collateral or intercreditor agent in connection therewith) or release such security in accordance with the security documents or any intercreditor agreement, as applicable;

(6) add to the covenants of the Company for the benefit of the holders or surrender any right or power conferred upon the Company;

(7) make any change that does not materially adversely affect the rights of any holder;

(8) provide for the appointment of a successor trustee, *provided* that the successor trustee be otherwise qualified and eligible to act as such under the terms of the Indenture; or

(9) conform the text of the Indenture or the Notes to any provision of this "Description of the Notes" to the extent that the relevant provision in the Indenture or the Notes was intended to be a verbatim recitation of the relevant provision of this "Description of the Notes."

The consent of the holders is not necessary under the Indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment. A consent to any amendment or waiver under the Indenture by any holder of Notes given in connection with a tender of such holder's Notes will not be rendered invalid by such tender. After an amendment under the Indenture becomes effective, the Company is required to send to the holders a notice briefly describing such amendment. However, the failure to give such notice to all the holders, or any defect in the notice, will not impair or affect the validity of the amendment.

DEFEASANCE

The Company may at any time terminate all its obligations under the Notes and the Indenture ("legal defeasance"), except for certain obligations, including those respecting the defeasance trust and obligations to register the transfer or exchange of the Notes, to pay Additional Amounts, to replace mutilated, destroyed, lost or stolen Notes and to maintain a Registrar and Paying Agent in respect of the Notes. The Company may at any time terminate its obligations under covenants described under "— Certain Covenants" (other than "— Consolidation, Merger and Sale of Assets"), the operation of the cross acceleration provision and the judgment default provision described under "— Events of Default" above and the limitations contained in clause (3) under "— Certain Covenants — Consolidation, Merger and Sale of Assets" above ("covenant defeasance"). The Company may exercise its legal defeasance option notwithstanding its prior exercise of its covenant defeasance option. If the Company exercises its legal defeasance option, payment of the Notes may not be accelerated because of an Event of Default with respect to the

Notes. If the Company exercises its covenant defeasance option, payment of the Notes may not be accelerated because of an Event of Default specified in clauses (4) or (7) under "— Events of Default" above. In order to exercise either defeasance option, the Company must irrevocably deposit in trust (the "defeasance trust") with the Trustee cash or U.S. Government Obligations sufficient for the payment of principal, premium, if any, interest and any Additional Amounts known at such time on the Notes to redemption or maturity, as the case may be, and must comply with certain other conditions, including delivery to the Trustee of an Officers' Certificate, an Opinion of Counsel or a certificate or opinion of a firm of independent accountants of recognized standing, as the case may be, to the effect that the defeasance trust complies with the Indenture. If the legal defeasance option is exercised and complies with all necessary conditions, holders of the Notes would have to rely solely on the trust deposit for the payment of the Notes and could not look to the Company for payment in the event of any shortfall.

NO PERSONAL LIABILITY OF DIRECTORS, OFFICERS, EMPLOYEES AND STOCKHOLDERS

No director, officer, employee, incorporator or stockholder of the Company or any successor thereto, as such, shall have any liability for any obligations of the Company as applicable, under the Notes or the Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. Such waiver may not be effective to waive liabilities under the U.S. federal securities laws and it is the view of the SEC that such a waiver is against public policy.

BOOK-ENTRY, DELIVERY AND FORM

The Notes will be represented by a global note in registered form without interest coupons attached (the "Initial Global Note"). On the Issue Date, the Initial Global Note will be deposited with a common depositary and registered in the name of the common depositary or its nominee for the accounts of Euroclear and Clearstream. Any additional Notes will be represented by additional global notes in registered form without interest coupons attached (the "Additional Global Notes", together with the Initial Global Note, the "Global Notes").

GLOBAL NOTES

Ownership of beneficial interests in the Global Notes (the "book-entry interests") will be limited to persons that have accounts with Euroclear and/or Clearstream or persons that may hold interests through such participants. Book-entry interests will be shown on, and transfers thereof will be effected only through, records maintained in book-entry form by Euroclear and Clearstream and their participants.

Except as set forth below under "— Certificated Notes," the book-entry interests will not be held in definitive form. Instead, Euroclear and/or Clearstream will credit on their respective book-entry registration and transfer systems a participant's account with the interest beneficially owned by such participant. The laws of some jurisdictions may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may impair the ability to own, transfer or pledge book-entry interests.

So long as the Notes are held in global form, the common depositary for Euroclear and/or Clearstream (or its nominee) will be considered the sole holder of the Global Notes for all purposes under the Indenture and "holders" of book-entry interests will not be considered the owners or "holders" of Notes for any purpose. As such, participants must rely on the procedures of Euroclear and Clearstream and indirect participants must rely on the procedures of the participants through which they own book-entry interests in order to transfer their interests in the Notes or to exercise any rights of holders of the Notes under the Indenture.

None of the Company, the Trustee or any of their respective agents will have any responsibility or be liable for any aspect of the records relating to the book-entry interests. The Notes are not issuable in bearer form.

PAYMENTS ON THE GLOBAL NOTES

Payments of any amounts owing in respect of the Global Notes (including principal, premium, interest and Additional Amounts) will be made to the Paying Agent. The Paying Agent will, in turn, make such payments to the common depositary, which will distribute such payments to participants in accordance with their procedures. The Company will make payments of all such amounts without deduction or withholding for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature, except as may be required by law and as described under "— Payment of Additional Amounts."

Under the terms of the Indenture, the Company and the Trustee will treat the registered holder of the Global Notes (i.e., the common depositary or its nominee) as the owner thereof for the purpose of receiving payments and for all other purposes. Consequently, none of the Company, the Trustee, the Transfer Agent, the Registrar, the Paying Agent (together with the Transfer Agent and the Registrar, the "Agents") or any of their respective agents has or will have any responsibility or liability for:

- any aspect of the records of Euroclear, Clearstream or any participant or indirect participant relating to or payments made on account of a book-entry interest, for any such payments made by Euroclear, Clearstream or any participant or indirect participants, or for maintaining, supervising or reviewing any of the records of Euroclear, Clearstream or any participant or indirect participant relating to or payments made on account of a book-entry interest; or

- any action or failure to take action by Euroclear, Clearstream or any participant or indirect participant in connection with distributing the payments made by the Company on the Global Notes.

Payments by participants to owners of book-entry interests held through participants are the responsibility of such participants.

REDEMPTION OF GLOBAL NOTES

In the event any Global Note, or any portion thereof, is redeemed, the Paying Agent will distribute the amount received by it in respect of the Global Note so redeemed to Euroclear and/or Clearstream, as applicable, who will distribute such amount to the holders of the book-entry interests in such Global Note. The redemption price payable in connection with the redemption of such book-entry interests will be equal to the amount received by the common depositary, Euroclear or Clearstream, as applicable, in connection with the redemption of such Global Note (or any portion thereof). The Company understands that under existing practices of Euroclear and Clearstream, if fewer than all of the Notes are to be redeemed at any time, Euroclear and Clearstream will credit their respective participants' accounts on a proportionate basis (with adjustments to prevent fractions) or by lot or on such other basis as they deem fair and appropriate; *provided, however*, that no book-entry interest of US$200,000 principal amount, or less, as the case may be, will be redeemed in part.

ACTION BY OWNERS OF BOOK-ENTRY INTERESTS

Euroclear and Clearstream have advised that they will take any action permitted to be taken by a holder of Notes only at the direction of one or more participants to whose account the book-entry interests in a Global Note are credited and only in respect of such portion of the aggregate principal amount of Notes as to which such participant or participants has or have given such direction. Euroclear and Clearstream will not exercise any discretion in the granting of

consents, waivers or the taking of any other action in respect of any Global Note. If there is an Event of Default under the Notes, however, each of Euroclear and Clearstream reserves the right to exchange the Global Notes for certificated notes in certificated form, and to distribute such certificated notes to their participants.

TRANSFERS

Transfers between participants in Euroclear and Clearstream will be effected in accordance with Euroclear and Clearstream's rules and will be settled in immediately available funds. If a holder of the Notes requires physical delivery of individual definitive notes for any reason, including to sell the Notes to persons in jurisdictions which require physical delivery of such securities or to pledge such securities, such holder must transfer its interest in the Global Note in accordance with the normal procedures of Euroclear and Clearstream and in accordance with the provisions of the Indenture.

Book-entry interests in the Global Notes will be subject to the restrictions on transfer discussed under "Transfer Restrictions."

Any book-entry interest in a Global Note that is transferred to a person who takes delivery in the form of a book-entry interest in another Global Note will, upon transfer, cease to be a book-entry interest in the first-mentioned Global Note and become a book-entry interest in the other Global Note and, accordingly, will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to book-entry interests in such other Global Note for as long as it retains such a book-entry interest.

GLOBAL CLEARANCE AND SETTLEMENT UNDER THE BOOK-ENTRY SYSTEM

Book-entry interests owned through Euroclear or Clearstream accounts will follow the applicable settlement procedures applicable. Book-entry interests will be credited to the securities custody accounts of Euroclear and Clearstream participants on the Business Day following the settlement date against payment for value on the settlement date.

The book-entry interests will trade through participants of Euroclear or Clearstream, and will settle in same-day funds. Since the purchaser determines the place of delivery, it is important to establish at the time of trading of any book-entry interests where both the purchaser's and seller's accounts are located to ensure that settlement can be made on the desired value date.

INFORMATION CONCERNING EUROCLEAR AND CLEARSTREAM

We understand as follows with respect to Euroclear and Clearstream:

Euroclear and Clearstream hold securities for participating organizations and facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide to their participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream interface with domestic securities markets. Euroclear and Clearstream participants are financial institutions, such as underwriters, securities brokers and dealers, banks and trust companies, and certain other organizations. Indirect access to Euroclear or Clearstream is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodian relationship with a Euroclear or Clearstream participant, either directly or indirectly.

Although the foregoing sets out the procedures of Euroclear and Clearstream in order to facilitate the original issue and subsequent transfers of interests in the Notes among participants of Euroclear and Clearstream, neither Euroclear nor Clearstream is under any obligation to perform or continue to perform such procedures, and such procedures may be discontinued at any time.

None of the Company, the Trustee, the Agents or any of their respective agents will have responsibility for the performance by Euroclear or Clearstream or their respective participants of their respective obligations under the rules and procedures governing their operations, including, without limitation, rules and procedures relating to book-entry interests.

CERTIFICATED NOTES

If (1) the common depositary or any successor to the common depositary is at any time unwilling or unable to continue as a depositary for the reasons described in the Indenture and a successor depositary is not appointed by the Company within 90 days, (2) either Euroclear or Clearstream, or a successor clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention to permanently cease business or does in fact do so, or (3) any of the Notes has become immediately due and payable in accordance with "— Events of Default" and the Company has received a written request from a holder of the Notes, the Company will issue certificated notes in registered form in exchange for the Global Notes. Upon receipt of such notice from the common depositary, Euroclear, Clearstream or the Trustee, as the case may be, the Company will use its best efforts to make arrangements with the common depositary for the exchange of interests in the Global Notes for certificated notes and cause the requested certificated notes to be executed and delivered to the registrar in sufficient quantities and authenticated by the Trustee for delivery to holders of the Notes. Persons exchanging interests in a Global Note for certificated notes will be required to provide the Registrar, through the relevant clearing system, with written instruction and other information required by the Company and the registrar to complete, execute and deliver such certificated notes. In all cases, certificated notes delivered in exchange for any Global Note or beneficial interests therein will be registered in the names, and issued in any approved denominations, requested by the relevant clearing system.

Certificated notes will not be eligible for clearing and settlement through Euroclear or Clearstream.

NOTICES

All notices or demands required or permitted by the terms of the Notes or the Indenture to be given to or by the holders of the Notes are required to be in writing and may be given or served by being sent by prepaid courier or by being deposited, first-class postage prepaid, in the mails of the relevant jurisdiction (if intended for the Company) addressed to the principal office of the Company, (if intended for the Trustee) at the corporate trust office of the Trustee; and (if intended for any holder of the Notes) addressed to such holder at such holder's last address as it appears in the Note register.

Any such notice or demand will be deemed to have been sufficiently given or served when so sent or deposited and, if to the holders of the Notes, when delivered in accordance with the applicable rules and procedures of Euroclear or Clearstream, as the case maybe. Any such notice shall be deemed to have been delivered on the day such notice is delivered to Euroclear or Clearstream, as the case maybe, or if by mail, when so sent or deposited.

GOVERNING LAW AND CONSENT TO JURISDICTION

The Notes and the Indenture are governed by and will be construed in accordance with the laws of the State of New York.

The Company will irrevocably submit to the nonexclusive jurisdiction of any state or United States federal court located in the Borough of Manhattan, The City of New York, New York (each a "New York Court") in any suit, action or proceeding arising out of or relating to the Indenture and the Notes or any transaction contemplated thereby, and will irrevocably waive, to the fullest

extent permitted by applicable law, any objection to the venue of any such suit, action or proceeding in any such New York Court and any claim of an inconvenient forum. The Company has appointed COGENCY GLOBAL INC. located at 10E. 40th Street, 10th Floor, New York, New York 10016 as authorized agent upon whom process may be served in respect of any such suit, action or proceeding.

CERTAIN DEFINITIONS

Set forth below are defined terms used in the covenants and other provisions of the Indenture. Reference is made to the Indenture for other capitalized terms used in this "Description of the Notes" for which no definition is provided.

"Affiliate" means, with respect to any Person, any other Person (1) directly or indirectly controlling, controlled by, or under direct or indirect common control with, such Person; (2) who is a director or officer of such Person or any Subsidiary of such Person or of any Person referred to in clause (1) of this definition; or (3) who is a spouse or any person cohabiting as a spouse, child or step-child, parent or step-parent, brother, sister, step-brother or step-sister, parent-in-law, grandchild, grandparent, uncle, aunt, nephew and niece of a Person described in clause (1) or (2). For purposes of this definition, "control" (including, with correlative meanings, the terms "controlling," "controlled by" and "under common control with"), as applied to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Board of Directors" means the board of directors elected or appointed by the stockholders of the Company to manage the business of the Company or any committee of such board duly authorized to take the action purported to be taken by such committee.

"Business Day" means any day which is not a Saturday, Sunday, legal holiday or other day on which banking institutions in The City of New York or in London or in Hong Kong (or in any other place in which payments on the Notes are to be made) are authorized by law or governmental regulation to close.

"Capital Stock" of any Person means any and all shares, interests, rights to purchase, warrants, options, participation or other equivalents of or interests in (however designated) equity of such Person, including any Preferred Stock, but excluding any debt securities convertible into such equity.

"Change of Control" means the occurrence of one or more of the following events:

(1) the merger, amalgamation or consolidation of the Company with or into another Person or the merger, amalgamation or consolidation of another Person with or into the Company, or the sale of all or substantially all the assets of the Company to another Person;

(2) the Permitted Holders are the beneficial owners of less than 35.0% of the total voting power of the Voting Stock of the Company; or

(3) Yajun Wu (through the Wu Family Trust or otherwise) ceasing to be the single largest holder of the Voting Stock of the Company

"Change of Control Triggering Event" means a Change of Control, *provided* that, in the event that the Notes are, on the Rating Date, rated by at least one Rating Agency, a Change of Control

Triggering Event shall mean the occurrence of both a Change of Control and a Rating Decline. No Change of Control Triggering Event will be deemed to have occurred in connection with any particular Change of Control unless and until such Change of Control has actually been consummated.

"Clearstream" means Clearstream Banking S.A.

"Common Stock" means with respect to any Person, any and all shares, interests or other participations in, and other equivalents (however designated and whether voting or nonvoting) of such Person's common stock whether or not outstanding on the Issue Date, and includes, without limitation, all series and classes of such common stock.

"Comparable Treasury Issue" means the U.S. Treasury security having a maturity comparable to the remaining term of the Notes to be redeemed that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such Notes.

"Comparable Treasury Price" means, with respect to any redemption date, if clause (ii) of the Treasury Rate is applicable, (a) the average of the Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest of such Reference Treasury Dealer Quotations, or (b) if fewer than three such Reference Treasury Dealer Quotations are available, the average of all such quotations.

"Default" means any event which is, or after notice or passage of time or both would be, an Event of Default.

"Dollar Equivalent" means, with respect to any monetary amount in a currency other than US dollars, at any time for the determination thereof, the amount of US dollars obtained by converting such foreign currency involved in such computation into US dollars at the base rate for the purchase of US dollars with the applicable foreign currency as quoted by the Federal Reserve Bank of New York on the date of determination.

"Euroclear" means Euroclear Bank SA/NV.

"Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended.

"Fitch" means Fitch Inc., a subsidiary of Fimalac, S.A., and its successors.

"GAAP" means generally accepted accounting principles in Hong Kong as in effect from time to time.

"holder" means a Person in whose name a Note is registered on the Registrar's books.

"Indebtedness" means, with respect to any Person on any date of determination (without duplication), any outstanding indebtedness for or in respect of money borrowed (including bonds, debentures, notes or other similar instruments, whether or not listed); *provided* that Indebtedness shall not include any Indebtedness denominated in Renminbi that has a final maturity of less than one year from its date of incurrence or issuance.

"Investment Grade" means a rating of "AAA," "AA," "A" or "BBB," as modified by a "+" or "-" indication, or an equivalent rating representing one of the four highest rating categories, by S&P or any of its successors or assigns, or a rating of "Aaa," or "Aa," "A" or "Baa," as modified by a "1," "2" or "3" indication, or an equivalent rating representing one of the four highest rating categories, by Moody's or any of its successors or assigns, or a rating of "AAA," "AA," "A," "BBB," as modified by a "+" or "-" indication, or an equivalent rating representing one of the

four highest rating categories, by Fitch or any of its successors or assigns, or the equivalent ratings of any internationally recognized rating agency or agencies, as the case may be, which shall have been designated by the Company as having been substituted for S&P, Moody's or Fitch or two or three of them, as the case may be.

"Issue Date" means July 13, 2017.

"Make Whole Price" means, with respect to a Note at any redemption date, the sum of (i) the present value of the principal amount of such Note, assuming a scheduled repayment thereof on the maturity date, plus (ii) the present value of the remaining scheduled payments of interest to and including the maturity date, in each case discounted to the redemption date at the Treasury Rate plus 50 basis points.

"Moody's" means Moody's Investors Service, Inc. and its successors.

"NDRC" means the National Development and Reform Commission of the PRC.

"NDRC Notice" means the Notice on the Administrative Reform for the Registration of Offshore Debt Issuances (國家發展改革委關於推進企業發行外債備案登記制管理改革的通知) issued by the NDRC on September 14, 2015, as amended or supplemented from time to time.

"Officer" means the Chairman of the Board, the Chief Executive Officer, the Chief Financial Officer or the Secretary of the Company.

"Officers' Certificate" means a certificate signed by two Officers of the Company.

"Opinion of Counsel" means a written opinion from legal counsel in form and substance reasonably acceptable to the Trustee.

"Permitted Holders" means any or all of the following:

(1) Yajun Wu, the Wu Family Trust, the Cai Family Trust or other legal representative or estate of Yajun Wu;

(2) any Affiliate (other than an Affiliate as defined in clause (2) or (3) of the definition of Affiliate) of the Persons specified in clause (1); and

(3) any Person both the Capital Stock and the Voting Stock of which (or in the case of a trust, the beneficial interests in which) are owned 80% or more by one or more Persons specified in clauses (1) and (2).

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company, government or any agency or political subdivision thereof or any other entity.

"PRC" means the People's Republic of China, excluding Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan.

"PRC CJV" means any future Subsidiary that is a Sino-foreign cooperative joint venture enterprise with limited liability, established in the PRC pursuant to the Law of the People's Republic of China on Sino-foreign Cooperative Joint Ventures adopted on April 13, 1988 (as most recently amended on October 31, 2000) and the Detailed Rules for the Implementation of the Law of the People's Republic of China on Sino-foreign Cooperative Joint Ventures promulgated on September 4, 1995, as such laws and regulations may be amended from time to time.

"Preferred Stock," as applied to the Capital Stock of any corporation, means Capital Stock of any class or classes (however designated) which is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such corporation, over shares of Capital Stock of any other class of such corporation.

"Rating Agencies" means (1) S&P, (2) Moody's and (3) Fitch; *provided* that if S&P, Moody's, Fitch, two of any of the three or all three of them shall not make a rating of the Notes publicly available, one or more nationally recognized statistical rating organizations (as defined in Section 3(a)(62) of the Exchange Act), as the case may be, selected by the Company, which shall be substituted for S&P, Moody's, Fitch, two of any of the three or all three of them, as the case may be.

"Rating Date" means, in connection with a Change of Control Triggering Event, that date which is 90 days prior to the earlier of (i) a Change of Control and (ii) a public notice of the occurrence of a Change of Control or of the intention by the Company or any other Person or Persons to effect a Change of Control.

"Rating Decline" means the occurrence on, or within six months after, the date, or public notice of the occurrence of, a Change of Control or the intention by the Company or any other person or persons to effect a Change of Control (which period shall be extended (by no more than an additional three months after the consummation of the Change of Control) so long as the rating of the Notes is under publicly announced consideration for possible downgrade by any of the Rating Agencies) of any of the events listed below:

(i) in the event the Notes (a) are on the Rating Date rated by all three Ratings Agencies and (b) are not or cease to be rated Investment Grade by at least two of such Rating Agencies;

(ii) in the event the Notes (a) are on the Rating Date rated by two but not more Ratings Agencies and (b) are not or cease to be rated Investment Grade by both such Rating Agencies;

(iii) in the event the Notes are rated by one, and only one, of the three Rating Agencies on the Rating Date as Investment Grade, the rating of the Notes by such Rating Agency shall be below Investment Grade; or

(iv) in the event the Notes are rated by three or less than the three Rating Agencies and are rated below Investment Grade by all such Rating Agencies on the Rating Date, the rating of the Notes by any Rating Agency shall be decreased by one or more gradations (including gradations within Rating Categories as well as between Rating Categories).

"Reference Treasury Dealer" means each of any three investment banks of recognized standing that is a primary U.S. Government securities dealer in The City of New York, selected by the Company in good faith.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any redemption date, the average as determined by the Company, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Company by such Reference Treasury Dealer at 5:00 p.m. on the third Business Day preceding such redemption date.

"Relevant Indebtedness" means any indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market, issued outside of the PRC with a tenor of not less than a year (excluding for the avoidance of doubt any syndicated or bilateral loans).

"S&P" means Standard & Poor's Ratings Services and its successors.

"SEC" means the United States Securities and Exchange Commission. "Securities Act" means the U.S. Securities Act of 1933, as amended.

"Significant Subsidiary" means any Subsidiary that would be a "significant subsidiary" of the Company using the conditions specified in the definition of significant subsidiary in Article 1, Rule 1-02(w) of Regulation S-X, promulgated pursuant to the Securities Act, as such Regulation is in effect on the date of the Indenture; *provided* that in each instance in such definition in which the term "10 percent" is used, the term "5 percent" shall be substituted therefor.

"Stated Maturity" means, with respect to any security, the date specified in such security as the fixed date on which the payment of principal of such security is due and payable, including pursuant to any mandatory redemption provision, but shall not include any contingent obligations to repay, redeem or repurchase any such principal prior to the date originally scheduled for the payment thereof.

"Subsidiary" of any Person means any corporation, association or other business entity (i) of which more than 50% of the voting power of the outstanding Voting Stock is owned, directly or indirectly, by such Person and one or more other Subsidiaries of such Person or (ii) of which 50% or less of the voting power of the outstanding Voting Stock is owned, directly or indirectly, by such Person and one or more other Subsidiaries of such Person and in each case which is "controlled" and consolidated by such Person in accordance with GAAP.

"Tangible Net Worth" means, at any time, the aggregate of the amounts paid up or credited as paid up on the issued share capital of the Company (other than any redeemable shares) at that time and the aggregate amount of the reserves of the Company on a consolidated basis at that time including: (a) any amount credited to the share premium account; (b) any capital redemption reserve fund; (c) any balance standing to the credit of the consolidated profit and loss account of the Company and (d) any statutory reserves, but deducting (1) any debit balance on the consolidated statement of comprehensive income of the Company, (2) (to the extent included) any amount shown in respect of goodwill (including goodwill arising only on consolidation) or other intangible assets of the Company, (3) (to the extent included) any amount set aside for taxation, deferred taxation or bad debts, (4) (to the extent included) any declared dividend and other distributions to the Company's shareholders to the extent that such dividend or other distribution is not provided for in the most recent financial statements of the Company, and (5) (to the extent included) minority interests, and so that no amount shall be included or excluded more than once.

"Treasury Rate" means, with respect to any redemption date, (i) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated "H.15(519)" or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under "Treasury Constant Maturities", for the maturity corresponding to the remaining term of the Notes ("Remaining Maturity") (if no maturity is within three (3) months before or after the Remaining Maturity, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue shall be determined and the Treasury Rate shall be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month) or (ii) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per annum equal to the semi-annual equivalent yield in maturity of the Comparable Treasury Issue, assuming a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

"U.S. Government Obligations" means securities that are (a) direct obligations of the United States of America for the timely payment of which its full faith and credit is pledged or (b)

obligations of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the timely payment of which is unconditionally guaranteed as a full faith and credit obligation of the United States of America, which, in either case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depositary receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act), as custodian with respect to any such U.S. Government Obligations or a specific payment of principal of or interest on any such U.S. Government Obligations held by such custodian for the account of the holder of such depositary receipt; *provided* that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depositary receipt from any amount received by the custodian in respect of the U.S. Government Obligations or the specific payment of principal of or interest on the U.S. Government Obligations evidenced by such depositary receipt.

"Voting Stock" of a corporation means all classes of Capital Stock of such corporation then outstanding and normally entitled to vote in the election of directors.

"Wholly Owned Subsidiary" means, with respect to a Subsidiary of any Person, a Subsidiary, all the Capital Stock of which (other than directors' qualifying shares) is owned by such Person or one or more Wholly Owned Subsidiaries of such Person; *provided* that Subsidiaries that are PRC CJVs shall not be considered Wholly Owned Subsidiaries unless such Person or one or more Wholly Owned Subsidiaries of such Person are entitled to 95% or more of the economic benefits distributable by such Subsidiary.

TAXATION

The following summary of certain Cayman Islands and PRC tax consequences of the purchase, ownership and disposition of Notes is based upon applicable laws, regulations, rulings and decisions as of the date of this offering memorandum, all of which are subject to change (possibly with retroactive effect). This discussion does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and does not purport to deal with consequences applicable to all categories of investors, some of which may be subject to special rules. Persons considering the purchase of Notes should consult their own tax advisors concerning the tax consequences of the purchase, ownership and disposition of Notes, including such possible consequences under the laws of their country of citizenship, residence or domicile.

Cayman Islands Taxation

The following is a discussion of certain Cayman Islands income tax consequences of an investment in the Notes. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

Under the laws of the Cayman Islands, payments of interest and principal on the Notes will not be subject to taxation and no withholding will be required on the payment of interest and principal or premium to any holder of the Notes, as the case may be, nor will gains derived from the disposal of the Notes be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax. The Cayman Islands are not party to any double taxation treaties.

No stamp duty is payable in respect of the Notes provided that they are issued, executed and remain outside the Cayman Islands.

We have been incorporated under the laws of the Cayman Islands as an exempted company with limited liability and, as such, has obtained an undertaking from the Governor in Cabinet of the Cayman Islands as to tax concessions under the Tax Concessions Law (1999 Revision). In accordance with the provision of section 6 of The Tax Concessions Law (1999 Revision), the Governor in Cabinet undertakes with our Company that (i) no law which is hereafter enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to us or our operations; and (ii) no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable, on or in respect of the shares, debentures or other obligations of our Company, or by way of the withholding, in whole or part, of any relevant payment as defined in Section 6(3) of the Tax Concessions Law (1999 Revision). These concessions shall be for a period of 20 years from January 8, 2008.

PRC Taxation

The following summary of certain PRC tax consequences of the purchase, ownership and disposition of Notes is based upon applicable laws, rules and regulations in effect as of the date of this offering memorandum, all of which are subject to change (possibly with retroactive effect). This discussion does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase, own or dispose of the Notes and does not purport to deal with consequences applicable to all categories of investors, some of which may be subject to special rules. Persons considering the purchase of Notes should consult their own tax advisors concerning the tax consequences of the purchase, ownership and disposition of Notes, including such possible consequences under the laws of their country of citizenship, residence or domicile.

Taxation on Interest and Capital Gains

Under the EIT Law and the related regulations, if we are treated as a PRC "resident enterprise," PRC income tax at a rate of 10% (or a lower treaty rate, if any) may be required to be withheld from interest payments to investors that are "non-PRC resident enterprises" and that do not have an establishment or place of business in the PRC, or that have such establishment or place of business but the relevant interest income is not effectively connected with the establishment or place of business (or 20% in the case of payments to non-PRC resident individual investors), if such interest is treated as derived from sources within the PRC. In addition, any gain realized on the transfer of the Notes by non-PRC resident investors would be subject to PRC income tax at the rate of 10% (or 20% in the case of a non-PRC resident individual investor) or a lower treaty rate, if any, if we are treated as a "resident enterprise" and such gain is regarded as income derived from sources within the PRC. We have been advised by Commerce & Finance Law Officers, our PRC legal counsel, that there is uncertainty as to whether we will be treated as a PRC "resident enterprise" for the purpose of the EIT Law. If we are treated as a PRC "resident enterprise," the interest we pay in respect of the Notes, and the gain any investor may realize from the transfer of the Notes, may be treated as income derived from sources within the PRC and be subject to PRC withholding tax on interest payments and PRC tax on gains described above, which may materially and adversely affect the value of investment in the Notes. See "Risk Factors—Risk Relating to Our Business—We may be deemed a PRC resident enterprise under the EIT Law, in which case we would be subject to PRC taxation on our worldwide income and may be obligated to withhold PRC income tax on payment of interest on the Notes, and gain from the transfer of Notes may be subject to PRC tax."

Stamp Duty

No PRC stamp tax will be chargeable upon the issue or transfer (for so long as the register of holders of the Notes is maintained outside the PRC) of a Note.

PLAN OF DISTRIBUTION

Under the terms and subject to the conditions contained in a purchase agreement dated July 6, 2017 (the "Purchase Agreement"), Goldman Sachs (Asia) L.L.C., Haitong International Securities Company Limited, Morgan Stanley & Co. International plc, Bank of China (Hong Kong) Limited and The Hongkong and Shanghai Banking Corporation Limited (together the "Initial Purchasers"), have agreed to purchase from us, and we have agreed to sell to the Initial Purchasers, the following aggregate principal amount of the Notes.

Name	Principal Amount
Goldman Sachs (Asia) L.L.C.	US$137,500,000
Haitong International Securities Company Limited	US$137,500,000
Morgan Stanley & Co. International plc	US$137,500,000
Bank of China (Hong Kong) Limited	US$ 18,750,000
The Hongkong and Shanghai Banking Corporation Limited	US$ 18,750,000
TOTAL	US$450,000,000

The Purchase Agreement provides that the obligation of the Initial Purchasers to pay for and accept delivery of the Notes is several and is subject to the approval of certain legal matters by their counsel and certain other conditions. The Initial Purchasers are committed to take and pay for all of the Notes if any are taken. After the initial offering, the offering price and other selling terms may be varied from time to time by the Initial Purchasers. Certain "connected persons" of the Company, as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), may purchase the Notes from time to time for their own proprietary purposes. As the Notes are not secured by any asset of the Group and are purchased on normal commercial terms, the purchases constitute fully exempt connected transactions by virtue of Rule 14A.90 of the Listing Rules. We may use the proceeds from this offering to refinance loans that were extended to us from an Initial Purchaser or an affiliate thereof.

We have agreed to indemnify the Initial Purchasers against certain liabilities, including liabilities under the Securities Act, and to contribute to payments which the Initial Purchasers may be required to make in respect thereof.

The Notes are a new issue of securities with no established trading market. Approval in-principle has been received for the listing of the Notes on the SGX-ST.

We have been advised by the Initial Purchasers that, in connection with the offering of the Notes, Morgan Stanley & Co. International plc, as stabilization agent may, on behalf of the Initial Purchasers, engage in transactions that stabilize, maintain or otherwise affect the price of the Notes. Specifically, the Initial Purchasers may over-allot the offering, creating a syndicate short position. In addition, the Initial Purchasers may bid for, and purchase, the Notes in the open market to cover syndicate shorts or to stabilize the price of the Notes. Any of these activities may stabilize or maintain the market price of the Notes above independent market levels. The Initial Purchasers are not required to engage in these activities, and may end any of these activities at any time. No assurance can be given as to the liquidity of, or the trading market for, the Notes. These transactions may be effected in the over-the-counter market or otherwise.

The Notes have not been and will not be registered under the Securities Act and may not be offered, sold or delivered within the United States. The Notes will be offered and sold outside the United States in offshore transactions in reliance on Regulation S under the Securities Act.

Until 40 days after the commencement of this offering, an offer or sales of the Notes within the United States by a dealer (whether or not participating in this offering) may violate the registration requirement of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from registration under the U.S. Securities Act.

We expect that delivery of the Notes will be made against payment therefor on or about the closing date specified on the cover page of this offering memorandum, which will be on or about the fifth business day following the pricing date of the Notes (this settlement cycle being referred to as "T+5"). Under Rule 15c6-l of the Exchange Act, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes on the date of pricing will be required, by virtue of the fact that the Notes initially will settle in T+5, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to trade the Notes on the date of pricing or succeeding business days should consult their own legal advisor.

In connection with the offering of the Notes, each Initial Purchaser and/or its affiliate(s) may act as an investor for its own account and may take up Notes in the offering and in that capacity may retain, purchase or sell for its own account such securities and any securities of the Issuer or related investments and may offer or sell such securities or other investments otherwise than in connection with the offering. Accordingly, references herein to the Notes being offered should be read as including any offering of the Notes to the Initial Purchasers and/or their affiliates acting in such capacity. Such persons do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

United Kingdom

Each Initial Purchaser has severally represented and agreed that it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "FSMA")) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Company and the Subsidiary Guarantors; and it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes and the Subsidiary Guarantees in, from or otherwise involving the United Kingdom.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the EU Prospectus Directive (each, a "Relevant Member State"), the Notes with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "Relevant Implementation Date") have not been made and will not be offered to the public in that Relevant Member State other than:

(a) to any legal entity which is a qualified investor as defined in the EU Prospectus Directive;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the EU Prospectus Directive), subject to obtaining the prior consent of the relevant Initial Purchaser or Initial Purchasers nominated by the Company for any such offer; or

(c) Other exempt offers: in any other circumstances falling within Article 3(2) of the EU Prospectus Directive,

provided that no such offer of Notes shall require the Company or any Initial Purchaser to publish a prospectus pursuant to Article 3 of the EU Prospectus Directive.

For the purpose of this provision, the expression an "offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes. as the same may be varied in that Relevant Member State by any measure implementing the EU Prospectus Directive in that Relevant Member State, the expression "EU Prospectus Directive" means Directive 2003/71/ECand amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

Singapore

The Initial Purchasers have acknowledged that this offering memorandum has not been and will not be registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act (Chapter 289 of Singapore) (the "SFA"). Accordingly, each of the Initial Purchasers represented that this offering memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor pursuant to Section 274 of the SFA; (ii) to a relevant person pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased in reliance of an exemption under Sections 274 or 275 of the SFA, the Notes shall not be sold within the period of six months from the date of the initial acquisition of the Notes, except to any of the following persons:

(a) an institutional investor (as defined in Section 4A of the SFA);

(b) a relevant person (as defined in Section 275(2) of the SFA); or

(c) any person pursuant to an offer referred to in Section 275(1A) of the SFA,

unless expressly specified otherwise in Section 276(7) of the SFA or Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore (the "SFR").

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor (under Section 274 of the SFA), or to a relevant person (as defined in Section 275(2) of the SFA) and in accordance with the conditions specified in Section 275 of the SFA;

(ii) (in the case of such corporation) where the transfer arises from an offer referred to in Section 276(3)(i)(B) of the SFA or (in the case of such trust) where the transfer arises from an offer referred to in Section 276(4)(i)(B) of the SFA;

(iii) where no consideration is or will be given for the transfer;

(iv) where the transfer is by operation of law;

(v) as specified in Section 276(7) of the SFA; or

(vi) as specified in Regulation 32 of the SFR.

Hong Kong

Each of the Initial Purchasers has represented and agreed that (1) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") and any rules made thereunder; or (ii) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding-Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and (2) it has not issued or had in its possession for the purposes of issue and will not issue or have in its possession for the purposes of issue any advertisement, invitation or document relating to the Notes, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made thereunder.

Japan

Each of the Initial Purchasers has represented, warranted and undertaken that the Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the "Financial Instruments and Exchange Law") and that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and other applicable laws and regulations of Japan.

Italy

Each of the Initial Purchasers has represented and agreed that: (i) it shall not make any solicitation in connection with any offering of Notes in Italy; (ii) no copies of this offering memorandum or any other documents relating to the Notes will be distributed in Italy; and (iii) no Notes may be offered, sold or delivered in Italy.

Cayman Islands

Each of the Initial Purchasers has represented and agreed that it has not offered or sold, and will not offer or sell, any Notes in the Cayman Islands.

PRC

Each Initial Purchaser has represented, warranted and agreed that the Notes have not been offered or sold and may not be offered or sold, directly or indirectly, in the PRC (for such purposes, not including Hong Kong and Macau Special Administrative Regions of China or Taiwan) except as permitted by the securities laws of the PRC.

Taiwan

Each Initial Purchaser has represented, warranted and agreed that it has not offered, sold or delivered, and will not offer, sell or deliver, at any time, directly or indirectly, any Notes acquired by it as part of the offering in Taiwan or to, or for the account or benefit of, any resident of Taiwan.

General

No action is being taken or is contemplated by us that would permit a public offering of the Notes or possession or distribution of any preliminary offering memorandum or offering memorandum or any amendment thereof, any supplement thereto or any other offering material relating to the Notes in any jurisdiction where, or in any other circumstance in which, action for those purposes is required.

We have been advised that the Initial Purchasers presently intend to make a market in the Notes, as permitted by applicable laws and regulations. The Initial Purchasers are not obligated, however, to make a market in the Notes, and any such market making may be discontinued at any time without prior notice at the sole discretion of the Initial Purchasers. Accordingly, no assurance can be given as to the liquidity of, or trading markets for, the Notes.

The Initial Purchasers and its affiliates have in the past engaged, and may in the future engage, in transactions with and perform services, including financial advisory and investment banking services, for us and our affiliates in the ordinary course of business. We may enter into hedging or other derivative transactions as part of our risk management strategy with one or more of the Initial Purchasers, which may include transactions relating to our obligations under the Notes. Our obligations under these transactions may be secured by cash or other collateral.

TRANSFER RESTRICTIONS

Because of the following restrictions, we encourage you to consult legal counsel prior to making any offer, resale, pledge or other transfer of Notes.

The Notes are subject to restrictions on transfer as summarized below. By purchasing Notes, you will be deemed to have made the following acknowledgements, representations to, and agreements with, us and the Initial Purchasers:

1. You understand and acknowledge that:

   - the Notes have not been registered under the Securities Act or any other applicable securities laws;

   - the Notes are being offered for resale in transactions that do not require registration under the Securities Act or any other securities laws;

   - the Notes are being offered and sold only outside of the United States, to certain persons, other than U.S. persons, in offshore transactions in reliance on Rule 903 of Regulation S under the Securities Act; and

   - unless so registered, the Notes may not be sold or otherwise transferred except under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act or any other applicable securities laws, and in each case in compliance with the conditions for transfer set forth in paragraph 4 below.

2. You represent that you are not an affiliate (as defined in Rule 144 under the Securities Act) of ours, that you are not acting on our behalf and that you are not a U.S. person (as defined in Regulation S under the Securities Act) or purchasing for the account or benefit of a U.S. person, other than a distributor, and you are purchasing Notes (including the Subsidiary Guarantees) in an offshore transaction in accordance with Regulation S.

3. You acknowledge that neither we nor the Initial Purchasers nor any person representing us or the Initial Purchasers have made any representation to you with respect to us or the offering of the Notes, other than the information contained in this offering memorandum. You represent that you are relying only on this offering memorandum in making your investment decision with respect to the Notes. You agree that you have had access to such financial and other information concerning us and the Notes as you have deemed necessary in connection with your decision to purchase the Notes including an opportunity to ask questions of and request information from us.

4. You represent that you are purchasing the Notes for your own account, or for one or more investor accounts for which you are acting as a fiduciary or agent, in each case not with a view to, or for offer or sale in connection with, any distribution of the Notes in violation of the Securities Act. You agree on your own behalf and on behalf of any investor account for which you are purchasing the Notes, and each subsequent holder of the Notes by its acceptance of the Notes will agree, that until the end of the Resale Restriction Period (as defined below), the Notes may be offered, sold or otherwise transferred only:

   (a) to us;

   (b) under a registration statement that has been declared effective under the Securities Act;

(c) outside the United States in compliance with Rule 903 or 904 under the Securities Act; or

(d) under any other available exemption from the registration requirements of the Securities Act,

subject in each of the above cases to any requirement of law that the disposition of the seller's property or the property of an investor account or accounts be at all times within the seller or account's control and in compliance with applicable state and other securities laws.

5. You also acknowledge that:

- the above restrictions on resale will apply from the closing date until the date that is 40 days after the later of the closing date and the last date that we or any of our affiliates was the owner of the Notes or any predecessor of the Notes (the "Resale Restriction Period"), and will not apply after the applicable Resale Restriction Period ends;

- we and the trustee reserve the right to require in connection with any offer, sale or other transfer of Notes under clause (d) above the delivery of an opinion of counsel, certifications and/or other information satisfactory to us and the trustee; and

- each Note will contain a legend substantially to the following effect:

"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, SUCH REGISTRATION.

THE HOLDER OF THIS SECURITY, BY ITS ACCEPTANCE HEREOF, AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR ACCOUNT FOR WHICH IT HAS PURCHASED SECURITIES, TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") THAT IS 40 DAYS AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH LONGFOR PROPERTIES CO. LTD. (THE "COMPANY") OR ANY AFFILIATE OF THE COMPANY WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF SUCH SECURITY), ONLY (A) TO THE COMPANY, (B) PURSUANT TO A REGISTRATION STATEMENT THAT HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C)PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT, OR (D) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT TO THE COMPANY'S AND THE TRUSTEE'S RIGHT PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER PURSUANT TO CLAUSE (D) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE. BY ITS ACQUISITION HEREOF, THE HOLDER HEREOF

REPRESENTS THAT IT IS NOT A U.S. PERSON NOR IS IT PURCHASING FOR THE ACCOUNT OF A U.S. PERSON AND IS ACQUIRING THIS SECURITY IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT."

6. You acknowledge that we, the Initial Purchasers and others will rely upon the truth and accuracy of the above acknowledgments, representations and agreements. You agree that if any of the acknowledgments, representations or agreements you are deemed to have made by your purchase of Notes is no longer accurate, you will promptly notify us and the Initial Purchasers. If you are purchasing any Notes as a fiduciary or agent for one or more investor accounts, you represent that you have sole investment discretion with respect to each of those accounts and that you have full power to make the above acknowledgments, representations and agreements on behalf of each account.

RATINGS

The Notes have been provisionally rated "BBB-" by Fitch. The ratings reflect the rating agencies' assessment of the likelihood of timely payment of the principal of and interest on the Notes. The ratings do not address the payment of any Additional Amounts and do not constitute recommendations to purchase, hold or sell the Notes inasmuch as such ratings do not comment as to market price or suitability for a particular investor. Each such rating should be evaluated independently of any other rating on the Notes, on other securities of ours, or on us. Additionally, we have been assigned a corporate credit rating of "BBB-" with a stable outlook by Standard & Poor's, a corporate credit rating of "Baa3" with a stable outlook by Moody's and a corporate credit rating of "BBB-" with a stable outlook by Fitch. We cannot assure you that the ratings will remain in effect for any given period or that the ratings will not be revised by such rating agencies in the future if in their judgment circumstances so warrant.

LEGAL MATTERS

Certain legal matters with respect to the Notes will be passed upon for us by Davis Polk & Wardwell as to matters of United States federal and New York law, Commerce & Finance Law Offices as to matters of PRC law and Conyers Dill & Pearman as to matters of Cayman Islands law. Certain legal matters will be passed upon for the Initial Purchasers by Sidley Austin as to matters of United States federal and New York law and Jingtian & Gongcheng as to matters of PRC law.

INDEPENDENT ACCOUNTANTS

Our consolidated financial statements as of and for each of the years ended December 31, 2014, 2015 and 2016 included (or incorporated by reference) in this offering memorandum have been audited by Deloitte Touche Tohmatsu, Certified Public Accountants, as stated in their reports appearing herein.

GENERAL INFORMATION

Consents

We have obtained all necessary consents, approvals and authorizations in the Cayman Islands in connection with the issue and performance of the Notes. The entering into of the Indenture and the issue of the Notes have been authorized by a resolution of our board of directors dated July 5, 2017.

Litigation

Except as disclosed in this offering circular, there are no legal or arbitration proceedings against or affecting us, any of our subsidiaries or any of our assets, nor are we aware of any pending or threatened proceedings, which are or might be material in the context of this issue of the Notes.

No Material Adverse Change

There has been no adverse change, or any development reasonably likely to involve an adverse change, in the condition (financial or otherwise) of our general affairs since December 31, 2016 that is material in the context of the issue of the Notes.

Documents Available

For so long as any of the Notes are outstanding, copies of the Indenture may be inspected free of charge during normal business hours on any weekday (except public holidays) at the corporate trust offices of the Trustee.

For so long as any of the Notes are outstanding, copies of our audited financial statements for the past two fiscal years, if any, may be obtained during normal business hours on any weekday (except public holidays) at the corporate trust offices of the Trustee.

Clearing Systems and Settlement

The Notes have been accepted for clearance through the facilities of Euroclear and Clearstream. Certain trading information with respect to the Notes is set forth below:

ISIN	Common Code
XS1633950453	163395045

Only Notes evidenced by a Global Note have been accepted for clearance through Euroclear and Clearstream.

LISTING OF THE NOTES

Approval in-principle has been received from the Singapore Exchange Securities Trading Limited (the "SGX- ST") for the listing and quotation of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained herein. Approval in-principle from, admission to the Official List of, and the listing and quotation of the Notes on, the SGX-ST are not to be taken as an indication of the merits of the Company or the Notes. For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Notes will be traded in a minimum board lot size of US$200,000 (or its equivalent in foreign currencies). Accordingly, the Notes will be traded in a minimum board lot size of US$200,000.

For so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require, the Company will appoint and maintain a paying agent in Singapore, where the Notes may be presented or surrendered for payment or redemption, in the event that a Global Note is exchanged for definitive Notes. In addition, in the event that a Global Note is exchanged for definitive Notes, an announcement of such exchange will be made by or on behalf of us through the SGX-ST and such announcement will include all material information with respect to the delivery of the definitive Notes, including details of the paying agent in Singapore, so long as the Notes are listed on the SGX-ST and the rules of the SGX-ST so require.

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Deloitte.
德勤

致龍湖地產有限公司全體股東

(於開曼群島註冊成立的有限公司)

吾等已審核第93至279頁所載龍湖地產有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，包括於二零一五年十二月三十一日的綜合財務狀況報表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及重大會計政策概要及其他說明資料。

董事就綜合財務報表須承擔的責任

貴公司董事負責根據國際財務報告準則及香港公司條例的披露規定編製真實公平呈報的綜合財務報表，並實施彼等認為必要的內部控制，避免綜合財務報表因欺詐或錯誤而導致重大失實陳述。

核數師的責任

吾等的責任是基於吾等的審核對該等綜合財務報表發表意見，並按照委聘之協定條款僅向作為實體之　閣下報告，除此之外本報告不作其他用途。吾等概不就本報告的內容對任何其他人士負責或承擔責任。吾等按照香港會計師公會頒佈的香港核數準則進行審核。該等準則規定吾等須遵守道德規範，並計劃及執行審核，以合理確定該等綜合財務報表是否不存在重大錯報陳述。

TO THE MEMBERS OF LONGFOR PROPERTIES CO. LTD.
龍湖地產有限公司
(incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Longfor Properties Co. Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 93 to 279, which comprise the consolidated statement of financial position as at December 31, 2015, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal controls as the directors determine are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

審核涉及執行程序以獲取與綜合財務報表所載金額及披露事項有關的審核憑證。所選定的程序取決於核數師判斷，包括評估綜合財務報表有否因欺詐或錯誤而出現重大錯誤陳述的風險。核數師評估該等風險時考慮實體編製真實公平呈報之綜合財務報表相關的內部控制，以設計適合該等情況下使用的審核程序，但並非對實體內部控制是否有效發表意見。審核亦包括評估 貴公司董事所採用的會計政策是否合適及所作出的會計估計是否合理，以及綜合財務報表的整體呈報方式。

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors of the Company, as well as evaluating the overall presentation of the consolidated financial statements.

吾等相信，吾等已獲取充分適當的審核憑證，為審核意見提供基礎。

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

意見

吾等認為，綜合財務報表已按照國際財務報告準則真實公平反映 貴集團於二零一五年十二月三十一日的財務狀況及 貴集團截至該日止年度的財務表現及現金流量，並已按照香港公司條例的披露規定妥為編製。

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at December 31, 2015, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

德勤 • 關黃陳方會計師行
執業會計師
香港
二零一六年三月二十九日

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
March 29, 2016

綜合損益及其他全面收益表
Consolidated Statement of Profit or Loss and other Comprehensive Income

截至二零一五年十二月三十一日止年度
For the year ended December 31, 2015

		附註 NOTES	二零一五年 2015 *人民幣千元 RMB'000*	二零一四年 2014 *人民幣千元 RMB'000*
收入	Revenue	5	47,423,099	50,990,678
銷售成本	Cost of sales		(34,408,307)	(37,474,835)
毛利	Gross profit		13,014,792	13,515,843
其他收入	Other income	6	453,445	319,766
其他虧損	Other losses	7	(155,988)	(653,269)
轉撥為投資物業的公平值收益	Fair value gain upon transfer to investment properties		434,251	363,695
投資物業公平值變動	Change in fair value of investment properties		2,439,626	2,190,573
銷售及市場推廣開支	Selling and marketing expenses		(1,017,951)	(1,065,247)
行政開支	Administrative expenses		(1,435,026)	(1,297,848)
融資成本	Finance costs	8	(43,119)	(22,537)
應佔聯營公司業績	Share of results of associates		(18,707)	—
應佔合營企業業績	Share of results of joint ventures		266,864	275,646
除稅前溢利	Profit before taxation		13,938,187	13,626,622
所得稅開支	Income tax expense	9	(4,574,070)	(4,876,244)
年度溢利	Profit for the year	10	9,364,117	8,750,378
以下應佔溢利：	Profit attributable to:			
本公司擁有人	Owners of the Company		8,988,037	8,353,632
非控制權益	Non-controlling interests		376,080	396,746
			9,364,117	8,750,378
每股盈利(人民幣元)	Earnings per share, in RMB			
基本	Basic	13	1.54	1.53
攤薄	Diluted	13	1.53	1.52
年度溢利	Profit for the year		9,364,117	8,750,378
其他全面(開支)收益：	Other comprehensive (expense) income:			
將可能重新分類至損益之項目：	*Items that may be reclassified subsequently to profit or loss:*			
對沖工具的公平值收益淨額	Net fair value gain on hedging instruments		518,720	397,180
重新換算至損益的對沖工具產生的收益	Gain on retranslating hedging instruments reclassified to profit and loss		(613,754)	(118,995)
			(95,034)	278,185
年度全面收益總額	Total comprehensive income for the year		9,269,083	9,028,563
以下應佔全面收益總額：	Total comprehensive income attributable to:			
本公司擁有人	Owners of the Company		8,893,003	8,631,817
非控制權益	Non-controlling interests		376,080	396,746
			9,269,083	9,028,563

綜合財務狀況報表
Consolidated Statement of Financial Position

於二零一五年十二月三十一日
At December 31, 2015

		附註 NOTES	二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
非流動資產	NON-CURRENT ASSETS			
投資物業	Investment properties	14	43,385,100	33,361,500
物業、廠房及設備	Property, plant and equipment	15	208,374	190,095
預付租賃款項	Prepaid lease payments	16	11,774,585	14,940,036
於聯營公司的權益	Interests in associates	17	355,793	8,499
於合營企業的權益	Interests in joint ventures	18	882,285	3,295,220
可供出售投資	Available-for-sale investments	19	130,920	8,600
就購入土地使用權已付的按金	Deposits paid for acquisition of land use rights		4,849,295	4,958,938
衍生金融工具	Derivative financial instruments	30	701,083	184,441
遞延稅項資產	Deferred taxation assets	32	1,623,857	1,271,972
			63,911,292	58,219,301
流動資產	CURRENT ASSETS			
存貨	Inventories	20	777,384	765,833
發展中待售物業	Properties under development for sales	21	70,829,748	68,090,667
持作出售物業	Properties held for sales	22	10,428,963	10,265,598
應收賬款及應收票據、其他應收款項、按金及預付款項	Accounts, bills and other receivables, deposits and prepayments	23	9,920,130	5,667,815
應收非控制權益款項	Amounts due from non-controlling interests	24	2,301,758	—
應收聯營公司款項	Amounts due from associates	24	2,695,676	—
應收合營企業款項	Amounts due from joint ventures	24	1,772,453	2,872,828
可收回稅項	Taxation recoverable		3,291,225	3,237,633
已抵押銀行存款	Pledged bank deposits	25	240,313	242,069
銀行結餘及現金	Bank balances and cash	25	17,919,664	18,794,481
			120,177,314	109,936,924
流動負債	CURRENT LIABILITIES			
應付賬項及應付票據、已收按金及應計費用	Accounts and bills payables, deposits received and accrued charges	26	52,942,119	54,490,142
應付一間聯營公司款項	Amount due to an associate	27	179,612	—
應付合營企業款項	Amounts due to joint ventures	27	772,930	2,322,529
應付一名聯營公司控股股東款項	Amount due to a controlling shareholder of an associate	27	669,363	—
應付稅項	Taxation payable		10,304,622	9,576,795
銀行及其他借款－一年內到期	Bank and other borrowings - due within one year	28	6,177,916	7,972,731
			71,046,562	74,362,197
流動資產淨額	NET CURRENT ASSETS		49,130,752	35,574,727
總資產減流動負債	TOTAL ASSETS LESS CURRENT LIABILITIES		113,042,044	93,794,028

		附註 NOTES	二零一五年 2015 *人民幣千元 RMB'000*	二零一四年 2014 *人民幣千元 RMB'000*
資本及儲備	CAPITAL AND RESERVES			
股本	Share capital	31(a)	507,823	505,814
儲備	Reserves		54,616,826	47,258,111
本公司擁有人應佔權益	Equity attributable to owners of the Company		55,124,649	47,763,925
非控制權益	Non-controlling interests		7,343,005	2,508,078
權益總額	TOTAL EQUITY		62,467,654	50,272,003
非流動負債	NON-CURRENT LIABILITIES			
銀行及其他借款－一年後到期	Bank and other borrowings - due after one year	28	38,158,492	32,193,616
優先票據	Senior notes	29	7,929,172	7,574,953
衍生金融工具	Derivative financial instruments	30	—	2,077
遞延稅項負債	Deferred taxation liabilities	32	4,486,726	3,751,379
			50,574,390	43,522,025
			113,042,044	93,794,028

第93至279頁之綜合財務報表於二零一六年三月二十九日獲董事會批准及授權刊發，並由以下人士代表簽署：

The consolidated financial statements on pages 93 to 279 were approved and authorised for issue by the Board of Directors on March 29, 2016 and are signed on its behalf by:

吳亞軍
WU Yajun
董事
DIRECTOR

趙軼
ZHAO Yi
董事
DIRECTOR

綜合權益變動表
Consolidated Statement of Changes in Equity

截至二零一五年十二月三十一日止年度
For the year ended December 31, 2015

		本公司擁有人應佔 Attributable to owners of the Company														
		股本 Share capital 人民幣千元 RMB'000	股份溢價 Share premium 人民幣千元 RMB'000	股本儲備 Capital reserve 人民幣千元 RMB'000	特別儲備 Special reserve 人民幣千元 RMB'000	其他儲備 Other reserve 人民幣千元 RMB'000	法定盈餘儲備 Statutory surplus reserve 人民幣千元 RMB'000	匯兌儲備 Exchange reserve 人民幣千元 RMB'000	持作股份獎勵的股份 Shares held for share award 人民幣千元 RMB'000	購股權儲備 Share option reserve 人民幣千元 RMB'000	注資儲備 Capital contribution reserve 人民幣千元 RMB'000	對沖儲備 Hedging reserve 人民幣千元 RMB'000	保留盈利 Retained earnings 人民幣千元 RMB'000	本公司擁有人應佔 Attributable to owners of the Company 人民幣千元 RMB'000	非控股權益 Non-controlling interests 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零一四年一月一日	At January 1, 2014	476,822	6,529,784	(437,448)	620,672	(99,790)	867,775	(1,654)	—	396,271	187,374	(129,611)	28,573,452	36,983,645	2,791,774	39,775,419
年度溢利	Profit for the year	—	—	—	—	—	—	—	—	—	—	—	8,353,632	8,353,632	396,746	8,750,378
對沖工具的公平值收益	Fair value gain on hedging instruments	—	—	—	—	—	—	—	—	—	—	397,180	—	397,180	—	397,180
重新分類至損益的對沖工具收益	Gain on hedging instruments reclassified to profit and loss	—	—	—	—	—	—	—	—	—	—	(118,995)	—	(118,995)	—	(118,995)
年度全面收益總額	Total comprehensive income for the year	—	—	—	—	—	—	—	—	—	—	278,185	8,353,632	8,631,817	396,746	9,028,563
確認以權益結算及股份為基礎的付款	Recognition of equity-settled share-based payments	—	—	—	—	—	—	—	—	88,236	—	—	—	88,236	—	88,236
註銷購股權	Cancellation of share options	—	—	—	—	—	—	—	—	(3,728)	—	—	3,728	—	—	—
股份獎勵計劃下已歸屬股份	Share vested under share award scheme	—	—	—	—	—	—	—	—	—	(187,374)	—	187,374	—	—	—
非控制股東注資	Capital injection from non-controlling shareholders	—	—	—	—	—	—	—	—	—	—	—	—	—	2,152,575	2,152,575
向非控制權益支付的股息	Dividend paid to non-controlling interests	—	—	—	—	—	—	—	—	—	—	—	—	—	(100,050)	(100,050)
確認為分派的股息	Dividend recognised as distribution	—	(1,240,687)	—	—	—	—	—	—	—	—	—	—	(1,240,687)	—	(1,240,687)
收購一間附屬公司的額外權益(附註35)	Acquisition of an additional interest in a subsidiary(Note 35)	28,908	2,665,341	—	—	319,368	—	—	—	—	—	—	—	3,013,617	(3,013,617)	—
出售一間附屬公司的部分權益	Disposal of partial interest in a subsidiary	—	—	—	—	293,598	—	—	—	—	—	—	—	293,598	24,798	318,396
發行新普通股應佔交易成本	Transaction costs attributable to issue of new ordinary shares	—	(13,222)	—	—	—	—	—	—	—	—	—	—	(13,222)	—	(13,222)
透過收購附屬公司收購資產及負債產生的額外非控制權益(附註35)	Additional non-controlling interests arising on acquisition of assets and liabilities through acquisition of subsidiaries (Note 35)	—	—	—	—	—	—	—	—	—	—	—	—	—	255,852	255,852
行使購股權發行股份	Issue of shares on exercise of share options	84	8,285	—	—	—	—	—	—	(1,448)	—	—	—	6,921	—	6,921
撥作儲備	Appropriations to reserve	—	—	—	—	—	207,764	—	—	—	—	—	(207,764)	—	—	—
於二零一四年十二月三十一日	At December 31, 2014	505,814	7,949,501	(437,448)	620,672	513,176	1,075,537	(1,654)	—	479,331	—	148,574	36,910,422	47,763,925	2,508,078	50,272,003

		本公司擁有人應佔 Attributable to owners of the Company														
		股本 Share capital 人民幣千元 RMB'000	股份溢價 Share premium 人民幣千元 RMB'000	股本儲備 Capital reserve 人民幣千元 RMB'000	特別儲備 Special reserve 人民幣千元 RMB'000	其他儲備 Other reserve 人民幣千元 RMB'000	法定盈餘儲備 Statutory surplus reserve 人民幣千元 RMB'000	匯兌儲備 Exchange reserve 人民幣千元 RMB'000	持作股份獎勵的股份 Shares held for share award 人民幣千元 RMB'000	購股權儲備 Share option reserve 人民幣千元 RMB'000	注資儲備 Capital contribution reserve 人民幣千元 RMB'000	對沖儲備 Hedging reserve 人民幣千元 RMB'000	保留盈利 Retained earnings 人民幣千元 RMB'000	本公司擁有人應佔 Attributable to owners of the Company 人民幣千元 RMB'000	非控股權益 Non-controlling interests 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
年度溢利	Profit for the year	–	–	–	–	–	–	–	–	–	–	–	8,988,037	8,988,037	376,080	9,364,117
對沖工具的公平值收益	Fair value gain on hedging instruments	–	–	–	–	–	–	–	–	–	–	518,720	–	518,720	–	518,720
重新分類至損益的對沖工具收益	Gain on hedging instruments reclassified to profit and loss	–	–	–	–	–	–	–	–	–	–	(613,754)	–	(613,754)	–	(613,754)
年度全面收益(開支)總額	Total comprehensive income (expense) for the year	–	–	–	–	–	–	–	–	–	–	(95,034)	8,988,037	8,893,003	376,080	9,269,083
確認以權益結算及股份為基礎的付款	Recognition of equity-settled share-based payments	–	–	–	–	–	–	–	–	101,633	–	–	–	101,633	–	101,633
註銷購股權	Cancellation of share options	–	–	–	–	–	–	–	–	(3,587)	–	–	3,587	–	–	–
非控股股東注資	Capital injection from non-controlling shareholders	–	–	–	–	–	–	–	–	–	–	–	–	–	3,272,290	3,272,290
確認為分派的股息	Dividend recognised as distribution	–	(1,654,310)	–	–	–	–	–	–	–	–	–	–	(1,654,310)	–	(1,654,310)
收購附屬公司的額外權益(附註33)	Acquisition of additional interests in subsidiaries (Note 33)	–	–	–	–	(117,302)	–	–	–	–	–	–	–	(117,302)	(64,812)	(182,114)
透過收購附屬公司收購資產及負債產生的額外非控股權益(附註35)	Additional non-controlling interests arising on acquisition of assets and liabilities through acquisition of subsidiaries (Note 35)	–	–	–	–	–	–	–	–	–	–	–	–	–	1,251,369	1,251,369
行使購股權發行股份	Issue of shares on exercise of share options	2,009	217,009	–	–	–	–	–	–	(76,467)	–	–	–	142,551	–	142,551
撥作儲備	Appropriations to reserve	–	–	–	–	–	127,591	–	–	–	–	–	(127,591)	–	–	–
根據股份獎勵計劃購買股份(附註43b)	Purchase of shares under the share award scheme (Note 43b)	–	–	–	–	–	–	–	(4,851)	–	–	–	–	(4,851)	–	(4,851)
於二零一五年十二月三十一日	At December 31, 2015	507,823	6,512,200	(437,448)	620,672	395,874	1,203,128	(1,654)	(4,851)	500,910	–	53,540	45,774,455	55,124,649	7,343,005	62,467,654

此等儲備之性質及用途載於附註31。

Details of the nature and purpose of these reserves are set out in note 31.

綜合現金流量表
Consolidated Statement of Cash Flows

截至二零一五年十二月三十一日止年度
For the year ended December 31, 2015

		附註 NOTES	二零一五年 2015 *人民幣千元 RMB'000*	二零一四年 2014 *人民幣千元 RMB'000*
經營活動	OPERATING ACTIVITIES			
除稅前溢利	Profit before taxation		13,938,187	13,626,622
經以下調整：	Adjustments for:			
融資成本	Finance costs		43,119	22,537
物業、廠房及設備折舊	Depreciation of property, plant and equipment		33,164	55,326
轉撥至投資物業的公平值收益	Fair value gain upon transfer to investment properties		(434,251)	(363,695)
投資物業公平值變動	Change in fair value of investment properties		(2,439,626)	(2,190,573)
應佔聯營公司業績	Share of results of associates		18,707	—
應佔合營企業業績	Share of results of joint ventures		(266,864)	(275,646)
出售物業、廠房及設備的(收益)虧損	(Gain) loss on disposal of property, plant and equipment		(2,997)	1,031
利息收入	Interest income		(238,024)	(145,929)
匯兌收益	Exchange gain		(97,130)	(67,899)
可供出售投資的股息收入	Dividend income from available-for-sale investments		(626)	(600)
以股份為基礎的付款開支	Share-based payments expenses		101,633	88,236
持作出售物業減值虧損	Impairment loss of properties held for sales		—	310,013
提早贖回優先票據的虧損	Loss on early redemption of senior notes		—	266,128
營運資金變動前的經營現金流量	Operating cash flows before movements in working capital		10,655,292	11,325,551
存貨減少(增加)	Decrease (increase) in inventories		825	(5,184)
發展中待售物業增加	Increase in properties under development for sales		(18,305,191)	(21,717,100)
持作出售物業減少	Decrease in properties held for sales		33,275,607	35,953,201
應收賬款及應收票據、其他應收款項、按金及預付款項增加	Increase in accounts, bills and other receivables, deposits and prepayments		(2,041,100)	(1,207,255)
應付賬款及應付票據、已收按金及應計費用減少	Decrease in accounts and bills payables, deposits received and accrued charges		(6,421,356)	(1,937,043)
經營產生的現金	Cash from operations		17,164,077	22,412,170
已付中華人民共和國(「中國」)所得稅	The People's Republic of China (The "PRC") income tax paid		(3,082,932)	(3,837,877)
經營活動所得現金淨額	NET CASH FROM OPERATING ACTIVITIES		14,081,145	18,574,293

		附註 NOTES	二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
投資活動	INVESTING ACTIVITIES			
預付租賃款項增加	Additions to prepaid lease payments		(6,033,522)	(13,777,488)
投資物業增加	Additions to investment properties		(3,280,603)	(3,776,716)
就購入土地使用權已付的按金	Deposits paid for acquisition of land use rights		(8,426,278)	(3,899,884)
透過收購附屬公司收購資產及負債	Acquisition of assets and liabilities through acquisition of subsidiaries	35	635,315	(388,748)
出售一間附屬公司	Disposal of a subsidiary	36	174,286	—
視作出售附屬公司	Deemed disposal of subsidiaries		(60,000)	—
向聯營公司出資	Capital contribution to associates		(374,500)	(8,498)
向合營企業出資	Capital contribution to joint ventures		(58,423)	—
投資合營企業	Investments in joint ventures		(345,415)	(46,606)
於可供出售投資的投資	Investment in available-for-sale investment		(122,320)	—
已收合營企業的股息	Dividend received from joint ventures		218,122	129,761
向聯營公司墊款	Advances to associates		(2,695,676)	—
合營企業還款(向合營企業墊款)	Repayments from (advances to) joint ventures		4,843,040	(2,217,567)
向非控制權益墊款	Advances to non-controlling interests		(2,301,758)	—
存入已抵押銀行存款	Placement of pledged bank deposits		(11,434)	(267,650)
提取已抵押銀行存款	Withdrawal of pledged bank deposits		13,190	302,495
購入物業、廠房及設備	Purchase of property, plant and equipment		(60,259)	(75,316)
已收利息	Interest received		238,024	145,929
出售物業、廠房及設備所得款項	Proceeds from disposal of property, plant and equipment		15,690	13,695
出售一個投資物業所得款項	Proceeds from disposal of investment property		—	70,000
自可供出售投資收取的股息	Dividend received from available-for-sale investments		626	600
投資活動所用現金淨額	NET CASH USED IN INVESTING ACTIVITIES		(17,631,895)	(23,795,993)

綜合現金流量表
Consolidated Statement of Cash Flows

截至二零一五年十二月三十一日止年度
For the year ended December 31, 2015

		附註 NOTES	二零一五年 2015 *人民幣千元 RMB'000*	二零一四年 2014 *人民幣千元 RMB'000*
融資活動	FINANCING ACTIVITIES			
收購附屬公司的額外權益	Acquisitions of additional interests in subsidiaries	33	(182,114)	—
出售附屬公司的部份權益（未失去控制權）	Disposal of partial interest in a subsidiary not resulting in losing of control	34	—	318,396
償還銀行及其他貸款	Repayment of bank and other loans		(19,717,508)	(15,089,557)
已付利息	Interest paid		(2,716,977)	(2,119,004)
新增銀行及其他貸款	New bank and other loans raised		15,037,275	27,573,918
發行優先票據所得款項	Proceeds from issue of senior notes		—	2,000,000
發行債券所得款項	Proceeds from issue of bonds		8,000,000	—
發行優先票據的開支	Expenses on issue of senior notes		—	(19,018)
發行債券的開支	Expenses on issue of bonds		(52,330)	—
贖回優先票據	Redemption of senior notes		—	(4,832,224)
非控股股東注資	Capital injection from non-controlling shareholders		3,272,290	2,152,575
發行股份所得款項	Proceeds from issue of shares		142,551	6,921
就根據股份獎勵計劃購買股份的付款	Payment for purchase of shares under the share award scheme		(4,851)	—
發行股份開支	Expenses on issue of shares		—	(13,222)
向非控制權益支付的股息	Dividend paid to non-controlling interests		—	(100,050)
已付股息	Dividend paid		(1,654,310)	(1,240,687)
一間聯營公司墊款	Advance from an associate		179,612	—
合營企業（還款）墊款	(Repayments to) advances from joint ventures		(297,068)	978,958
一名聯營公司控股股東墊款	Advance from a controlling shareholder of an associate		669,363	—
融資活動所得現金淨額	NET CASH FROM FINANCING ACTIVITIES		2,675,933	9,617,006
現金及現金等價物（減少）增加淨額	NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		(874,817)	4,395,306
年初的現金及現金等價物	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		18,794,481	14,399,175
年末的現金及現金等價物	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		17,919,664	18,794,481
現金及現金等價物結餘分析	ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS			
銀行結餘及現金	Bank balances and cash		17,919,664	18,794,481

1. 一般資料

本公司於二零零七年十二月二十一日在開曼群島根據開曼群島公司法(一九六一年第三號法律第22章，經綜合及修訂)註冊成立為獲豁免有限公司。本公司股份於香港聯合交易所有限公司(「聯交所」)主板上市，註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。本公司於中華人民共和國(「中國」)及香港的主要營業地點的地址分別為北京朝陽區惠新東街4號富盛大廈2座7樓及香港中環都爹利街1號15樓。

本公司乃投資控股公司，其附屬公司主要業務活動的詳情載於附註49。

綜合財務報表以本公司及其主要附屬公司的功能貨幣人民幣(「人民幣」)呈報。

1. GENERAL INFORMATION

The Company was incorporated on December 21, 2007 as an exempted company with limited liability in the Cayman Islands under the Companies Law Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "SEHK"). The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The addresses of the principal place of business of the Company in the People's Republic of China (the "PRC") and Hong Kong are 7/F, Tower 2, FuSheng Building, No. 4 Huixin East Street, Chaoyang District, Beijing, and 15/F, 1 Duddell Street, Central, Hong Kong, respectively.

The Company acts as an investment holding company. Details of the principal activities of its subsidiaries are set out in note 49.

The consolidated financial statements are presented in Renminbi ("RMB"), which is the functional currency of the Company and its major subsidiaries.

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)

本集團於本年度首次採納以下由國際會計準則理事會(「國際會計準則理事會」)頒佈國際財務報告準則的修訂本：

國際會計準則第19號修訂本
Amendments to IAS 19
國際財務報告準則修訂本
Amendments to IFRSs
國際財務報告準則修訂本
Amendments to IFRSs

本公司董事的結論為於本年度採用國際財務報告準則修訂本對本集團於本年度及過往年度的財務表現及狀況及／或該等綜合財務報表所載披露並無重大影響。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS")

The Group has applied the following amendments to IFRSs issued by the International Accounting Standards Board ("IASB") for the first time in the current year:

定額福利計劃：僱員供款
Defined Benefit Plans: Employee Contributions
二零一零年至二零一二年週期國際財務報告準則的年度改進
Annual Improvements to IFRSs 2010 - 2012 Cycle
二零一一年至二零一三年週期國際財務報告準則的年度改進
Annual Improvements to IFRSs 2011 - 2013 Cycle

The directors of the Company concluded that the application of the amendments to IFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」) *(續)*

本集團並無提早應用已頒佈但尚未生效的新訂及經修訂國際財務報告準則：

國際財務報告準則第9號 IFRS 9	金融工具[1] Financial Instruments[1]
國際財務報告準則第14號 IFRS 14	監管遞延賬戶[2] Regulatory Deferral Accounts[2]
國際財務報告準則第15號 IFRS 15	客戶合約收入[1] Revenue from Contracts with Customers[1]
國際財務報告準則第16號 IFRS 16	租賃[3] Leases[3]
國際財務報告準則第11號修訂本 Amendments to IFRS 11	收購合資經營業務權益之會計[4] Accounting for Acquisitions of Interests in Joint Operations[4]
國際會計準則第1號修訂本 Amendments to IAS 1	披露主動性[4] Disclosure Initiative[4]
國際會計準則第16號及國際會計準則第38號修訂本 Amendments to IAS 16 and IAS 38	澄清折舊及攤銷之可接受方法[4] Clarification of Acceptable Methods of Depreciation and Amortisation[4]
國際財務報告準則修訂本 Amendments to IFRSs	二零一二年至二零一四年週期國際財務報告準則的年度改進[4] Annual Improvements to IFRSs 2012-2014 Cycle[4]
國際會計準則第16號及國際會計準則第41號修訂本 Amendments to IAS 16 and IAS 41	農業：生產性植物[4] Agriculture: Bearer Plants[4]
國際會計準則第27號修訂本 Amendments to IAS 27	獨立財務報表中的權益法[4] Equity Method in Separate Financial Statements[4]
國際財務報告準則第10號及國際會計準則第28號修訂本 Amendments to IFRS 10 and IAS 28	投資者與其聯營公司或合營企業之間的資產銷售或投入[5] Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[5]
國際財務報告準則第10號、國際財務報告準則第12號及國際會計準則第28號修訂本 Amendments to IFRS 10, IFRS 12 and IAS 28	投資實體：應用綜合入賬的例外[4] Investment Entities: Applying the Consolidation Exception[4]
國際會計準則第7號修訂本 Amendments to IAS 7	披露主動性[6] Disclosure Initiative[6]
國際會計準則第12號修訂本 Amendments to IAS 12	確認未變現損失之遞延稅項資產[6] Recognition of Deferred Tax Assets for Unrealised Losses[6]

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") *(Continued)*

The Group has not early applied the following new and revised IFRSs that have been issued but are not yet effective:

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)*(續)*

1 於二零一八年一月一日或之後開始之年度期間生效
2 對二零一六年一月一日或之後開始之首份年度國際財務報告準則財務報表生效
3 於二零一九年一月一日或之後開始之年度期間生效
4 於二零一六年一月一日或之後開始之年度期間生效
5 於待釐定日期或之後開始之年度期間生效
6 於二零一七年一月一日或之後開始之年度期間生效

國際財務報告準則第9號金融工具

二零零九年頒佈的國際財務報告準則第9號推出金融資產分類及計量的新規定。隨後於二零一零年修訂的國際財務報告準則第9號包括金融負債分類及計量與終止確認的規定，並於二零一三年載入一般對沖會計的新規定。於二零一四年頒佈的國際財務報告準則第9號另一個經修訂版本包括了a)金融資產的減值規定及b)藉為若干簡單債務工具引入透過「按公平值列賬並於其他全面收益內處理」計量類別，對分類及計量規定作出有限修訂。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") *(Continued)*

1 Effective for annual periods beginning on or after January 1, 2018
2 Effective for first annual IFRS financial statements beginning on or after January 1, 2016
3 Effective for annual periods beginning on or after January 1, 2019
4 Effective for annual periods beginning on or after January 1, 2016
5 Effective for annual periods beginning on or after a date to be determined
6 Effective for annual periods beginning on or after January 1, 2017

IFRS 9 *Financial Instruments*

IFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a 'fair value through other comprehensive income' (FVTOCI) measurement category for certain simple debt instruments.

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)*(續)*

國際財務報告準則第9號金融工具*(續)*

國際財務報告準則第9號的主要規定於以下説明：

- 屬於國際會計準則第39號*金融工具：確認及計量*範疇的所有已確認金融資產其後按攤銷成本或公平值計量。特別是，根據業務模式以收取合約現金流量為目的所持有的債務投資，及僅為支付本金額及未償還本金額之利息而產生合約現金流量的債務投資一般於其後的會計期末按攤銷成本計量。於目的為同時收回合約現金流量及出售金融資產的業務模式中持有的債務工具，以及金融資產合約條款令於特定日期產生的現金流純為支付本金及未償還本金的利息的債務工具，按公平值列賬並於其他全面收益內處理的方式計量。所有其他債務投資及股本投資於其後的會計期末按公平值計量。此外，根據國際財務報告準則第9號，實體可作出不可撤回的選擇，於其他全面收益呈列股本投資(非持作交易)公平值之其後變動，而僅有股息收入一般於損益中確認。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") *(Continued)*

IFRS 9 *Financial Instruments (Continued)*

Key requirements of IFRS 9 are described below:

- All recognised financial assets that are within the scope of IAS 39 *Financial Instruments: Recognition and Measurement* are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)*(續)*

國際財務報告準則第9號金融工具*(續)*

- 國際財務報告準則第9號規定，就指定為透過損益按公平值列賬的金融負債的計量而言，因該負債信貸風險變動引致的金融負債公平值變動數額，除非於其他全面收益確認該負債的信貸風險變動影響會造成或擴大損益賬的會計錯配，否則須於其他全面收益呈列。金融負債的信貸風險引致的金融負債公平值變動其後不會重新分類至損益。根據國際會計準則第39號，指定為透過損益按公平值列賬的金融負債的公平值變動全部數額均於損益呈列。

- 就金融資產的減值而言，與國際會計準則第39號項下按已產生信貸虧損模式計算相反，國際財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式需要實體於各報告日期將預期信貸虧損及該等預期信貸虧損的變動入賬，以反映信貸風險自初始確認以來的變動。換言之，毋須再待發生信貸事件即可確認信貸虧損。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") *(Continued)*

IFRS 9 *Financial Instruments (Continued)*

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

- In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)*(續)*

國際財務報告準則第9號金融工具*(續)*

- 新的通用對沖會計規定保留現時三類對沖會計機制，但同時已為符合對沖會計處理的交易類型引入更大的靈活性，特別是擴闊符合對沖工具的工具類型及符合對沖會計處理的非金融項目的風險組成部分的類型。此外，效益性測試已經徹底修改及以「經濟關係」原則取代。對沖效益性亦不需再作追溯評估。當中亦引入有關實體風險管理活動的強化披露規定。

本公司董事預期，日後採納國際財務報告準則第9號可能對本集團之金融資產所呈報金額造成重大影響。本公司董事正在確定財務影響。

國際財務報告準則第15號客戶合約收入

國際財務報告準則第15號獲頒布，其制定一項單一全面模式供實體用作將自客戶合約所產生的收入入賬。於國際財務報告準則第15號生效後，其將取代現時載於國際會計準則第18號*收入*、國際會計準則第11號*建築合約*及相關詮釋的收入確認指引。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") *(Continued)*

IFRS 9 *Financial Instruments (Continued)*

- The new general hedge accounting requirements retain the three types of hedge accounting. However, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

The directors of the Company anticipate that the application of IFRS 9 in the future may have a material impact on amounts reported in respect of the Group's financial assets. The directors of the Company are in the process of ascertaining the financial impact.

IFRS 15 *Revenue from Contracts with Customers*

IFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 *Revenue*, IAS 11 *Construction Contracts* and the related Interpretations when it becomes effective.

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)*(續)*

國際財務報告準則第15號客戶合約收入*(續)*

國際財務報告準則第15號的核心原則為實體所確認描述向客戶轉讓承諾貨品或服務的收入金額，應為能反映該實體預期就交換該等貨品或服務有權獲得的代價。具體而言，該準則引入確認收入的五個步驟：

- 步驟1：識別與客戶之合同
- 步驟2：識別合同內履行之責任
- 步驟3：釐定交易價格
- 步驟4：按合同內履約責任分配交易價格
- 步驟5：當(或於)實體履行責任時確認收入

根據國際財務報告準則第15號，實體於(或當)完成履約責任時確認收入，即於特定履約責任相關的商品或服務的「控制權」轉讓予客戶時。國際財務報告準則第15號已就特別情況的處理方法加入更明確的指引。此外，國際財務報告準則第15號要求更詳盡的披露。

本公司董事預期，未來國際財務報告準則第15號的應用有可能對本集團綜合財務報表呈報的金額及所作披露造成重大影響。然而，於本集團完成詳盡審閱前，提供有關國際財務報告準則第15號的影響的合理估計屬不切實際。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") *(Continued)*

IFRS 15 *Revenue from Contracts with Customers (Continued)*

The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

The directors of the Company anticipate that the application of IFRS 15 in the future may have a material impact on the amounts reported and disclosures made in the Group's consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of IFRS 15 until the Group performs a detailed review.

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)*(續)*

國際財務報告準則第11號修訂本 *收購合資經營業務權益之會計處理*

國際財務報告準則第11號修訂本就如何為收購構成國際財務報告準則第3號*業務合併*所界定業務的合資經營業務的會計處理賬提供指引。具體而言，該等修訂規定，國際財務報告準則第3號及其他準則(例如：國際會計準則第12號*所得稅*，內容有關於收購時確認遞延稅項，及國際會計準則第36號*資產減值*，內容有關已分配收購合資經營業務產生商譽的現金產生單位的減值測試)所述業務合併會計處理方法的有關原則應予採用。倘及僅倘參與合資經營業務之一方由現有業務向合資經營業務作出貢獻，上述規定應用於合資經營業務的成立。

合資經營者亦須披露國際財務報告準則第3號及其他準則就業務合併規定的有關資料。

該等修訂將於往後適用於收購自二零一六年一月一日或之後開始的年度期間起出現的合資經營業務權益(當中合資經營業務活動構成國際財務報告準則第3號所界定的業務)。本公司董事預期，倘發生該等交易，應用國際財務報告準則第11號的該等修訂可能會對本集團於日後期間的綜合財務報表構成影響。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") *(Continued)*

Amendments to IFRS 11 *Accounting for Acquisitions of Interests in Joint Operations*

The amendments to IFRS 11 provide guidance on how to account for the acquisition of a joint operation that constitutes a business as defined in IFRS 3 *Business Combinations*. Specifically, the amendments state that the relevant principles on accounting for business combinations in IFRS 3 and other standards (e.g. IAS 12 *Income Taxes* regarding the recognition of deferred taxes at the time of acquisition and IAS 36 *Impairment of Assets* regarding impairment testing of a cash-generating unit to which goodwill on acquisition of a joint operation has been allocated) should be applied. The same requirements should be applied to the formation of a joint operation if and only if an existing business is contributed to the joint operation by one of the parties that participate in the joint operation.

A joint operator is also required to disclose the relevant information required by IFRS 3 and other standards for business combinations.

The amendments should be applied prospectively to acquisitions of interests in joint operations (in which the activities of the joint operations constitute businesses as defined in IFRS 3) occurring from the beginning of annual periods beginning on or after January 1, 2016. The directors of the Company anticipate that the application of these amendments to IFRS 11 may have an impact on the Group's consolidated financial statements in future periods should such transactions arise.

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)*(續)*

國際會計準則第1號修訂本*披露主動性*

國際會計準則第1號修訂本*財務報表之呈列*就如何實踐應用重大性的概念提供一些指引。

國際會計準則第1號修訂本於二零一六年一月一日或之後開始的年度期間生效。本公司董事預期應用國際會計準則第1號的該等修訂對本集團於綜合財務報表中已確認的金額並無重大影響。

國際財務報告準則第10號修訂本及國際會計準則第28號修訂本*投資者與其聯營公司或合營企業之間的資產銷售或投入*

國際財務報告準則第10號修訂本*綜合財務報表*及國際會計準則第28號修訂本*於聯營公司或合營企業投資*涉及投資者與其聯營公司或合營企業之間存在資產銷售或投入的情況。具體而言，該等修訂規定，因失去對附屬公司(其並無入賬與以權益法列賬的聯營公司或合營企業之間的交易業務)的控制權而產生的收益或虧損於母公司損益確認且僅以非相關投資者於該聯營公司或合營企業的權益為限。類似地，因重新計量於任何前附屬公司(已成為以權益法列賬的聯營公司或合營企業)所保留的投資至公平值所產生的收益及虧損，於前母公司損益確認且僅以非相關投資者於新聯營公司或合營企業的權益為限。

該等修訂將於往後適用於自二零一六年一月一日或之後開始的年度期間出現的交易。本公司董事預期，倘發生該等交易，應用國際財務報告準則第10號及國際會計準則第28號的該等修訂可能會對本集團於日後期間的綜合財務報表構成影響。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") *(Continued)*

Amendments to IAS 1 *Disclosure Initiative*

The amendments to IAS 1 *Presentation of Financial Statements* give some guidance on how to apply the concept of materiality in practice.

The amendments to IAS 1 are effective for annual periods beginning on or after January 1, 2016. The directors of the Company do not anticipate that the application of these amendments to IAS 1 will have a material impact on the amounts recognised in the Group's consolidated financial statements.

Amendments to IFRS 10 and IAS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures* deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The amendments should be applied prospectively to transactions occurring in annual periods beginning on or after January 1, 2016. The directors of the Company anticipate that the application of these amendments to IFRS 10 and IAS 28 may have an impact on the Group's consolidated financial statements in future periods should such transactions arise.

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)*(續)*

二零一二年至二零一四年週期國際財務報告準則的年度改進

*二零一二年至二零一四年週期國際財務報告準則的年度改進*包括對各項國際財務報告準則之若干修訂，其概述如下。

國際財務報告準則第5號修訂本對國際財務報告準則第5號引入特別指引，涉及實體將資產(或出售組別)從持作銷售重新分類為持作向擁有人分派(反之亦然)。該等修訂澄清此變更應被視為原出售計劃的延續，因此國際財務報告準則第5號所載有關變更銷售計劃的規定不適用。該等修訂亦澄清何時終止應用持作分派會計處理法的指引。

國際財務報告準則第7號修訂本提供額外指引，澄清就轉移資產所要求的披露而言，服務合約是否屬轉移資產持續參與。

國際會計準則第19號修訂本澄清用於貼現退休後福利責任的貼現率應參照優質公司債券於報告期末的市場收益率而釐定。優質公司債券的市場深度評估應於貨幣層面進行(即與福利相同的貨幣將予支付)。就並無有關優質公司債券的活躍市場的貨幣而言，將採用以該貨幣計值的政府債券於報告期末的市場收益率。

本公司董事正在評估應用二零一二年至二零一四年週期國際財務報告準則的年度改進所載修訂的財務影響。

本公司董事預計採用其他新訂或經修訂國際財務報告準則對綜合財務報表並無重大影響。

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") *(Continued)*

Annual Improvements to IFRSs 2012-2014 Cycle

The Annual Improvements to IFRSs 2012-2014 Cycle include a number of amendments to various IFRSs, which are summarised below.

The amendments to IFRS 5 introduce specific guidance in IFRS 5 for when an entity reclassifies an asset (or disposal group) from held for sale to held for distribution to owners (or vice versa). The amendments clarify that such a change should be considered as a continuation of the original plan of disposal and hence requirements set out in IFRS 5 regarding the change of sale plan do not apply. The amendments also clarify the guidance for when held-for-distribution accounting is discontinued.

The amendments to IFRS 7 provide additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset for the purpose of the disclosures required in relation to transferred assets.

The amendments to IAS 19 clarify that the rate used to discount post-employment benefit obligations should be determined by reference to market yields at the end of the reporting period on high quality corporate bonds. The assessment of the depth of a market for high qualify corporate bonds should be at the currency level (i.e. the same currency as the benefits are to be paid). For currencies for which there is no deep market in such high quality corporate bonds, the market yields at the end of the reporting period on government bonds denominated in that currency should be used instead.

The directors of the Company are in the process of ascertaining the financial impact on application of the amendments included in the Annual Improvements to IFRSs 2012 - 2014 cycle.

The directors of the Company anticipate that the application of the other new and revised IFRSs will have no material impact on the consolidated financial statements.

3. 主要會計政策

綜合財務報表乃根據國際會計準則理事會頒佈的國際財務報告準則編製。此外，綜合財務報表載有聯交所證券上市規則及香港公司條例(「公司條例」)所規定的適用披露事項。

新香港公司條例(第622章)有關編製賬目及董事報告及審核的條文已對本公司截至二零一五年十二月三十一日止財政年度生效。此外，上市規則所載有關年度賬目的披露規定已參考新公司條例而修訂並藉此與國際財務報告準則精簡一致。因此，截至二零一五年十二月三十一日止財政年度綜合財務報表內的資料呈列及披露已予更改以遵守此等新規定。有關截至二零一四年十二月三十一日止財政年度的比較資料已根據新規定於綜合財務報表內呈列或披露。根據前公司條例或上市規則在以往須予披露但根據新公司條例或經修訂上市規則毋須披露的資料，在本綜合財務報表中已再無披露。

綜合財務報表乃根據下文所載會計政策按歷史成本基準編製，惟投資物業及金融工具按公平值計量。

歷史成本法一般基於交換貨品代價之公平值釐定。

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with IFRSs issued by the IASB. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the SEHK and by the Hong Kong Companies Ordinance ("CO").

The provisions of the new Hong Kong Companies Ordinance (Cap. 622) regarding preparation of accounts and directors' reports and audits became effective for the Company for the financial year ended December 31, 2015. Further, the disclosure requirements set out in the Listing Rules regarding annual accounts have been amended with reference to the new CO and to streamline with IFRSs. Accordingly the presentation and disclosure of information in the consolidated financial statements for the financial year ended December 31, 2015 have been changed to comply with these new requirements. Comparative information in respect of the financial year ended December 31, 2014 are presented or disclosed in the consolidated financial statements based on the new requirements. Information previously required to be disclosed under the predecessor CO or Listing Rules but not under the new CO or amended Listing Rules are not disclosed in these consolidated financial statements.

The consolidated financial statements have been prepared on the historical cost basis, except for the investment properties and financial instruments that are measured at fair value, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods.

3. 主要會計政策*(續)*

公平值是指市場參與者之間在計量日進行的有序交易中出售一項資產所收取的價格或轉移一項負債所支付的價格，無論該價格是直接觀察到的結果還是採用其他估值技術作出的估計。在對資產或負債的公平值作出估計時，本集團考慮了市場參與者在計量日為該資產或負債進行定價時將會考慮的那些特徵。在本綜合財務報表中計量和／或披露的公平值均在此基礎上予以確定，但國際財務報告準則第2號範圍內的以股份為基礎的支付交易、國際會計準則第17號範圍內的租賃交易、以及與公平值類似但並非公平值的計量(例如，國際會計準則第2號中的可變現淨值或國際會計準則第36號中的使用價值)除外。

此外，出於財務報告目的，公平值計量應基於公平值計量的輸入值的可觀察程度以及該等輸入值對公平值計量整體的重要性，被歸入第一層、第二層或第三層級的公平值級次，詳述如下：

- 第一層級公平值是指於計量日期由相同資產或負債在活躍市場中(未經調整)的報價得出的公平值；
- 第二層級公平值是指由除了第一層級公平值計量所包含的報價以外的，資產或負債的其他直接或間接可觀察的輸入值得出的公平值；及
- 第三層級公平值是指由包含資產或負債的不可觀察輸入值的公平值。

主要會計政策載列如下。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

3. 主要會計政策*(續)*

綜合基準

綜合財務報表包括本公司及本公司控制的實體及其附屬公司的財務報表。當本公司符合以下條件時，其對被投資者具有控制權：

- 擁有對被投資者的權力；
- 通過對被投資者的涉入而承擔或有權獲得可變回報；及
- 有能力運用對被投資者的權力影響所得到回報的金額。

倘有事實及情況表明上列三項條件其中一項或以上出現變動，本集團重新評估其是否仍控制被投資方。

當本集團取得附屬公司控制權時開始綜合附屬公司，而當本集團喪失附屬公司控制權時，則不再綜合附屬公司。尤其是，年內所購入或出售的附屬公司收入及開支按自收購生效日期直至出售生效日期(倘適用)起計入綜合損益及其他全面收益表內。本集團取得控制權起至本集團不再控制附屬公司之日期止。

損益及其他全面收益的各部份為本公司擁有人及非控股損益應佔。即使導致非控股權益出現歸絀結餘，附屬公司的全面收益的總額為本公司擁有人及非控股權益應佔。

附屬公司的財務報表於有需要時作出調整，以使其會計政策與本集團其他成員公司所採用者一致。

集團內公司間所有交易、結餘及收支乃於綜合賬目時悉數對銷。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved where the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group losses control of the subsidiary. Specifically, income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date. The Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3. 主要會計政策*(續)*

綜合基準*(續)*

本集團於現有附屬公司的所有權權益變動

本集團於現有附屬公司的所有權權益出現並無導致本集團失去該等附屬公司控制權的變動均以權益交易入賬。本集團之權益與非控制權益之賬面值均予以調整，以反映彼等於附屬公司之相關權益變動。非控制權益所調整之款額與所付或所收代價之公平值兩者之間的差額，均直接於權益確認並歸屬於本公司擁有人。

業務合併

收購業務乃使用收購法列賬。業務合併轉讓的代價按公平值計量，計算為本集團收購日期所轉讓資產的公平值與本集團欠付被收購方原擁有人的負債及本集團為換取被收購方的控制權而發行的股權的總和。收購相關成本一般於產生時於損益確認。

於收購日期，所收購可識別資產及所承擔負債按公平值確認，惟：

- 遞延稅項資產或負債及僱員福利安排相關負債或資產分別根據國際會計準則第12號*所得稅*及國際會計準則第19號*僱員福利*確認及*計量*；
- 收購的以股份為基礎的付款安排或本集團所訂立取代被收購方以股份為基礎的付款安排之以股份為基礎的付款安排有關負債或股本工具於收購日期根據國際財務報告準則第2號*以股份為基礎的付款*計量(見下文所載會計政策)；及
- 根據國際財務報告準則第5號*持作出售非流動資產及已終止業務*分類為持作出售資產(或出售組別)根據該準則計量。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Basis of consolidation *(Continued)*

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred taxation assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 *Income Taxes* and IAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquire or share based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

3. 主要會計政策*(續)*

業務合併*(續)*

商譽按已轉讓代價、所持被收購方非控制權益金額及收購方原先持有的被收購方股權之公平值(如有)總和超出收購日期所收購可識別資產及所承擔負債淨額之差額計量。於重新評估後，倘收購日期所收購可識別資產及所承擔負債淨額超過已轉讓代價、所持被收購方非控制權益金額及收購方原先持有的被收購方股權之公平值(如有)總和，則該差額即時於損益確認為議價購買收益。

代表所有權權益並使持有人合資格按比例享有實體清盤時淨資產之非控制權益初步按公平值或非控制權益佔被收購方可識別淨資產之確認金額比例計量。計量基準乃按每宗交易選擇。其他類別非控制權益按公平值計量或(如適用)按國際財務報告準則所指定的基準計量。

收入確認

收入按已收或應收代價的公平值計算，指一般業務過程中出售貨物及提供服務的應收款項扣除折扣及銷售相關稅項後的金額。

日常業務過程中銷售物業的收入於物業交付予買方時確認，須滿足下列標準時方予確認：

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Business combinations *(Continued)*

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after re-assessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another IFRS.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of discounts and sales related taxes.

Revenue from sale of properties in the ordinary course of business is recognised upon delivery of the properties to the buyers, at which time all of the following criteria are satisfied:

3. 主要會計政策*(續)*

收入確認*(續)*

- 物業所有權的重大風險及回報已轉移至買方；
- 不再保留對物業施加通常與擁有權相關的持續管理參與及實際控制權；
- 有關收入能可靠計量；
- 與交易相關的經濟利益很可能流入本集團；及
- 有關交易所產生或將產生的成本能可靠計量。

在符合上述收入確認標準前從買方所收取的訂金及分期供款，計入綜合財務狀況報表流動負債項下。

來自經營租賃的租金收入，於有關租賃期內按直線法確認。

物業管理及相關服務費於提供服務的期間確認。

顧問費用收入於提供服務時確認。

推廣及廣告收入於廣告於廣告屏展示或於廣告合約展示期間可估價時確認。

金融資產的利息收入於經濟利益可能流向本集團及收入金額能可靠計量時確認。金融資產的利息收入乃參考尚未償還本金額採用適用實際利率，按時間基準累計，實際利率乃將金融資產於整個預期期限的估計未來現金收入準確折現至該資產賬面淨值的利率。

投資所得股息收入於股東收取款項的權利獲確立時確認。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Revenue recognition *(Continued)*

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

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

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

Property management and related service fees are recognised in the period in which the services are rendered.

Consultancy fee income is recognised when the services are rendered.

Promotion and advertising income is recognised when advertisements are displayed on the advertising screens; or ratably over the displayed period of the advertisement contract.

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

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

3. 主要會計政策*(續)*

投資物業

投資物業持有賺取租金及／或資本增值(包括就此用途的在建物業)的物業。投資物業初步按成本(包括任何直接應佔開支)計量。於初步確認後，投資物業按公平值計量。投資物業公平值變動所產生的盈虧於產生期間計入損益中。

在建投資物業之建設成本資本化為在建投資物業之賬面值的一部分。

在建或開發日後作投資物業用途的物業分類為在建投資物業。倘無法可靠地釐定公平值，則在建投資物業將按成本計量，直至公平值可以釐定或發展項目完工為止，屆時公平值與賬面值之間的差額將在期內的損益表中確認。

倘有證據顯示對另一方之經營租賃開始，則發展中待售物業及持作出售物業轉撥至在建投資物業及已落成投資物業。有關物業於轉讓當日之公平值與其以往賬面值間的任何差額於損益確認。

投資物業於出售或永久終止使用或預期於出售不再產生日後經濟利益時解除確認。解除確認資產所產生的任何盈虧(按該資產的出售所得款項淨額與資產賬面值的差額計算)於該項目解除確認期間計入損益中。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Investment properties

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

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

Property under construction or development for future use as an investment property is classified as investment property under construction. If the fair value cannot be reliably determined, the investment property under construction will be measured at cost until such time as fair value can be determined or development is completed, in which time any difference between the fair value and the carrying amount will be recognised in profit or loss in that period.

Properties under development for sales and properties held for sales are transferred to investment properties under construction and completed investment properties, respectively, when it is evidenced by the commencement of an operating lease to another party. Any difference between the fair value of the property at the date of transfer and its previous carrying amount shall be recognised in profit or loss.

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

3. 主要會計政策*(續)*

物業、廠房及設備

物業、廠房及設備(包括持作行政用途的樓宇，發展中物業除外)於綜合財務狀況表按成本減其後累計折舊及累計減值虧損(如有)列賬。

物業、廠房及設備項目(發展中物業除外)使用直線法於估計可使用年期內確認折舊以撇銷成本。於各報告期末檢討估計可使用年期、剩餘價值及折舊方法，估計變更影響於日後入賬。

物業、廠房及設備項目於出售或預期日後繼續使用有關資產不會產生經濟利益時解除確認。出售或報廢物業、廠房及設備項目所產生的任何盈虧釐定為出售所得款項與資產賬面值的差額並於損益確認。

當租賃土地及樓宇處於發展作生產、租賃或行政用途的過程中，撥回租賃土地入賬為發展中物業成本。不作出售用途的發展中物業以成本減任何已識別減值虧損列賬。擬持作自用的發展中物業列為非流動資產。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Property, plant and equipment

Property, plant and equipment including buildings held for administrative purposes (other than properties under development) are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and accumulated impairment loss, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment (other than properties under development) over their estimated useful lives using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

When the leasehold land and buildings are in the course of development for production, rental or for administrative purposes, the release of the leasehold land is included as part of the costs of the properties under development. Properties under development not for sale are carried at cost, less any identified impairment losses. Properties under development which are intended to be held for own use are shown as non-current assets.

3. 主要會計政策*(續)*

預付租賃款項

預付租賃款項指土地使用權的預付款項，初步按成本確認及於租期內以直線法轉撥至損益表內或資本化為上述樓宇成本，惟分類及入賬列為擬持作出售的發展中物業則除外。

於聯營公司及合營企業的投資

聯營公司是指本集團對其實施重大影響的主體。重大影響是指參與決定被投資者的財務及經營政策的權力、但不是控制或共同控制這些政策。

合營企業是指共同控制一項安排的參與方對該項安排的淨資產享有權利的合營安排。共同控制是指按合同約定分享對一項安排的控制權，並且僅在對相關活動的決策要求分享控制權的參與方一致同意時才存在。

對聯營公司和合營企業的業績、資產及負債按權益法會計納入本綜合財務報表。按權益法核算的合營企業和聯營公司的財務報表是用在相似情況下與集團類似交易或事項統一的會計政策來編製的。根據權益法，於聯營公司或合營企業的投資在綜合財務狀況表中按成本進行初始確認，並在其後進行調整，以確認本集團在該聯營公司或合營企業的損益及其他全面收益中所佔的份額。如果本集團在聯營公司或合營企業的損失中所佔的份額超過本集團在該聯營公司或合營企業中的權益(包括任何實質上構成本集團對該聯營公司或合營企業的淨投資的長期權益)，本集團應終止確認其在進一步損失中所佔的份額。額外損失僅在本集團已產生法定或推定責任或代表聯營公司或合營企業進行的支付範圍內進行確認。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Prepaid lease payments

The prepaid lease payments represent upfront payments for land use rights and are initially recognised at cost and released to profit or loss, or capitalised as part of the cost of building as mentioned above, over the lease term on a straight-line basis, except for those that are classified and accounted for as properties under development intended to be held for sale.

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

3. 主要會計政策*(續)*

於聯營公司及合營企業的投資*(續)*

聯營公司或合營企業中的投資應自被投資者成為聯營公司或合營企業之日起採用權益法進行核算。取得聯營公司或合營企業中的投資時，投資成本超過本集團在被投資者的可辨認資產及負債的公平值淨額中所佔份額的部份確認為商譽(商譽會納入投資的賬面金額內)。如果本集團在此類可辨認資產及負債的公平值淨額中所佔的份額超過投資成本，而且在重新評估後亦是如此，則超出的金額會在取得該項投資的當期立即計入損益。

在確定是否有必要就本集團在聯營公司或合營企業中的投資確認任何減值損失時，應採用國際會計準則第39號的規定。如有必要，投資(包括商譽)的全部賬面金額應按照國際會計準則第36號*「資產減值」*的規定，作為一項單項資產通過將其可收回金額(使用價值和公平值減去銷售費用後的餘額兩者中的較高者)與其賬面金額進行比較來進行減值測試。已確認的任何減值損失構成投資賬面金額的一部份。該項減值損失的任何轉回金額應按照國際會計準則第36號的規定，以投資的可收回金額其後增加為限進行確認。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Investments in associates and joint ventures *(Continued)*

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

3. 主要會計政策*(續)*

於聯營公司及合營企業的投資*(續)*

本集團自相關投資不再是聯營公司或合營企業或此項投資被劃歸為持有待售之日起終止採用權益法。如果本集團保留在前聯營公司或合營企業中的權益，且所保留的權益是一項金融資產，則本集團按當日的公平值計量所保留的權益，且該公平值被視為其按照國際會計準則第39號的規定進行初始確認時的公平值。在確定處置該聯營公司或合營企業所產生的利得或損失時，應將聯營公司或合營企業在終止採用權益法之日的賬面金額與任何保留的權益及處置聯營公司或合營企業中的部份權益的任何收入的公平值之間的差額納入其中。此外，本集團採用如同聯營公司或合營企業已直接處置相關資產或負債所適用的基礎核算此前計入其他全面收益的與該聯營公司或合營企業相關的全部金額。因此，如果此前被該聯營公司或合營企業計入其他全面收益的的收益或虧損應在處置相關資產或負債時被重分類至損益，則本集團會在終止採用權益法時將此項利得或損失從權益重分類至損益(作為一項重分類調整)。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Investments in associates and joint ventures *(Continued)*

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment (or a portion thereof) is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IAS 39. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

3. 主要會計政策*(續)*

於聯營公司及合營企業的投資*(續)*

當在聯營公司中的投資成為合營企業中的投資或合營企業中的投資成為聯營公司中的投資時，本集團將繼續採用權益法。所有者權益發生此類變動時，不存在按公平值進行重新計量的情況。

當本集團減少其在聯營公司或合營企業中的所有者權益但本集團繼續採用權益法時，本集團將此前計入其他全面收益的與此次減少所有者權益相關的收益或虧損部份重分類至損益(如果此項收益或虧損在處置相關資產或負債時將被重分類至損益)。

當某集團主體與本集團的聯營公司或合營企業進行交易時，此類與聯營公司或合營企業進行的交易所產生的損益將僅按聯營公司或合營企業中的權益與本集團無關的份額，在本集團的綜合財務報表中予以確認。

發展中待售物業

擬於發展完成後出售的發展中物業列為流動資產，以成本或可變現淨值兩者中較低者列賬。成本包括相關土地成本、所產生的發展開支及已資本化的借貸成本(倘適用)。

發展中待售物業於落成後轉撥至持作出售物業。

持作出售物業

持作出售物業按成本或可變現淨值兩者之較低者列賬。成本包括土地成本、產生的發展開支及已資本化的借貸成本(倘適用)。可變現淨值按當時市況釐定。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Investments in associates and joint ventures *(Continued)*

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Properties under development for sales

Properties under development which are intended to be sold upon completion of development are classified as current assets, and carried at the lower of cost and net realisable value. Cost includes the related land cost, development expenditure incurred and where appropriate, borrowing costs capitalised.

Properties under development for sales are transferred to properties held for sales upon completion.

Properties held for sales

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

3. 主要會計政策*(續)*

存貨

存貨按成本或可變現淨值兩者之較低者列賬。成本按加權平均法計算。

金融工具

當一間集團公司成為工具合約條文的訂約方時，金融資產及金融負債於綜合財務狀況報表內確認。

金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債直接應佔的交易成本(按公平值計入損益的金融資產及金融負債除外)於初步確認時加入或從金融資產或金融負債的公平值扣除(倘適用)。收購或發行按公平值計入損益的金融資產或金融負債直接應佔的交易成本即時於損益內確認。

金融資產

本集團的金融資產分為貸款及應收款項或可供出售金融資產。有關分類基於金融資產之性質及用途於初步確認時決定。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method.

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition or issue of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are classified as loans and receivables or available-for-sale financial assets. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

3. 主要會計政策*(續)*

金融工具*(續)*

實際利率法

實際利率法為計算金融資產的攤銷成本及按有關期間攤分利息收入的方法。實際利率是將金融資產於預計年期或(倘適用)較短期間的估計未來現金收入(包括構成實際利率不可分割部分的已支付或收取的所有費用、交易成本及其他溢價或折價)準確折現至初步確認的賬面淨值的利率。

債務工具的利息收入按實際利率基準確認。

貸款及應收款項

貸款及應收款項為無活躍市場報價而附帶固定或可釐定付款的非衍生金融資產。於初步確認後，貸款及應收款項(包括應收賬款及應收票據、其他應收款項、按金、應收非控股權益、聯營公司及合營企業款項、已抵押銀行存款及銀行結餘及現金)採用實際利率法按攤銷成本減任何已識別減值虧損列賬(請參閱下文有關金融資產減值虧損的會計政策)。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including accounts, bills and other receivables and deposits, amounts due from non-controlling interests, associates and joint ventures, pledged bank deposits and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses (see accounting policy on impairment loss on financial assets below).

FactEntry

3. 主要會計政策*(續)*

金融工具*(續)*

金融資產*(續)*

可供出售金融資產

可供出售金融資產為指定或未分類為按公平值計入損益的金融資產、貸款及應收款項或持至到期投資的非衍生工具。

可供出售股本工具的股息於本集團有權收取股息時於損益賬內確認。

對於在活躍市場並無市場報價及其公平值無法可靠計量的可供出售股本投資，於各報告期末按成本減任何已識別減值虧損計量(請參閱下文有關金融資產減值虧損的會計政策)。

金融資產的減值

金融資產會於各報告期末評定是否有減值跡象。金融資產於有客觀證據顯示金融資產的估計未來現金流量因於初步確認該金融資產後發生之一項或多項事件而受到影響時視為減值。

就可供出售股本投資而言，其公平值大幅或持續下跌至低於其成本，視為減值的客觀證據。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at the end of the reporting period (see accounting policy on impairment loss on financial assets below).

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

3. 主要會計政策*(續)*

金融工具*(續)*

金融資產*(續)*

金融資產的減值(續)

就貸款及應收款項而言，減值的客觀證據可包括：

- 發行人或對手方出現重大財政困難；或
- 違約(如拖欠或延遲償還利息或本金)；或
- 借款人可能會破產或進行財務重組；或
- 由於財政困難，金融資產的活躍市場消失。

就若干類別的金融資產(如應收賬款及票據)而言，評估為不會單獨減值的資產會另行一併評估減值。應收款項組合出現減值的客觀證據包括本集團過往收款記錄、組合延遲付款(超逾信貸期)數目增加、國家或地方經濟狀況出現明顯變動導致應收款項未能償還。

按攤銷成本列賬的金融資產之減值虧損金額確認為資產賬面值與按金融資產原實際利率貼現的估計未來現金流量現值之間的差額。

按成本列賬的金融資產之減值虧損金額按該資產的賬面值與估計未來現金流量按類似金融資產現時市場回報率折現的現值之間的差額計量。該等減值虧損不會於其後期間撥回。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Impairment of financial assets (Continued)

For loans and receivables, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial asset, such as accounts and bills receivables, assets that are assessed not to be impaired individually are in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the credit period, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

3. 主要會計政策*(續)*

金融工具*(續)*

金融資產*(續)*

金融資產的減值(續)

所有金融資產的減值虧損直接於金融資產的賬面值扣減，惟應收賬款及應收票據、其他應收款項除外，其賬面值會透過使用撥備賬作出扣減。撥備賬內的賬面值變動會於損益中確認。當應收賬款及應收票據、其他應收款項視為不可收回時，會於撥備賬內撇銷。之前已撇銷的款項如其後收回，會計入損益內。

就按攤銷成本計量的金融資產而言，如在隨後期間減值虧損金額減少，而有關減少在客觀上與確認減值虧損後發生的事件有關，則先前已確認的減值虧損將透過損益撥回，惟該資產於減值撥回當日的賬面值不得超過未確認減值時應有的已攤銷成本。

金融負債及股本工具

本集團發行的金融負債及股本工具根據合約安排的內容及金融負債與股本工具的定義分類為金融負債或股本工具。

股本工具

股本工具為顯示本集團資產經扣除其所有負債後的剩餘權益的任何合約。集團實體發行的股本工具按已收所得款項扣除直接發行成本確認。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Impairment of financial assets (Continued)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of accounts, bills and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When an account, bill and other receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by the Group are classified as either financial liabilities or as equity instruments in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the group entities are recognised at the proceeds received, net of direct issue costs.

3. 主要會計政策*(續)*

金融工具*(續)*

金融負債及股本工具*(續)*

實際利率法

實際利率法為計算金融負債的攤銷成本及按有關期間分配利息支出的方法。實際利率是將金融負債於整個預計年期或(倘適用)較短期間的估計未來現金付款(包括構成實際利率不可分割部分的已支付或收取的所有費用、交易成本及其他溢價或折價)準確折現至首次確認時的賬面淨值的利率。

債務工具的利息開支按實際利息基準確認。

金融負債

金融負債(包括應付賬款及應付票據、應付合營企業、一間聯營公司及一名聯營公司控股股東款項、優先票據以及銀行及其他借款)其後使用實際利率法按攤銷成本計量。

衍生金融工具及對沖

衍生工具以其合約簽訂日的公平值作初次確認及其後以報告期末的公平值重新計量。除非衍生工具被指定為對沖工具且生效，否則產生的損益於損益賬內確認，在此情況下於損益賬內確認的時間視乎對沖關係的性質而定。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Financial liabilities and equity instruments *(Continued)*

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis for debt instruments.

Financial liabilities

Financial liabilities (including accounts and bills payables, amounts due to joint ventures, an associate and a controlling shareholder of an associate, senior notes and bank and other borrowings) are subsequently measured at amortised cost using effective interest method.

Derivative financial instruments and hedging

Derivatives are initially recognised at fair value at the date when a derivative contract is entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

3. 主要會計政策*(續)*

金融工具*(續)*

嵌入式衍生工具

倘符合衍生工具的定義，且衍生工具的風險及特徵與主合約並非密切關連，而主合約並非透過損益按公平值列賬，列入非衍生主合約的衍生工具則被當作獨立衍生工具。

對沖會計

本集團指定若干衍生工具對沖外幣及利率變動風險(現金流量對沖)。

於對沖關係開始時，本集團記錄對沖工具和被對沖項目的關係，及進行各類對沖交易的風險管理目標及其策略。此外，於對沖開始和進行期間，本集團記錄用於對沖關係的對沖工具是否能高度有效地抵銷被對沖項目的公平值或現金流量變動。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Embedded derivatives

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when they meet definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value through profit or loss.

Hedge accounting

The Group designates certain derivatives as hedges for foreign currency and interest rate movements exposure (cash flow hedges).

At the inception of the hedging relationship the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument that is used in a hedging relationship is highly effective in offsetting changes in fair values or cash flows of the hedged item.

3. 主要會計政策*(續)*

金融工具*(續)*

現金流量對沖

當衍生工具獲指定並符合條件作為現金流量對沖，其有效部份的公平值變動於其他全面收益內確認並於對沖儲備項下累計。非有效部份的收益或虧損即時於損益確認，並列入「其他收益及虧損」項下。

先前於其他全面收益確認並於權益累計的金額(對沖儲備)，在被對沖項目於損益確認期間重新分類至損益，與綜合損益表內已確認被對沖項目處於相同項下。

當本集團撤銷對沖關係、對沖工具已到期或出售、終止、已行使或不再符合資格使用對沖會計法時，將會終止使用對沖會計法。當時於其他全面收益確認並於權益累計的任何收益或虧損將於權益保留，並於預期交易最終於損益內確認。

財務擔保合約

財務擔保合約指因指定債務人未能按債務工具的原有或經修訂條款如期付款時，發行人須支付指定金額予持有人以補償其所遭受損失的合約。本集團所發行而並無指定按公平值計入損益的財務擔保合約初步以公平值減發行財務擔保合約直接應佔的交易成本確認。於初步確認後，本集團以(i)按照國際會計準則第37號*「撥備、或然負債及或然資產」*釐定的合約負債金額；及(ii)初步確認的金額減按照收益確認政策確認的累計攤銷(如適用)兩者中的較高者計量財務擔保合約。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income and accumulated in hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss and is included in the 'other gains or losses' line item.

Amounts previously recognised in other comprehensive income and accumulated in equity (hedging reserve) are reclassified to profit or loss in the periods when the hedged item is recognised in profit or loss, in the same line of the consolidated statement of profit or loss and other comprehensive income as the recognised hedged item.

Hedge accounting is discontinued when the Group revokes the hedging relationship, the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the hedged risk is ultimately recognised in profit or loss.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. A financial guarantee contract issued by the Group and not designated as at fair value through profit or loss is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of obligation under the contract, as determined in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the revenue recognition policy.

3. 主要會計政策*(續)*

金融工具*(續)*

解除確認

僅當從資產收取現金流量的權利已屆滿，或將金融資產及資產擁有權之絕大部分風險及回報轉讓予其他實體時，本集團方會解除確認金融資產。倘本集團並無轉讓或保留擁有權之絕大部分風險及回報並持續控制已轉讓資產，則本集團確認其在資產中的保留權益，並就可能須支付的金額確認相關負債。倘本集團保留已轉讓金融資產所有權之絕大部分風險及回報，則持續確認金融資產，並確認已收所得款項的抵押借款。

於全面解除確認金融資產時，資產賬面值與已收及應收代價及於其他全面收益確認並於權益累積的累計損益總和之間的差額，將於損益內確認。

當且僅當本集團的責任獲解除、取消或已屆滿時，方會解除確認金融負債。已解除確認的金融負債之賬面值與已付及應付代價的差額，將於損益內確認。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises a financial liability when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3. 主要會計政策*(續)*

租賃

當租賃條款轉移所有權絕大部分風險及回報至承租人，則有關租賃分類為融資租賃。所有其他租賃分類為經營租賃。

本集團作為出租人

經營租賃的租金收入於相關租賃年期按直線法於損益內確認。

本集團作為承租人

經營租賃付款於租期按直線法確認為開支。已收訂立經營租賃的租賃獎勵確認為負債。獎勵福利總額按直線基準確認為租金開支減少。

租賃土地及樓宇

當一項租賃包括土地及樓宇部分，本集團會根據各部份的所有權絕大部分風險及回報是否轉移至本集團獨立評估各部份分類為融資或經營租賃，除非確認兩部份均為經營租賃，而在此情況下，整份租約分類為經營租賃。特別是，最低租賃款項(包括任何一次性預付款)於租賃開始時，按出租人自租賃土地與樓宇所獲利益公平值的比例在土地與樓宇部分間分配。

租賃款項能夠可靠分配時，土地租賃權益作為經營租約在綜合財務狀況報表中列作「預付租賃款項」，並於租期內按直線基準撥回，惟按公平值模式分類及入賬列作投資物業者除外。當租賃款項無法於土地與樓宇部分間可靠分配，整份租約一般視作融資租賃處理，並入賬列作物業、廠房及設備。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Leasehold land and buildings

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments" in the consolidated statement of financial position and is released over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

3. 主要會計政策*(續)*

借貸成本

由於收購、建設或生產需大量時間用作擬定用途或出售的合資格資產而直接產生的借貸成本計入該等資產之成本，直至該等資產大致上可作擬定用途或出售。特定借款在未用於未完成資產開支之暫時投資所得投資收入，會從可撥作資本化的借貸成本中扣除。

所有其他借貸成本均於產生期間於損益內確認。

外幣

編製各個別集團實體的財務報表時，以該實體功能貨幣以外貨幣(外幣)進行的交易，以各自功能貨幣(即實體經營所在主要經濟環境的貨幣)按交易日的匯率記錄。於報告期末，以外幣列值的貨幣項目按該日的現行匯率重新換算。按過往成本以外幣計量的非貨幣項目毋須重新換算。

結算貨幣項目及重新換算貨幣項目所產生的匯兑差額於產生期間確認。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e., the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

3. 主要會計政策*(續)*

稅項

所得稅開支指現時應付稅項及遞延稅項的總和。

現時應付稅項按年度應課稅溢利計算。應課稅溢利有別於綜合損益及其他全面收益表所報「除稅前溢利」，乃因其不包括其他年度的應課稅收入或可扣減支出項目，亦不包括毋須課稅或不可扣減項目。本集團的即期稅項負債按報告期末已實施或實質上已實施的稅率計算。

遞延稅項按綜合財務報表內資產及負債的賬面值與計算應課稅溢利所用相應稅基間的暫時差額確認。遞延稅項負債通常會就所有應課稅暫時差額確認，而遞延稅項資產則按可能出現可利用暫時差額扣稅之應課稅溢利時確認。倘因商譽或初步確認一項交易(業務合併情況下除外)的其他資產及負債而引致的暫時差額既不影響應課稅溢利亦不影響會計溢利，則不會確認該等資產及負債。

遞延稅項負債確認來自投資附屬公司及聯營公司與合營企業權益的應課稅暫時額，惟倘本集團可控制撥回暫時差額及該暫時差額可能不會於可見將來撥回則除外。有關該投資及權益可扣稅暫時差額產生的遞延稅項資產，僅以可能有足夠應課稅溢利可抵銷暫時差額利益，且預期暫時性差額於可見將來撥回時確認。

遞延稅項資產的賬面值於各報告期末進行檢討，會一直扣減至不再有足夠應課稅溢利可收回全部或部份資產為止。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Taxation

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

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

Deferred taxation is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred taxation liabilities are generally recognised for all taxable temporary differences and deferred taxation assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred taxation liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred taxation assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

3. 主要會計政策*(續)*

稅項*(續)*

遞延稅項資產及負債基於各報告期末已頒佈或實質頒佈的稅率(及稅法)按清償負債或變現資產期間的預期適用稅率計算。

遞延稅項負債及資產的計量反映本集團預期於各報告期末收回或結算資產及負債賬面值的方式產生的稅務影響。就計量以公平值模式計量的投資物業的遞延稅項負債或遞延稅項資產而言，除非假定被推翻，否則有關物業的賬面值被假定為可通過出售全數收回。倘有關投資物業為可折舊而其相關業務模式的目的乃隨著時間流逝，通過使用而非出售消耗該投資物業內所包含的絕大部分經濟利益，則有關假定被駁回。倘假定被駁回，有關投資物業的遞延稅項負債及遞延稅項資產乃根據上述國際會計準則第12號所載上述一般原則計量(即根據該物業將被收回的預期方式計量)。

即期及遞延稅項於損益確認，惟倘即期及遞延稅項與於其他全面收益或直接於權益確認的項目有關時，則即期及遞延稅項亦分別於其他全面收益或直接在權益確認。倘遞延稅項的即期稅項因業務合併初步入賬產生，則稅務影響納入業務合併入賬。

政府資助

除非能合理確定本集團將遵守政府資助所附帶的條件及將獲發有關資助，否則不會確認政府資助。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Taxation *(Continued)*

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

The measurement of deferred taxation liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For the purposes of measuring deferred taxation liabilities or deferred taxation assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. If the presumption is rebutted, deferred taxation liabilities and deferred taxation assets for such investment properties are measured in accordance with the above general principles set out in IAS 12 (i.e., based on the expected manner as to how the properties will be recovered).

Current and deferred taxation are recognised in profit or loss, except when it relates to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred taxation are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred taxation arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Government grants

Government grants are not recognized until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

3. 主要會計政策*(續)*

政府資助

政府資助於本集團確認支銷相關費用且政府資助擬作賠償時有系統地於損益表確認。應收政府資助作賠償已產生之開支或虧損或用作即時本集團財政支持且於未來並無費用，於應收期間於損益表確認。

退休福利成本

強制性公積金計劃的供款為定額供款，於僱員就其提供服務可享有供款時確認為開支。倘本集團根據國家管理退休福利計劃的責任與定額供款退休福利計劃所產生者相等，則該計劃供款視為定額供款退休福利計劃的供款處理。

以股份為基礎的付款交易

以權益結算及股份為基礎的付款交易

向僱員提供的購股權／股份獎勵

向僱員作出以權益結算及股份為基礎的付款按股本工具授出日期的公平值計量。有關釐定以權益結算及股份為基礎的交易的公平值詳情載於本集團綜合財務報表附註43。

所獲服務之公平值參考購股權於授出日期之公平值釐定，在購股權歸屬期間以直線法列作開支，並於權益(購股權儲備)作相應增加。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Government grants *(Continued)*

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Retirement benefit costs

Payments to the Mandatory Provident Fund Scheme, which is a defined contribution plan, are recognised as an expense when employees have rendered service entitling them to the contributions. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution plans where the Group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit plan.

Share-based payment transactions

Equity-settled share-based payment transactions

Share options/share awards to employees

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 43 to the Group's consolidated financial statements.

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

3. 主要會計政策*(續)*

以股份為基礎的付款交易*(續)*

以權益結算及股份為基礎的付款交易*(續)*

向僱員提供的購股權／股份獎勵(續)

於報告期末，本集團修訂對預期最終歸屬購股權數目的估計。於歸屬期修訂原有估計之影響(如有)於損益確認以使累計開支反映修訂估計，並對購股權儲備或注資儲備作出相應調整。

倘購股權獲行使，過往於購股權儲備中確認之款項將轉入股份溢價。倘購股權於歸屬日期後被沒收或於屆滿日仍未行使，則過往於購股權儲備中確認之款項將轉入保留盈利。

有形資產減值虧損

本集團於報告期末檢討有形資產的有限可用年期賬面值，以決定是否有跡象顯示該等資產出現減值虧損。倘出現任何有關跡象，則會估計資產的可收回金額，以釐定減值虧損(如有)的情況。若個別資產的可收回金額不能作出估計，本集團則估算該資產所屬現金產生單位的可收回金額。在合理及一貫的分配基準可被確定的情況下，集團資產亦分配至個別現金產生單位，否則將分配至合理及一貫的分配基準可被確定的最小現金產生單位組別。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Share-based payment transactions *(Continued)*

Equity-settled share-based payment transactions *(Continued)*

Share options/share awards to employees (Continued)

At the end of the reporting period, the Group revises its estimates of the number of options or shares that are expected to ultimately vest. The impact of the revision of the original estimates during the vesting period, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share option reserve or capital contribution reserve.

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

Impairment losses on tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

3. 主要會計政策*(續)*

有形資產減值虧損*(續)*

可收回金額乃公平值減銷售成本與使用價值的較高者。在評估使用價值時，估計未來現金流量使用稅前貼現率貼現至其現值，該貼現率反映貨幣時間價值的當前市場估計及未來現金流量預期未經調整的資產有關風險。

倘若估計資產(或現金產生單位)的可收回金額低於其賬面值，則該資產(或現金產生單位)的賬面值將調低至其可收回金額。減值虧損即時於收益表確認為開支。

倘其後撥回減值虧損，該資產的賬面值(或現金產生單位)將增至重新估計的可收回數額，惟增加後的賬面值不得超過資產(或現金產生單位)於過往年度並無確認減值虧損時釐定的賬面值。減值虧損的撥回即時確認為收入。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Impairment losses on tangible assets *(Continued)*

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

4. 關鍵會計判斷及估計不明朗因素的主要來源

於採用附註3所述本集團會計政策時，本公司董事須就不能透過其他來源明顯確定的資產及負債的賬面值作出判斷、估計及假設。估計及相關假設乃根據過往經驗及視為相關的其他因素作出。實際結果可能有別於該等估計。

估計及相關假設會持續檢討。對會計估計進行修訂時，若修訂會計估計僅影響修訂估計期間，則會在該段期間確認有關修訂；若修訂影響到現行修訂期間及未來期間，則在現行以及未來期間確認有關修訂。

應用會計政策的關鍵判斷

投資物業的遞延稅項

就計量利用公平值模式計量的投資物業所產生遞延稅項負債或遞延稅項資產而言，本公司董事已審閱本集團的投資物業組，並斷定本集團投資物業乃以旨在隨著時間推移而消耗該等投資物業包含的絕大部分經濟利益的商業模式持有。因此，在釐定本集團投資物業的遞延稅項時，董事認為，以公平值模式計量的投資物業可因出售而收回的假設並不成立。因此，本集團已確認投資物業公平值變動的遞延稅項。

4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgement in applying accounting policies

Deferred taxation on investment properties

For the purposes of measuring deferred taxation liabilities or deferred taxation assets arising from investment properties that are measured using the fair value model, the directors of the Company have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, in determining the Group's deferred taxation on investment properties, the directors have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is rebutted. As a result, the Group has recognised deferred taxation on changes in fair value of investment properties.

4. 關鍵會計判斷及估計不明朗因素的主要來源*(續)*

估計不明朗因素的主要來源

所得稅開支

按附註32所載，於二零一五年十二月三十一日，主要與稅項虧損、土地增值稅撥備、呆賬撥備、政府津貼、集團內購買的未變現溢利及其他項目相關的遞延稅項資產人民幣1,623,857,000元(二零一四年：人民幣1,271,972,000元)經抵銷若干遞延稅項負債後已於本集團綜合財務狀況報表確認。遞延稅項資產能否變現主要視乎未來有無足夠可供動用的未來溢利或應課稅暫時差額。本公司董事釐定遞延稅項資產乃基於已頒佈或實質已頒佈的稅率，以及本集團預期動用遞延稅項資產的未來數年所作的最佳溢利預測。本公司董事會於報告期末前審閱假設及溢利預測。倘所產生的實際未來溢利高於或低於預期，則可能須額外確認或撥回遞延稅項資產，並於確認或撥回期間於損益表內確認。

土地增值稅

本集團在中國須繳付土地增值稅。然而，有關稅項的執行及繳納因中國不同城市的不同稅務司法權區而各異，且本集團若干項目尚未與中國任何地區稅務機關確認土地增值稅的計算及付款方法。因此，本集團於釐定土地增值及其相關所得稅撥備的金額時須作出重大判斷。本集團根據管理層的最佳估計確認土地增值稅。最後稅務結果可能有別於最初記錄的金額，而相關差額會於本集團與地方稅務機關落實有關稅項期間對所得稅開支及相關所得稅撥備造成影響。

4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

Key sources of estimation uncertainty

Income tax expense

As at December 31, 2015, deferred taxation assets of RMB1,623,857,000 (2014: RMB1,271,972,000) mainly in relation to tax losses, land appreciation tax provisions, allowance for doubtful debts, government grants, unrealised profit on intra-group purchases and others have been recognised in the Group's consolidated statement of financial position, after offsetting certain deferred taxation liabilities as set out in note 32. The realisability of the deferred taxation assets mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. The directors of the Company determine the deferred taxation assets based on the enacted or substantively enacted tax rates and the best knowledge of profit projections of the Group for coming years during which the deferred taxation assets are expected to be utilised. The directors of the Company review the assumptions and profit projections by the end of the reporting period. In cases where the actual future profits generated are more or less than expected, an additional recognition or a reversal of deferred taxation assets may arise, which would be recognised in profit or loss for the period in which such a recognition or reversal takes place.

Land appreciation tax

The Group is subject to land appreciation tax in the PRC. However, the implementation and settlement of the tax varies amongst different tax jurisdictions in various cities of the PRC and certain projects of the Group have not yet finalised their land appreciation tax calculations and payments with any local tax authorities in the PRC. Accordingly, significant judgment is required in determining the amount of land appreciation and its related income tax provisions. The Group recognises land appreciation tax based on management's best estimates. The final tax outcome could be different from the amounts that were initially recorded, and these differences will impact the income tax expense and the related income tax provisions in the periods in which such tax is finalised with local tax authorities.

4. 關鍵會計判斷及估計不明朗因素的主要來源*(續)*

應用會計政策的關鍵判斷*(續)*

公平值計量和估值過程

本集團部分資產及負債就對財務報告目的以公平值計量。本公司的財務總監確定適當的估值技術和輸入公平值計量。

在估計資產或負債的公平值時，視乎可提供的程度，本集團採用市場可觀察數據。當未能提供第一層級輸入值時，本集團委聘第三方合資格估值師進行估值。本公司的財務總監與合資格外部估值師密切合作，建立適當的估值技術技術和輸入到模型。財務總監報告每半年向本公司董事會報告結果，解釋資產及負債的公平值波動的原因。

本集團採用估值技術，包括並非基於可觀察市場數據的輸入值，以估計若干種類金融工具的公平值。附註14及46f提供關於確定各項資產和負債的公平值採用的估值技術、輸入值和關鍵假設的詳細資料。

4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

Key sources of estimation uncertainty *(Continued)*

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The Chief Financial Officer of the Company determines the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The Chief Financial Officer of the Company works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the findings to the board of directors of the Company every half year to explain the cause of fluctuations in the fair value of the assets and liabilities.

The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of certain types of financial instruments. Notes 14 and 46f provide detailed information about the valuation techniques, inputs and key assumptions used in the determination of the fair value of various assets and liabilities.

5. 分部信息

本集團根據主要經營決策人(即本公司執行董事)為向分部配置資源及評估其表現而定期檢討的有關本集團組成部分的內部報告，釐定其經營分部。

本集團按活動類別組成業務單元，並據此編製資料而向本集團主要經營決策人呈報以便配置資源及評估表現。本集團根據國際財務報告準則第8號*經營分部*編製的經營分部可分為以下三項主要業務：

- 物業發展：該分部發展及銷售辦公樓、商業及住宅物業。本集團所有這方面的業務在中國開展。
- 物業投資：該分部租賃本集團發展的投資物業，以賺取租金收入並長期從物業增值中獲取收益。本集團目前的投資物業組合主要包括零售物業，全部位於中國。
- 物業管理及相關服務：該分部主要透過物業管理產生收入。本集團目前在中國開展這方面的業務。

5. SEGMENT INFORMATION

The Group determines its operating segments based on internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (i.e., the executive directors of the Company) in order to allocate resources to the segment and to assess its performance.

The Group is organised into business units based on their types of activities, based on which information is prepared and reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of performance. The Group's operating segments under IFRS 8 *Operating Segments* are identified as three main operations:

- Property development: this segment develops and sells office premises, commercial and residential properties. All of the Group's activities in this regard are carried out in the PRC.
- Property investment: this segment leases investment properties, which are developed by the Group to generate rental income and to gain from the appreciation in the properties' values in the long term. Currently the Group's investment property portfolio mainly comprises retail properties and are all located in the PRC.
- Property management and related services: this segment mainly represents the income generated from property management. Currently the Group's activities in this regard are carried out in the PRC.

5. 分部信息 *(續)*

(a) 分部業績、資產及負債

就評估分部表現及在各分部之間配置資源而言，本公司執行董事按以下基準監督各經營分部應佔的收入、業績、資產及負債：

分部資產包括所有分部直接應佔的所有有形資產及流動資產，惟若干物業、廠房及設備、預付租賃款項、就購入土地使用權已付的按金、於聯營公司及合營企業的權益、可供出售投資、遞延稅項資產、可收回稅項、衍生金融工具及其他公司資產除外。由於其他公司資產為總部資產或由本集團集中管理，因此並無分配至經營分部。主要經營決策人評估時，計入分部資產的投資物業以成本列賬。分部負債包括應付賬款及應付票據及應計建築開支、已收按金及物業銷售預收款項以及其他應付款項，惟不包括應付稅項、遞延稅項負債、銀行及其他借款、優先票據、衍生金融工具以及其他公司負債。由於其他公司負債為總部負債或由集團整體管理，因此並無分配至經營分部。

收入及支出根據分部的銷售收入及產生的相關支出分配至經營分部。分部溢利不包括本集團應佔其聯營公司及合營企業業務活動產生的業績。

5. SEGMENT INFORMATION *(Continued)*

(a) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Company's executive directors monitor the revenue, results, assets and liabilities attributable to each operating segment on the following bases:

Segment assets include all tangible assets and current assets directly attributable to each segment with the exception of certain property, plant and equipment, prepaid lease payments, deposits paid for acquisition of land use rights, interests in associates and joint ventures, available-for-sale investments, deferred taxation assets, taxation recoverable, derivative financial instruments and other corporate assets. Other corporate assets are not allocated to the operating segments because they are head office assets or assets which are managed centrally by the Group. The investment properties included in segment assets are stated at cost when assessed by the chief operating decision maker. Segment liabilities include accounts and bills payables and accrued expenditure on construction, deposits received and receipt in advance from property sales, and other payables but exclude taxation payable, deferred taxation liabilities, bank and other borrowings, senior notes, derivative financial instruments and other corporate liabilities. Other corporate liabilities are not allocated to the operating segment because they are head office liabilities or liabilities which are managed on a group basis.

Revenue and expenses are allocated to the operating segments with reference to sales generated by those segments and the expenses incurred by those segments. Segment profit does not include the Group's share of results arising from the activities of the Group's associates and joint ventures.

5. 分部信息 *(續)*

(a) 分部業績、資產及負債 *(續)*

呈報分部溢利所採用的指標為未計利息、稅項、折舊、應佔聯營公司及合營企業業績、投資物業及轉撥至投資物業時公平值變動以及融資成本的經調整盈利(「經調整盈利」)，此處所指的「利息」包括投資收入，而「折舊」則視為包括非流動資產的減值虧損。為確定經調整盈利，本集團的盈利會就未具體劃撥至個別分部的項目，如董事及核數師薪酬、其他總部或公司行政開支，作進一步調整。

除獲取有關分部溢利的分部資料外，管理層獲取各分部的相關資訊，包括收入(包括分部間銷售)及分部用於經營業務的新增非流動分部資產。分部間銷售乃參照同類服務對外部客戶的售價而定價。

有關本集團經營分部的資料列示如下。

5. SEGMENT INFORMATION *(Continued)*

(a) Segment results, assets and liabilities *(Continued)*

The measure used for reporting segment profit is adjusted earnings before interest, taxes, depreciation, share of results of associates and joint ventures, change in fair value of investment properties and upon transfer to investment properties, and finance costs ("Adjusted Earnings"), where "interest" is regarded as including investment income and "depreciation" is regarded as including impairment losses on non-current assets. To arrive at Adjusted Earnings the Group's earnings are further adjusted for items not specifically attributed to individual segments, such as directors' and auditor's remuneration and other head office or corporate administration costs.

In addition to receiving segment information concerning segment profit, management is provided with segment information concerning revenue (including inter-segment sales) and additions to non-current segment assets used by the segments in their operations. Inter-segment sales are priced with reference to prices charged to external parties for similar service.

Information regarding the Group's operating segments is set out below.

		截至二零一五年十二月三十一日止年度 Year ended December 31, 2015			
		物業發展 Property development *人民幣千元* *RMB'000*	物業投資 Property investment *人民幣千元* *RMB'000*	物業管理及相關服務 Property management and related services *人民幣千元* *RMB'000*	總計 Total *人民幣千元* *RMB'000*
來自外界客戶的收入	Revenue from external customers	44,992,984	1,415,187	1,014,928	47,423,099
分部間收入	Inter-segment revenue	—	—	383,639	383,639
分部收入	Segment revenue	44,992,984	1,415,187	1,398,567	47,806,738
分部溢利(經調整盈利)	Segment profit (Adjusted Earnings)	10,415,923	990,443	590,475	11,996,841
分部資產	Segment assets	91,710,136	25,048,193	368,333	117,126,662
分部負債	Segment liabilities	46,946,184	429,470	23,409	47,399,063

5. 分部信息 *(續)*

(a) 分部業績、資產及負債 *(續)*

5. SEGMENT INFORMATION *(Continued)*

(a) Segment results, assets and liabilities *(Continued)*

		截至二零一四年十二月三十一日止年度 Year ended December 31, 2014			
		物業發展 Property development *人民幣千元 RMB'000*	物業投資 Property investment *人民幣千元 RMB'000*	物業管理及相關服務 Property management and related services *人民幣千元 RMB'000*	總計 Total *人民幣千元 RMB'000*
來自外界客戶的收入	Revenue from external customers	49,288,633	876,321	825,724	50,990,678
分部間收入	Inter-segment revenue	—	—	216,320	216,320
分部收入	Segment revenue	49,288,633	876,321	1,042,044	51,206,998
分部溢利(經調整盈利)	Segment profit (Adjusted Earnings)	11,395,730	705,497	349,369	12,450,596
分部資產	Segment assets	84,865,137	17,863,378	63,833	102,792,348
分部負債	Segment liabilities	49,195,792	184,647	6,840	49,387,279

其他分部資料

Other segment information

		物業發展 Property development *人民幣千元 RMB'000*	物業投資 Property investment *人民幣千元 RMB'000*	物業管理及相關服務 Property management and related services *人民幣千元 RMB'000*	總計 Total *人民幣千元 RMB'000*
計量分部資產時所計入之款項：	Amounts included in the measure of segment assets:				
二零一五年	2015				
添置非流動資產(附註)	Additions to non-current assets (Note)	49,362	3,285,790	5,710	3,340,862
二零一四年	2014				
添置非流動資產(附註)	Additions to non-current assets (Note)	44,022	3,806,869	1,141	3,852,032

附註：款項包括添置投資物業以及物業、廠房及設備。

Note: Amounts comprise additions to investment properties and property, plant and equipment.

5. 分部信息 *(續)*

(a) 分部業績、資產及負債 *(續)*

除獲取有關分部溢利的分部資料外，主要經營決策人獲提供有關本集團綜合款項的資料，綜合款項包括於聯營公司的權益及應佔相關業績、於合營企業的權益及應佔相關業績、投資物業及轉撥至投資物業時公平值變動、其他收入、其他虧損、借款產生的融資成本、折舊以及不可分配至營運分部的減值虧損(如有)。

5. SEGMENT INFORMATION *(Continued)*

(a) Segment results, assets and liabilities *(Continued)*

In addition to receiving segment information concerning segment profit, the chief operating decision maker is provided with information concerning the Group's consolidated amount of interests in associates and related share of results, interests in joint ventures and related share of results, changes in fair value of investment properties and upon transfer to investment properties, other income, other losses, finance costs from borrowings, depreciation and impairment losses (if any) which are not allocated to operating segments.

(b) 分部收入、損益、資產及負債的對賬

(b) Reconciliations of segment revenues, profit or loss, assets and liabilities

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
收入	**Revenue**		
分部收入	Segment revenue	47,806,738	51,206,998
分部間收入對銷	Elimination of inter-segment revenue	(383,639)	(216,320)
綜合收入	Consolidated revenue	47,423,099	50,990,678
溢利	**Profit**		
分部溢利	Segment profit	11,996,841	12,450,596
其他收入	Other income	453,445	319,766
其他虧損	Other losses	(155,988)	(653,269)
轉撥為投資物業的公平值收益	Fair value gain upon transfer to investment properties	434,251	363,695
投資物業公平值變動	Change in fair value of investment properties	2,439,626	2,190,573
融資成本	Finance costs	(43,119)	(22,537)
應佔聯營公司業績	Share of results of associates	(18,707)	—
應佔合營企業業績	Share of results of joint ventures	266,864	275,646
折舊	Depreciation	(33,164)	(55,326)
未分配開支	Unallocated expenses	(1,401,862)	(1,242,522)
綜合除稅前溢利	Consolidated profit before taxation	13,938,187	13,626,622

5. 分部信息 *(續)*

(b) 分部收入、損益、資產及負債的對賬 *(續)*

5. SEGMENT INFORMATION *(Continued)*

(b) Reconciliations of segment revenues, profit or loss, assets and liabilities *(Continued)*

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
資產	**Assets**		
分部資產	Segment assets	117,126,662	102,792,348
投資物業公平值累計變動	Cumulative change in fair value of investment properties	18,423,037	15,549,160
預付租賃款項	Prepaid lease payments	11,774,585	14,940,036
於聯營公司的權益	Interests in associates	355,793	8,499
於合營企業的權益	Interests in joint ventures	882,285	3,295,220
可供出售投資	Available-for-sale investments	130,920	8,600
就購入土地使用權已付的按金	Deposits paid for acquisition of land use rights	4,849,295	4,958,938
遞延稅項資產	Deferred taxation assets	1,623,857	1,271,972
衍生金融工具	Derivative financial instruments	701,083	184,441
可收回稅項	Taxation recoverable	3,291,225	3,237,633
未分配總部及其他資產	Unallocated head office and other assets	24,929,864	21,909,378
綜合資產總值	Consolidated total assets	184,088,606	168,156,225
負債	**Liabilities**		
分部負債	Segment liabilities	47,399,063	49,387,279
應付稅項	Taxation payable	10,304,622	9,576,795
遞延稅項負債	Deferred taxation liabilities	4,486,726	3,751,379
銀行及其他借款	Bank and other borrowings	44,336,408	40,166,347
優先票據	Senior notes	7,929,172	7,574,953
衍生金融工具	Derivative financial instruments	—	2,077
未分配總部及其他負債	Unallocated head office and other liabilities	7,164,961	7,425,392
綜合負債總額	Consolidated total liabilities	121,620,952	117,884,222

5. 分部信息 *(續)*

(c) 主要產品及服務所得收益

本集團自出售物業、投資物業及提供服務所得收益分析如下：

5. SEGMENT INFORMATION *(Continued)*

(c) Revenue from major product and services

The following is an analysis of the Group's revenue from its properties sold, properties invested and services provided:

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
出售物業	Sales of properties	44,992,984	49,288,633
租賃物業	Leasing of properties	1,415,187	876,321
提供物業管理服務	Provision of property management services	1,014,928	825,724
		47,423,099	50,990,678

5. 分部信息 *(續)*

(d) 地區資料

下表載列按出售物業、投資物業及提供服務所在中國城市劃分有關本集團來自外界客戶收入的資料。非流動資產資料按資產所在地理位置分析。

5. SEGMENT INFORMATION *(Continued)*

(d) Geographic information

The following table sets out information about the Group's revenue from external customers by cities in the PRC, based on the location at which the properties are sold, properties are invested and services are provided. Information about its non-current assets is analysed by geographical location of assets.

		來自外界客戶的收入 Revenue from external customers		非流動資產 Non-current assets	
		二零一五年 2015	二零一四年 2014	二零一五年 2015	二零一四年 2014
		人民幣千元 RMB'000	*人民幣千元 RMB'000*	*人民幣千元 RMB'000*	*人民幣千元 RMB'000*
北京	Beijing	2,993,063	12,547,158	9,092,667	8,076,697
成都	Chengdu	4,260,967	4,049,623	7,074,754	7,671,377
重慶	Chongqing	10,658,671	8,697,136	19,764,571	16,764,372
大連	Dalian	2,926,083	—	201,381	202,049
杭州	Hangzhou	6,520,638	5,509,648	5,616,167	4,455,218
上海	Shanghai	4,487,061	2,538,698	6,304,061	2,672,892
瀋陽	Shenyang	2,243,180	1,549,995	185,193	183,447
蘇南	Sunan	1,918,047	4,042,102	1,424,239	1,152,468
蘇州	Suzhou	1,219,565	—	2,027,959	1,390,329
廈門	Xiamen	2,866,437	2,048,701	4,367,170	2,173,494
西安	Xián	1,601,811	3,363,609	726,039	1,136,237
中國其他城市	Other cities in the PRC	5,727,576	6,644,008	4,671,231	10,875,708
		47,423,099	50,990,678	61,455,432	56,754,288

附註：非流動資產不包括可供出售投資、金融工具及遞延稅項資產。

Note: Non-current assets excluded available-for-sale investments, financial instruments and deferred taxation assets.

概無與單一外界客戶進行交易的收入達本集團收入的10%或以上。

No revenue from transaction with a single external customer amounts to 10% or more of the Group's revenue.

6. 其他收入 / 6. OTHER INCOME

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
利息收入	Interest income	238,024	145,929
可供出售投資的股息收入	Dividend income from available-for-sale investments	626	600
政府津貼	Government subsidies	80,106	56,417
違約收入(附註)	Penalty income (Note)	59,865	40,692
雜項收入	Sundry income	74,824	76,128
總計	Total	453,445	319,766

附註：指從未履行物業銷售買賣協議的物業買家收取的違約金。

Note: It represents penalty received from property buyers who do not execute sales and purchase agreement on property sales.

7. 其他虧損 / 7. OTHER LOSSES

		二零一五年 2015 人民幣千元 RMB'000	二零一四年 2014 人民幣千元 RMB'000
出售物業、廠房及設備的收益(虧損)	Gain (loss) on disposal of property, plant and equipment	2,997	(1,031)
匯兑虧損淨額(附註)	Net exchange loss (Note)	(772,739)	(195,092)
從對沖儲備重新分類至對沖工具的公平值收益	Reclassification of fair value gain of hedging instrument from hedging reserve	613,754	118,995
持有待售物業之減值虧損	Impairment loss of properties held for sales	—	(310,013)
提前贖回優先票據的虧損	Loss on early redemption of senior notes	—	(266,128)
		(155,988)	(653,269)

附註：指原貨幣以港元(「港元」)或美元(「美元」)列值的銀行結餘、銀行借款及優先票據產生的匯兑差額。

Note: It represents exchange difference arising from bank balances, bank borrowings and senior notes, original currencies of which are either denominated in Hong Kong Dollar ("HKD") or United States Dollar ("USD").

8. 融資成本

8. FINANCE COSTS

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
銀行及其他借款利息	Interest on bank and other borrowings		
五年內悉數償還	Wholly repayable within five years	(2,250,350)	(2,134,846)
非五年內悉數償還	Not wholly repayable within five years	(203,508)	(76,784)
優先票據的利息開支	Interest expense on senior notes	(533,678)	(584,073)
減：發展中物業的資本化金額	Less: Amount capitalised to properties under development	2,944,417	2,773,166
		(43,119)	(22,537)

資本化的借貸成本均源自本集團的一般借款額，於截至二零一五年十二月三十一日止年度按每年6.55%(二零一四年：7.25%)的資本化比率計算，計入合資格資產開支。

Borrowing costs capitalised arose on the general borrowing pool of the Group and were calculated by applying a capitalisation rate of 6.55% (2014: 7.25%) per annum for the year ended December 31, 2015, to expenditure on the qualifying assets.

9. 所得稅開支

9. INCOME TAX EXPENSE

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
本期稅項	Current tax		
中國企業所得稅(「企業所得稅」)	PRC Enterprise Income Tax ("EIT")	(2,577,985)	(2,924,334)
中國土地增值稅(「土地增值稅」)	PRC Land Appreciation Tax ("LAT")	(1,844,446)	(1,623,781)
		(4,422,431)	(4,548,115)
往年超額撥備：	Overprovision in prior years:		
企業所得稅(附註a)	EIT (Note a)	161,017	—
土地增值稅(附註b)	LAT (Note b)	287,444	255,528
		448,461	255,528
		(3,973,970)	(4,292,587)
遞延稅項(附註32)	Deferred taxation (Note 32)		
本年度	Current year	(724,542)	(583,657)
往年超額撥備	Overprovision in prior year	124,442	—
		(600,100)	(583,657)
		(4,574,070)	(4,876,244)

附註：

(a) 截至二零一五年十二月三十一日止年度，就若干持有竣工物業項目的附屬公司估計及計算應付企業所得稅已完成，此有別於管理層於往年對企業所得稅的估計，造成有關往年的企業所得稅超額撥備。

(b) 若干物業項目的實際增值額已予確定及一項物業項目的開發計劃已予修訂，其中經修訂估計增值額與往年所作出的增值額不同，導致往年土地增值稅超額撥備。

Notes:

(a) During the year ended December 31, 2015, the assessment and computation of EIT payable in respect of certain subsidiaries which held completed property projects were finalised which differed from the management's estimation on EIT in prior years, resulting in an overprovision of EIT in respect of prior years.

(b) The actual appreciation value of several property projects had been finalised and the development plan for a property project had been revised in which the revised estimated appreciation value was different with the appreciation value made in prior years, resulting in an overprovision of LAT in respect of prior years.

9. 所得稅開支 *(續)*

由於本集團的收入既不產自亦非來自香港，故並無作出香港利得稅撥備。

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，於兩年內，中國附屬公司的稅率均為25%。

本公司於中國經營的若干附屬公司合資格享有豁免繳納各年度的中國企業所得稅。

根據相關中國企業所得稅規則及規例，本公司若干於西部地區成立且從事受鼓勵業務的中國附屬公司獲授優惠企業所得稅稅率。倘該等公司受鼓勵業務所得年收入超過其年總收入的70%，則彼等於二零一五年按15%(二零一四年：15%)的優惠稅率繳納企業所得稅，惟須待主管稅務機構批准。

9. INCOME TAX EXPENSE *(Continued)*

No provision for Hong Kong Profits Tax has been made as the Group does not have income which arises in, or is derived from, Hong Kong.

Under the Law of the PRC on EIT (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

Certain of the Company's subsidiaries operating in the PRC are eligible for exemption from PRC EIT for both years.

Pursuant to the relevant PRC corporate income tax rules and regulations, preferential corporate income tax rates have been granted to certain PRC subsidiaries of the Company which were established in western regions and engaged in the encouraged business. These companies are subject to a preferential rate of 15% in 2015 (2014: 15%), subject to approval of the tax authority, if the annual income derived from the encouraged business is more than 70% of the annual total income.

9. 所得稅開支 *(續)*

年度稅費與綜合損益及其他全面收益表內除稅前溢利的對賬如下：

9. INCOME TAX EXPENSE *(Continued)*

The tax charge for the year can be reconciled to the profit before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
除稅前溢利	Profit before taxation	13,938,187	13,626,622
25%的中國企業所得稅	PRC EIT at 25%	(3,484,547)	(3,406,656)
應佔聯營公司業績的稅務影響	Tax effect of share of results of associates	(4,677)	—
應佔合營企業業績的稅務影響	Tax effect of share of results of joint ventures	66,716	68,912
就稅項而言不可扣除開支的稅務影響（附註a）	Tax effect of expenses not deductible for tax purposes (Note a)	(410,968)	(382,772)
就稅項而言毋須課稅收入的稅務影響	Tax effect of income not taxable for tax purposes	2,260	2,389
土地增值稅	LAT	(1,844,446)	(1,623,781)
土地增值稅的稅務影響	Tax effect of LAT	461,112	405,945
往年超額撥備	Overprovision in prior years	572,903	255,528
未確認稅項虧損的稅務影響	Tax effect of tax losses not recognised	(24,465)	(180,616)
若干中國附屬公司獲授的稅項豁免及優惠稅率的影響	Effect of tax exemption and preferential rates granted to certain PRC subsidiaries	18,704	20,824
有待分派保留盈利的預扣稅（附註b）	Withholding tax on retained profits to be distributed (Note b)	(19,151)	(55,921)
已付股息徵收的預扣稅	Withholding tax levied on dividend paid	92,489	21,046
其他	Others	—	(1,142)
年度稅費	Tax charge for the year	(4,574,070)	(4,876,244)

附註：

(a) 該金額主要包括本集團不可扣減企業開支及若干附屬公司開支超出相關稅法規定的可扣減限額的稅務影響。

(b) 根據《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》及國稅法[2008]112號，5%股息預扣稅稅率適用於直接擁有中國內地公司股本最少25%的香港居民公司。該數額指就若干中國附屬公司於截至二零一五年十二月三十一日止年度所賺取的未分派溢利而撥備的預扣所得稅。

Notes:

(a) The amount mainly comprises the tax effect of non-deductible corporate expenses of the Group and the expenses of certain subsidiaries in excess of the allowable deduction limits in accordance with the relevant tax regulations.

(b) According to the "Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income" and Guoshuifa [2008]112, where the Hong Kong resident company directly owns at least 25% of the capital of the Mainland company, 5% dividend withholding tax rate is applicable. The amount represents the withholding income tax provided on the undistributed profits arisen during the years ended December 31, 2015 of certain PRC subsidiaries.

10. 年度溢利

10. PROFIT FOR THE YEAR

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
經扣除(計入)下列各項後的年度溢利：	Profit for the year has been arrived at after charging (crediting):		
核數師酬金	Auditor's remuneration	4,300	4,253
計入銷售成本的物業存貨成本	Cost of property inventories included in cost of sales	32,901,651	36,614,815
出售合營企業的收益	Gain on disposal of joint ventures	285,414	—
物業、廠房及設備折舊	Depreciation of property, plant and equipment	33,164	55,326
經營租賃的最低租金付款	Minimum lease payment of operating lease rentals	44,355	33,999
員工成本	Staff costs		
董事薪酬(包括以權益結算及股份為基礎的付款)(附註11)	Directors' emoluments (including equity-settled share-based payments) (Note 11)	64,509	75,048
其他員工成本	Other staff costs		
退休福利供款	Retirement benefit contributions	205,995	189,177
以權益結算及股份為基礎的付款	Equity-settled share-based payments	81,866	62,313
其他員工成本	Other staff costs	1,823,651	1,278,560
總員工成本	Total staff costs	2,176,021	1,605,098
減：發展中物業的資本化金額	Less: Amount capitalised to properties under development	(631,157)	(653,341)
		1,544,864	951,757
投資物業的最低租金收入	Minimum lease income from investment properties	1,217,514	744,799
或然租金收入	Contingent rental income	197,673	131,522
減：產生租金收入的直接開支	Less: direct expenses that generated rental income	(413,150)	(167,345)
		1,002,037	708,976
應佔合營企業稅項(計入應佔合營企業業績)	Share of tax of joint ventures (included in share of results of joint ventures)	91,442	184,620

11. 董事、行政總裁及僱員薪酬

根據適用上市規則及公司條例披露的董事及行政總裁於年內的薪酬如下：

11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

Directors' and chief executive's remuneration for the year, disclosed pursuant to the applicable Listing Rules and Companies Ordinance, is as follows:

截至二零一五年十二月三十一日止年度	Year ended December 31, 2015	董事袍金 Directors' fees 人民幣千元 RMB'000	薪金、補貼及實物福利 Salaries, allowances and benefits in kind 人民幣千元 RMB'000	表現相關花紅 Performance related bonuses 人民幣千元 RMB'000 (附註) (Note)	退休福利 Retirement benefit 人民幣千元 RMB'000	以權益結算的購股權開支 Equity-settled share-option expense 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
A) 執行董事	A) EXECUTIVE DIRECTORS						
吳亞軍女士	Madam Wu Yajun	—	5,000	5,000	89	—	10,089
邵明曉先生	Mr. Shao Mingxiao	—	7,500	7,500	97	12,550	27,647
韋華寧先生	Mr. Wei Huaning	—	824	—	23	2,161	3,008
顏建國先生	Mr. Yan Jianguo	—	4,600	4,800	97	2,500	11,997
趙軼先生	Mr. Zhao Yi	—	3,442	4,500	98	2,207	10,247
小計	Sub-total	—	21,366	21,800	404	19,418	62,988

上述執行董事薪酬主要為與管理本公司及本集團事務有關的服務。

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group.

11. 董事、行政總裁及僱員薪酬 *(續)*

11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS *(Continued)*

		董事袍金 Directors' fees *人民幣千元 RMB'000*	薪金、補貼及實物福利 Salaries, allowances and benefits in kind *人民幣千元 RMB'000*	表現相關花紅 Performance related bonuses *人民幣千元 RMB'000* (附註) (Note)	退休福利 Retirement benefit *人民幣千元 RMB'000*	以權益結算的購股權開支 Equity-settled share-option expense *人民幣千元 RMB'000*	總計 Total *人民幣千元 RMB'000*
B) 獨立非執行董事：	B) INDEPENDENT NON-EXECUTIVE DIRECTORS:						
Frederick Peter Churchouse先生	Mr. Frederick Peter Churchouse	293	—	—	—	108	401
陳志安先生	Mr. Chan Chi On, Derek	293	—	—	—	108	401
項兵先生	Mr. Xiang Bing	293	—	—	—	68	361
曾鳴先生	Mr. Zeng Ming	293	—	—	—	65	358
小計	Sub-total	1,172	—	—	—	349	1,521
總計	Total	1,172	21,366	21,800	404	19,767	64,509

上述獨立非執行董事薪酬主要為身為本公司董事的服務。

The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.

11. 董事、行政總裁及僱員薪酬 *(續)*

11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS *(Continued)*

		董事袍金 Directors' fees *人民幣千元 RMB'000*	薪金、補貼及實物福利 Salaries, allowances and benefits in kind *人民幣千元 RMB'000*	表現相關花紅 Performance related bonuses *人民幣千元 RMB'000* (附註) (Note)	退休福利 Retirement benefit *人民幣千元 RMB'000*	以權益結算的購股權開支 Equity-settled share-option expense *人民幣千元 RMB'000*	總計 Total *人民幣千元 RMB'000*
截至二零一四年十二月三十一日止年度	Year ended December 31, 2014						
A) 執行董事：	A) EXECUTIVE DIRECTORS:						
吳亞軍女士	Madam Wu Yajun	—	5,000	5,000	112	—	10,112
秦力洪先生	Mr. Qin Lihong	—	1,458	—	25	1,165	2,648
邵明曉先生	Mr. Shao Mingxiao	—	7,375	7,500	76	14,837	29,788
周德康先生	Mr. Zhou Dekang	—	4,550	1,800	99	964	7,413
馮勁義先生	Mr. Feng Jinyi	—	4,533	2,000	63	4,131	10,727
韋華寧先生	Mr. Wei Huaning	—	4,154	4,200	76	4,167	12,597
小計	Sub-total	—	27,070	20,500	451	25,264	73,285

上述執行董事薪酬主要為與管理本公司及本集團事務有關的服務。

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group.

11. 董事、行政總裁及僱員薪酬 *(續)*

11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS *(Continued)*

		董事袍金 Directors' fees *人民幣千元 RMB'000*	薪金、補貼及實物福利 Salaries, allowances and benefits in kind *人民幣千元 RMB'000*	表現花紅 Performance related bonuses *人民幣千元 RMB'000* (附註) (Note)	退休福利 Retirement benefit *人民幣千元 RMB'000*	以權益結算的購股權開支 Equity-settled share-option expense *人民幣千元 RMB'000*	總計 Total *人民幣千元 RMB'000*
B) 獨立非執行董事：	B) INDEPENDENT NON-EXECUTIVE DIRECTORS:						
Frederick Peter Churchouse先生	Mr. Frederick Peter Churchouse	276	—	—	—	183	459
陳志安先生	Mr. Chan Chi On, Derek	276	—	—	—	183	459
項兵先生	Mr. Xiang Bing	276	—	—	—	183	459
曾鳴先生	Mr. Zeng Ming	276	—	—	—	110	386
小計	Sub-total	1,104	—	—	—	659	1,763
總計	Total	1,104	27,070	20,500	451	25,923	75,048

上述獨立非執行董事薪酬主要為身為本公司董事的服務。

邵明曉先生亦為本公司的行政總裁，上文披露的酬金包括其擔任行政總裁提供服務的酬金。

年內，概無董事或行政總裁可據此放棄或同意放棄任何薪酬的安排。

附註： 本公司執行董事有權獲得花紅付款，花紅付款按個人表現及本集團截至二零一五年及二零一四年十二月三十一日止年度的溢利百分比釐定。

The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.

Mr. Shao Mingxiao is also the Chief Executive of the Company and his emoluments disclosed above include those for services rendered by him as the Chief Executive.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

Note: Executive directors of the Company are entitled to bonus payments which are determined based on performance of individual and as a percentage of the profit of the Group for the years ended December 31, 2015 and 2014.

11. 董事、行政總裁及僱員薪酬 *(續)*

僱員薪酬

本集團五名最高薪酬人士中，三名(二零一四年：四名)為本公司董事，其酬金已於上文披露。餘下兩名(二零一四年：一名)個別人士的酬金載列如下：

11. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS *(Continued)*

Employee's emoluments

Of the five individuals with the highest emoluments in the Group, three (2014: four) were directors of the Company whose emolument is included in the disclosures above. The emoluments of the remaining two (2014: one) individuals were as follows:

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
薪金、補貼及實物福利	Salaries allowances and benefits in kind	7,350	3,258
表現相關花紅	Performance related bonuses	10,260	4,950
以權益結算的購股權開支	Equity-settled share option expense	4,684	1,486
退休福利	Retirement benefits	180	63
		22,474	9,757

非本公司董事的最高薪酬僱員的薪酬介乎以下範圍：

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

		二零一五年 2015 僱員人數 No. of employees	二零一四年 2014 僱員人數 No. of employees
12,000,001港元至12,500,000港元	HK$12,000,001 to HK$12,500,000	—	1
12,500,001港元至13,000,000港元	HK$12,500,001 to HK$13,000,000	1	—
14,500,001港元至15,000,000港元	HK$14,500,001 to HK$15,000,000	1	—
		2	1

12. 股息

12. DIVIDEND

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
年內確認分派的股息：	Dividend recognised as distribution during the year:		
二零一四年派付的末期股息每股人民幣0.284元(二零一四年：二零一三年每股人民幣0.228元)	Final dividend paid in respect of 2014 of RMB0.284 (2014: in respect of 2013 of RMB0.228) per share	**1,654,310**	1,240,687

於報告期結束後，本公司董事建議派發截至二零一五年十二月三十一日止年度的末期股息人民幣2,083,000,000元，每股人民幣0.357元(二零一四年：截至二零一四年十二月三十一日止年度的末期股息為人民幣1,650,000,000元，每股人民幣0.284元)，惟須待股東於應屆股東週年大會批准。

Subsequent to the end of the reporting period, a final dividend of RMB2,083,000,000, representing RMB0.357 per share, in respect of the year ended December 31, 2015 (2014: final dividend of RMB1,650,000,000, representing RMB0.284 per share, in respect of the year ended December 31, 2014) has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming Annual General Meeting.

13. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利的計算乃基於以下數據：

13. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
用於計算每股基本及攤薄盈利的本公司擁有人應佔盈利	Earnings attributable to the owners of the Company for the purposes of calculation of basic and diluted earnings per share	**8,988,037**	8,353,632

13. 每股盈利 *(續)*

13. EARNINGS PER SHARE *(Continued)*

		二零一五年 2015 *千股* *'000*	二零一四年 2014 *千股* *'000*
股份數目	**Number of shares**		
用於計算每股基本盈利的普通股加權平均數	Weighted average number of ordinary shares for the purpose of calculation of basic earnings per share	**5,821,449**	5,457,822
購股權相關之普通股的潛在攤薄影響	Effect of dilutive potential ordinary shares in respect of - share options	**41,412**	23,398
用於計算每股攤薄盈利的普通股加權平均數	Weighted average number of ordinary shares for the purpose of calculation of diluted earnings per share	**5,862,861**	5,481,220

截至二零一五年十二月三十一日止年度，由於經調整行使價高於二零一五年未行使期間本公司股份的平均市價，故計算每股攤薄盈利時並無計入根據二零零九年十二月二十三日採納的首次公開發售後購股權計劃於二零一一年一月十七日授出的購股權。

For the year ended December 31, 2015, the share options granted on January 17, 2011 under the Post-IPO share option scheme adopted on December 23, 2009 are not included in the calculation of diluted earnings per share as the adjusted exercise price was greater than the average market price of the Company's shares during the outstanding period in 2015.

截至二零一四年十二月三十一日止年度，由於經調整行使價高於二零一四年未行使期間本公司股份的平均市價，故計算每股攤薄盈利時並無計入根據二零零九年十二月二十三日採納的首次公開發售後購股權計劃於二零一一年一月十七日及二零一四年十一月四日授出的購股權。

For the year ended December 31, 2014, the share options granted on January 17, 2011 and November 4, 2014 under the Post-IPO share option scheme adopted on December 23, 2009 are not included in the calculation of diluted earnings per share as the adjusted exercise price was greater than the average market price of the Company's shares during the outstanding period in 2014.

14. 投資物業

14. INVESTMENT PROPERTIES

		已落成投資物業 Completed investment properties 人民幣千元 RMB'000	在建投資物業 Investment properties under construction 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
公平值	FAIR VALUE			
於二零一四年一月一日	At January 1, 2014	15,905,700	7,907,700	23,813,400
添置	Additions	48,577	3,728,139	3,776,716
出售	Disposal	(70,000)	—	(70,000)
轉撥自預付租賃款項	Transfer from prepaid lease payments	—	3,287,116	3,287,116
轉撥	Transfer	8,476,838	(8,476,838)	—
預付租賃款項轉撥至投資物業之公平值收益	Fair value gain upon transfer of prepaid lease payments to investment properties	—	363,695	363,695
於損益確認的公平值增加淨額	Net increase in fair value recognised in profit or loss	1,341,685	848,888	2,190,573
於二零一四年十二月三十一日	At December 31, 2014	25,702,800	7,658,700	33,361,500
添置	Additions	2,482	3,278,121	3,280,603
轉撥自預付租賃款項	Transfer from prepaid lease payments	—	3,004,611	3,004,611
轉撥自持作出售物業(附註)	Transfer from properties held for sales (Note)	337,172	—	337,172
轉撥	Transfer	4,131,009	(4,131,009)	—
成本調整	Cost adjustment	(5,661)	532,998	527,337
預付租賃款項轉撥至投資物業之公平值收益	Fair value gain upon transfer of prepaid lease payments to investment properties	—	395,863	395,863
持作出售物業轉撥至投資物業的公平值變動	Fair value change upon transfer of properties held for sales to investment properties	38,388	—	38,388
於損益確認的公平值增加淨額	Net increase in fair value recognised in profit or loss	773,210	1,666,416	2,439,626
於二零一五年十二月三十一日	At December 31, 2015	30,979,400	12,405,700	43,385,100
計入損益物業重估的未變現收益	Unrealised gain on property revaluation included in profit or loss	811,598	2,062,279	2,873,877

附註： 由於與外界人士的經營租賃已開始，顯示物業用途已改變，故自持作出售物業轉撥至投資物業。

Note: The transfer from properties held for sales to investment properties were made since there was a change in use as evidenced by the commencement of operating leases to outside parties.

14. 投資物業 *(續)*

投資物業均位於中國，屬中期租賃。

本集團投資物業於轉撥之日以及二零一五年及二零一四年十二月三十一日的公平值乃基於由與本集團並無關連的一家獨立合資格專業估值師第一太平戴維斯估值及專業顧問有限公司(其於相關地點類似物業的估值上擁有適當資格及新近經驗)於該等日期進行的估值編製。

在估計物業的公平值時，其目前用途為該等物業帶來最高價值及和最佳用途。

估值師採用以下基準釐定投資物業的公平值：

已落成物業－將現有租約所得租金收入淨額撥充資本計算，並適當考慮有關物業可能重訂租約收入。

在建物業－基於有關物業將根據最新發展建議發展及落成的假設估值，並計及完成發展項目將支銷的成本及開發商的利潤率以反映已完成發展項目的質量。

本集團用作賺取租金或作資本增值用途的所有租賃土地及樓宇的物業權益以公平值模式計量並分類及入賬列作投資物業。

有關該等投資物業公平值的釐定方法(特別是估值技術及輸入數據)，以及根據公平值計量可觀察的輸入數據分類公平值計量的公平值等級(第一至三層級)資料載列如下。

14. INVESTMENT PROPERTIES *(Continued)*

The investment properties are all situated in the PRC under medium-term leases.

The fair values of the Group's investment properties at dates of transfer and December 31, 2015 and 2014 have been arrived at on the basis of valuations carried out on those dates by Savills Valuation and Professional Services Limited, a firm of independent qualified professional valuers not connected with the Group, who have appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

The fair values of the investment properties were determined by the valuers on the following basis:

Completed properties - arrived at by capitalising the net rental income derived from the existing tenancies with due allowance for reversionary incoming potential of the respective properties.

Properties under construction - valued on the basis that they will be developed and completed in accordance with the latest development proposals and taken into account the construction costs that will be expended to complete the development as well as developer's profit margin to reflect the quality of the completed development.

All of the Group's property interests in leasehold land and buildings to earn rentals or for capital appreciation purposes are measured using the fair value model and classified and accounted for as investment properties.

The following table gives information about how the fair values of these investment properties are determined (in particular, the valuation techniques and inputs used), as well as the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

14. 投資物業*(續)*

14. INVESTMENT PROPERTIES *(Continued)*

本集團於綜合財務狀況報表持有之投資物業 Investment properties held by the Group in the consolidated statement of financial position	公平值等級 Fair value hierarchy	估值技術及主要輸入數據 Valuation technique(s) and key input(s)	重大不可觀察輸入數據 Significant unobservable input(s)	敏感度 Sensitivity
已落成投資物業－於中國西部的購物中心 Completed investment properties - shopping malls in Western China	第三層級 Level 3	收益資本化法 主要輸入數據為 (1) 年期收益率 (2) 可能重訂租約收益率 (3) 每月定期租金 (4) 可能重訂租金 Income capitalisation method The key inputs are (1) Term yield (2) Reversionary yield (3) Monthly term rental (4) Reversionary rental	年期收益率，考慮到市場平均售價及可比物業市場平均租金產生的收益率，並作出調整，以反映年期價值較低的市場風險，界乎4%至6.5%(二零一四年：4%至6.5%)。 Term yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the lower market risk for the term value, range from 4% to 6.5% (2014: 4% to 6.5%).	概無跡象顯示年期收益率出現任何輕微變動，或會導致公平值計量大幅上升或下跌。 There is no indication that any slight change in the term yield would result in significant higher or lower fair value measurement.
			可能重訂租約收益率，考慮到市場平均售價及可比物業市場平均租金產生的收益率，並作出調整，以反映購物中心的狀況，界乎4.5%至7.5%(二零一四年：4.5%至7.5%)。 Reversionary yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the conditions of the shopping malls, range from 4.5% to 7.5% (2014: 4.5% to 7.5%).	概無跡象顯示可能重訂租約收益率出現任何輕微變動，或會導致公平值計量大幅上升或下跌。 There is no indication that any slight change in the reversionary yield would result in significant higher or lower fair value measurement.
			每個單位的每月定期租金來自現有租賃協議所列的租金，平均為人民幣36元／平方米／月至人民幣241元／平方米／月(二零一四年：人民幣33元／平方米／月至人民幣231元／平方米／月)。 Monthly term rental for each unit is derived from the rental as stated in the existing rental agreements with an average of RMB36/sq.m./month to RMB241/sq.m./month (2014: RMB33/sq.m./month to RMB231/sq.m./month)	由於來自現有租賃協議，故此並無就每月定期租金進行敏感度分析。 No sensitivity analysis for monthly term rental since they are derived from existing rental agreements.
			可能重訂租金來自可比物業市場租金或新租賃協議所列的租金，平均為人民幣82元／平方米／月至人民幣692元／平方米／月(二零一四年：人民幣82元／平方米／月至人民幣612元／平方米／月)。 Reversionary rental is derived from the market rentals from comparable properties or the rental as stated in the new rental agreements with an average of RMB82/sq.m./month to RMB692/sq.m./month (2014: RMB82/sq.m./month to RMB612/sq.m./month).	概無跡象顯示可能重訂租金出現任何輕微變動，或會導致公平值計量大幅上升或下跌。 There is no indication that any slight change in the reversionary rental would result in significant higher or lower fair value measurement.

14. 投資物業 *(續)*

14. INVESTMENT PROPERTIES *(Continued)*

本集團於綜合財務狀況報表持有之投資物業 Investment properties held by the Group in the consolidated statement of financial position	公平值等級 Fair value hierarchy	估值技術及主要輸入數據 Valuation technique(s) and key input(s)	重大不可觀察輸入數據 Significant unobservable input(s)	敏感度 Sensitivity
中國西部在建投資物業 Investment properties under development in Western China	第三層級 Level 3	剩餘法 主要輸入數據為 (1) 總發展價值 (2) 開發商的利潤 (3) 貼現率 The residual method The key inputs are (1) Gross development value (2) Developer's profit (3) Discount rate	以竣工為基準的總發展價值，考慮到可比物業及物業的位置和個別因素，如面向和大小，界乎人民幣1,027百萬元至人民幣1,683百萬元(二零一四年：人民幣1,001百萬元至人民幣1,589百萬元)。 Gross development value on completion basis, taking into account of location and individual factors such as frontage and size, between the comparables and the property, range from RMB1,027 million to RMB1,683 million (2014: RMB1,001 million to RMB1,589 million).	總發展價值輕微上升，將導致公平值大幅上升，反之亦然。 A slight increase in the gross development value would result in a significant increase in fair value and vice versa.
			開發商的利潤，考慮到可比土地交易及物業的進度，界乎10%至20%(二零一四年：10%至15%)。 Developer's profit, taking into account of the comparables land transactions and progress of the property, range from 10% to 20% (2014: 10% to 15%).	概無跡象顯示開發商的利潤出現任何輕微變動，或會導致公平值計量大幅上升或下跌。 There is no indication that any slight change in the developer's profit would result in significant higher or lower fair value measurement.
			貼現率，考慮到市場現行利率，界乎4.35%至4.75%(二零一四年：5.6%至6.0%)。 Discount rate, taking into account of the prevailing market interest rates, range from 4.35% to 4.75% (2014: 5.6% to 6.0%).	概無跡象顯示貼現率出現任何輕微變動，或會導致公平值計量大幅上升或下跌。 There is no indication that any slight change in the discount rate would result in significant higher or lower fair value measurement.

14. 投資物業 *(續)*

14. INVESTMENT PROPERTIES *(Continued)*

本集團於綜合財務狀況報表持有之投資物業 Investment properties held by the Group in the consolidated statement of financial position	公平值等級 Fair value hierarchy	估值技術及主要輸入數據 Valuation technique(s) and key input(s)	重大不可觀察輸入數據 Significant unobservable input(s)	敏感度 Sensitivity
已落成投資物業－於環渤海區的購物中心 Completed investment properties - shopping malls in Pau Bohai Rim	第三層級 Level 3	收益資本化法 主要輸入數據為 (1) 年期收益率 (2) 可能重訂租約收益率 (3) 每月定期租金 (4) 可能重訂租金 Income capitalisation method The key inputs are (1) Term yield (2) Reversionary yield (3) Monthly term rental (4) Reversionary rental	年期收益率，考慮到市場平均售價及可比物業市場平均租金產生的收益率，並作出調整，以反映年期價值較低的市場風險，界乎5.5%至6%(二零一四年：5.5%至6%)。 Term yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the lower market risk for the term value, range from 5.5% to 6% (2014: 5.5% to 6%).	概無跡象顯示年期收益率出現任何輕微變動，或會導致公平值計量大幅上升或下跌。 There is no indication that any slight change in the term yield would result in significant higher or lower fair value measurement.
			可能重訂租約收益率，考慮到市場平均售價及可比物業市場平均租金產生的收益率，並作出調整，以反映購物中心的狀況為6%(二零一四年：6%)。 Reversionary yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the conditions of the shopping malls, at 6% (2014: 6%).	概無跡象顯示可能重訂租約收益率出現任何輕微變動，或會導致公平值計量大幅上升或下跌。 There is no indication that any slight change in the reversionary yield would result in significant higher or lower fair value measurement.
			每個單位的每月定期租金來自現有租賃協議所列的租金，平均為人民幣141元／平方米／月至人民幣316元／平方米／月(二零一四年：人民幣183元／平方米／月至人民幣206元／平方米／月)。 Monthly term rental for each unit is derived from the rental as stated in the existing rental agreements with an average of RMB141/sq.m./month to RMB316/sq.m./month (2014: RMB183/sq.m./month to RMB206/sq.m./month).	由於來自現有租賃協議，故此並無就每月定期租金進行敏感度分析。 No sensitivity analysis for monthly term rental since they are derived from existing rental agreements.
			每個單位的每月定期租金來自現有租賃協議所列的租金，平均為人民幣235元／平方米／月至人民幣457元／平方米／月(二零一四年：人民幣230元／平方米／月至人民幣450元／平方米／月)。 Reversionary rental is derived from the market rentals from comparable properties or the rental as stated in the new rental agreements with an average of RMB235/sq.m./month to RMB457/sq.m./month (2014: RMB230/sq.m./month to RMB450/sq.m./month).	概無跡象顯示可能重訂租金出現任何輕微變動，或會導致公平值計量大幅上升或下跌。 There is no indication that any slight change in the reversionary rental would result in significant higher or lower fair value measurement.

14. 投資物業 *(續)*

14. INVESTMENT PROPERTIES *(Continued)*

本集團於綜合財務狀況報表持有之投資物業 Investment properties held by the Group in the consolidated statement of financial position	公平值等級 Fair value hierarchy	估值技術及主要輸入數據 Valuation technique(s) and key input(s)	重大不可觀察輸入數據 Significant unobservable input(s)	敏感度 Sensitivity
環渤海區在建投資物業 Investment property under development in Pau Bohai Rim	第三層級 Level 3	剩餘法 主要輸入數據為 (1) 總發展價值 (2) 開發商的利潤 (3) 貼現率 The residual method The key inputs are (1) Gross development value (2) Developer's profit (3) Discount rate	以竣工為基準的總發展價值，考慮到可比物業及物業的位置和個別因素，如面向和大小，為人民幣3,660百萬元(二零一四年：人民幣3,277百萬元)。 Gross development value on completion basis, taking into account of location and individual factors such as frontage and size, between the comparables and the property, of RMB3,660 million (2014: RMB3,277 million).	總發展價值輕微上升，將導致公平值大幅上升，反之亦然。 A slight increase in the gross development value would result in a significant increase in fair value and vice versa.
			開發商的利潤，考慮到可比土地交易及物業的進度，為5%(二零一四年：5%)。 Developer's profit, taking into account of the comparables land transactions and progress of the property, of 5% (2014: 5%).	概無跡象顯示開發商的利潤任何出現輕微變動，或會導致公平值計量大幅上升或下跌。 There is no indication that any slight change in the developer's profit would result in significant higher or lower fair value measurement.
			貼現率，考慮到市場現行利率，為4.35%(二零一四年：5.6%)。 Discount rate, taking into account of the prevailing market interest rate, of 4.35% (2014: 5.6%).	概無跡象顯示貼現率出現任何輕微變動，或會導致公平值計量大幅上升或下跌。 There is no indication that any slight change in the discount rate would result in significant higher or lower fair value measurement.

14. 投資物業 *(續)*

14. INVESTMENT PROPERTIES *(Continued)*

本集團於綜合財務狀況報表持有之投資物業 Investment properties held by the Group in the consolidated statement of financial position	公平值等級 Fair value hierarchy	估值技術及主要輸入數據 Valuation technique(s) and key input(s)	重大不可觀察輸入數據 Significant unobservable input(s)	敏感度 Sensitivity
已落成投資物業－於長江三角洲的購物中心 Completed investment property - shopping mall in Yangtze River Delta	第三層級 Level 3	收益資本化法 主要輸入數據為 (1) 年期收益率 (2) 可能重訂租約收益率 (3) 每月定期租金 (4) 可能重訂租金 Income capitalisation method The key inputs are (1) Term yield (2) Reversionary yield (3) Monthly term rental (4) Reversionary rental	年期收益率，考慮到市場平均售價及可比物業市場平均租金產生的收益率，並作出調整，以反映年期價值較低的市場風險，為6%(二零一四年：零)。 Term yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the lower market risk for the term value, at 6% (2014: nil).	概無跡象顯示年期收益率出現任何輕微變動，或會導致公平值計量大幅上升或下跌。 There is no indication that any slight change in the term yield would result in significant higher or lower fair value measurement.
			可能重訂租約收益率，考慮到市場平均售價及可比物業市場平均租金產生的收益率，並作出調整，以反映購物中心的狀況為6.5%(二零一四年：零)。 Reversionary yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the conditions of the shopping mall at 6.5% (2014: nil).	概無跡象顯示可能重訂租約收益率出現任何輕微變動，或會導致公平值計量大幅上升或下跌。 There is no indication that any slight change in the reversionary yield would result in significant higher or lower fair value measurement.
			每個單位的每月定期租金來自現有租賃協議所列的租金，平均為人民幣114元／平方米／月(二零一四年：零)。 Monthly term rental for each unit is derived from the rental as stated in the existing rental agreements with an average of RMB114/sq.m./month (2014: nil).	由於來自現有租賃協議，故此並無就每月定期租金進行敏感度分析。 No sensitivity analysis for monthly term rental since they are derived from existing rental agreements.
			可能重訂租金來自可比物業市場租金或新租賃協議所列的租金，平均為人民幣379元／平方米／月(二零一四年：零)。 Reversionary rental is derived from the market rentals from comparable properties or the rental as stated in the new rental agreements with an average of RMB379/sq.m./month (2014: nil).	概無跡象顯示可能重訂租金出現任何輕微變動，或會導致公平值計量大幅上升或下跌。 There is no indication that any slight change in the reversionary rental would result in significant higher or lower fair value measurement.

14. 投資物業 *(續)*

14. INVESTMENT PROPERTIES *(Continued)*

本集團於綜合財務狀況報表持有之投資物業 Investment properties held by the Group in the consolidated statement of financial position	公平值等級 Fair value hierarchy	估值技術及主要輸入數據 Valuation technique(s) and key input(s)	重大不可觀察輸入數據 Significant unobservable input(s)	敏感度 Sensitivity
長江三角洲在建投資物業 Investment properties under development in Yangtze River Delta	第三層級 Level 3	剩餘法 主要輸入數據為 (1) 總發展價值 (2) 開發商的利潤 (3) 貼現率 The residual method The key inputs are (1) Gross development value (2) Developer's profit (3) Discount rate	以竣工為基準的總發展價值，考慮到可比物業及物業的位置和個別因素，如面向和大小，界乎人民幣1,330百萬元至人民幣4,663百萬元(二零一四年：人民幣1,354百萬元至人民幣4,421百萬元)。 Gross development value on completion basis, taking into account of location and individual factors such as frontage and size, between the comparables and the property, range from RMB1,330 million to RMB4,663 million (2014: RMB1,354 million to RMB4,421 million).	總發展價值輕微上升，將導致公平值大幅上升，反之亦然。 A slight increase in the gross development value would result in a significant increase in fair value and vice versa.
			開發商的利潤，考慮到可比土地交易及物業的進度，為8%至20%(二零一四年：5%至15%)。 Developer's profit, taking into account of the comparables land transactions and progress of the property, range from 8% to 20% (2014: 5% to 15%).	概無跡象顯示開發商的利潤出現任何輕微變動，或會導致公平值計量大幅上升或下跌。 There is no indication that any slight change in the developer's profit would result in significant higher or lower fair value measurement.
			貼現率，考慮到市場現行利率，界乎4.35%至4.75%(二零一四年：5.6%至6.0%)。 Discount rate, taking into account of the prevailing market interest rates, range from 4.35% to 4.75% (2014: 5.6% to 6.0%).	概無跡象顯示貼現率出現任何輕微變動，或會導致公平值計量大幅上升或下跌。 There is no indication that any slight change in the discount rate would result in significant higher or lower fair value measurement.

15. 物業、廠房及設備

15. PROPERTY, PLANT AND EQUIPMENT

		樓宇 Buildings 人民幣千元 RMB'000	機動車輛 Motor vehicles 人民幣千元 RMB'000	設備及傢俱 Equipment and furniture 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
成本	**COST**				
於二零一四年一月一日	At January 1, 2014	160,261	59,077	130,331	349,669
添置	Additions	777	10,586	63,953	75,316
出售	Disposals	—	(8,054)	(28,506)	(36,560)
於二零一四年十二月三十一日	At December 31, 2014	161,038	61,609	165,778	388,425
添置	Additions	29,133	4,604	26,522	60,259
透過收購附屬公司收購資產及負債(附註35)	Acquisition of assets and liabilities though acquisition of subsidiaries (Note 35)	—	375	3,502	3,877
出售	Disposals	(2,572)	(3,883)	(14,345)	(20,800)
於二零一五年十二月三十一日	At December 31, 2015	187,599	62,705	181,457	431,761
累計折舊	**ACCUMULATED DEPRECIATION**				
於二零一四年一月一日	At January 1, 2014	55,233	35,857	73,748	164,838
年度扣除	Charge for the year	7,450	7,423	40,453	55,326
出售時抵銷	Eliminated on disposals	(791)	(6,959)	(14,084)	(21,834)
於二零一四年十二月三十一日	At December 31, 2014	61,892	36,321	100,117	198,330
年度扣除	Charge for the year	6,574	6,150	20,440	33,164
出售時抵銷	Eliminated on disposals	(2,571)	(2,491)	(3,045)	(8,107)
於二零一五年十二月三十一日	At December 31, 2015	65,895	39,980	117,512	223,387
賬面值	**CARRYING VALUES**				
於二零一五年十二月三十一日	At December 31, 2015	121,704	22,725	63,945	208,374
於二零一四年十二月三十一日	At December 31, 2014	99,146	25,288	65,661	190,095

15. 物業、廠房及設備*(續)*

上述物業、廠房及設備項目經計及按以下年率計算的估計剩餘價值後以直線法折舊：

樓宇	按估計可使用年期20年
機動車輛	20%
設備及傢俱	33%

樓宇所在土地均位於中國，根據中期租賃持有。

15. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

The above items of property, plant and equipment are depreciated using the straight-line method after taking into account of their estimated residual values at the following rates per annum:

Buildings	Over the estimated useful lives of 20 years
Motor vehicles	20%
Equipment and furniture	33%

The buildings are all situated on land in the PRC held under medium-term leases.

16. 預付租賃款項

預付租賃款項的賬面值指在中國持有的土地使用權，分析如下：

16. PREPAID LEASE PAYMENTS

The carrying amount of prepaid lease payments represents land use rights held in the PRC and is analysed as follows:

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
中期	Medium-term	2,415,955	3,112,179
長期	Long-term	9,358,630	11,827,857
非即期	Non-current	11,774,585	14,940,036

本集團預付租賃款項指為在中國購入介乎40年至70年租期作物業發展的土地使用權所支付的款項。於二零一五年十二月三十一日，本集團尚未自相關機構取得賬面值人民幣8,817,213,000元(二零一四年：人民幣8,751,577,000元)的預付租賃土地使用權證。

The Group's prepaid lease payments represent payments for acquisition of the land use rights in the PRC with lease terms ranging from 40 to 70 years for the purpose of property development. The Group had not yet obtained the certificates of land use rights of prepaid leases with a carrying value of RMB8,817,213,000 (2014: RMB8,751,577,000) from the relevant authorities at December 31, 2015.

17. 於聯營公司的權益

17. INTERESTS IN ASSOCIATES

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
投資成本，非上市	Cost of investments, unlisted	374,914	8,913
應佔收購後虧損	Share of post-acquisition losses	(18,707)	—
減：已確認減值虧損	Less: Impairment loss recognised	(414)	(414)
		355,793	8,499

於二零一五年十二月三十一日之聯營公司的詳情載於附註49。

Details of the associates as at December 31, 2015 are set out in note 49.

個別並不重大的聯營公司彙總資料

Aggregate information of associates that are not individually material

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
本集團應佔的虧損及全面開支總額	The Group's share of losses and total comprehensive expenses	18,707	—

18. 於合營企業的權益

18. INTERESTS IN JOINT VENTURES

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
投資成本，非上市	Cost of investments, unlisted	962,293	2,089,044
應佔收購後(虧損)溢利，扣除已收股息	Share of post-acquisition (losses) profits, net of dividend received	(80,008)	1,206,176
		882,285	3,295,220

於二零一五年十二月三十一日之合營企業的詳情載於附註49。

Details of the joint ventures as at December 31, 2015 are set out in note 49.

個別並不重大的合營企業彙總資料

Aggregate information of joint ventures that are not individually material

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
本集團應佔的溢利及全面收益總額	The Group's share of profits and total comprehensive income	266,864	72,846

19. 可供出售投資

19. AVAILABLE-FOR-SALE INVESTMENTS

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
非上市權益證券，按成本(附註)	Unlisted equity securities, at cost (Note)	130,920	8,600

附註： 非上市權益投資指投資於一家私營實體及一家在上海證券交易所新三板買賣股份的實體發行的非上市權益證券。由於該等投資的合理公平值估計範圍甚大，本公司董事認為不能可靠計量其公平值，故其於報告期末以成本扣減減值計量。

Note: Unlisted equity investments represent the investments in unlisted equity securities issued by a private entity and an entity with shares traded in the new over-the-counter market of the Shanghai Stock Exchange. They are measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that its fair value cannot be reliably measured.

20. 存貨

20. INVENTORIES

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
建築材料	Construction materials	773,930	762,153
消費品及其他	Consumables and others	3,454	3,680
		777,384	765,833

21. 發展中待售物業

21. PROPERTIES UNDER DEVELOPMENT FOR SALES

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
成本	COST		
於年初	At the beginning of the year	68,090,667	65,368,224
添置	Additions	21,993,706	24,232,603
透過收購附屬公司收購資產及負債（附註35）	Acquisition of assets and liabilities through acquisition of subsidiaries (Note 35)	3,662,388	—
動工時轉撥自預付租賃款項	Transfer from prepaid lease payments upon commencement of construction	10,251,090	14,055,401
轉撥至持作出售物業	Transfer to properties held for sales	(33,168,103)	(35,565,561)
於年終	At the end of the year	70,829,748	68,090,667

發展中待售物業均位於中國，屬中期租賃。

於二零一五年十二月三十一日，計入發展中待售物業分類為流動資產的賬面值為約人民幣24,700,000,000元(二零一四年：人民幣33,691,000,000元)，指預期自報告期末起逾十二個月後完工及出售的物業的賬面值。

The properties under development for sales are located in the PRC under medium-term leases.

Included in the properties under development for sales classified as current assets as at December 31, 2015 is carrying value of approximately RMB24,700 million (2014: RMB33,691 million) which represents the carrying value of the properties expected to be completed and sold after more than twelve months from the end of the reporting period.

22. 持作出售物業

本集團的持作出售物業位於中國。所有持作出售物業均以成本列賬。

22. PROPERTIES HELD FOR SALES

The Group's properties held for sales are situated in the PRC. All the properties held for sales are stated at cost.

23. 應收賬款及應收票據、其他應收款項、按金及預付款項

23. ACCOUNTS, BILLS AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
貿易應收款項(附註a)	Trade receivables (Note a)	2,070,974	1,367,739
應收票據(附註a)	Bills receivables (Note a)	—	21,204
		2,070,974	1,388,943
其他應收款項，減呆賬撥備(附註b)	Other receivables, net of allowance for doubtful debts (Note b)	1,232,256	1,217,094
向供應商墊款	Advances to suppliers	377,303	943,336
預付營業稅及其他稅項	Prepaid business tax and other taxes	1,883,814	1,979,031
預付款項及設施按金(附註c)	Prepayments and utilities deposits (Note c)	4,355,783	139,411
		9,920,130	5,667,815

附註：

(a) 貿易應收款項及應收票據主要來自物業銷售及物業投資。有關銷售物業的代價由買家根據相關買賣協議條款支付。物業投資方面，租金收入由租戶於兩個月內根據租約條款支付。

以下為報告期末按發票日期呈列的貿易應收款項及應收票據的賬齡分析：

Notes:

(a) Trade and bills receivables are mainly arisen from sales of properties and properties investment. Considerations in respect of sales of properties are paid by purchasers in accordance with the terms of the related sales and purchase agreements. For properties investment, rental income are paid by tenants within two months in accordance with the terms in the tenancy agreements.

The following is an aged analysis of trade and bills receivables at the end of the reporting period based on invoice date:

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
60日內	Within 60 days	1,724,038	947,965
61至180日	61 - 180 days	326,774	435,416
181至365日	181 - 365 days	11,753	1,520
1至2年	1 - 2 years	8,409	4,042
		2,070,974	1,388,943

23. 應收賬款及應收票據、其他應收款項、按金及預付款項*(續)*

附註：*(續)*

(a) *(續)*

於二零一五年十二月三十一日，2%(二零一四年：2%)的貿易應收款項及應收票據既無過期亦無減值，且信貸質素令人滿意。

於二零一五年十二月三十一日計入本集團應收賬款及應收票據結餘的貿易應收款項之賬面值為人民幣2,028,595,000元(二零一四年：人民幣1,356,516,000元)，其已於報告期末過期，但由於本集團保留售予該等客戶物業的業權且相關物業的估計公平值預期高於尚未收取的應收款項金額，故本集團並無就該等減值作出撥備。

過期但未減值貿易應收款項的賬齡分析：

23. ACCOUNTS, BILLS AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS *(Continued)*

Notes: *(Continued)*

(a) *(Continued)*

At December 31, 2015, 2% (2014: 2%) of the trade and bills receivables are neither past due nor impaired and with satisfactory credit quality.

Included in the Group's accounts and bills receivable balance are trade receivables with a carrying amount of RMB2,028,595,000 (2014: RMB1,356,516,000) at December 31, 2015 which are past due at the end of the reporting period for which the Group has not provided for impairment as the Group has retained the legal titles of the properties sold to these customers and the estimated fair value of the relevant properties is expected to be higher than the outstanding receivable amount.

Aging of trade receivables which are past due but not impaired:

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
60日內	Within 60 days	1,681,659	915,538
61至180日	61 - 180 days	326,774	435,416
181至365日	181 - 365 days	11,753	1,520
1至2年	1 - 2 years	8,409	4,042
總計	Total	2,028,595	1,356,516

於釐定貿易應收款項可否收回時，本集團考慮自首次授出信貸日期至報告期末貿易應收款項信貸質素的任何變動。由於客戶基礎龐大且無關連，故信貸風險集中程度有限。

接受任何客戶前，本集團運用內部信貸評估制度評估潛在客戶之信貸質素，且認為已於報告期末作出充足撥備。所有既未逾期亦未減值的結餘均有良好的信貸質素。

In determining the recoverability of trade receivables, the Group considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the customer base being large and unrelated.

Before accepting any customers, the Group uses an internal credit assessment system to assess the potential customers' credit quality and considers adequate allowance has been made at the end of the reporting period. Balances which are neither past due nor impaired are all with good credit quality.

23. 應收賬款及應收票據、其他應收款項、按金及預付款項*(續)*

附註：*(續)*

(b) 其他應收款項主要包括租賃按金、應收土地拍賣按金撥回額、建築工程按金、臨時付款及已付但於到期日可退還的各項項目相關按金。於二零一五年十二月三十一日，計入其他應收款項已減值的金額為人民幣12,000,000元(二零一四年：人民幣12,000,000元)，原因為對手方陷入嚴重的財政困難且本集團並無就該等結餘持有任何抵押。餘下的結餘尚未逾期。

其他應收款項的呆賬撥備變動：

23. ACCOUNTS, BILLS AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS *(Continued)*

Notes: *(Continued)*

(b) Other receivables mainly comprise rental deposits, receivable of refund of the deposit for land auction, deposits for construction work, temporary payments and miscellaneous projects related deposits paid which are refundable upon maturity. Included in other receivables was an amount of RMB12,000,000 (2014: RMB12,000,000) which has been impaired as at December 31, 2015 because the counterparties are in severe financial difficulties and the Group does not hold any collateral over these balances. The remaining balance was not yet due for repayment.

Movements in the allowance for doubtful debts on other receivables:

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
年初及年末結餘	Balance at the beginning of the year and at the end of the year	12,000	12,000

(c) 預付款項及設施按金包括預付租賃款項，金額為人民幣4,334,750,000元，乃代表本集團為其潛在投資的公司(「潛在投資對象」)支付。董事認為，該等付款乃為該等潛在投資對象物業發展項目的預付款。

(c) Included in the prepayments and utilities deposits, there are prepaid lease payments amounting to RMB4,334,750,000 which are paid on behalf of certain companies which the Group potentially invests in them ("potential investees"). In the opinion of the directors, such payments are prepayment for property development projects for those potential investees.

24. 應收非控制權益／聯營公司／合營企業款項

該等款項以人民幣計值，為無抵押、免息且須於一年內償還。

24. AMOUNTS DUE FROM NON-CONTROLLING INTERESTS/ASSOCIATES/JOINT VENTURES

The amounts are denominated in RMB which are unsecured, interest-free and repayable within one year.

25. 已抵押銀行存款／銀行結餘及現金

(a) 已抵押銀行存款以人民幣計值，主要指抵押予銀行的存款，確保為客戶提供按揭擔保。於二零一五年十二月三十一日，存款的固定年利率為0.35%(二零一四年：0.35%)。

(b) 根據二零一五年適用政府法規，銀行結餘及現金包括受規管銀行存款結餘人民幣242,554,000元(二零一四年：人民幣241,454,000元)，僅可用於指定物業發展項目。

銀行結餘及現金包括本集團持有的現金及原到期期限為三個月或以下的活期存款。銀行的現金存款年利率為零至1.5%(二零一四年：零至2.75%)。

25. PLEDGED BANK DEPOSITS/BANK BALANCES AND CASH

(a) Pledged bank deposits are denominated in RMB which mainly represent deposits pledged to banks to secure the mortgage guarantees provided to customers. The deposits carry fixed rate at 0.35% (2014: 0.35%) per annum at December 31, 2015.

(b) Included in bank balances and cash are balances which, in accordance with the applicable government regulations prevailing in 2015, are placed in restricted bank accounts, amounting to RMB242,554,000 (2014: RMB241,454,000), which can only be applied in the designated property development projects.

Bank balances and cash comprise cash held by the Group and demand deposits with an original maturity of three months or less. The interest rates on cash placed with banks ranged from nil to 1.5% (2014: nil to 2.75%) per annum.

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
按貨幣分析的已抵押銀行存款及銀行結餘及現金：	Analysis of pledged bank deposits and bank balances and cash by currency:		
－以人民幣計值	– Denominated in RMB	18,121,733	17,321,374
－以港元計值	– Denominated in HKD	33,456	341,859
－以美元計值	– Denominated in USD	4,788	1,373,317
		18,159,977	19,036,550

26. 應付賬款及應付票據、已收按金及應計費用

26. ACCOUNTS AND BILLS PAYABLES, DEPOSITS RECEIVED AND ACCRUED CHARGES

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
貿易應付款項及應計建築開支(附註a)	Trade payables and accrued expenditure on construction (Note a)	13,403,567	12,140,210
應付票據(附註a)	Bills payables (Note a)	673,153	1,922,210
		14,076,720	14,062,420
已收按金及物業銷售預收款項	Deposits received and receipt in advance from property sales	33,322,343	35,324,859
其他應付款項及應計費用(附註b)	Other payables and accrued charges (Note b)	5,543,056	5,102,863
		52,942,119	54,490,142

附註：

(a) 貿易應付款項及應付票據及應計建築開支包括建築費用及其他項目相關開支，乃根據本集團計量的項目進展應付。本集團已實施財務風險管理政策，以確保所有應付款項已於信貸時限內清償。

以下為於報告期末，貿易應付款項及應付票據及應計建築開支的賬齡分析：

Notes:

(a) Trade and bills payables and accrued expenditure on construction comprise construction costs and other project-related expenses which are payable based on project progress measured by the Group. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

The following is an aged analysis of trade and bills payables and accrued expenditure on construction at the end of the reporting period:

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
60日內	Within 60 days	7,760,281	7,133,598
61至180日	61 - 180 days	4,652,983	5,176,944
181至365日	181 - 365 days	649,426	813,162
1至2年	1 - 2 years	693,811	575,339
2至3年	2 - 3 years	280,364	335,245
超過3年	Over 3 years	39,855	28,132
		14,076,720	14,062,420

(b) 其他應付款項及應計費用主要包括代客戶應付政府的已收稅項、應計薪金及應計員工福利。

(b) Other payables and accrued charges comprise mainly tax received and payable to the government on behalf of customers, accrued salaries and accrued staff welfare.

27. 應付一間聯營公司／合營企業／一名聯營公司控股股東款項

該等款項以人民幣計值，為無抵押、免息及須於要求時償還。

27. AMOUNTS DUE TO AN ASSOCIATE/JOINT VENTURES/A CONTROLLING SHAREHOLDER OF AN ASSOCIATE

The amounts are denominated in RMB which are unsecured, interest-free and repayable on demand.

28. 銀行及其他借款

28. BANK AND OTHER BORROWINGS

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
銀行貸款，有抵押	Bank loans, secured	20,116,599	23,541,291
銀行貸款，無抵押	Bank loans, unsecured	14,741,114	15,228,493
債券，有抵押	Bond, secured	1,399,010	1,396,563
債券，無抵押	Bonds, unsecured	8,079,685	—
		44,336,408	40,166,347

上述借款的賬面值須於以下期限內償還（附註）：

The carrying amounts of the above borrowings are repayable (Note):

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
一年內	Within one year	6,177,916	7,972,731
多於一年，但不超過兩年	Within a period of more than one year but not exceeding two years	13,794,347	12,522,441
多於兩年，但不超過三年	Within a period of more than two years but not exceeding three years	8,662,268	12,630,240
多於三年，但不超過四年	Within a period of more than three years but not exceeding four years	4,270,590	2,683,641
多於四年，但不超過五年	Within a period of more than four years but not exceeding five years	2,080,822	2,727,514
超過五年	Exceeding five years	9,350,465	1,629,780
		44,336,408	40,166,347
減：流動負債所示一年內到期款項	Less: Amount due within one year shown under current liabilities	(6,177,916)	(7,972,731)
一年後到期款項	Amount due after one year	38,158,492	32,193,616

附註：到期款項乃根據貸款協議所載計劃還款日列示。

Note: The amounts due are based on scheduled repayment dates set out in the loan agreements.

28. 銀行及其他借款 *(續)*

28. BANK AND OTHER BORROWINGS *(Continued)*

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
借款的貨幣分析：	Analysis of borrowings by currency:		
－以人民幣計值	– Denominated in RMB	34,933,449	30,893,533
－以港元計值	– Denominated in HKD	7,505,204	7,498,305
－以美元計值	– Denominated in USD	1,897,755	1,774,509
		44,336,408	40,166,347

(a) 於報告期末的若干銀行貸款及債券以附註39所載抵押資產所擔保。

(a) Certain bank loans and bond at the end of the reporting period were secured by the pledge of assets as set out in note 39.

		二零一五年 2015		二零一四年 2014	
		人民幣千元 *RMB'000*	實際利率 Effective interest rate	*人民幣千元* *RMB'000*	實際利率 Effective interest rate
定息銀行貸款	Fixed rate bank loans	660,000	5.38%	544,000	5.43%
浮息銀行貸款	Variable rate bank loans	34,197,713	5.18%	38,225,784	5.48%

28. 銀行及其他借款*(續)*

(b) 於二零零九年五月五日，本集團發行本金額為人民幣1,400,000,000元及將於二零一六年五月五日悉數償還的債券(可按本年報所述方式提早贖回)。債券於首五年按每年6.7%的固定息率計息，須每半年支付，本集團可選擇自二零一四年五月五日起一次性上調最多100個基點(包括該點)。本集團將於二零一四年四月二十五日釐定利率，選擇調高利率，惟倘釐定維持利率6.7%，債券持有人可於二零一四年四月二十五日至二零一四年四月三十日期間按面值贖回全部或部份債券。於二零一四年四月二十五日票面利率並無調整，而直至二零一四年四月三十日並無贖回債務。該等債券部分(人民幣1,100,000,000元)於上海證券交易所上市及買賣。債券以本集團的若干物業及土地使用權擔保。

(c) 於二零一五年七月七日，本集團發行第一批境內公司債券人民幣20億元。債券之票面年利率為4.6%(利息於其後每年支付)，並須於二零二零年七月七日前悉數償還。

28. BANK AND OTHER BORROWINGS *(Continued)*

(b) On May 5, 2009, the Group issued a bond with the principal amount of RMB1,400,000,000 and will be repayable in full by May 5, 2016, subject to early redemption as described herein. The bond bears fixed coupon interest rate at 6.7% per annum for the first five years payable semi-annually in arrears and is subject to an one-off upward adjustment of up to 100 basis points (inclusive) from May 5, 2014 at the election of the Group. The Group would determine on April 25, 2014 the interest rate by election of an upward adjustment to the interest rate but if it determines to maintain the interest rate at 6.7%, the holder of the bond then may elect to redeem all or part of the bond at the face value from the period April 25, 2014 to April 30, 2014. There is neither adjustment on the coupon interest rate on April 25, 2014 nor redemption of bond up to April 30, 2014. A portion of such bond (RMB1,100,000,000) is listed and traded on the Shanghai Stock Exchange. The bond is secured by certain properties and land use rights of the Group.

(c) On July 7, 2015, the Group issued first tranche of domestic corporate bonds of RMB 2 billion. The bonds carry a coupon rate of 4.6% per annum (interest payable annually in arrears) and will be fully repayable by July 7, 2020.

28. 銀行及其他借款*(續)*

(c) *(續)*

於二零一五年七月二十七日，本集團發行第二批境內公司債券，金額合共為人民幣40億元，分為兩個品種：(i)人民幣20億元，債券票面利率為3.93%，為期五年，須於二零二零年七月二十七日前悉數償還，第三年末本集團有權調整票面利率及二零一八年七月二十七日前投資者有權回售債券，以及(ii)人民幣20億元，債券票面利率為4.20%，為期七年，須於二零二二年七月二十七日前悉數償還，第五年末本集團有權調整票面利率及二零二零年七月二十七日前投資者有權回售債券。

於二零一五年十一月二日及二零一五年十一月三日，本集團發行第三批境內公司債券，金額合共為人民幣20億元，須於二零二二年十一月二日前悉數償還。債券之票面年利率為4.08%。第五年末本集團有權調整票面利率及二零二零年十一月二日前投資者有權回售債券。

董事認為，於初步確認時及報告期末第二批及第三批境內公司債券提早贖回權的公平值並不重大。

28. BANK AND OTHER BORROWINGS *(Continued)*

(c) *(Continued)*

On July 27, 2015, the Group issued second tranche of domestic corporate bonds with an aggregate amount of RMB 4 billion in two forms: (i) five years bonds of RMB 2 billion with a coupon rate of 3.93% repayable in full by July 27, 2020, the Group shall be entitled to adjust the coupon rate after the end of the third year and the investors shall be entitled to sell back the bonds by July 27, 2018, and (ii) seven years bonds of RMB 2 billion with a coupon rate of 4.20% repayable in full by July 27, 2022, the Group shall be entitled to adjust the coupon rate after the end of the fifth year and the investors shall be entitled to sell back the bonds by July 27, 2020.

On November 2, 2015 and November 3, 2015, the Group issued third tranche of domestic corporate bonds with an aggregate amount of RMB 2 billion and will be repayable in full by November 2, 2022. The bonds carry a coupon rate of 4.08% per annum. The Group shall be entitled to adjust the coupon rate after the end of the fifth year and the investors shall be entitled to sell back the bonds by November 2, 2020.

In the opinion of the directors, the fair values of the early redemption options of second tranche and third tranche of domestic corporate bonds are insignificant at initial recognition and the end of the reporting period.

28. 銀行及其他借款*(續)*

(c) *(續)*

管理層估計，債券於二零一五年十二月三十一日的公平值為人民幣1,418,200,000元(二零一四年：人民幣1,431,500,000元)(就二零零九年五月五日發行的債券而言)、人民幣2,062,000,000元(二零一四年：零)(就二零一五年七月七日發行的債券而言)、人民幣2,010,000,000元及人民幣2,034,000,000元(二零一四年：零及零)(就分別於二零一五年七月二十七日發行的(i)類及(ii)類債券而言)及人民幣2,019,600,000元(二零一四年：零)(就二零一五年十一月二日及二零一五年十一月三日發行的債券而言)。債券已上市及未上市部分之公平值乃參考債券已上市部分的市場報價計算。

28. BANK AND OTHER BORROWINGS *(Continued)*

(c) *(Continued)*

Management estimates the fair value of the bond at December 31, 2015 to be RMB1,418,200,000 (2014: RMB1,431,500,000) for the bond issued on May 5, 2009, RMB2,062,000,000 (2014: nil) for the bond issued on July 7, 2015, RMB2,010,000,000 and RMB2,034,000,000 (2014: nil and nil) for the (i) and (ii) forms of bonds, respectively, issued on July 27, 2015 and RMB2,019,600,000 (2014: nil) for the bond issued on November 2, 2015 and November 3, 2015. The fair values of both the listed and unlisted portions of the bond have been calculated with reference to the quoted market price of the listed portion of the bond.

29. 優先票據

29. SENIOR NOTES

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
於二零一二年發行的優先票據	Senior notes issued in 2012	2,606,327	2,450,307
於二零一三年發行的優先票據	Senior notes issued in 2013	3,322,815	3,129,068
於二零一四年發行的優先票據	Senior notes issued in 2014	2,000,030	1,995,578
		7,929,172	7,574,953

29. 優先票據*(續)*

(a) 於二零一二年十月十八日，本公司按面值向公眾發行總面值400,000,000美元(約人民幣2,513,560,000元)的有擔保優先定息票據(「二零一九年美元票據」)，該等票據之固定年利率為6.875%，須每半年支付一次利息，並須於二零一九年十月十八日前按面值悉數償還。

二零一九年美元票據於新加坡證券交易所有限公司上市，為本公司無抵押優先責任，由本公司若干並非根據中國法律成立之現有附屬公司擔保。該等擔保實際從屬於各擔保方的其他有抵押承擔，惟以所抵押之資產價值為限。

倘於下文所示各年十月十八日開始的十二個月期間贖回，則本公司可於二零一六年十月十八日後隨時及不時選擇按相等於下文載列的本金額百分比的贖回價另加截至贖回日期的應計但未付利息贖回全部或部分二零一九年美元票據。

年份 Year		贖回價 Redemption price
二零一六年	2016	103.4375%
二零一七年	2017	101.71875%
二零一八年及其後	2018 and thereafter	100%

於二零一六年十月十八日前任何時間，本公司可選擇按相等於二零一九年美元票據本金額100%的贖回價另加截至贖回日期(不包括當日)的二零一九年有關溢價及應計但未付利息(如有)，贖回全部(但並非部分)二零一九年美元票據。

29. SENIOR NOTES *(Continued)*

(a) On October 18, 2012, the Company issued guaranteed senior fixed rate notes to the public at par with aggregate nominal value of US$400,000,000 (approximately RMB2,513,560,000) (the "2019 USD Notes") which carry fixed interest of 6.875% per annum (interest payable semi-annually in arrears) and will be fully repayable at par by October 18, 2019.

The 2019 USD Notes are listed on the Singapore Exchange Securities Trading Limited. They are unsecured, senior obligations of the Company and guaranteed by certain of the Company's existing subsidiaries, other than those organised under the laws of the PRC. The guarantees are effectively subordinated to the other secured obligations of each guarantor, to the extent of the value of assets serving as security.

At any time and from time to time after October 18, 2016, the Company may at its option redeem the 2019 USD Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest to the redemption date if redeemed during the twelve-month period beginning on October 18 of each of the years indicated below.

At any time prior to October 18, 2016, the Company may at its option redeem the 2019 USD Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2019 USD Notes plus the 2019 Applicable Premium as of, and accrued the unpaid interest, if any, to (but not including) the redemption date.

29. 優先票據*(續)*

(a) *(續)*

「二零一九年有關溢價」有關贖回日期之二零一九年美元票據，為(1)有關二零一九年美元票據本金額的1.00%及(2)(A)有關贖回日期(i)二零一六年十月十八日有關二零一九年美元票據之贖回價加上(ii)按相當於經調整國債利率加100個基準點之貼現率計算有關二零一九年美元票據於二零一六年十月十八日前之所有規定剩餘計劃應付利息(不包括截至贖回日期應計但未付利息)之現值超出(B)有關二零一九年美元票據於有關贖回日期之本金額之差額間的較高者。

於二零一六年十月十八日前任何時間，本公司可不時按二零一九年美元票據本金額106.875%的贖回價，另加截至贖回日期(但不包括該日)的應計但未付利息(如有)，以一宗或以上的若干類型股本銷售的現金所得款項淨額，贖回最多二零一九年美元票據本金總額35%；惟於各有關贖回及於有關股本發售結束後60日內進行的任何有關贖回後，至少65%於原發行日期發行的二零一九年美元票據本金總額仍未償還。

董事認為，於初步確認時及報告期末提早贖回權的公平值並不重大。

倘發生觸發控制權變更的事件，則本公司將按相等於本金額101%的購買價另加要約日期(不包括該日)至購買付款日期的應計但未付利息要約購回所有未償還二零一九年美元票據。

29. SENIOR NOTES *(Continued)*

(a) *(Continued)*

"2019 Applicable Premium" means with respect to the 2019 USD Notes at any redemption date, the greater of (1) 1.00% of the principal amount of such 2019 USD Notes and (2) the excess of (A) the present value at such redemption date of (i) the redemption price of such 2019 USD Notes on October 18, 2016 plus (ii) all required remaining scheduled interest payments due on such 2019 USD Notes through October 18, 2016 (but excluding accrued and unpaid interest to the redemption date), computed using a discount rate equal to the adjusted treasury rate plus 100 basis points, over (B) the principal amount of such 2019 USD Notes on such redemption date.

At any time and from time to time prior to October 18, 2016, the Company may redeem up to 35% of the aggregate principal amount of the 2019 USD Notes with the net cash proceeds of one or more sales of common stock of the Company in an equity offering at a redemption price of 106.875% of the principal amount of the 2019 USD Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date; provided that at least 65% of the aggregate principal amount of the 2019 USD Notes originally issued on the original issue date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related equity offering.

In the opinion of the directors, the fair value of the early redemption options is insignificant at initial recognition and the end of the reporting period.

Upon the occurrence of a change of control triggering event, the Company will make an offer to repurchase all outstanding 2019 USD Notes at a purchase price equal to 101% of their principal amount plus accrued and unpaid interest, if any, to (but not including) the offer to purchase payment date.

29. 優先票據*(續)*

(a) *(續)*

二零一九年美元票據之賬面淨值經扣除未攤銷發行費用合共4,177,000美元(約人民幣27,124,000元)入賬，二零一九年美元票據之實際年利率為7.20%。

(b) 於二零一三年一月二十九日，本公司進一步按面值向公眾發行總面值500,000,000美元(約人民幣3,139,800,000元)的有擔保優先定息票據(「二零二三年美元票據」)，該等票據之固定年利率為6.75%，須每半年支付一次利息，並須於二零二三年一月二十九日前按面值悉數償還。

二零二三年美元票據於新加坡證券交易所有限公司上市，為本公司無抵押優先責任，由本公司若干並非根據中國法律成立之現有附屬公司擔保。該等擔保實際從屬於各擔保方的其他有抵押承擔，惟以所抵押之資產價值為限。

倘於下文所示各年一月二十九日開始的十二個月期間贖回，則本公司可於二零一八年一月二十九日或之後隨時及不時選擇按相等於下文載列的本金額百分比的贖回價另加截至贖回日期的應計但未付利息贖回全部或部分二零二三年美元票據。

29. SENIOR NOTES *(Continued)*

(a) *(Continued)*

The net carrying amount of the 2019 USD Notes is stated net of unamortised issue expenses totalling US$4,177,000 (approximately RMB27,124,000) and the effective interest rate of the 2019 USD Notes is 7.20% per annum.

(b) On January 29, 2013, the Company further issued guaranteed senior fixed rate notes to the public at par with aggregate nominal value of US$500,000,000 (approximately RMB3,139,800,000) (the "2023 USD Notes") which carry fixed interest of 6.75% per annum (interest payable semi-annually in arrears) and will be fully repayable at par by January 29, 2023.

The 2023 USD Notes are listed on the Singapore Exchange Securities Trading Limited. They are unsecured, senior obligations of the Company and guaranteed by certain of the Company's existing subsidiaries, other than those organised under the laws of the PRC. The guarantees are effectively subordinated to the other secured obligations of each guarantor, to the extent of the value of assets serving as security.

At any time and from time to time on or after January 29, 2018, the Company may at its option redeem the 2023 USD Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest to the redemption date if redeemed during the twelve-month period beginning on January 29 of each of the years indicated below.

年份 Year		贖回價 Redemption price
二零一八年	2018	103.375%
二零一九年	2019	102.250%
二零二零年	2020	101.125%
二零二一年及其後	2021 and thereafter	100%

29. 優先票據*(續)*

(b) *(續)*

於二零一八年一月二十九日前任何時間，本公司可選擇按相等於二零二三年美元票據本金額100%的贖回價另加截至贖回日期(不包括當日)的二零二三年有關溢價及應計但未付利息(如有)，贖回全部(但並非部分)二零二三年美元票據。

「二零二三年有關溢價」有關贖回日期之二零二三年美元票據，為(1)有關二零二三年美元票據本金額的1.00%及(2)(A)有關贖回日期(i)二零一八年一月二十九日有關二零二三年美元票據之贖回價加上(ii)按相當於經調整國債利率加100個基準點之貼現率計算有關二零二三年美元票據於二零一八年一月二十九日前之所有規定剩餘計劃應付利息(不包括截至贖回日期應計但未付利息)之現值超出(B)有關二零二三年美元票據於有關贖回日期之本金額之差額間的較高者。

於二零一六年一月二十九日前任何時間，本公司可不時按二零二三年美元票據本金額106.75%的贖回價，另加截至贖回日期(但不包括該日)的應計但未付利息(如有)，以一宗或以上的若干類型股本銷售的現金所得款項淨額，贖回最多二零二三年美元票據本金總額35%；惟於各有關贖回及於有關股本發售結束後60日內進行的任何有關贖回後，至少65%於原發行日期發行的二零二三年美元票據本金總額仍未償還。

董事認為，於初步確認時及報告期末提早贖回權的公平值並不重大。

29. SENIOR NOTES *(Continued)*

(b) *(Continued)*

At any time prior to January 29, 2018, the Company may at its option redeem the 2023 USD Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2023 USD Notes plus the 2023 Applicable Premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date.

"2023 Applicable Premium" means with respect to the 2023 USD Notes at any redemption date, the greater of (1) 1.00% of the principal amount of such 2023 USD Notes and (2) the excess of (A) the present value at such redemption date of (i) the redemption price of such 2023 USD Notes on January 29, 2018, plus (ii) all required remaining scheduled interest payments due on such 2023 USD Notes through January 29, 2018 (but excluding accrued and unpaid interest to the redemption date), computed using a discount rate equal to the adjusted treasury rate plus 100 basis points, over (B) the principal amount of such 2023 USD Notes on such redemption date.

At any time and from time to time prior to January 29, 2016, the Company may redeem up to 35% of the aggregate principal amount of the 2023 USD Notes with the net cash proceeds of one or more sales of common stock of the Company in an equity offering at a redemption price of 106.75% of the principal amount of the 2023 USD Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date; provided that at least 65% of the aggregate principal amount of the 2023 USD Notes originally issued on the original issue date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related equity offering.

In the opinion of the directors, the fair value of the early redemption options is insignificant at initial recognition and the end of the reporting period.

29. 優先票據*(續)*

(b) *(續)*

倘發生觸發控制權變更的事件，則本公司將按相等於本金額101%的購買價另加要約日期(不包括該日)至購買付款日期的應計但未付利息要約購回所有未償還二零二三年美元票據。

二零二三年美元票據之賬面淨值經扣除未攤銷發行費用合共3,131,000美元(約人民幣20,331,000元)入賬，二零二三年美元票據之實際年利率為6.89%。

(c) 於二零一四年五月二十八日，本公司按面值向公眾發行總面值人民幣2,000,000,000元的有擔保優先定息票據(「二零一八年人民幣票據」)，該等票據之固定年利率為6.75%，須每半年支付一次利息，並須於二零一八年五月二十八日前按面值悉數償還。

二零一八年人民幣票據於新加坡證券交易所有限公司上市，為本公司無抵押優先責任，由本公司若干並非根據中國法律成立之現有附屬公司擔保。該等擔保實際從屬於各擔保方的其他有抵押承擔，惟以所抵押之資產價值為限。

於二零一八年五月二十八日前任何時間，本公司可不時選擇按相等於二零一八年人民幣票據本金額100%的贖回價另加截至贖回日期(不包括當日)的二零一八年有關溢價及應計但未付利息(如有)，贖回全部(但並非部分)二零一八年人民幣票據。

29. SENIOR NOTES *(Continued)*

(b) *(Continued)*

Upon the occurrence of a change of control triggering event, the Company will make an offer to repurchase all outstanding 2023 USD Notes at a purchase price equal to 101% of their principal amount plus accrued and unpaid interest, if any, to (but not including) the offer to purchase payment date.

The net carrying amount of the 2023 USD Notes is stated net of unamortised issue expenses totaling US$3,131,000 (approximately RMB20,331,000) and the effective interest rate of the 2023 USD Notes is 6.89% per annum.

(c) On May 28, 2014, the Company issued guaranteed senior fixed rate notes to the public at par with aggregate nominal value of RMB 2,000,000,000 (the "2018 RMB Notes") which carry fixed interest of 6.75% per annum (interest payable semi-annually in arrears) and will be fully repayable at par by May 28, 2018.

The 2018 RMB Notes are listed on the Singapore Exchange Securities Trading Limited. They are unsecured, senior obligations of the Company and guaranteed by certain of the Company's existing subsidiaries, other than those organised under the laws of the PRC. The guarantees are effectively subordinated to the other secured obligations of each guarantor, to the extent of the value of assets serving as security.

At any time prior to May 28, 2018, the Company may at its option redeem the 2018 RMB Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Notes plus 2018 Applicable Premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date.

29. 優先票據*(續)*

(c) *(續)*

「二零一八年有關溢價」有關贖回日期之二零一八年人民幣票據，為(1)有關二零一八年人民幣票據本金額的1.00%及(2)二零一八年人民幣票據本金額連同直至二零一八年人民幣票據到期前之所有規定剩餘計劃應付利息(按年貼現率2.50%計算)(不包括截至贖回日期應計但未付利息)超出二零一八年人民幣票據於有關贖回日期之本金額之差額。

於二零一七年五月二十八日前任何時間，本公司可不時按二零一八年人民幣票據本金額106.75%的贖回價，另加截至贖回日期(但不包括該日)的應計但未付利息(如有)，以一宗或以上的若干類型股本銷售的現金所得款項淨額，贖回最多二零一八年人民幣票據本金總額35%；惟於各有關贖回及於有關股本發售結束後60日內進行的任何有關贖回後，至少65%於原發行日期發行的二零一八年人民幣票據本金總額仍未償還。

董事認為，於初步確認時及報告期末提早贖回權的公平值並不重大。

倘發生觸發控制權變更的事件，則本公司將按相等於本金額101%的購買價另加要約日期(不包括該日)至購買付款日期的應計但未付利息要約購回所有未償還二零一八年人民幣票據。

於二零一五年十二月三十一日，二零一八年人民幣票據之賬面淨值經扣除未攤銷發行費用合共人民幣12,059,000元入賬，而二零一八年人民幣票據之實際年利率為7%。

29. SENIOR NOTES *(Continued)*

(c) *(Continued)*

"2018 Applicable Premium" means with respect to 2018 RMB Notes at any redemption date, the greater of (1) 1.00% of the principal amount of such 2018 RMB Notes and (2) the excess of the principal amount of such 2018 RMB Notes, plus all required remaining scheduled interest payments due on such 2018 RMB Notes through the maturity date of such 2018 RMB Notes (but excluding accrued and unpaid interest to the redemption date), computed using a discount rate of 2.50% per annum, over the principal amount of such 2018 RMB Notes on such redemption date.

At any time and from time to time prior to May 28, 2017, the Company may redeem up to 35% of the aggregate principal amount of the 2018 RMB Notes with the net cash proceeds of one or more sales of Common Stock of the Company in an equity offering at a redemption price of 106.75% of the principal amount of the 2018 RMB Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date; provided that at least 65% of the aggregate principal amount of the 2018 RMB Notes originally issued on the original issue date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related equity offering.

In the opinion of the directors, the fair value of the early redemption options is insignificant at initial recognition and the end of the reporting period.

Upon the occurrence of a change of control triggering event, the Company will make an offer to repurchase all outstanding 2018 RMB Notes at a purchase price equal to 101% of their principal amount plus accrued and unpaid interest, if any, to (but not including) the offer to purchase payment date.

The net carrying amount of the 2018 RMB Notes is stated net of unamortised issue expenses totalling RMB12,059,000 as at December 31, 2015 and the effective interest rate of the 2018 RMB Notes is 7% per annum.

29. 優先票據*(續)*

(c) *(續)*

於二零一五年十二月三十一日，經參考新加坡證券交易所有限公司之市場報價計算之二零一九年美元票據、二零二三年美元票據及二零一八年人民幣票據公平值分別為人民幣2,720,818,000元(二零一四年：人民幣2,497,776,000元)、人民幣3,340,957,000元(二零一四年：人民幣2,910,349,000元)及人民幣2,008,380,000元(二零一四年：人民幣2,000,780,000元)。

29. SENIOR NOTES *(Continued)*

(c) *(Continued)*

The fair value of the 2019 USD Notes, 2023 USD Notes and 2018 RMB Notes at December 31, 2015 with reference to the quoted market price available on the Singapore Exchange Securities Trading Limited amounted to RMB2,720,818,000 (2014: RMB2,497,776,000), RMB3,340,957,000 (2014: RMB2,910,349,000) and RMB2,008,380,000 (2014: RMB2,000,780,000), respectively.

30. 衍生金融工具

30. DERIVATIVE FINANCIAL INSTRUMENTS

		非流動 Non-current	
		二零一五年 2015 *人民幣千元 RMB'000*	二零一四年 2014 *人民幣千元 RMB'000*
根據對沖會計方法入賬的衍生金融工具	Derivative financial instruments under hedge accounting		
衍生金融資產	Derivative financial assets		
現金流量對沖	Cash flow hedges		
－交叉貨幣利率掉期	– Cross currency interest rate swaps	701,083	184,441
衍生金融負債	Derivative financial liabilities		
現金流量對沖	Cash flow hedges		
－交叉貨幣利率掉期	– Cross currency interest rate swaps	—	(2,077)

交叉貨幣利率掉期

於報告期末，本集團有以下指定為高效對沖工具的交叉貨幣利率掉期，以透過將一定比例的浮息美元及港元銀行借款及相應利息付款由美元及港元轉換為人民幣及由美元及港元浮息利息付款轉換為人民幣定息付款來減低本集團承受的該等借款及相應利息付款的外幣及現金流量利率風險。

Cross currency interest rate swaps

At the end of the reporting period, the Group had the following cross currency interest rate swaps designated as highly effective hedging instruments in order to minimise its exposures to foreign currency and cash flow interest rate risk on its floating-rate USD and HKD bank borrowings and corresponding interest payment by swapping a portion of those borrowings and corresponding interest payment from USD and HKD to RMB and from USD and HKD floating-rate interest payments to RMB fixed rate interest payments.

30. 衍生金融工具*(續)*

交叉貨幣利率掉期*(續)*

交叉貨幣利率掉期的條款經已磋商以配合各項指定對沖項目的條款，而董事認為該等交叉貨幣利率掉期屬高效對沖工具。該等合約的主要條款如下：

30. DERIVATIVE FINANCIAL INSTRUMENTS *(Continued)*

Cross currency interest rate swaps *(Continued)*

The terms of the cross currency interest rate contracts have been negotiated to match the terms of the respective designated hedged items and the directors consider that the cross currency interest rate swaps are highly effective hedging instruments. The major terms of these contracts are as follows:

名義金額 Notional amount	到期日 Maturity	匯率 Exchange rates	利息掉期 Interest rate swap
買入200,000,000港元 （二零一四年： 買入200,000,000港元）	二零一七年七月十日	人民幣1元兑1.2515港元	由香港銀行同業拆息+3.1%至固定利率6.13%
Buy HKD200,000,000 (2014:Buy HKD200,000,000)	10/07/2017	RMB 1: HKD1.2515	From HIBOR + 3.1% to fixed rate of 6.13%
買入155,000,000港元 （二零一四年： 買入155,000,000港元）	二零一七年七月十日	人民幣1元兑1.2517港元	由香港銀行同業拆息+3.1%至固定利率6.18%
Buy HKD155,000,000 (2014:Buy HKD155,000,000)	10/07/2017	RMB 1: HKD1.2517	From HIBOR + 3.1% to fixed rate of 6.18%
買入1,000,000,000港元 （二零一四年： 買入1,000,000,000港元）	二零一七年七月十日	人民幣1元兑1.2616港元	由香港銀行同業拆息+3.1%至固定利率5.65%
Buy HKD1,000,000,000 (2014:Buy HKD1,000,000,000)	10/07/2017	RMB 1: HKD1.2616	From HIBOR + 3.1% to fixed rate of 5.65%
買入200,000,000港元 （二零一四年： 買入200,000,000港元）	二零一七年七月十日	人民幣1元兑1.2542港元	由香港銀行同業拆息+3.1%至固定利率6.13%
Buy HKD200,000,000 (2014:Buy HKD200,000,000)	10/07/2017	RMB 1: HKD1.2542	From HIBOR + 3.1% to fixed rate of 6.13%
買入1,000,000,000港元 （二零一四年：零）	二零一七年七月十日	人民幣1元兑1.2479港元	由香港銀行同業拆息+3.1%至固定利率6.04%
Buy HKD1,000,000,000 (2014:nil)	10/07/2017	RMB 1: HKD1.2479	From HIBOR + 3.1% to fixed rate of 6.04%
買入390,000,000港元 （二零一四年：零）	二零一七年七月十日	人民幣1元兑1.249港元	由香港銀行同業拆息+3.1%至固定利率6.03%
Buy HKD390,000,000 (2014:nil)	10/07/2017	RMB 1: HKD1.249	From HIBOR + 3.1% to fixed rate of 6.03%
買入50,000,000美元 （二零一四年：買入50,000,000美元）	二零一九年十月十八日	人民幣1元兑0.164美元	由固定利率6.875%至固定利率7.85%
Buy USD50,000,000 (2014:Buy USD50,000,000)	18/10/2019	RMB 1: USD0.164	From fixed rate of 6.875% to fixed rate of 7.85%

30. 衍生金融工具 *(續)*

交叉貨幣利率掉期 *(續)*

30. DERIVATIVE FINANCIAL INSTRUMENTS *(Continued)*

Cross currency interest rate swaps *(Continued)*

名義金額 Notional amount	到期日 Maturity	匯率 Exchange rates	利息掉期 Interest rate swap
買入50,000,000美元 (二零一四年：買入50,000,000美元)	二零一九年十月十八日	人民幣1元兌0.164美元	由固定利率6.875%至固定利率7.7%
Buy USD50,000,000 (2014:Buy USD50,000,000)	18/10/2019	RMB 1: USD0.164	From fixed rate of 6.875% to fixed rate of 7.7%
買入50,000,000美元 (二零一四年：買入50,000,000美元)	二零一九年十月十八日	人民幣1元兌0.164美元	由固定利率6.875%至固定利率7.65%
Buy USD50,000,000 (2014:Buy USD50,000,000)	18/10/2019	RMB 1: USD0.164	From fixed rate of 6.875% to fixed rate of 7.65%
買入50,000,000美元 (二零一四年：買入50,000,000美元)	二零一九年十月十八日	人民幣1元兌0.163美元	由固定利率6.875%至固定利率7.68%
Buy USD50,000,000 (2014:Buy USD50,000,000)	18/10/2019	RMB 1: USD0.163	From fixed rate of 6.875% to fixed rate of 7.68%
買入5,000,000美元 (二零一四年：買入5,000,000美元)	二零一九年十月十八日	人民幣1元兌0.164美元	由固定利率6.875%至固定利率7.69%
Buy USD5,000,000 (2014:Buy USD5,000,000)	18/10/2019	RMB 1: USD0.164	From fixed rate of 6.875% to fixed rate of 7.69%
買入25,000,000美元 (二零一四年：買入25,000,000美元)	二零一九年十月十八日	人民幣1元兌0.164美元	由固定利率6.875%至固定利率7.71%
Buy USD25,000,000 (2014:Buy USD25,000,000)	18/10/2019	RMB 1: USD0.164	From fixed rate of 6.875% to fixed rate of 7.71%
買入25,000,000美元 (二零一四年：買入25,000,000美元)	二零一九年十月十八日	人民幣1元兌0.164美元	由固定利率6.875%至固定利率7.73%
Buy USD25,000,000 (2014:Buy USD25,000,000)	18/10/2019	RMB 1: USD0.164	From fixed rate of 6.875% to fixed rate of 7.73%
買入25,000,000美元 (二零一四年：買入25,000,000美元)	二零一九年十月十八日	人民幣1元兌0.164美元	由固定利率6.875%至固定利率7.73%
Buy USD25,000,000 (2014:Buy USD25,000,000)	18/10/2019	RMB 1: USD0.164	From fixed rate of 6.875% to fixed rate of 7.73%

30. 衍生金融工具*(續)*

交叉貨幣利率掉期*(續)*

30. DERIVATIVE FINANCIAL INSTRUMENTS *(Continued)*

Cross currency interest rate swaps *(Continued)*

名義金額 Notional amount	到期日 Maturity	匯率 Exchange rates	利息掉期 Interest rate swap
買入50,000,000美元 (二零一四年：買入50,000,000美元)	二零一九年十月十八日	人民幣1元兑0.166美元	由固定利率6.875%至固定利率7.75%
Buy USD50,000,000 (2014:Buy USD50,000,000)	18/10/2019	RMB 1: USD0.166	From fixed rate of 6.875% to fixed rate of 7.75%
買入20,000,000美元 (二零一四年：買入20,000,000美元)	二零一九年十月十八日	人民幣1元兑0.161美元	由固定利率6.875%至固定利率8.5%
Buy USD20,000,000 (2014:Buy USD20,000,000)	18/10/2019	RMB 1: USD0.161	From fixed rate of 6.875% to fixed rate of 8.5%
買入310,000,000港元 (二零一四年：零)	二零二零年四月二十八日	人民幣1元兑1.1997港元	由香港銀行同業拆息+3.1%至固定利率6.47%
Buy HKD310,000,000 (2014:nil)	28/04/2020	RMB 1: HKD1.1997	From HIBOR + 3.1% to fixed rate of 6.47%
買入310,000,000港元 (二零一四年：零)	二零二零年四月二十八日	人民幣1元兑1.1998港元	由香港銀行同業拆息+3.1%至固定利率6.47%
Buy HKD310,000,000 (2014:nil)	28/04/2020	RMB 1: HKD1.1998	From HIBOR + 3.1% to fixed rate of 6.47%
買入387,500,000港元 (二零一四年：零)	二零二零年四月二十八日	人民幣1元兑1.2081港元	由香港銀行同業拆息+3.1%至固定利率6.33%
Buy HKD387,500,000 (2014:nil)	28/04/2020	RMB 1: HKD1.2081	From HIBOR + 3.1% to fixed rate of 6.33%
買入500,000,000港元 (二零一四年：零)	二零二零年四月二十八日	人民幣1元兑1.2065港元	由香港銀行同業拆息+3.1%至固定利率6.25%
Buy HKD500,000,000 (2014:nil)	28/04/2020	RMB 1: HKD1.2065	From HIBOR + 3.1% to fixed rate of 6.25%
買入50,000,000美元 (二零一四年：買入50,000,000美元)	二零二三年一月二十九日	人民幣1元兑0.164美元	由固定利率6.75%至固定利率7.59%
Buy USD50,000,000 (2014:Buy USD50,000,000)	29/01/2023	RMB 1: USD0.164	From fixed rate of 6.75% to fixed rate of 7.59%
買入20,000,000美元 (二零一四年：買入20,000,000美元)	二零二三年一月二十九日	人民幣1元兑0.164美元	由固定利率6.75%%至固定利率7.53%
Buy USD20,000,000 (2014:Buy USD20,000,000)	29/01/2023	RMB 1: USD0.164	From fixed rate of 6.75% to fixed rate of 7.53%

30. 衍生金融工具 *(續)*

交叉貨幣利率掉期 *(續)*

名義金額 Notional amount	到期日 Maturity	匯率 Exchange rates	利息掉期 Interest rate swap
買入25,000,000美元 (二零一四年：買入25,000,000美元)	二零二三年一月三十日	人民幣1元兑0.166美元	由固定利率6.75%至固定利率7.65%
Buy USD25,000,000 (2014:Buy USD25,000,000)	30/01/2023	RMB 1: USD0.166	From fixed rate of 6.75% to fixed rate of 7.65%
買入75,000,000美元 (二零一四年：買入75,000,000美元)	二零二三年一月三十日	人民幣1元兑0.166美元	由固定利率6.75%至固定利率7.65%
Buy USD75,000,000 (2014:Buy USD75,000,000)	30/01/2023	RMB 1: USD0.166	From fixed rate of 6.75% to fixed rate of 7.65%
買入25,000,000美元 (二零一四年：買入25,000,000美元)	二零二三年一月三十日	人民幣1元兑0.166美元	由固定利率6.75%至固定利率7.63%
Buy USD25,000,000 (2014:Buy USD25,000,000)	30/01/2023	RMB 1: USD0.166	From fixed rate of 6.75% to fixed rate of 7.63%
買入25,000,000美元 (二零一四年：買入25,000,000美元)	二零二三年一月三十日	人民幣1元兑0.165美元	由固定利率6.75%至固定利率7.63%
Buy USD25,000,000 (2014:Buy USD25,000,000)	30/01/2023	RMB 1: USD0.165	From fixed rate of 6.75% to fixed rate of 7.63%
買入25,000,000美元 (二零一四年：買入25,000,000美元)	二零二三年一月三十日	人民幣1元兑0.165美元	由固定利率6.75%至固定利率7.6%
Buy USD25,000,000 (2014:Buy USD25,000,000)	30/01/2023	RMB 1: USD0.165	From fixed rate of 6.75% to fixed rate of 7.6%

上述所有交叉貨幣利率掉期均指定作為現金流量對沖且有效。於二零一五年十二月三十一日，上述交叉貨幣利率掉期合約的公平值收益合共人民幣701,083,000元(二零一四年：淨收益人民幣182,364,000元)已於權益內作遞延處理。對沖工具的公平值收益人民幣613,754,000元(二零一四年：收益人民幣118,995,000元)於同年內由對沖儲備重新分類至損益。

30. DERIVATIVE FINANCIAL INSTRUMENTS *(Continued)*

Cross currency interest rate swaps *(Continued)*

All of the above cross currency interest rate swaps are designated and effective as cash flow hedges. The fair values gain of the above cross currency interest rate swap contracts totalling RMB701,083,000 (2014: net gain of RMB182,364,000) have been deferred in equity at December 31, 2015. The fair value gain of the hedging instruments amounting to RMB613,754,000 (2014: gain of RMB118,995,000) were reclassified from hedging reserve to profit and loss in the same year.

31. 資本及儲備

(a) 股本

31. CAPITAL AND RESERVES

(a) Share capital

		每股面值 0.10港元之普通股數目 Number of ordinary shares of par value HK$0.10 each	面值 Nominal value *千港元 HK$'000*
法定	**Authorised**		
於二零一四年一月一日、二零一四年十二月三十一日及二零一五年十二月三十一日	At January 1, 2014, December 31, 2014 and December 31, 2015	10,000,000,000	1,000,000
已發行及繳足	**Issued and fully paid**		
於二零一四年一月一日	At January 1, 2014	5,441,532,500	544,153
行使購股權發行股份（附註(i)）	Issue of shares upon exercise of share options (Note (i))	1,055,000	106
收購一間附屬公司的額外權益時發行股份(附註33)	Issue of shares upon acquisition of an additional interest in a subsidiary (Note 33)	366,344,605	36,634
於二零一四年十二月三十一日	At December 31, 2014	5,808,932,105	580,893
行使購股權發行股份（附註(i)）	Issue of shares upon exercise of share options (Note (i))	25,091,500	2,509
於二零一五年十二月三十一日	At December 31, 2015	5,834,023,605	583,402
綜合財務報表所示	Shown in the consolidated financial statements		
於二零一五年十二月三十一日	At December 31, 2015	等值人民幣千元 RMB'000 equivalent	507,823
於二零一四年十二月三十一日	At December 31, 2014	等值人民幣千元 RMB'000 equivalent	505,814

31. 資本及儲備*(續)*

(a) 股本*(續)*

(i) 截至二零一五年十二月三十一日止年度，本公司因行使購股權發行25,091,500股(二零一四年：1,055,000股)每股面值0.1港元的股份。年內所行使購股權的行使價介乎2.94港元至12.528港元(相當於人民幣2.32元至人民幣9.91元)(二零一四年：8.28港元(相當於人民幣6.54元至人民幣6.58元))。已發行新股在各方面與當時已有股份享有同等權益。

(b) 儲備

儲備名稱、性質及用途

(i) 股份溢價

二零一五年及二零一四年十二月三十一日的股份溢價指本公司股份溢價。

股份溢價賬受開曼群島公司法規管，並可由本公司根據(如有)組織章程大綱及細則的規定作以下用途：(a)支付分配或股息予股東；(b)繳足將發行予權益股東作為繳足紅股的本公司未發行股份；(c)按開曼群島公司法第37條的規定贖回及購回股份；(d)撇銷公司開辦費用；(e)撇銷發行本公司股份或債券的費用或就此支付的佣金或給予的折扣；及(f)作為贖回或購買本公司任何股份或債券時須予支付的溢價。

31. CAPITAL AND RESERVES *(Continued)*

(a) Share capital

(i) During the year ended December 31, 2015, the Company issued 25,091,500 (2014: 1,055,000) shares of HK$0.1 each upon exercise of share options. The exercise prices of the share options exercised during the year range from HK$2.94 to HK$12.528 (equivalent to RMB2.32 to RMB9.91) (2014: HK$8.28 (equivalent to RMB6.54 to RMB6.58). The new shares issued rank pari passu with the then existing shares in all respects.

(b) Reserves

Name, nature and purpose of reserves

(i) Share premium

Share premium at December 31, 2015 and 2014 represented share premium of the Company.

The share premium account is governed by the Cayman Companies Law and may be applied by the Company subject to the provisions, if any, of its memorandum and articles of association in (a) paying distributions or dividends to members; (b) paying up unissued shares of the Company to be issued to equity shareholders as fully paid bonus shares; (c) the redemption and repurchase of shares (subject to the provisions of section 37 of the Cayman Companies Law); (d) writing-off the preliminary expenses of the Company; (e) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company; and (f) providing for the premium payable on redemption or purchase of any shares or debentures of the Company.

31. 資本及儲備 *(續)*

(b) 儲備 *(續)*

儲備名稱、性質及用途 *(續)*

(i) 股份溢價 *(續)*

除非於緊隨建議作出分派或支付股息日期後，本公司可償還日常業務中到期的債務，否則不得自股份溢價賬向權益股東作出任何分派或支付任何股息。

(ii) 資本儲備

為籌備本公司股份上市，於二零零八年六月十一日，透過發行3,999,999,000股每股面值0.1港元的股份完成集團重組。本公司所發行股份的面值與嘉遜發展香港(控股)有限公司(「嘉遜發展」，本集團當時的控股公司)的股本總額之間的差額自資本儲備扣除。

於二零零九年十月二日，本公司向其當時股東宣派股息100,000,000港元(相當於人民幣88,120,000元)並自資本儲備扣除。

31. CAPITAL AND RESERVES *(Continued)*

(b) Reserves *(Continued)*

Name, nature and purpose of reserves *(Continued)*

(i) Share premium *(Continued)*

No distribution or dividend may be paid to the equity shareholders out of the share premium account unless immediately following the date on which the distribution or dividend is proposed to be paid, the Company will be able to pay its debts as they fall due in the ordinary course of business.

(ii) Capital reserve

On June 11, 2008, a group reorganisation was completed for the preparation of the listing of the Company's shares by issuing 3,999,999,000 shares of HK$0.1 each. The difference between the nominal amount of the shares issued by the Company and the aggregate amount of the share capital of Juntion Development Hong Kong (Holding) Limited ("Juntion Development"), then holding company of the Group, is charged to capital reserve.

On October 2, 2009, the Company declared dividend of HK$100,000,000 (equivalent to RMB88,120,000) to the then shareholders of the Company and charged to capital reserve.

31. 資本及儲備*(續)*

(b) 儲備*(續)*

儲備名稱、性質及用途*(續)*

(iii) 特別儲備

截至二零零七年十二月三十一日止年度，嘉遜發展已向一家非全資附屬公司重慶龍湖企業拓展有限公司(「重慶龍湖企業拓展」)增資770,000,000港元，而本公司當日的最終控股股東吳亞軍女士及蔡奎先生亦為重慶龍湖企業拓展的非控制股東。本集團於重慶龍湖企業拓展的股權由60%增至91.3%，而視作收購的折讓人民幣620,672,000元則指所收購額外權益的應佔資產淨值超出注資金額的部分，已於特別儲備內確認為權益擁有人注資。

(iv) 其他儲備

其他儲備指本集團應佔有關附屬公司擁有權變動(未失去控制權)的資產淨值變動。

(v) 法定盈餘儲備

根據在中國成立的若干附屬公司的組織章程細則，該等附屬公司須向法定盈餘儲備轉撥其除稅後溢利的10%，直至儲備達到註冊資本的50%為止。轉撥至該儲備須於向權益擁有人分派股息之前作出。法定盈餘儲備可用於彌補過往年度的虧損、擴現有的經營業務或轉換為附屬公司的額外資本。

31. CAPITAL AND RESERVES *(Continued)*

(b) Reserves *(Continued)*

Name, nature and purpose of reserves *(Continued)*

(iii) Special reserve

During the year ended December 31, 2007, Juntion Development injected additional capital of HK$770,000,000 in a non-wholly owned subsidiary, Chongqing Longhu Development Company Limited ("Chongqing Longhu Development") in which the non-controlling shareholders are Madam Wu Yajun and Mr. Cai Kui, who are also the ultimate controlling shareholders of the Company at that date. The Group's equity interest in Chongqing Longhu Development has increased from 60% to 91.3% and a discount on deemed acquisition of RMB620,672,000 which represents the excess of the share of net assets attributable to the additional interest acquired over the amount injected was recognised in special reserve as the contribution from equity owners.

(iv) Other reserve

Other reserve represents the change in net assets attributable to the Group in relation to changes in ownership interests in subsidiaries without losing of controls.

(v) Statutory surplus reserve

In accordance with the articles of association of certain subsidiaries established in the PRC, these subsidiaries are required to transfer 10% of the profit after taxation to the statutory surplus reserve until the reserve reaches 50% of the registered capital. Transfer to this reserve must be made before distributing dividends to equity owners. The statutory surplus reserve can be used to make up for previous year's losses, expand the existing operations or convert into additional capital of the subsidiaries.

31. 資本及儲備 *(續)*

(b) 儲備 *(續)*

儲備名稱、性質及用途 *(續)*

(vi) 注資儲備

注資儲備指附註43(a)所載歸屬期內確認的首次公開發售前股份獎勵計劃之股份獎勵公平值。

(vii) 對沖儲備

對沖儲備指就現金流量對沖訂立之對沖工具之公平值變動產生之損益之累計實際部分。僅當對沖交易影響損益，則於對沖儲備項下確認及累計之對沖工具之公平值變動產生之累計損益才會重新分類至損益表。

31. CAPITAL AND RESERVES *(Continued)*

(b) Reserves *(Continued)*

Name, nature and purpose of reserves *(Continued)*

(vi) Capital contribution reserve

Capital contribution reserve represents the recognition of the fair value of share awards under the Pre-IPO share award schemes over the vesting period as set out in note 43(a).

(vii) Hedging reserve

The hedging reserve represents the cumulative effective portion of gains and losses arising on changes in fair value of hedging instruments entered into for cash flow hedges. The cumulative gain and loss arising on changes in fair value of the hedging instrument that are recognised and accumulated under the heading of hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss.

32. 遞延稅項

以下為於年內確認的主要遞延稅項(負債)資產及其變動：

32. DEFERRED TAXATION

The followings are the major deferred taxation (liabilities) assets recognised and movements thereon during the year:

		加速稅項折舊 Accelerated tax depreciation 人民幣千元 RMB'000	投資物業的公平值 Fair value of investment properties 人民幣千元 RMB'000	稅項虧損 Tax losses 人民幣千元 RMB'000	土地增值稅撥備 Land appreciation tax provisions 人民幣千元 RMB'000	呆賬撥備 Allowance for doubtful debts 人民幣千元 RMB'000	政府津貼(附註a) Government subsidies 人民幣千元 RMB'000 (Note a)	集團內購買的未變現溢利 Unrealised profit on intra-group purchases 人民幣千元 RMB'000	待分配保留溢利的預扣稅 Withholding tax on retained profits to be distributed 人民幣千元 RMB'000	其他(附註b) Others 人民幣千元 RMB'000 (Note b)	總計 Total 人民幣千元 RMB'000
於二零一四年一月一日	At January 1, 2014	(118,491)	(3,204,331)	217,872	1,093,387	3,750	14,990	133,642	(56,171)	19,602	(1,895,750)
於損益(扣除)計入	(Charge) credit to profit or loss	(19,439)	(638,567)	101,253	64,216	—	(4,329)	(15,151)	(34,875)	(1,705)	(548,597)
出售投資物業	Disposal of investment property	—	(35,060)	—	—	—	—	—	—	—	(35,060)
於二零一四年十二月三十一日	At December 31, 2014	(137,930)	(3,877,958)	319,125	1,157,603	3,750	10,661	118,491	(91,046)	17,897	(2,479,407)
於損益(扣除)計入	(Charge) credit to profit or loss	(84,021)	(718,469)	135,779	24,678	—	(27)	(35,069)	73,338	3,691	(600,100)
透過收購附屬公司收購資產及負債(附註35)	Acquisition of assets and liabilities through acquisition of subsidiaries (Note 35)	—	—	(231)	232,502	—	—	—	—	(15,633)	216,638
於二零一五年十二月三十一日	At December 31, 2015	(221,951)	(4,596,427)	454,673	1,414,783	3,750	10,634	83,422	(17,708)	5,955	(2,862,869)

附註：

(a) 該金額指會計準則與稅務機關對政府津貼的處理所產生暫時差額的稅務影響。稅務機關將政府津貼視為收入，但進行財務呈報時則將政府津貼當作發展中待售物業開支減少。

(b) 該金額指扣除廣告開支所產生暫時差額的稅務影響。本集團可扣除不超過其收益15%的廣告開支，而不可扣除的部分(如有)則可於期後年間結轉。

Notes:

(a) This represents the tax effect of the temporary difference arising from the treatment of the government subsidies between the accounting standard and the tax bureau. Tax bureau treats the government subsidies as an income but for financial reporting purpose, the government subsidies as deduction from costs of properties under development for sales.

(b) This represents the tax effect of temporary differences arising from the deduction of advertising expense. The Group can deduct its advertising expense of no more than 15% of its revenue and for the part that cannot be deducted, if any, it can be carried forward to future years.

32. 遞延稅項*(續)*

為呈報綜合財務狀況報表，若干遞延稅項資產(負債)已抵銷。以下為就財務報告目的而作出的遞延稅項結餘分析：

32. DEFERRED TAXATION *(Continued)*

For the presentation purposes of the consolidated statement of financial position, certain deferred taxation assets (liabilities) have been offset. The following is an analysis of the deferred taxation balances for financial reporting purposes:

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
遞延稅項資產	Deferred taxation assets	1,623,857	1,271,972
遞延稅項負債	Deferred taxation liabilities	(4,486,726)	(3,751,379)
		(2,862,869)	(2,479,407)

於二零一五年十二月三十一日，本集團有約人民幣2,033,498,000元(二零一四年：人民幣2,010,301,000元)的估計未動用稅項虧損可用於抵銷未來溢利。已就人民幣1,703,034,000元(二零一四年：人民幣1,276,502,000元)的虧損確認遞延稅項資產。由於不可預測未來溢利來源，故概無就餘下人民幣330,464,000元(二零一四年：人民幣733,799,000元)確認遞延稅項資產。未確認稅項虧損將於以下年度到期：

At December 31, 2015, the Group had unused estimated tax losses of RMB2,033,498,000 (2014: RMB2,010,301,000) available to offset against future profits. Deferred taxation assets have been recognised in respect of RMB1,703,034,000 (2014: RMB1,276,502,000) of such losses. No deferred taxation asset has been recognised in respect of the remaining RMB330,464,000 (2014: RMB733,799,000) due to the unpredictability of future profit streams. The unrecognised tax losses will expire in the following years:

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
二零一五年	2015	—	3,428
二零一六年	2016	1,934	1,934
二零一七年	2017	4,110	4,110
二零一八年	2018	1,861	1,861
二零一九年	2019	224,698	722,466
二零二零年	2020	97,861	—
		330,464	733,799

32. 遞延稅項 *(續)*

根據《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》及國稅法[2008]112號，5%股息預扣稅稅率適用於直接擁有中國內地公司股本最少25%的香港居民公司。

遞延稅項負債包括最近財政年度就所有中國附屬公司所產生及香港公司所持的未分派溢利20%作出的預扣稅撥備。於報告期末，暫時差額的總額連同附屬公司的未分配盈利(遞延稅項負債未被確認)約為人民幣25,000,000元(二零一四年：人民幣25,000,000元)。由於本集團能夠控制暫時差額撥回的時間，及該等差額在可見將來將可能不會撥回，因此並無就此等差額確認負債。

32. DEFERRED TAXATION *(Continued)*

According to the "Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income" and Guoshuifa [2008]112, where the Hong Kong resident company directly owns at least 25% of the capital of the Mainland company, 5% dividend withholding tax rate is applicable.

Deferred taxation liabilities include provision for withholding tax which has been provided for 20% of the latest financial year's undistributed profits arising from all subsidiaries situated in the PRC and held by Hong Kong companies. At the end of the reporting period, the aggregate amount of temporary differences associated with undistributed earnings of subsidiaries for which deferred taxation liabilities have not been recognised was approximately RMB25 million (2014: RMB25 million). No liability has been recognised in respect of these differences because the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

33. 收購附屬公司的額外權益

(a) 截至二零一五年十二月三十一日止年度，本集團以代價人民幣100,000,000元從非控股股東收購重慶龍湖科恒地產發展有限公司額外9%股權、以代價人民幣40,381,000元收購佛山市順德區盛暉置業有限公司(「佛山盛暉」)額外33.96%股權以及以代價人民幣15,000,000元收購北京龍湖置業有限公司額外1.5%股權。收購已作為權益交易入賬，而已付代價及非控股權益賬面值跌幅之間的差額人民幣88,408,000元及人民幣32,974,000元(有利權益變動)及人民幣30,813,000元(不利權益變動)已分別直接於其他儲備確認。

33. ACQUISITIONS OF ADDITIONAL INTERESTS IN SUBSIDIARIES

(a) During the year ended December 31, 2015, the Group acquired additional 9% of the equity interest of Chongqing Longhu Keheng Real Estate Development Co., Ltd, at a consideration of RMB100,000,000, additional 33.96% of the equity interest of Foshan Shi Shun De Gu Sheng Hui Real Estate Company Limited ("Foshan Sheng Hui") at a consideration of RMB40,381,000 and additional 1.5% of the equity interest of Beijing Longhu Properties Company Limited at a consideration of RMB15,000,000, from the non-controlling shareholders. The acquisitions have been accounted for as equity transactions and the differences of RMB88,408,000 and RMB32,974,000 (Positive movements in equity) and RMB30,813,000 (Negative movements in equity), respectively, between the consideration paid and the decrease in carrying amount of the non-controlling interests had been recognised directly in other reserve.

33. 收購附屬公司的額外權益 *(續)*

(b) 截至二零一四年十二月三十一日止年度，本集團向本公司董事及主要股東收購附屬公司重慶龍湖額外8.7%股權，由發行本公司366,344,605股股份償付。收購事項已作為權益交易入賬，而非控股權益與人民幣319,368,000元的差額已作出調整，已付代價的公平值已直接計入其他儲備。

33. ACQUISITIONS OF ADDITIONAL INTERESTS IN SUBSIDIARIES *(Continued)*

(b) During the year ended December 31, 2014, the Group acquired an additional 8.7% equity interest in a subsidiary, Chongqing Longhu, from the director and substantial shareholders of the Company, satisfied by issuance of 366,344,605 shares of the Company. This acquisition has been accounted for as equity transaction and the difference of RMB319,368,000 between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid are charged directly in other reserve.

34. 出售附屬公司的部份權益(未失去控制權)

(a) 截至二零一五年十二月三十一日止年度，本集團已透過向兩個獨立第三方各以代價人民幣100,000元出售其於兩間全資擁有附屬公司(杭州卓德投資管理有限公司及杭州攬拓投資管理有限公司)的全部股權，出售其於全資擁有附屬公司杭州龍卓房地產開發有限公司(「杭州龍卓」)的60%股權。董事認為，已收代價與已處置資產淨值之間的差額並不重大。

緊隨出售之後，杭州龍卓剩餘的40%權益仍然由本集團持有。根據二零一五年一月二十七日一份補充股東協議，本集團仍對杭州龍卓有控制權。因此，杭州龍卓仍然是本集團的附屬公司，而出售事項已作為權益交易入賬。

34. DISPOSAL OF PARTIAL INTEREST IN SUBSIDIARIES NOT RESULTING IN LOSING OF CONTROL

(a) During the year ended December 31, 2015, the Group disposed of its 60% equity interest in a wholly-owned subsidiary, Hangzhou Longzhuo Real Estate Development Ltd ("Hangzhou Longzhuo"), through disposal of its entire equity interests in two wholly-owned subsidiaries, Hangzhou Zhuode Investment Management Ltd. and Hangzhou Lantuo Investment Management Ltd, to two independent third parties at a consideration of RMB100,000 each. In the opinion of directors, the difference between the consideration received and the net asset values disposed of are considered insignificant.

Subsequent to the disposal, the remaining 40% interest of Hangzhou Longzhuo are still held by the Group. Pursuant to a supplementary shareholders' agreement dated January 27, 2015, the Group still has control of Hangzhou Longzhuo. Accordingly, it remained as subsidiary of the Group and the disposal has been accounted for as equity transaction.

34. 出售附屬公司的部份權益(未失去控制權)*(續)*

(b) 截至二零一四年十二月三十一日止年度，本集團向非控股股東出售順升企業有限公司之49%股權，現金代價為人民幣318,396,000元。收購事項已作為權益交易入賬，而非控股權益與人民幣293,598,000元的差額已作出調整，已付代價的公平值已直接計入其他儲備。

34. DISPOSAL OF PARTIAL INTEREST IN SUBSIDIARIES NOT RESULTING IN LOSING OF CONTROL *(Continued)*

(b) During the year ended December 31, 2014, the Group disposed of 49% equity interest in Easy Rise Enterprise Limited to a non-controlling shareholder at a cash consideration of RMB318,396,000. The acquisition has been accounted for as equity transaction and the difference of RMB293,598,000 between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid are recognised directly in other reserve.

35. 透過收購附屬公司收購資產及負債

(a) 截至二零一五年十二月三十一日止年度，本集團已收購Northpole Intermediary Limited(「Northpole」)38.5%股權，代價為人民幣711,170,000元，Northpole為投資控股公司，曾入賬列作本集團的合營企業並持有四間合營企業，分別為成都滙新置業有限公司、成都嘉南置業有限公司、成都景滙置業有限公司及成都拓晟置業有限公司(合稱「成都公司」)。成都公司曾入賬列作合營企業並持有發展中待售物業。上述收購完成後，本集團取得該等公司的控制權。因此，Northpole及成都公司成為本集團附屬公司。

此外，根據重慶興龍湖置地發展有限公司(「龍湖置地」)及佛山盛暉(先前均入賬列作本集團合營企業)的補充投資協議及補充股東協議(由本集團與彼等的合營企業合夥人於年內訂立)，本集團可實際控制表決權，以管治龍湖置地及佛山盛暉的財務及經營政策。因此，彼等成為本集團附屬公司。

35. ACQUISITION OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES

(a) During the year ended December 31, 2015, the Group acquired 38.5% of the equity interest of Northpole Intermediary Limited ("Northpole"), an investment holding company which was previously accounted for as joint venture of the Group and holds four joint ventures, namely Chengdu Huixin Real Estate Company Limited, Chengdu Jia'nan Real Estate Company Limited, Chengdu Jinghui Real Estate Company Limited and Chengdu Tuocheng Real Estate Company Limited (collectively referred as the "Chengdu Companies") at a consideration of RMB711,170,000. Chengdu Companies were previously accounted for as joint ventures and hold properties under development for sales. Upon completion of the above acquisition, the Group obtains controls on these companies. Accordingly, Northpole and the Chengdu Companies become subsidiaries of the Group.

In addition, pursuant to an addendum to the investment agreement of Longhu Land Limited ("Longhu Land") and the supplementary shareholders' agreement of Foshan Sheng Hui, which were previously accounted for as joint ventures of the Group, entered into between the Group and their joint venture partners during the year, the Group has effective control of voting power to govern the financial and operating policies of Longhu Land and Foshan Sheng Hui. Accordingly, they become subsidiaries of the Group.

35. 透過收購附屬公司收購資產及負債*(續)*

(a) *(續)*

於收購日期已收購資產及在該等交易中確認的負債如下：

35. ACQUISITION OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES *(Continued)*

(a) *(Continued)*

Assets acquired and liabilities recognised in these transactions at the date of acquisition are as follows:

		成都公司 Chengdu Companies *人民幣千元 RMB'000*	龍湖置地 Longhu Land *人民幣千元 RMB'000*	佛山盛暉 Foshan Sheng Hui *人民幣千元 RMB'000*	二零一五年 2015 *人民幣千元 RMB'000*
物業、廠房及設備(附註15)	Property, plant and equipment (Note 15)	3	188	3,686	3,877
遞延稅項資產(附註32)	Deferred taxation assets (Note 32)	6,393	271,181	—	277,574
存貨	Inventories	2,768	9,608	—	12,376
發展中待售物業(附註21)	Properties under development for sales (Note 21)	1,645,092	775,683	1,241,613	3,662,388
持作出售物業	Properties held for sales	319,582	514,238	—	833,820
應收賬款及應收票據、其他應收款項、按金及預付款項	Accounts, bills and other receivables, deposits and prepayments	65,696	2,093,857	1,881	2,161,434
應收合營企業合夥人款項	Amount due from joint venture partner	1,062,565	600,809	5,657	1,669,031
可收回稅項	Taxation recoverable	9,714	223,552	—	233,266
銀行結餘及現金	Bank balances and cash	583,138	722,455	24,722	1,330,315
應付賬款及應付票據、已收按金及應計費用	Accounts and bills payables, deposits received and accrued charges	(529,505)	(2,491,564)	(1,282,431)	(4,303,500)
應付合營企業合夥人款項	Amount due to joint venture partner	(103,025)	—	—	(103,025)
應付稅項	Taxation payable	(61,764)	—	—	(61,764)
銀行及其他借款－一年內到期	Bank and other borrowings - due within one year	(160,000)	—	—	(160,000)
遞延稅項負債(附註32)	Deferred taxation liabilities (Note 32)	(45,301)	(15,635)	—	(60,936)
		2,795,356	2,704,372	(4,872)	5,494,856
減：非控股權益	Less: Non-controlling interests	—	(1,232,916)	(18,453)	(1,251,369)
		2,795,356	1,471,456	(23,325)	4,243,487

35. 透過收購附屬公司收購資產及負債*(續)*

(a) *(續)*

		成都公司 Chengdu Companies *人民幣千元 RMB'000*	龍湖置地 Longhu Land *人民幣千元 RMB'000*	佛山盛暉 Foshan Sheng Hui *人民幣千元 RMB'000*	二零一五年 2015 *人民幣千元 RMB'000*
以下列各項結算代價：	Consideration satisfied by:				
現金	Cash	695,000	—	—	695,000
須於一年內支付代價	Consideration payable within one year	16,170	—	—	16,170
		711,170	—	—	711,170
該等收購交易的現金流入淨額：	Net cash inflow on these acquisition transactions:				
已付現金	Cash paid	(695,000)	—	—	(695,000)
減：已收購現金及現金等價物結餘	Less: Cash and cash equivalent balances acquired	583,138	722,455	24,722	1,330,315
		(111,862)	722,455	24,722	635,315

董事認為，收購該等公司並不構成業務，故本公司董事將有關交易釐定為收購資產及負債，而非國際財務報告準則第3號(經修訂)「業務合併」所界定的業務合併。

(b) 截至二零一四年十二月三十一日止年度，本集團收購南京金名城置業有限公司(「南京金名城」)的全部註冊資本及北京古北水鎮房地產開發有限公司(「北京古北水鎮」)的60%股權，兩間公司擁有預付租賃款項，代價分別為人民幣336,900,000元及人民幣598,500,000元。

35. ACQUISITION OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES *(Continued)*

(a) *(Continued)*

In the opinion of directors, the acquisition of these companies does not constitute a business. Therefore, the transactions were determined by the directors of the Company to be acquisition of assets and liabilities rather than a business combination as defined in IFRS 3 (Revised) Business Combinations.

(b) During the year ended December 31, 2014, the Group acquired the entire registered share capital of Nanjing Jinmingcheng Real Estate Co., Ltd. ("Nanjing Jinmingcheng") and 60% of the equity interest of Beijing Gubei Town Real Estate Development Ltd. ("Beijing Gubei Town") which own prepaid lease payment for a consideration of RMB336,900,000 and RMB598,500,000, respectively.

35. 透過收購附屬公司收購資產及負債*(續)*

(b) *(續)*

於收購日期已收購資產及在該等交易中確認的負債如下：

35. ACQUISITION OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES *(Continued)*

(b) *(Continued)*

Assets acquired and liabilities recognised in these transactions at the date of acquisition are as follows:

		南京金名城 Nanjing Jinmingcheng *人民幣千元 RMB'000*	北京古北水鎮 Beijing Gubei Town *人民幣千元 RMB'000*	二零一四年 2014 *人民幣千元 RMB'000*
預付租賃款項	Prepaid lease payments	2,530,900	427,952	2,958,852
銀行結餘及現金	Bank balances and cash	8,000	538,652	546,652
應付賬款及應付票據、已收按金及應計費用	Accounts and bills payables, deposits received and accrued charges	(2,202,000)	(112,252)	(2,314,252)
		336,900	854,352	1,191,252
已轉讓代價	Consideration transferred	336,900	598,500	935,400
加：非控股權益	Plus: Non-controlling interests	—	255,852	255,852
減：已收購淨資產	Less: Net assets acquired	(336,900)	(854,352)	(1,191,252)
		—	—	—
該等收購交易的現金流出淨額：	Net cash outflow on these acquisition transactions:			
已付現金	Cash paid	(336,900)	(598,500)	(935,400)
減：已收購現金及現金等價物結餘	Less: Cash and cash equivalent balances acquired	8,000	538,652	546,652
		(328,900)	(59,848)	(388,748)

董事認為，收購該等公司並不構成業務，故本公司董事將有關交易釐定為透過收購附屬公司收購資產及負債，而非國際財務報告準則第3號(經修訂)「業務合併」所界定的業務合併。

In the opinion of the directors, the acquisition of these companies does not constitute a business. Therefore, the transactions were determined by the directors of the Company to be acquisition of assets and liabilities through acquisition of subsidiaries rather than a business combination as defined in IFRS 3 (Revised) Business Combination.

36. 出售一間附屬公司

截至二零一五年十二月三十一日止年度，本集團已出售其於全資附屬公司杭州龍耀房地產開發有限公司(「杭州龍耀」)的49%股權，代價為人民幣451,000,000元。董事認為，已收代價及已處置資產淨值之間的差額並不重大。

36. DISPOSAL OF A SUBSIDIARY

During the year ended December 31, 2015, the Group disposed of its 49% equity interest in a wholly-owned subsidiary, Hangzhou Longyao Real Estate Development Ltd ("Hangzhou Longyao"), at a consideration of RMB451,000,000. In the opinion of directors, the difference between the consideration received and the net asset values disposed of are considered insignificant.

		二零一五年 2015 *千民幣千元* *RMB'000*
已處置資產淨值：	Net assets disposed of:	
預付租賃款項	Prepaid lease payments	463,503
應收賬款及應收票據、其他應收款項、按金及預付款項	Accounts, bills and other receivables, deposits and prepayments	192
應收本集團款項	Amount due from the Group	416,500
銀行結餘及現金	Bank balances and cash	29,805
		910,000
以下列各項結算代價：	Consideration satisfied by:	
現金	Cash	204,091
二零一四年已收按金	Deposit received in 2014	246,909
		451,000
出售交易的現金流入淨額：	Net cash inflow on disposal transaction:	
已收現金	Cash received	204,091
減：已出售現金及現金等價物結餘	Less: Cash and cash equivalent balances disposed	(29,805)
		174,286

於出售後，杭州龍耀的其餘51%權益仍由本集團持有，而杭州龍耀按照股東協議成為本集團的合營企業，其主要財務及經營政策須獲全體董事一致共識。

Subsequent to the disposal, the remaining 51% equity interest of Hangzhou Longyao are still held by the Group and it became joint venture of the Group as in accordance with the shareholders' agreement, major financial and operating policies of Hangzhou Longyao require the unanimous consent of all directors.

37. 視作出售附屬公司

截至二零一五年十二月三十一日止年度，廣州市君梁房地產有限公司(「廣州君梁」)及廣州市湖品房地產有限公司(「廣州湖品」)分別增加人民幣90,000,000元及人民幣50,000,000元繳足註冊資本。本集團已向廣州君梁注入註冊資金人民幣40,000,000元及向廣州湖品注入零元，同時一名獨立第三方向廣州君梁及廣州湖品分別注入資金人民幣50,000,000元，致令視作出售廣州君梁及廣州湖品的50%股權。董事認為，公平值與已處置資產淨值之間的差額並不重大。

於視作出售之後，廣州君梁及廣州湖品的其餘50%權益仍由本集團持有，而廣州君梁及廣州湖品按照股東協議成為本集團的合營企業，廣州君梁及廣州湖品的主要財務及經營政策須獲全體董事一致共識。

37. DEEMED DISPOSAL OF SUBSIDIARIES

During the year ended December 31, 2015, Guangzhou Junliang Real Estate Ltd ("Guangzhou Junliang") and Guangzhou Hupin Real Estate Ltd ("Guangzhou Hupin"), increased their paid up registered capital by RMB90,000,000 and RMB50,000,000, respectively. The Group injected registered capital of RMB40,000,000 to Guangzhou Junliang and none for Guangzhou Hupin, meanwhile an independent third party injected capital of RMB50,000,000 to Guangzhou Junliang and Guangzhou Hupin respectively, resulting in deemed disposals of 50% equity interest of both companies. In the opinion of directors, the difference between the fair value and the net asset values disposed of are considered insignificant.

Subsequent to the deemed disposals, the remaining 50% interest of Guangzhou Junliang and Guangzhou Hupin are still held by the Group and they became joint ventures of the Group as in accordance with the shareholders' agreement, major financial and operating policies of Guangzhou Junliang and Guangzhou Hupin require the unanimous consent of all directors.

38. 退休福利計劃

根據中國的相關法律及法規，本公司的中國附屬公司須參加由地方市政府管理的界定供款退休計劃。本公司的中國附屬公司向該計劃供款以撥款予僱員退休福利，該供款根據經地方市政府同意的按僱員平均薪金的若干百分比計算。本集團就有關退休福利計劃的主要責任為根據該計劃作出規定供款。

本集團亦為其所有香港合資格僱員設立強制性公積金計劃。計劃的資產與本集團的資產分開持有，存置於受託人管理的基金。本集團按相關薪金成本的5%向該計劃供款，而僱員按相同金額供款。

截至二零一五年十二月三十一日止年度，本集團確認退休福利供款人民幣206,399,000元(二零一四年：人民幣189,628,000元)。

38. RETIREMENT BENEFIT PLANS

According to the relevant laws and regulations in the PRC, the Company's PRC subsidiaries are required to participate in a defined contribution retirement scheme administered by the local municipal government. The Company's PRC subsidiaries contribute funds which are calculated on certain percentage of the average employee salary as agreed by local municipal government to the scheme to fund the retirement benefits of the employees. The principal obligation of the Group with respect to the retirement benefit scheme is to make the required contributions under the scheme.

The Group also operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustee. The Group contributes 5% of relevant payroll costs to the scheme and the same amount is matched by employees.

The Group recognised the retirement benefit contributions of RMB206,399,000 (2014: RMB189,628,000) for the year ended December 31, 2015.

39. 抵押資產

於報告期末，已抵押以下資產作為本集團獲授若干銀行及其他融資的擔保及向已出售物業的買方提供按揭貸款：

39. PLEDGE OF ASSETS

The following assets were pledged to secure certain banking and other facilities granted to the Group and mortgage loans to buyers of sold properties at the end of the reporting period:

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
投資物業	Investment properties	12,014,048	10,212,462
發展中待售物業	Properties under development for sales	31,604,942	33,353,260
已抵押銀行存款	Pledged bank deposits	240,313	242,069
		43,859,303	43,807,791

40. 租賃安排

本集團作為出租人

倘超過預定月租，若干物業向租戶收取的或然租金乃根據租戶賺取的營業額的若干百分比釐定。截至二零一五年十二月三十一日止年度確認的或然租金收入為人民幣197,673,000元(二零一四年：人民幣131,522,000元)。本集團持作租賃用途的物業已與租戶訂立介乎一至二十年的租期。

於報告期末，本集團已與租戶就以下未來最低租賃款項訂約：

40. LEASE ARRANGEMENTS

The Group as a lessor

Contingent rental for certain properties was charged to tenants and was determined by a certain percentage of turnover earned by the tenants upon they exceed the pre-determined monthly rental. The contingent rental income recognised during the year ended December 31, 2015 amounted to RMB197,673,000 (2014: RMB131,522,000). The properties held by the Group for rental purpose have committed tenants for periods ranging from one to twenty years.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
一年內	Within one year	755,839	733,623
第二年至第五年(包括首尾兩年)	In the second to fifth year inclusive	1,587,029	1,482,807
五年後	After five years	200,386	202,568
		2,543,254	2,418,998

40. 租賃安排*(續)*

本集團作為承租人

於報告期末，本集團根據不可撤銷經營租約就有關租賃物業支付的未來最低租賃款項如下：

40. LEASE ARRANGEMENTS *(Continued)*

The Group as a lessee

At the end of the reporting period, the Group had the following future minimum lease payments under non-cancellable operating leases in respect of leased properties:

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
一年內	Within one year	39,534	42,007
第二年至第五年(包括首尾兩年)	In the second to fifth year inclusive	62,560	52,452
五年後	After five years	5,354	8,530
		107,448	102,989

經營租賃款項指本集團就租賃土地及其若干辦公物業應付的租金。租賃的平均租期協商為一至十四年，而租金於簽訂租賃協議之日確定。

Operating lease payments represent rentals payable by the Group for leasehold land and certain of its office premises. Leases are negotiated for an average term of one to fourteen years and rentals are fixed at the date of signing of lease agreements.

41. 承擔

於報告期末，本集團有以下承擔：

41. COMMITMENTS

At the end of the reporting period, the Group had the following commitments:

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
已訂約但未於綜合財務報表中作出撥備：	Contracted but not provided for in the consolidated financial statements:		
－有關分類為發展中待售物業及在建投資物業項目的開支	– Expenditure in respect of projects classified as properties under development for sales and investment properties under construction	23,221,563	22,050,976
－有關購入土地使用權的開支	– Expenditure in respect of acquisition of land use rights	3,973,443	5,587,568
		27,195,006	27,638,544

42. 或然負債

於二零一五年十二月三十一日，本集團就物業買方獲授按揭銀行貸款提供人民幣10,414,147,000元(二零一四年：人民幣10,738,667,000元)的擔保。本公司董事認為，本集團該等財務擔保合約的公平值於初始確認時並不重大，所涉訂約方違約的機率極低，因此於擔保合約開始時以及於二零一五年及二零一四年十二月三十一日的報告期末概無確認價值。

42. CONTINGENT LIABILITIES

The Group provided guarantees amounting to RMB10,414,147,000 (2014: RMB10,738,667,000) as at December 31, 2015 in respect of mortgage bank loans granted to purchasers of the Group's properties. In the opinion of the directors of the Company, the fair values of these financial guarantee contracts of the Group are insignificant at initial recognition and the directors of the Company consider that the possibility of default of the parties involved is remote, accordingly, no value has been recognised at the inception of the guarantee contracts and at the end of the reporting period as at December 31, 2015 and 2014.

42. 或然負債 *(續)*

本集團向銀行提供有關本集團物業買方之銀行貸款擔保。該等擔保於買方交收物業及相關按揭物業登記完成時由銀行解除。

42. CONTINGENT LIABILITIES *(Continued)*

Guarantees are given to banks with respect to loans procured by the purchasers of the Group's properties. Such guarantees will be released by banks upon delivery of the properties to the purchasers and completion of the relevant mortgage properties registration.

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
按揭擔保	Mortgage guarantees	10,414,147	10,738,667

43. 以股份為基礎的付款交易

以權益結算的股份獎勵／購股權計劃：

(a) **首次公開發售前股份獎勵計劃**

本公司的兩項首次公開發售前股份獎勵計劃根據於二零零七年十一月三十日及二零零九年七月三十一日通過的決議案採納。根據首次公開發售前股份獎勵計劃，本公司向本公司董事及本集團若干僱員授出本公司股份(「獎勵股份」)。首次公開發售前股份獎勵計劃旨在使僱員利益與本公司利益一致、僱員分享所有權榮譽以及獎勵其表現及對本集團的貢獻。首次公開發售前股份獎勵計劃將於二零一七年十一月二十九日終止。

於二零一五年及二零一四年十二月三十一日，於二零零七年十一月三十日及二零零九年七月三十一日採納的計劃項下概無獎勵股份仍未行使。

43. SHARE-BASED PAYMENT TRANSACTIONS

Equity-settled share award/share option schemes:

(a) **Pre-IPO share award schemes**

The Company's two Pre-IPO share award schemes were adopted pursuant to a resolution passed on November 30, 2007 and July 31, 2009. Under the Pre-IPO share award schemes, the Company has awarded the Company's shares (the "Awarded Shares") to directors of the Company and certain employees of the Group. The objective of the Pre-IPO share award schemes is to align the interests of the employees with those of the Company, to share the pride of ownership among employees and to reward their performance and contribution to the Group The Pre-IPO share award schemes will be terminated by November 29, 2017.

There were no Awarded Shares outstanding under the schemes adopted on November 30, 2007 and July 31, 2009 as at December 31, 2015 and 2014.

43. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃： *(續)*

(b) **限制性股份激勵計劃**

於二零一四年十月二十八日，本公司採納限制性股份激勵計劃。限制性股份激勵計劃旨在認可及激勵本公司董事及本集團僱員的貢獻、提供獎勵、促使本公司挽留現有僱員及吸納更多僱員以及於達致本公司長期業務目標過程中向其提供經濟利益。股份激勵計劃容許本公司向合資格人士派發由一名獨立受託人購入及持有(直至指定的歸屬條件達成為止)的本公司股份作為花紅。限制性股份激勵計劃將於二零二二年十月二十七日終止。

截至二零一五年十二月三十一日止年度，本公司就股份激勵計劃委聘的獨立受託人購入合共625,000股(二零一四年：零股)本公司股份。就該等股份支付的總代價人民幣4,851,000元(二零一四年：零)已自股東權益扣除。

(c) **首次公開發售前購股權計劃**

本公司的首次公開發售前購股權計劃(「首次公開發售前購股權計劃」)乃根據於二零零七年十一月三十日通過的一項決議案獲採納，主要目的是為本集團董事及合資格僱員提供獎勵，而購股權僅可於二零零七年十一月三十日至本公司股份首次於聯交所開始交易之日(「上市日期」)的前一個營業日止期間發售及授出。根據首次公開發售前購股權計劃，本公司及其附屬公司董事已獲授可認購本公司股份的購股權。首次公開發售前購股權計劃自獲採納之日起為期10年。

43. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(b) **Restricted share award scheme**

On 28 October 2014, Restricted share award scheme was adopted by the Company. The objective of the Restricted share award scheme is to recognise and motivate the contribution of directors of the Company and employees of the Group, to provide incentives, to help the Company in retaining its existing employees and recruiting additional employees and to provide them with economic interests in attaining the long-term business objectives of the Company. The share award scheme allows the Company to make bonus payments to eligible persons by way of the Company's shares acquired by and held through an independent trustee until fulfillment of specified conditions before vesting The Restricted share award scheme will be terminated by October 27, 2022.

During the year ended December 31, 2015, total of 625,000 (2014: nil) Company's shares were acquired by an independent trustee appointed by the Company for the share award scheme. The aggregate consideration paid for these shares in an amount of RMB4,851,000 (2014: nil) was deducted from shareholders' equity.

(c) **Pre-IPO share option scheme**

The Company's Pre-IPO share option scheme (the "Pre-IPO Share Option Scheme") was adopted pursuant to a resolution passed on November 30, 2007 for the primary purpose of providing incentives to directors and eligible employees of the Group, and options can only be offered and granted from November 30, 2007 until the business day before the date on which dealings in the Company's share first commence on the SEHK (the "Listing Date"). Under the Pre-IPO share Option Scheme, the directors of the Company and its subsidiaries were granted options to subscribe for shares in the Company. The term of the Pre-IPO share Option Scheme is 10 years from the date of adoption.

43. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃： *(續)*

(c) **首次公開發售前購股權計劃** *(續)*

於二零零七年十一月三十日，已授出購股權37,940,000份(包括向董事授出15,588,000份購股權)。於二零一五年十二月三十一日根據首次公開發售前購股權計劃已授出而仍未行使的購股權涉及股份數目為零股(二零一四年：8,088,000)(包括向董事授出7,188,000份購股權)，佔二零一五年及二零一四年十二月三十一日本公司股份的零(二零一四年：0.15%)。

因行使根據首次公開發售前購股權計劃及本公司的其他購股權計劃將授出的所有購股權而可能發行的本公司股份總數，不得超過於上市日期本公司已發行股份總數的10%。首次公開發售前購股權計劃的初步行使價為6.46港元，於二零零九年一月一日更改為2.94港元。

因行使根據首次公開發售前購股權計劃及本公司的其他購股權計劃已授出而仍未行使的所有購股權而可能發行的股份數目的全部限額，不得超過不時已發行股份的30%。

截至二零一五年及二零一四年十二月三十一日止年度並無就本公司授出的首次公開發售前購股權計劃項下的購股權確認購股權開支，原因是已於二零一一年度悉數攤銷。

43. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(c) **Pre-IPO share option scheme** *(Continued)*

On November 30, 2007, 37,940,000 share options (including 15,588,000 share options granted to directors) were granted. The number of shares in respect of which options had been granted and remained outstanding under the Pre-IPO Share Option Scheme as at December 31, 2015 was nil (2014: 8,088,000) (including 7,188,000 share options granted to directors), representing nil (2014: 0.15%) of the shares of the Company as at December 31, 2015 and 2014.

The total number of the Company's shares which may be issued upon exercise of all options to be granted under the Pre-IPO Share Option Scheme and other share option schemes of the Company shall not exceed 10% of the aggregate of the shares of the Company in issue at the Listing Date. The exercise price of the pre-IPO share option initial at HK$6.46 and amended to HK$2.94 effective from January 1, 2009.

The overall limit on the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Pre-IPO Share Option Scheme and other share option schemes of the Company must not exceed 30% of the shares in issue from time to time.

There was no share option expense in relation to the share options under the Pre-IPO Share Option Scheme granted by the Company recognised for the years ended December 31, 2015 and 2014 as the they were fully amortised in 2011.

43. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃：*(續)*

(c) 首次公開發售前購股權計劃 *(續)*

年內所授出購股權之條款及條件如下：

43. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(c) Pre-IPO share option scheme *(Continued)*

The terms and conditions of the grants that existed during the year are as follows:

	購股權數目 Number of options	歸屬期間 Vesting periods	購股權合約年期 Contractual life of options
向董事授出購股權： Share options granted to directors:			
－於二零零七年十一月三十日 – on November 30, 2007	12,776,000	自授出日期起至二零零九年一月一日為25% 25% from the date of grant to January 1, 2009	十年 10 years
		自授出日期起至二零一零年一月一日為25% 25% from the date of grant to January 1, 2010	十年 10 years
		自授出日期起至二零一一年一月一日為25% 25% from the date of grant to January 1, 2011	十年 10 years
		自授出日期起至二零一二年一月一日為25% 25% from the date of grant to January 1, 2012	十年 10 years
向僱員授出購股權： Share options granted to employees:			
－於二零零七年十一月三十日 – on November 30, 2007	25,164,000	自授出日期起至二零零九年一月一日為25% 25% from the date of grant to January 1, 2009	十年 10 years
		自授出日期起至二零一零年一月一日為25% 25% from the date of grant to January 1, 2010	十年 10 years
		自授出日期起至二零一一年一月一日為25% 25% from the date of grant to January 1, 2011	十年 10 years
		自授出日期起至二零一二年一月一日為25% 25% from the date of grant to January 1, 2012	十年 10 years

43. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃：*(續)*

(c) 首次公開發售前購股權計劃 *(續)*

年內董事及僱員持有的本公司首次公開發售前購股權計劃項下購股權的變動：

43. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(c) Pre-IPO share option scheme *(Continued)*

The movements of the Company's share options under the Pre-IPO Share Option Scheme held by directors and employees during the year:

				購股權數目 Number of options		
	授出日期 Grant date	行使價 港元 Exercise price HK$	歸屬期間 Vesting period	於二零一五年一月一日未行使 Outstanding at January 1, 2015	年內已行使（附註） Exercised during the year (Note)	於二零一五年十二月三十一日未行使 Outstanding at December 31, 2015
購股權 Share option	二零零七年十一月三十日 November 30, 2007	2.94	二零零七年十一月三十日至二零一二年一月一日 November 30, 2007 to January 1, 2012	8,088,000	(8,088,000)	—
於二零一五年十二月三十一日可行使 Exercisable at December 31, 2015						不適用 N/A

附註：於行使日期的加權平均股價為12.53港元。

Note: The weighted average share price at the dates of exercise is HK$12.53.

43. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃： *(續)*

(c) 首次公開發售前購股權計劃 *(續)*

43. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(c) **Pre-IPO share option scheme** *(Continued)*

	授出日期 Grant date	行使價 港元 Exercise price HK$	歸屬期間 Vesting period	購股權數目 Number of options 於二零一四年一月一日未行使 Outstanding at January 1, 2014	年內已行使 Exercised during the year	於二零一四年十二月三十一日未行使 Outstanding at December 31, 2014
購股權 Share option	二零零七年十一月三十日 November 30, 2007	2.94	二零零七年十一月三十日至二零一二年一月一日 November 30, 2007 to January 1, 2012	8,088,000	—	8,088,000
於二零一四年十二月三十一日可行使 Exercisable at December 31, 2014						8,088,000

(d) **首次公開發售後購股權計劃**

本公司的首次公開發售後購股權計劃(「首次公開發售後購股權計劃」)乃根據於二零零九年十二月二十三日通過的一項決議案獲採納，主要目的是為本集團董事及合資格僱員提供獎勵。根據首次公開發售後購股權計劃，本公司及其附屬公司董事已獲授可認購本公司股份的購股權。首次公開發售後購股權計劃自獲採納之日起為期10年。

(d) **Post-IPO share option scheme**

The Company's Post-IPO share option scheme (the "Post-IPO Share Option Scheme") was adopted pursuant to a resolution passed on December 23, 2009 for the primary purpose of providing incentives to directors and eligible employees of the Group. Under the Post-IPO Share Option Scheme, the directors of the Company and its subsidiaries were granted options to subscribe for shares in the Company. The term of the Post-IPO Share Option Scheme is 10 years from the date of adoption.

43. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃： *(續)*

(d) 首次公開發售後購股權計劃 *(續)*

於二零零九年十二月二十三日，已授出可認購10,600,000股(包括向董事授出4,550,000股股份)股份的購股權。購股權的行使價為8.44港元。

於二零一一年一月十七日及二零一一年九月二十八日授出可認購46,000,000股(包括向董事授出9,200,000股股份)及150,000,000股(包括向董事授出55,600,000股股份)股份的購股權。購股權之行使價分別為12.528港元及8.28港元。

截至二零一四年十二月三十一日止年度，可認購110,000,000股股份的購股權(包括向董事授予的11,200,000股股份)已於二零一四年十一月四日授出。授出購股權日期的估計公平值為人民幣181,028,000元。

公平值採用二項式模型計算計算。輸入模型的數據如下：

授予日期股價	HK$9.37港元
行使價	HK$9.37港元
預計年期	10 years年
預計波幅	38.4%
股息收益率	3%
無風險利率	1.83%

預期波幅乃根據本公司股價於過往年度之歷史波幅釐定。模式中之預期計年度已因應之不可轉讓性、行使限制及行為等考慮因素之影響根據管理層最佳估計有所調整。

43. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(d) **Post-IPO share option scheme** *(Continued)*

On December 23, 2009, options to subscribe 10,600,000 shares (including 4,550,000 shares granted to directors) were granted. The exercise price of the option is HK$8.44.

On January 17, 2011 and September 28, 2011, options to subscribe 46,000,000 shares (including 9,200,000 shares granted to directors) and 150,000,000 shares (including 55,600,000 shares granted to directors) were granted. The exercise price of the options are HK$12.528 and HK$8.28, respectively.

During the year ended December 31, 2014, options to subscribe 110,000,000 shares (include 11,200,000 shares granted to directors) were granted on November 4, 2014. The estimated fair value of the options granted on the date is RMB181,028,000.

The fair value was calculated using the binomial model. The inputs into the model were as follows:

Grant date share price	HK$9.37港元
Exercise price	HK$9.37港元
Expected life	10 years年
Expected volatility	38.4%
Dividend yield	3%
Risk-free interest rate	1.83%

Expected volatility was determined by using the historical volatility of the Company's share price over the past few years. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

43. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃： *(續)*

(d) 首次公開發售後購股權計劃 *(續)*

於二零一五年及二零一四年十二月三十一日，根據首次公開發售後購股權計劃已授出未行使購股權可認購之本公司股份數目為237,671,500股及268,180,500股，相當於本公司於二零一五年及二零一四年十二月三十一日股份4.07%及4.62%。

因行使根據首次公開發售後購股權計劃及本公司的其他購股權計劃將予授出的所有購股權而可能發行的本公司股份總數，不得超過於上市日期本公司已發行股份總數的10%。

因行使根據首次公開發售後購股權計劃及本公司的其他購股權計劃已授出而仍未行使的所有購股權而可能發行的股份數目的全部限額，不得超過不時已發行股份30%。

截至二零一五年十二月三十一日止年度，本集團就本公司授出的首次公開發售後購股權計劃項下購股權確認總支出人民幣101,633,000元(二零一四年：人民幣88,236,000元)。

43. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(d) Post-IPO share option scheme *(Continued)*

The number of shares in respect of which options had been granted and remained outstanding under the Post-IPO Share Option Scheme as at December 31, 2015 and 2014 was 237,671,500 and 268,180,500, representing 4.07% and 4.62% of the shares of the Company as at December 31, 2015 and 2014.

The total number of the Company's shares which may be issued upon exercise of all options to be granted under the Post-IPO Share Option Scheme and other share option schemes of the Company shall not exceed 10% of the aggregate of the shares of the Company in issue at the Listing Date.

The overall limit on the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Post-IPO Share Option Scheme and other share option schemes of the Company must not exceed 30% of the shares in issue from time to time.

The Group recognised total expense of RMB101,633,000 (2014: RMB88,236,000) for the year ended December 31, 2015 in relation to share options under the Post-IPO Share Option Scheme granted by the Company.

43. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃：*(續)*

(d) 首次公開發售後購股權計劃 *(續)*

年內所授出購股權之條款及條件如下：

43. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(d) Post-IPO share option scheme *(Continued)*

The terms and conditions of the grants that existed during the year are as follows:

	授出日期 Grant date	購股權數目 Number of options	歸屬期間 Vesting periods	購股權合約年期 Contractual life of options
向董事授出購股權 Share options granted to directors	二零零九年十二月二十三日 December 23, 2009	4,550,000	自授出日期起至二零一零年十二月二十三日為25% 25% from the date of grant to December 23, 2010	十年 10 years
			自授出日期起至二零一一年十二月二十三日為25% 25% from the date of grant to December 23, 2011	十年 10 years
			自授出日期起至二零一二年十二月二十三日為25% 25% from the date of grant to December 23, 2012	十年 10 years
			自授出日期起至二零一三年十二月二十三日為25% 25% from the date of grant to December 23, 2013	十年 10 years
	二零一一年一月十七日 January 17, 2011	9,200,000	自授出日期起至二零一二年一月十七日為25% 25% from the date of grant to January 17, 2012	十年 10 years
			自授出日期起至二零一三年一月十七日為25% 25% from the date of grant to January 17, 2013	十年 10 years
			自授出日期起至二零一四年一月十七日為25% 25% from the date of grant to January 17, 2014	十年 10 years
			自授出日期起至二零一五年一月十七日為25% 25% from the date of grant to January 17, 2015	十年 10 years

43. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃：*(續)*

(d) 首次公開發售後購股權計劃 *(續)*

43. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(d) Post-IPO share option scheme *(Continued)*

授出日期 Grant date	購股權數目 Number of options	歸屬期間 Vesting periods	購股權合約年期 Contractual life of options
二零一一年九月二十八日 September 28, 2011	45,600,000	自授出日期起至二零一三年九月二十八日為10% 10% from the date of grant to September 28, 2013	十年 10 years
		自授出日期起至二零一四年九月二十八日為30% 30% from the date of grant to September 28, 2014	十年 10 years
		自授出日期起至二零一五年九月二十八日為30% 30% from the date of grant to September 28, 2015	十年 10 years
		自授出日期起至二零一六年九月二十八日為30% 30% from the date of grant to September 28, 2016	十年 10 years
二零一一年九月二十八日 September 28, 2011	10,000,000	自授出日期起至二零一七年九月二十八日為100% 100% from the date of grant to September 28, 2017	十年 10 years
二零一四年十一月四日 November 4, 2014	11,200,000	自授出日期起至二零一五年十一月四日為10% 10% from the date of grant to November 4, 2015	十年 10 years
		自授出日期起至二零一六年十一月四日為15% 15% from the date of grant to November 4, 2016	十年 10 years
		自授出日期起至二零一七年十一月四日為20% 20% from the date of grant to November 4, 2017	十年 10 years
		自授出日期起至二零一八年十一月四日為25% 25% from the date of grant to November 4, 2018	十年 10 years
		自授出日期起至二零一九年十一月四日為30% 30% from the date of grant to November 4, 2019	十年 10 years

43. 以股份為基礎的付款交易 *(續)*

43. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

以權益結算的股份獎勵／購股權計劃： *(續)*

Equity-settled share award/share option schemes: *(Continued)*

(d) 首次公開發售後購股權計劃 *(續)*

(d) Post-IPO share option scheme *(Continued)*

	授出日期 Grant date	購股權數目 Number of options	歸屬期間 Vesting periods	購股權合約年期 Contractual life of options
向僱員授出購股權 Share options granted to employees	二零零九年十二月二十三日 December 23, 2009	6,050,000	自授出日期起至二零一零年十二月二十三日為25% 25% from the date of grant to December 23, 2010	十年 10 years
			自授出日期起至二零一一年十二月二十三日為25% 25% from the date of grant to December 23, 2011	十年 10 years
			自授出日期起至二零一二年十二月二十三日為25% 25% from the date of grant to December 23, 2012	十年 10 years
			自授出日期起至二零一三年十二月二十三日為25% 25% from the date of grant to December 23, 2013	十年 10 years
	二零一一年一月十七日 January 17, 2011	36,800,000	自授出日期起至二零一二年一月十七日為25% 25% from the date of grant to January 17, 2012	十年 10 years
			自授出日期起至二零一三年一月十七日為25% 25% from the date of grant to January 17, 2013	十年 10 years
			自授出日期起至二零一四年一月十七日為25% 25% from the date of grant to January 17, 2014	十年 10 years
			自授出日期起至二零一五年一月十七日為25% 25% from the date of grant to January 17, 2015	十年 10 years
	二零一一年九月二十八日 September 28, 2011	94,400,000	自授出日期起至二零一三年九月二十八日為10% 10% from the date of grant to September 28, 2013	十年 10 years
			自授出日期起至二零一四年九月二十八日為30% 30% from the date of grant to September 28, 2014	十年 10 years
			自授出日期起至二零一五年九月二十八日為30% 30% from the date of grant to September 28, 2015	十年 10 years
			自授出日期起至二零一六年九月二十八日為30% 30% from the date of grant to September 28, 2016	十年 10 years

43. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃：*(續)*

(d) 首次公開發售後購股權計劃 *(續)*

43. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(d) Post-IPO share option scheme *(Continued)*

授出日期 Grant date	購股權數目 Number of options	歸屬期間 Vesting periods	購股權合約年期 Contractual life of options
二零一四年十一月四日 November 4, 2014	98,800,000	自授出日期起至二零一五年十一月四日為10% 10% from the date of grant to November 4, 2015	十年 10 years
		自授出日期起至二零一六年十一月四日為15% 15% from the date of grant to November 4, 2016	十年 10 years
		自授出日期起至二零一七年十一月四日為20% 20% from the date of grant to November 4, 2017	十年 10 years
		自授出日期起至二零一八年十一月四日為25% 25% from the date of grant to November 4, 2018	十年 10 years
		自授出日期起至二零一九年十一月四日為30% 30% from the date of grant to November 4, 2019	十年 10 years

43. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃：*(續)*

(d) 首次公開發售後購股權計劃 *(續)*

年內董事及僱員持有的本公司首次公開發售後購股權計劃項下購股權的變動：

二零一五年

43. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(d) Post-IPO share option scheme *(Continued)*

The movements of the Company's share options under the Post-IPO Share Option Scheme held by directors and employees during the year:

2015

	授出日期 Grant date	行使價 港元 Exercise price HK$	歸屬期間 Vesting period	購股權數目 Number of options: 於二零一五年一月一日未行使 Outstanding at January 1, 2015	年內已行使（附註） Exercised during the year (Note)	年內已註銷 Cancelled during the year	於二零一五年十二月三十一日未行使 Outstanding at December 31, 2015
購股權 Share option	二零零九年十二月二十三日 December 23, 2009	8.44	二零零九年十二月二十三日至二零一三年十二月二十三日 December 23, 2009 to December 23, 2013	4,400,000	(4,000,000)	—	400,000
	二零一一年一月十七日 January 17, 2011	12.528	二零一一年一月十七日至二零一五年一月十七日 January 17, 2011 to January 17, 2015	32,015,500	(3,020,000)	(3,055,500)	25,940,000
	二零一一年九月二十八日 September 28, 2011	8.28	二零一一年九月二十八日至二零一七年九月二十八日 September 28, 2011 to September 28, 2017	121,765,000	(9,938,500)	(10,450,000)	101,376,500
	二零一四年十一月四日 November 4, 2014	9.37	二零一五年十一月四日至二零一九年十一月四日 November 4, 2015 to November 4, 2019	110,000,000	(45,000)	—	109,955,000
				268,180,500	(17,003,500)	(13,505,500)	237,671,500
於二零一五年十二月三十一日可行使 Exercisable at December 31, 2015							95,639,500
加權平均行使價(港元) Weighted average exercise price (HK$)				9.24	9.08	9.24	9.25

附註：於行使日期的加權平均股價為12.17港元。

Note: The weighted average share price at the dates of exercise is HK$12.17.

43. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃：*(續)*

(d) 首次公開發售後購股權計劃 *(續)*

二零一四年

43. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(d) Post-IPO share option scheme *(Continued)*

2014

	授出日期 Grant date	行使價 港元 Exercise price HK$	歸屬期間 Vesting period	購股權數目 Number of options: 於二零一四年一月一日未行使 Outstanding at January 1, 2014	年內已授出 Granted during the year	年內已行使（附註） Exercised during the year (Note)	年內已註銷 Cancelled during the year	於二零一四年十二月三十一日未行使 Outstanding at December 31, 2014
購股權 Share option	二零零九年十二月二十三日 December 23, 2009	8.44	二零零九年十二月二十三日至二零一三年十二月二十三日 December 23, 2009 to December 23, 2013	10,400,000	—	—	(6,000,000)	4,400,000
	二零一一年一月十七日 January 17, 2011	12.528	二零一一年一月十七日至二零一五年一月十七日 January 17, 2011 to January 17, 2015	44,795,500	—	—	(12,780,000)	32,015,500
	二零一一年九月二十八日 September 28, 2011	8.28	二零一一年九月二十八日至二零一七年九月二十八日 September 28, 2011 to September 28, 2017	149,724,000	—	(1,055,000)	(26,904,000)	121,765,000
	二零一四年十一月四日 November 4, 2014	9.37	二零一五年十一月四日至二零一九年十一月四日 November 4, 2015 to November 4, 2019	—	110,000,000	—	—	110,000,000
				204,919,500	110,000,000	(1,055,000)	(45,684,000)	268,180,500
於二零一四年十二月三十一日可行使 Exercisable at December 31, 2014								77,006,500
加權平均行使價(港元) Weighted average exercise price (HK$)				9.22	9.37	8.28	9.49	9.24

附註：於行使日期的加權平均股價為10.01港元。

Note: The weighted average share price at the dates of exercise is HK$10.01.

44. 關連方交易

除載於綜合財務狀況報表及附註24及27的關連方結餘外，及附註33的關連方交易，年內，本集團與其關連方訂立以下重大交易：

44. RELATED PARTY TRANSACTIONS

Apart from the balances with related parties as set out in the consolidated statement of financial position, and in notes 24 and 27, and the transaction with the related parties as set out in note 33, during the year, the Group entered into the following significant transactions with its related parties:

(a) 合營企業 / (a) Joint ventures

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
物業管理收入	Property management income	612	2,993

(b) 主要管理層及董事 / (b) Key management and director

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
銷售物業	Sales of properties	86,202	29,761
租金收入	Rental income	83	—

44. 關連方交易 *(續)*

(c) 關連公司

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
諮詢收入(附註)	Consultancy income (Note)	2,897	—

附註：關連公司由吳亞軍女士控制。

(d) 年內已付及應付本公司主要管理層(亦為本公司的董事)的薪酬載於附註11。

44. RELATED PARTY TRANSACTIONS *(Continued)*

(c) Related companies

Note: The related companies are controlled by Madam Wu Yajun.

(d) The remuneration paid and payable to the key management of the Company, who are the directors of the Company, for the year is set out in note 11.

45. 資本風險管理

本集團管理資本以確保本集團的實體能持續經營，同時透過優化債務及股本結餘為股東帶來最大回報。

本集團的資本結構包括債務淨額(包括分別於附註28及29披露的借款及優先票據)、現金及現金等價物淨額以及本公司擁有人應佔權益(包括已發行股本、儲備及保留盈利)。

本公司董事定期審閱資本架構。作為該審閱的一部分，本公司董事考慮資本成本及與各類資本有關的風險，並採取適當措施平衡整體資本架構。

45. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt, which includes, where appropriate, the borrowings and senior notes disclosed in notes 28 and 29 respectively, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, reserves and retained earnings.

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital, and take appropriate actions to balance its overall capital structure.

46. 金融工具

(a) 金融工具類別

46. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
金融資產	**Financial assets**		
可供出售投資	Available-for-sale investments	130,920	8,600
指定為對沖工具的衍生金融工具	Derivative financial instruments designated as hedging instruments	701,083	184,441
貸款及應收款項(包括現金及現金等價物)	Loans and receivables (including cash and cash equivalents)	28,233,094	24,515,415
金融負債	**Financial liabilities**		
攤銷成本	Amortised cost	72,106,788	67,916,343
指定為對沖工具的衍生金融工具	Derivative financial instruments designated as hedging instruments	—	2,077

(b) 金融風險管理目標及政策

本集團的主要金融工具包括可供出售投資、衍生金融工具、應收賬款、應收票據及其他應收款項、應收(應付)非控制權益、聯營公司及合營企業款項、已抵押銀行存款、銀行結餘及現金、應付賬款及票據、應付一名聯營公司控股股東款項、銀行及其他借款以及優先票據。該等金融工具的詳情載於各相應附註。與該等金融工具相關的風險及減低該等風險的政策載於下文。管理層管理及監控該等風險以確保能適時有效地採取適當措施。

(b) Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale investments, derivative financial instruments, accounts, bills and other receivables, amounts due from (to) non-controlling interests, associates and joint ventures, pledged bank deposits, bank balances and cash, accounts and bills payables, amount due to a controlling shareholder of an associate, bank and other borrowings and senior notes. Details of these financial instruments are set out in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

46. 金融工具 *(續)*

(c) 市場風險

本集團的業務主要面對利率變動、外幣匯率變動風險及其他價格風險的市場風險(見下文)。

本集團於年內面對的市場風險或其管理及計量該等風險的方法概無重大變動。

利率風險管理

由於銀行結餘與銀行及其他借款(按現行市場利率及根據中國人民銀行所報利率計算的浮動利率計息)的現行市場利率波動，因此本集團面對現金流量利率風險。

本集團亦面對主要與已抵押銀行存款以及按固定利率計息之銀行及其他借款及優先票據有關的公平值利率風險。

管理層旨在透過交叉貨幣利率掉期維持適當水平的重大定息銀行及其他借款。為達致前述結果，本集團訂定交叉貨幣利率掉期以對沖因借款利率變動而產生的若干風險。管理層採納的政策乃保證本集團所有重大銀行及其他借款均有效地以固定利率計息，包括訂定借貸協議內的合約條款或使用交叉貨幣利率掉期。

46. FINANCIAL INSTRUMENTS *(Continued)*

(c) Market risk

The Group's activities expose primarily to the market risks of changes in interest rates, foreign currency exchange rates risks and other price risk (see below).

There has been no significant change to the Group's exposure to market risk or the manner in which it manages and measures the risk over the year.

Interest rate risk management

The Group is exposed to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on bank balances and bank and other borrowings which carried at prevailing market interest rates and variable rate based on the interest rates quoted by the People's Bank of China, respectively.

The Group is also exposed to fair value interest rate risk relates primarily to pledged bank deposits, bank and other borrowings and senior notes which carried fixed interest rate.

The management aims at keeping material bank and other borrowings at fixed rates at appropriate level by entering into cross currency interest rate swaps. In order to achieve this result, the Group entered into cross currency interest rate swaps to hedge against certain exposures to changes in interest rates of the bank borrowings. The management adopts a policy of ensuring that all the material bank and other borrowings of the Group are effectively on a fixed rate basis, either through the contractual terms of the loan facilities agreements or through the use of cross currency interest rate swaps.

46. 金融工具*(續)*

(c) 市場風險*(續)*

利率風險管理*(續)*

於報告期末本集團訂立的交叉貨幣利率掉期及銀行及其他借款的詳情分別載於附註30及28。

本集團面對與金融負債有關的利率風險，詳情載於本附註流動資金風險管理一節。本集團現金流量利率主要集中在本集團以人民幣計值的借款所產生的中國人民銀行所報利率波動。

利率敏感度

以下敏感度分析乃基於報告期末面對的以浮動利率計息之非衍生工具(銀行結餘與銀行及其他借款)利率風險以及假設於報告期末未償還的金融工具於整年未償還而作出。公司內部向主要管理人員匯報利率風險時會以升跌200個基點(就銀行及其他借款而言)及升跌100個基點(就銀行結餘而言)為基準，即管理人員分別評估銀行及其他借款以及銀行結餘利率的可能變動。

於報告期末，倘利率上升／下降200個基點(就銀行及其他借款而言)，而所有其他變數維持不變，並經計及指定為對沖工具的利率掉期及交叉貨幣利率掉期及利息成本資本化的影響後，本集團截至二零一五年十二月三十一日止年度溢利增加／減少零(二零一四年：零)。

此外，倘利率上升／下降100個基點(就銀行存款而言)，而所有其他變數維持不變，則本集團截至二零一五年十二月三十一日止年度溢利將增加／減少人民幣134,377,000元(二零一四年：人民幣140,959,000元)。

46. FINANCIAL INSTRUMENTS *(Continued)*

(c) Market risk *(Continued)*

Interest rate risk management *(Continued)*

Details of the Group's cross currency interest rate swaps and bank and other borrowings entered into by the Group at the end of the reporting period are set out in notes 30 and 28, respectively.

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note. The Group cash flow interest rate is mainly concentrated on the fluctuation of the interest rates quoted by the People's Bank of China arising from the Group's RMB denominated borrowings.

Interest rate sensitivity

The sensitivity analyses below have been prepared based on the exposure to interest rates for non-derivative instruments carried at variable rates (bank balances and bank and other borrowings) at the end of the reporting period and assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 200 basis point increase or decrease for bank and other borrowings and a 100 basis point increase or decrease for bank balances are used when reporting interest rate risk internally to key management personnel and represent management's assessment of the possible change in interest rate in respect of bank and other borrowings and bank balances respectively.

At the end of the reporting period, if interest rates had been increased/decreased by 200 basis points in respect of bank and other borrowings and all other variables were held constant, the Group's profit for the year would increase/decrease by nil (2014: nil) for the year ended December 31, 2015, after taking into effects of the interest rate swaps and the cross currency interest rate swaps designated as hedging instruments and capitalisation of interest costs.

In addition, if interest rate had been increased/decreased by 100 basis points in respect of bank deposits, with all other variables held constant, the Group's profit for the year would increase/decrease by RMB134,377,000 (2014: RMB140,959,000) for the year ended December 31, 2015.

46. 金融工具 *(續)*

(c) 市場風險 *(續)*

外幣風險管理

本集團的全部收入均以人民幣收款，且大部分開支(包括物業銷售所致的開支)以及資本開支亦以人民幣計值。

本集團面對的貨幣風險主要來自個別附屬公司以非功能貨幣計值的借款。本集團訂定交叉貨幣利率掉期以對沖以外幣計值的若干重大銀行借款。有鑒於此，管理層認為所面對的貨幣風險淨額保持於合適水平。本集團的政策是磋商對沖衍生工具的條款以符合對沖項目的條款從而將對沖效率最大化。於報告期末本集團訂定交叉貨幣利率掉期的詳情載列於附註30。

此外，本集團亦面對以外幣計值的銀行存款所產生的貨幣風險。管理層保持以不同貨幣計值的銀行存款組合及將所面對的貨幣風險保持在適當水平。

46. FINANCIAL INSTRUMENTS *(Continued)*

(c) Market risk *(Continued)*

Foreign currency risk management

The Group collects all of its revenue in RMB and most of the expenditures including expenditures incurred in property sales as well as capital expenditures are also denominated in RMB.

The Group is exposed to currency risk primarily arising from borrowings denominated in currencies other than the functional currency of individual subsidiaries. The Group entered into cross currency interest rate swaps to hedge certain material bank borrowings denominated in foreign currencies. Given this, the management considers that the net exposure to currency risk is kept to an appropriate level. It is the Group's policy to negotiate the terms of the hedge derivatives to match the terms of the hedged item to maximise hedge effectiveness. Details of the cross currency interest rate swaps entered into by the Group at the end of the reporting period are set out in note 30.

The Group is also exposed to currency risk arising from bank deposits denominated in foreign currencies. The management maintains the portfolio of bank deposits denominated in different currencies and the exposure to currency risk is kept to an appropriate level.

46. 金融工具 *(續)*

(c) 市場風險 *(續)*

外幣風險管理 *(續)*

本集團於各呈報日期以外幣計值的貨幣資產及貨幣負債(受指定為對沖工具的交叉貨幣利率掉期影響的銀行借款除外)的賬面值如下：

46. FINANCIAL INSTRUMENTS *(Continued)*

(c) Market risk *(Continued)*

Foreign currency risk management *(Continued)*

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities (other than bank borrowings subject to cross currency interest rate swaps designated as hedging instruments) at the respective reporting date are as follows:

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
資產	Assets		
美元	USD	4,788	1,373,317
港元	HKD	33,456	341,859

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
負債	Liabilities		
美元	USD	4,121,946	3,676,623
港元	HKD	6,594,672	6,279,308

46. 金融工具 *(續)*

(c) 市場風險 *(續)*

外幣風險管理 *(續)*

外幣敏感度分析

本集團主要面對美元及港元兑人民幣的匯率波動風險。

下表詳述本集團有關人民幣兑相關外幣匯率增加及減少5%的敏感度。敏感度分析僅包括未換算的外幣計值貨幣項目(受指定為對沖工具的交叉貨幣利率掉期影響的銀行借款除外)，並於年末調整其換算以反映外匯匯率的5%變動。5%為用於向主要管理層人員內部報告外幣風險的敏感度利率，並為管理層對外匯匯率合理可能變動的評估。敏感度分析包括以外幣計值的銀行借款以及銀行結餘及已抵押銀行存款。正數表示人民幣兑相關外幣升值時年度溢利的增加。倘人民幣兑相關外幣貶值5%，則對年度溢利帶來同等的負面影響。

46. FINANCIAL INSTRUMENTS *(Continued)*

(c) Market risk *(Continued)*

Foreign currency risk management *(Continued)*

Foreign currency sensitivity analysis

The Group mainly exposes to foreign exchange fluctuation of USD and HKD against RMB.

The following table details of the Group's sensitivity to a 5% increase and decrease in RMB against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items (other than the bank borrowings subject to cross currency interest rate swaps designated as hedging instruments) and adjusts their translation at the year end for a 5% change in foreign currency rates. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes bank borrowings as well as bank balances and pledged bank deposits denominated in foreign currencies. A positive number indicates an increase in profit for the year where the RMB strengthens against the relevant currencies. For a 5% weakening of RMB against the relevant currencies, there would be an equal and opposite impact on the profit for the year.

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
美元 年度溢利	USD Profit for the year	**205,858**	115,165
港元 年度溢利	HKD Profit for the year	**328,061**	296,872

其他價格風險

本集團因可供出售投資面對股價波動風險。然而，管理層認為本公司面對的股價波動風險甚微。

Other price risk

The Group is exposed to equity price risk through its available-for-sale investments. However, the management considers that the Company's exposure to fluctuation in equity price is minimal.

46. 金融工具 *(續)*

(d) 信貸風險管理

於各報告期末，本集團所面對並因對手方未能履行責任及本集團發出金融擔保而導致本集團產生財務虧損的最大信貸風險，乃產生自綜合財務狀況報表內所列各已確認金融資產的賬面值，以及附註42所披露的或然負債金額。為將信貸風險降至最低，已執行監管程序確保採取跟進行動收回過期債務。此外，本集團於報告期末定期審閱每項個別貿易、票據及其他應收款項，以及應收關連方款項的可收回金額。呈列於綜合財務狀況報表中的金額乃扣除呆壞賬撥備，並由本集團管理層基於過往經驗及其對現時經濟環境的評估進行估算。

由於對手方均為國際評級機構給予高信貸評級的銀行或中國的國有銀行，故流動資金信貸風險有限。

除存於多家高信貸評級銀行的流動資金及應收非控制權益、聯營公司及合營企業款項有信貸風險集中的情況外，本集團的風險分佈於多個對手方及客戶，故並無重大集中信貸風險。

46. FINANCIAL INSTRUMENTS *(Continued)*

(d) Credit risk management

At each of the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees issued by the Group is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position and the amount of contingent liabilities disclosed in note 42. In order to minimise the credit risk, monitoring procedures are carried out to ensure that follow up action is taken to recover overdue debts. In addition, the Group reviews regularly the recoverable amount of each individual accounts, bills and other receivables and amounts due from related parties at the end of the reporting period. The amounts presented in the consolidated statement of financial position are net of allowances for bad and doubtful debts, estimated by the Group's management based on prior experience and their assessment of the current economic environment.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies or state-owned banks in the PRC.

Other than concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings and amounts due from non-controlling interests, associates and joint ventures, the Group has no significant concentration of credit risk, in which exposure is spread over a number of counterparties and customers.

46. 金融工具 *(續)*

(d) 信貸風險管理 *(續)*

就已預售但未竣工的物業而言，本集團通常就客戶借入按揭貸款以為購買物業籌集資金而向銀行提供擔保，擔保金額最高為個別物業購買價的70%。倘買方於擔保期間未能償還按揭，則持有按揭的銀行可要求本集團償還未償還貸款及任何有關應計利息。在此情況下，本集團可沒收已收銷售按金並轉售收回的物業。因此，管理層認為本集團將有可能收回擔保引致的任何虧損。管理層認為，由於該等融資以物業擔保而物業的市價高於擔保金額，故提供予置業者的金融擔保面對的信貸風險有限。就此而言，本公司董事認為，本集團的信貸風險已大幅降低。

(e) 流動資金風險

本集團的目標是在持續取得資金與靈活使用借款之間維持平衡。本公司董事密切監察流動資金狀況，預期會有足夠資金來源來為本集團的項目及經營提供融資。

下表詳列本集團非衍生金融負債基於協定還款期的預期剩餘合約到期日。該表按本集團可能須付款的最早日期的金融負債之未貼現現金流量編製。表中包括利息及本金現金流量。

倘利息按浮動利率計算，則已貼現金額按報告期末當時的利率計算。

46. FINANCIAL INSTRUMENTS *(Continued)*

(d) Credit risk management *(Continued)*

For properties that are presold but development has not been completed, the Group typically provides guarantees to banks in connection with the customers' borrowing of mortgage loans to finance their purchase of the properties for an amount up to 70% of the purchase price of the individual property. If a purchaser defaults on the payment of its mortgage during the period of guarantee, the bank holding the mortgage may demand the Group to repay the outstanding loan and any interest accrued thereon. Under such circumstances, the Group is able to forfeit the sales deposit received and resell the repossessed properties. Therefore, the management considers the Group would likely recover any loss incurred arising from the guarantees. The management considers the credit risk exposure to financial guarantees provided to property purchasers is limited because the facilities are secured by the properties and the market price of the properties is higher than the guaranteed amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

(e) Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and the flexibility through the use of borrowings. The directors of the Company closely monitor the liquidity position and expect to have adequate sources of funding to finance the Group's projects and operations.

The following table details the Group's expected remaining contractual maturity for its non-derivative financial liabilities based on agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

To the extent that interest flows are floating rate, the discounted amount is derived from interest rates existing at the end of the reporting period.

46. 金融工具 *(續)*

(e) 流動資金風險 *(續)*

此外，下表詳列本集團衍生金融工具的流動資金分析。下表反映出以淨基準結算的衍生工具的未貼現合約現金(流入)及流出淨額。當應付款項不固定時，披露的金額已參照於報告期末的收益曲線所示的預計利率釐定。本集團衍生金融工具的流動資金分析根據合約到期日編製，原因是管理層認為合約到期日對衍生工具現金流量的時間掌握而言屬必要。

46. FINANCIAL INSTRUMENTS *(Continued)*

(e) Liquidity risk *(Continued)*

In addition, the following table details the Group's liquidity analysis for its derivative financial instruments. The tables have been drawn up based on the undiscounted contractual net cash (inflows) and outflows on derivative instruments that settle on a net basis. When the amount payable is not fixed, the amount disclosed has been determined by reference to the projected interest rates as illustrated by the yield curves existing at the end of the reporting period. The liquidity analysis for the Group's derivative financial instruments is prepared based on the contractual maturities as the management considers that the contractual maturities are essential for an understanding of the timing of the cash flows of derivatives.

		加權平均利率 Weighted average interest rate	於二零一五年十二月三十一日的賬面值 Carrying amount at December 31, 2015 *人民幣千元 RMB'000*	0至60日 0 to 60 days *人民幣千元 RMB'000*	61至180日 61 to 180 days *人民幣千元 RMB'000*	181至365日 181 to 365 days *人民幣千元 RMB'000*	1至2年 1 to 2 years *人民幣千元 RMB'000*	2至3年 2 to 3 years *人民幣千元 RMB'000*	超過3年 Over 3 years *人民幣千元 RMB'000*	未貼現現金流量總額 Total undiscounted cash flows *人民幣千元 RMB'000*
非衍生金融負債	Non-derivative financial liabilities									
不計息	Non-interest bearing	—	19,841,208	4,292,763	7,365,118	8,183,327	—	—	—	19,841,208
定息工具	Fixed interest rate instruments	5.58%	18,067,867	1,672,335	663,752	675,832	1,240,946	3,563,115	15,576,223	23,392,203
浮息工具	Variable interest rate instruments	5.18%	34,197,713	622,170	1,554,460	3,332,424	15,012,726	9,023,857	9,005,666	38,551,303
財務擔保合約	Financial guarantee contracts		—	10,414,147	—	—	—	—	—	10,414,147
			72,106,788	17,001,415	9,583,330	12,191,583	16,253,672	12,586,972	24,581,889	92,198,861

46. 金融工具 *(續)*

(e) 流動資金風險 *(續)*

46. FINANCIAL INSTRUMENTS *(Continued)*

(e) Liquidity risk *(Continued)*

		加權平均利率 Weighted average interest rate	於二零一四年十二月三十一日的賬面值 Carrying amount at December 31, 2014	0至60日 0 to 60 days	61至180日 61 to 180 days	181至365日 181 to 365 days	1至2年 1 to 2 years	2至3年 2 to 3 years	超過3年 Over 3 years	未貼現現金流量總額 Total undiscounted cash flows
			人民幣千元 RMB'000	*人民幣千元 RMB'000*	*人民幣千元 RMB'000*	*人民幣千元 RMB'000*	*人民幣千元 RMB'000*	*人民幣千元 RMB'000*	*人民幣千元 RMB'000*	*人民幣千元 RMB'000*
非衍生金融負債	Non-derivative financial liabilities									
不計息	Non-interest bearing	—	20,175,043	3,531,291	8,168,856	8,474,896	—	—	—	20,175,043
定息工具	Fixed interest rate instruments	5.28%	9,515,516	302,948	705,878	334,041	2,309,728	769,537	9,251,842	13,673,974
浮息工具	Variable interest rate instruments	5.58%	38,225,784	867,156	2,424,985	6,505,148	12,639,348	13,058,664	6,291,199	41,786,500
財務擔保合約	Financial guarantee contracts	—	—	10,738,667	—	—	—	—	—	10,738,667
			67,916,343	15,440,062	11,299,719	15,314,085	14,949,076	13,828,201	15,543,041	86,374,184
衍生工具－淨額結算	Derivative-net settlement									
衍生金融工具	Derivative financial instruments	—	2,077	1,951	4,661	5,536	3,330	(8,107)	(4,607)	2,764
			67,918,420	15,442,013	11,304,380	15,319,621	14,952,406	13,820,094	15,538,434	86,376,948

上述非衍生金融負債之浮息工具金額會因浮動利率變動不同於報告期末所釐定的利率估計變動而調整。

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

計入上述財務擔保合約之金額為倘擔保的交易方索償，本集團根據安排須清償的全部擔保的最高金額。基於報告期末的預計，本集團認為根據該安排很有可能並無應付款項。然而，此估計視乎交易方根據擔保索償的可能性而改變，而提出索償之可能性則取決於交易方所持獲擔保金融應收款項遭受信貸損失的可能性。

The amounts included above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Group considers that it is more likely than not that no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

46. 金融工具 *(續)*

(f) 金融工具的公平值計量

本集團部份金融資產及負債於各報告期末按公平值計量。下表提供如何計量公平值(特別是所使用之估值技術及輸入數據)，其輸入數據之可觀測程度以釐定該等金融資產及負債之公平值，及公平值計量所劃分之公平值級別(第一至三層級)之資料。

46. FINANCIAL INSTRUMENTS *(Continued)*

(f) Fair value measurements of financial instruments

Some of the Group's financial assets and liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

金融資產／負債 Financial assets/liabilities	於十二月三十一日之公平值 Fair value as at December 31, 二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*	公平值等級 Fair value hierarchy	估值技術及主要輸入數據 Valuation techniques and key inputs
綜合財務狀況報表分類為衍生金融工具之交叉貨幣利率掉期 Cross currency interest rate swaps classified as derivative financial instruments in the consolidated statement of financial position	資產： Assets: 701,083	資產： Assets: 184,441 負債： Liabilities: (2,077)	第二層級 Level 2	貼現現金流量。根據遠期匯率及利率(於報告期末可觀察的遠期匯率及收益曲線)及已訂約的遠期比率及利率來估計未來現金流量，並採用一個能夠反映本集團或對手信貸風險的比率將之貼現(如適用)。 Discounted cash flows. Future cash flows are estimated based on forward exchange rates and interest rates (from observable forward exchange rates and yield curves at the end of the reporting period) and contracted forward rates and interest rates, discounted at a rate that reflects the credit risk of the Group or the counterparties, as appropriate.

46. 金融工具*(續)*

(f) 金融工具的公平值計量*(續)*

本年度及過往年度，第一層級及第二層級之間並無任何轉換。

除分別於附註28及29披露的註有公平值的債券及優先票據及衍生金融工具人民幣701,083,000元(二零一四年：人民幣182,364,000元)外，本公司董事認為，報告期末於綜合財務狀況報表內以攤銷成本列賬之金融資產及金融負債的賬面值與其公平值相若。

計入第二層級之金融資產及金融負債之公平值按公認定價模式基於貼現現金流量分析釐定，主要輸入數據為貼現率，該輸入數據反應了交易對手的信用風險。

46. FINANCIAL INSTRUMENTS *(Continued)*

(f) Fair value measurements of financial instruments *(Continued)*

There were no transfers between Level 1 and 2 in the current and prior years.

Except for the bonds and senior notes with fair value disclosed in notes 28 and 29 respectively and the derivative financial instruments of RMB701,083,000 (2014: RMB182,364,000), the directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated statement of financial position approximate their respective fair values at the end of the reporting period.

The fair values of the financial assets and financial liabilities included in Level 2 have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

47. 受抵銷、可強制執行總淨額對銷安排及類似安排規限的金融資產及金融負債

本集團現時有強制執行權利，可基於同日結算而本集團計劃以淨額結算該等結餘時，對銷應收聯營公司及合營企業款項及應付對手方款項。

受抵銷、可強制執行總淨額對銷安排及類似安排規限的金融資產

於二零一五年十二月三十一日

47. FINANCIAL ASSETS AND FINANCIAL LIABILITIES SUBJECT TO OFFSETTING, ENFORCEABLE MASTER NETTING ARRANGEMENTS AND SIMILAR AGREEMENTS

The Group currently has a legal enforceable right to set off the amount due from associates and joint ventures and the amount due to these counterparties that are due to be settled on the same date and the Group intends to settle these balances on a net basis.

Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements

As at December 31, 2015

		已確認金融資產總額 Gross amounts of recognised financial assets *人民幣千元* *RMB'000*	財務狀況報表內對銷已確認金融負債總額 Gross amounts of recognised financial liabilities set off in the statement of financial position *人民幣千元* *RMB'000*	財務狀況報表內呈列金融資產淨額 Net amounts of financial assets presented in the statement of financial position *人民幣千元* *RMB'000*
應收聯營公司款項	Amounts due from associates	3,195,676	(500,000)	2,695,676
應收合營企業款項	Amounts due from joint ventures	3,653,628	(1,881,175)	1,772,453

47. 受抵銷、可強制執行總淨額對銷安排及類似安排規限的金融資產及金融負債 *(續)*

受抵銷、可強制執行總淨額對銷安排及類似安排規限的金融資產 *(續)*

於二零一四年十二月三十一日

47. FINANCIAL ASSETS AND FINANCIAL LIABILITIES SUBJECT TO OFFSETTING, ENFORCEABLE MASTER NETTING ARRANGEMENTS AND SIMILAR AGREEMENTS *(Continued)*

Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements *(Continued)*

As at December 31, 2014

		已確認金融資產總額 Gross amounts of recognised financial assets *人民幣千元 RMB'000*	財務狀況報表內對銷已確認金融負債總額 Gross amounts of recognised financial liabilities set off in the statement of financial position *人民幣千元 RMB'000*	財務狀況報表內呈列金融資產淨額 Net amounts of financial assets presented in the statement of financial position *人民幣千元 RMB'000*
應收合營企業款項	Amounts due from joint ventures	3,173,765	(300,937)	2,872,828

47. 受抵銷、可強制執行總淨額對銷安排及類似安排規限的金融資產及金融負債*(續)*

47. FINANCIAL ASSETS AND FINANCIAL LIABILITIES SUBJECT TO OFFSETTING, ENFORCEABLE MASTER NETTING ARRANGEMENTS AND SIMILAR AGREEMENTS *(Continued)*

受抵銷、可強制執行總淨額對銷安排及類似安排規限的金融負債

Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements

於二零一四年十二月三十一日

As at December 31, 2014

		已確認金融負債總額 Gross amounts of recognised financial liabilities	財務狀況報表內對銷已確認金融資產總額 Gross amounts of recognised financial assets set off in the statement of financial position	財務狀況報表內呈列金融負債淨額 Net amounts of financial liabilities presented in the statement of financial position
		人民幣千元 RMB'000	*人民幣千元 RMB'000*	*人民幣千元 RMB'000*
應付合營企業款項	Amounts due to joint ventures	4,034,154	(1,711,625)	2,322,529

上表所披露本集團綜合財務狀況表內呈列已確認金融資產及金融負債總額以及淨額已按攤銷成本計量。

The gross amounts of the recognised financial assets and financial liabilities and their net amounts as presented in the Group's consolidated statement of financial position, both of which have been disclosed in the above tables, are measured at amortised cost.

與本集團綜合財務狀況報表內呈列已確認或受可強制執行總淨額對銷安排及類似安排規限的金融資產及金融負債對銷的金額以已確認金融資產及金融負債相同基準計量。

The amounts which have been offset against the related recognised financial assets and financial liabilities in the Group's consolidated statement of financial position or are subject to enforceable master netting arrangements or similar agreements are measured on the same basis as the recognised financial assets and financial liabilities.

48. 本公司財務資料

(a) 本公司財務狀況之財務資料：

48. FINANCIAL INFORMATION OF THE COMPANY

(a) Financial information of the financial position of the Company:

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
非流動資產	**NON-CURRENT ASSETS**		
投資附屬公司	Investments in subsidiaries	22,717,178	22,275,391
衍生金融工具	Derivative financial instruments	701,083	184,441
		23,418,261	22,459,832
流動資產	**CURRENT ASSETS**		
應收賬款及其他應收款項、按金及預付款項	Accounts and other receivables, deposits and prepayments	2,113	121,697
銀行結餘及現金	Bank balances and cash	292,816	1,180,893
		294,929	1,302,590
流動負債	**CURRENT LIABILITIES**		
應付賬款、已收按金及應計開支	Accounts payables, deposits received and accrued charges	38,833	34,277
應付附屬公司款項	Amounts due to subsidiaries	1,563,616	199,847
銀行及其他借款－一年內到期	Bank and other borrowings - due within one year	283,616	650,931
		1,886,065	885,055
流動(負債)資產淨值	**NET CURRENT (LIABILITIES) ASSETS**	(1,591,136)	417,535
總資產減流動負債	**TOTAL ASSETS LESS CURRENT LIABILITIES**	21,827,125	22,877,367

48. 本公司財務資料*(續)*

(a) 本公司財務狀況之財務資料：*(續)*

48. FINANCIAL INFORMATION OF THE COMPANY

(a) Financial information of the financial position of the Company: *(Continued)*

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
股本及儲備	**CAPITAL AND RESERVES**		
股本(附註31)	Share capital (Note 31)	507,823	505,814
儲備	Reserves	4,220,788	6,172,639
權益總額	**TOTAL EQUITY**	4,728,611	6,678,453
非流動負債	**NON-CURRENT LIABILITIES**		
銀行及其他借款－一年後到期	Bank and other borrowings - due after one year	9,169,342	8,621,884
優先票據	Senior notes	7,929,172	7,574,953
衍生金融工具	Derivative financial instruments	—	2,077
		17,098,514	16,198,914
		21,827,125	22,877,367

48. 本公司財務資料*(續)*

48. FINANCIAL INFORMATION OF THE COMPANY *(Continued)*

(b) 本公司儲備變動：

(b) Movement of reserves of the Company:

		股份溢價 Share premium 人民幣千元 RMB'000	股本儲備 Capital reserve 人民幣千元 RMB'000	持作股份獎勵的股份 Shares held for share award 人民幣千元 RMB'000	購股權儲備 Share option reserve 人民幣千元 RMB'000	注資儲備 Capital contribution reserve 人民幣千元 RMB'000	對沖儲備 Hedging reserve 人民幣千元 RMB'000	累計虧損 Accumulated losses 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零一四年一月一日	At January 1, 2014	6,529,784	2,523,930	—	396,271	187,374	(129,611)	(3,733,024)	5,774,724
年度虧損	Loss for the year	—	—	—	—	—	—	(1,386,775)	(1,386,775)
對沖工具的公平值收益	Fair value gain on hedging instruments	—	—	—	—	—	397,180	—	397,180
重新分類至損益的對沖工具收益	Gain on hedging instruments reclassified to profit and loss	—	—	—	—	—	(118,995)	—	(118,995)
年度全面開支總額	Total comprehensive expense for the year	—	—	—	—	—	278,185	(1,386,775)	(1,108,590)
確認以權益結算及股份為基礎的付款	Recognition of equity-settled share-based payments	—	—	—	88,236	—	—	—	88,236
註銷購股權	Cancellation of share options	—	—	—	(3,728)	—	—	3,728	—
股份獎勵計劃下已歸屬股份	Share vested under share award scheme	—	—	—	—	(187,374)	—	187,374	—
確認為分派的股息	Dividend recognised as distribution	(1,240,687)	—	—	—	—	—	—	(1,240,687)
發行新普通股	Issue of new ordinary shares	2,665,341	—	—	—	—	—	—	2,665,341
發行新普通股應佔交易成本	Transaction costs attributable to issue of new ordinary shares	(13,222)	—	—	—	—	—	—	(13,222)
行使購股權發行股份	Issue of shares on exercise of share options	8,285	—	—	(1,448)	—	—	—	6,837
於二零一四年十二月三十一日	At December 31, 2014	7,949,501	2,523,930	—	479,331	—	148,574	(4,928,697)	6,172,639

48. 本公司財務資料*(續)*

(b) 本公司儲備變動：*(續)*

48. FINANCIAL INFORMATION OF THE COMPANY *(Continued)*

(b) Movement of reserves of the Company: *(Continued)*

		股份溢價 Share premium 人民幣千元 RMB'000	股本儲備 Capital reserve 人民幣千元 RMB'000	持作股份獎勵的股份 Shares held for share award 人民幣千元 RMB'000	購股權儲備 Share option reserve 人民幣千元 RMB'000	注資儲備 Capital contribution reserve 人民幣千元 RMB'000	對沖儲備 Hedging reserve 人民幣千元 RMB'000	累計虧損 Accumulated losses 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
年度虧損	Loss for the year	—	—	—	—	—	—	(439,831)	(439,831)
對沖工具的公平值收益	Fair value gain on hedging instruments	—	—	—	—	—	518,720	—	518,720
重新分類至損益的對沖工具收益	Gain on hedging instruments reclassified to profit and loss	—	—	—	—	—	(613,754)	—	(613,754)
年度全面開支總額	Total comprehensive expense for the year	—	—	—	—	—	(95,034)	(439,831)	(534,865)
確認以權益結算及股份為基礎的付款	Recognition of equity-settled share-based payments	—	—	—	101,633	—	—	—	101,633
註銷購股權	Cancellation of share options	—	—	—	(3,587)	—	—	3,587	—
確認為分派的股息	Dividend recognised as distribution	(1,654,310)	—	—	—	—	—	—	(1,654,310)
行使購股權發行股份	Issue of shares on exercise of share options	217,009	—	—	(76,467)	—	—	—	140,542
根據股份獎勵計劃購買股份	Purchase of shares under the share award scheme	—	—	(4,851)	—	—	—	—	(4,851)
於二零一五年十二月三十一日	At December 31, 2015	6,512,200	2,523,930	(4,851)	500,910	—	53,540	(5,364,941)	4,220,788

48. 本公司財務資料*(續)*

(c) 投資附屬公司

48. FINANCIAL INFORMATION OF THE COMPANY *(Continued)*

(c) Investments in subsidiaries

		二零一五年 2015 *人民幣千元* *RMB'000*	二零一四年 2014 *人民幣千元* *RMB'000*
非上市股份，按成本	Unlisted shares, at cost	2,875,598	2,875,598
視作向附屬公司注資	Deemed capital contribution to subsidiaries	19,841,580	19,399,793
		22,717,178	22,275,391

(d) 應付附屬公司款項

應付附屬公司款項為無抵押、免息且須於要求時償還。

(d) Amounts due to subsidiaries

The amounts due to subsidiaries are unsecured, interest-free and are repayable on demand.

49. 主要附屬公司、合營企業及聯營公司的詳情

(i) 於二零一五年及二零一四年十二月三十一日，本公司主要附屬公司、合營企業及聯營公司詳情如下：

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

(i) Particulars of the Company's principal subsidiaries, joint ventures and associates at December 31, 2015 and 2014 are as follows:

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司 Subsidiary						
北京德卓貿易有限公司(附註a) Beijing Dezhuo Trade Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣20,000,000元 繳足股本 人民幣20,000,000元 Registered RMB20,000,000 Paid up capital RMB20,000,000	中國 PRC	建材貿易 Trading of construction materials
北京匯晟投資有限公司(附註a) Beijing Huicheng Investment Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣10,000,000元 繳足股本 人民幣10,000,000元 Registered RMB10,000,000 Paid up capital RMB10,000,000	中國 PRC	物業發展 Properties development
北京龍湖成恒裝飾有限公司(附註a) Beijing Longhu Chengheng Decoration Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣2,000,000元 繳足股本 人民幣2,000,000元 Registered RMB2,000,000 Paid up capital RMB2,000,000	中國 PRC	房屋裝修 House decoration
北京龍湖置業有限公司(附註b) Beijing Longhu Properties Company Limited (Note b)	中國 PRC	100%	98.5%	註冊資本 人民幣1,000,000,000元 繳足股本 人民幣1,000,000,000元 Registered RMB1,000,000,000 Paid up capital RMB1,000,000,000	中國 PRC	物業發展 Properties development and provision of consultancy service

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(續)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司*(續)* Subsidiary *(Continued)*						
北京龍湖物業服務有限公司(附註a) Beijing Longhu Property Service Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣5,000,000元 繳足股本 人民幣5,000,000元 Registered RMB5,000,000 Paid up capital RMB5,000,000	中國 PRC	物業管理 Properties management
北京龍湖慶華置業有限公司(附註b) Beijing Longhu Qinghua Property Company Limited (Note b)	中國 PRC	100%	99.97%	註冊資本 人民幣500,000,000元 繳足股本 人民幣500,000,000元 Registered RMB500,000,000 Paid up capital RMB500,000,000	中國 PRC	物業發展 Properties development
北京龍湖時代置業有限公司(附註a) Beijing Longhu Shidai Properties Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣1,400,000,000元 繳足股本 人民幣1,400,000,000元 Registered RMB1,400,000,000 Paid up capital RMB1,400,000,000	中國 PRC	物業發展 Properties development
北京龍湖天行置業有限公司(附註a) Beijing Longhu Tianxing Properties Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣600,000,000元 繳足股本 人民幣600,000,000元 Registered RMB600,000,000 Paid up capital RMB600,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(續)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司*(續)* Subsidiary *(Continued)*						
北京龍湖中佰置業有限公司(附註a) Beijing Longhu Zhongbai Properties Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣1,500,000,000元 繳足股本 人民幣1,500,000,000元 Registered RMB1,500,000,000 Paid up capital RMB1,500,000,000	中國 PRC	物業發展 Properties development
北京盟科置業有限公司(附註a) Beijing Mengke Properties Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣830,000,000元 繳足股本 人民幣830,000,000元 Registered RMB830,000,000 Paid up capital RMB830,000,000	中國 PRC	物業發展 Properties development and provision of consultancy service
北京通瑞萬華置業有限公司(附註a) Beijing Tongrui Wanhua Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣2,800,000,000元 繳足股本 人民幣2,800,000,000元 Registered RMB2,800,000,000 Paid up capital RMB2,800,000,000	中國 PRC	物業發展 Properties development
北京龍湖興順置業有限公司(附註a) Beijing Xingshun Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣700,000,000元 繳足股本 人民幣700,000,000元 Registered RMB700,000,000 Paid up capital RMB700,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(續)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司*(續)* Subsidiary *(Continued)*						
北京龍湖興潤置業有限公司(附註a) Beijing Xiongrun Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣800,000,000元 繳足股本 人民幣800,000,000元 Registered RMB800,000,000 Paid up capital RMB800,000,000	中國 PRC	物業發展 Properties development
北京古北水鎮房地產開發有限公司(附註b) Beijing Gubei Town Real Estate Development Ltd (Note b)	中國 PRC	60%	60%	註冊資本 人民幣127,500,000元 繳足股本 人民幣127,500,000元 Registered RMB127,500,000 Paid up capital RMB127,500,000	中國 PRC	物業發展 Properties development
常州嘉南置業有限公司(附註a) Changzhou Jia'nan Properties Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣720,000,000元 繳足股本 人民幣720,000,000元 Registered RMB720,000,000 Paid up capital RMB720,000,000	中國 PRC	物業發展 Properties development
常州龍湖基業發展有限公司(附註b) Changzhou Longfor Jiye Co., Ltd. (Note b)	中國 PRC	100%	100%	註冊資本 124,690,000美元 繳足股本 124,690,000美元 Registered USD124,690,000 Paid up capital USD124,690,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(續)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司*(續)* Subsidiary *(Continued)*						
常州嘉博置業有限公司(附註c) Changzhou Jiabo Real Estate Co., Ltd. (Note c)	中國 PRC	100%	100%	註冊資本 196,160,000美元 繳足股本 196,160,000美元 Registered USD196,160,000 Paid up capital USD196,160,000	中國 PRC	物業發展 Properties development
無錫嘉南置業有限公司(附註a) Wuxi Jianan Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣260,000,000元 繳足股本 人民幣260,000,000元 Registered RMB260,000,000 Paid up capital RMB260,000,000	中國 PRC	物業發展 Properties development
無錫嘉睿置業有限公司(附註a) Wuxi Jiarui Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣559,500,000元 繳足股本 人民幣559,500,000元 Registered RMB559,500,000 Paid up capital RMB559,500,000	中國 PRC	物業發展 Properties development
無錫嘉騰置業有限公司(附註a) Wuxi Jiateng Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣720,000,000元 繳足股本 人民幣720,000,000元 Registered RMB720,000,000 Paid up capital RMB720,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情 *(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(續)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司*(續)* Subsidiary *(Continued)*						
無錫龍湖置業有限公司(附註a) Wuxi Longhu Real Estate Inc. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣615,200,000元 繳足股本 人民幣615,200,000元 Registered RMB615,200,000 Paid up capital RMB615,200,000	中國 PRC	物業發展 Properties development
成都佳遜投資有限公司(「成都佳遜」)(附註a) Chengdu Jiaxun Investment Company Limited ("Chengdu Jiaxun") (Note a)	中國 PRC	100%	100%	註冊資本 人民幣30,000,000元 繳足股本 人民幣30,000,000元 Registered RMB30,000,000 Paid up capital RMB30,000,000	中國 PRC	物業發展 Properties development
成都錦騰貿易公司(附註a) Chengdu Jinteng Trade Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣20,000,000元 繳足股本 人民幣20,000,000元 Registered RMB20,000,000 Paid up capital RMB20,000,000	中國 PRC	建材貿易 Trading of construction materials
成都龍湖錦華置業有限公司(附註b) Chengdu Longhu Jinhua Real Estate Company Limited (Note b)	中國 PRC	100%	100%	註冊資本 人民幣100,000,000元 繳足股本 人民幣100,000,000元 Registered RMB100,000,000 Paid up capital RMB100,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(續)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司*(續)* Subsidiary *(Continued)*						
成都龍湖物業服務有限公司(附註a) Chengdu Longhu Property Services Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣5,000,000元 繳足股本 人民幣5,000,000元 Registered RMB5,000,000 Paid up capital RMB5,000,000	中國 PRC	物業管理 Properties management
成都龍湖同晉置業有限公司(附註b) Chengdu Longhu Tongjin Real Estate Company Limited (Note b)	中國 PRC	100%	100%	註冊資本 人民幣966,549,865元 繳足股本 人民幣966,549,865元 Registered RMB966,549,865 Paid up capital RMB966,549,865	中國 PRC	物業發展 Properties development
成都西璽置業有限公司(附註a) Chengdu Xixi Real Estate Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣335,660,000元 繳足股本 人民幣335,660,000元 Registered RMB335,660,000 Paid up capital RMB335,660,000	中國 PRC	物業發展 Properties development
成都西祥置業有限公司(附註a) Chengdu Xixiang Real Estate Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣436,370,000元 繳足股本 人民幣436,370,000元 Registered RMB436,370,000 Paid up capital RMB436,370,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(續)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司*(續)* Subsidiary *(Continued)*						
成都元博苗木有限公司(附註a) Chengdu Yuanbo Gardening Co., Ltd (Note a)	中國 PRC	100%	100%	註冊資本 人民幣20,000,000元 繳足股本 人民幣20,000,000元 Registered RMB20,000,000 Paid up capital RMB20,000,000	中國 PRC	樹苗培育 Nursery of seeding tree
成都龍湖錦城置業有限公司(附註b) Chengdu Longfor Jincheng Real Estate Co., Ltd. (Note b)	中國 PRC	100%	100%	註冊資本 人民幣390,000,000元 繳足股本 人民幣390,000,000元 Registered RMB390,000,000 Paid up capital RMB390,000,000	中國 PRC	物業發展 Properties development
成都龍湖北城置業有限公司(附註b) Chengdu Longfor Beicheng Co., Ltd. (Note b)	中國 PRC	100%	100%	註冊資本 人民幣1,970,000,000元 繳足股本 人民幣1,970,000,000元 Registered RMB1,970,000,000 Paid up capital RMB1,970,000,000	中國 PRC	物業發展 Properties development
成都龍湖錦鴻置業有限公司(附註a) Chengdu Longfor Jinhua Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣650,000,000元 繳足股本 人民幣650,000,000元 Registered RMB650,000,000 Paid up capital RMB650,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(續)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司*(續)* Subsidiary *(Continued)*						
成都匯新置業有限公司 (「成都匯新」)(附註b) Chengdu Huixin Real Estate Company Limited ("Chengdu Huixin") (Note b)	中國 PRC	100%	83.5%#*	註冊資本 人民幣629,993,500元 繳足股本 人民幣629,993,500元 Registered RMB629,993,500 Paid up capital RMB629,993,500	中國 PRC	物業發展 Properties development
成都嘉南置業有限公司 (「成都嘉南」)(附註b) Chengdu Jia'nan Real Estate Company Limited ("Chengdu Jia'nan") (Note b)	中國 PRC	100%	74.1%#*	註冊資本 人民幣382,890,100元 繳足股本 人民幣382,890,100元 Registered RMB382,890,100 Paid up capital RMB382,890,100	中國 PRC	物業發展 Properties development
成都景匯置業有限公司 (「成都景匯」)(附註b) Chengdu Jinghui Real Estate Company Limited ("Chengdu Jinghui") (Note b)	中國 PRC	100%	72.8%#*	註冊資本 人民幣653,275,800元 繳足股本 人民幣653,275,800元 Registered RMB653,275,800 Paid up capital RMB653,275,800	中國 PRC	物業發展 Properties development
成都拓晟置業有限公司 (「成都拓晟」)(附註b) Chengdu Tuocheng Real Estate Company Limited ("Chengdu Tuocheng") (Note b)	中國 PRC	100%	72.9%#*	註冊資本 人民幣633,495,100元 繳足股本 人民幣633,495,100元 Registered RMB633,495,100 Paid up capital RMB633,495,100	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情 *(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(續)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司*(續)* Subsidiary *(Continued)*						
重慶北龍湖置地發展有限公司(附註a) Chongqing Beilonghu Property Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣700,000,000元 繳足股本 人民幣700,000,000元 Registered RMB700,000,000 Paid up capital RMB700,000,000	中國 PRC	物業發展 Properties development
重慶恒弘投資有限公司(附註a) Chongqing Henghong Investment Inc. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣10,000,000元 繳足股本 人民幣10,000,000元 Registered RMB10,000,000 Paid up capital RMB10,000,000	中國 PRC	物業發展 Properties development
重慶嘉遜地產開發有限公司(附註b) Chongqing Juntion Real Estate Development Inc. (Note b)	中國 PRC	100%	100%	註冊資本 人民幣778,000,000元 繳足股本 人民幣778,000,000元 Registered RMB778,000,000 Paid up capital RMB778,000,000	中國 PRC	物業發展 Properties development
重慶龍湖成恒地產發展有限公司(附註a) Chongqing Longhu Chengheng Real Estate Development Inc. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣1,000,000,000元 繳足股本 人民幣1,000,000,000元 Registered RMB1,000,000,000 Paid up capital RMB1,000,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(續)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司*(續)* Subsidiary *(Continued)*						
重慶龍湖企業拓展有限公司(附註b) Chongqing Longhu Development Company Limited (Note b)	中國 PRC	100%	100%	註冊資本 人民幣1,308,000,000元 繳足股本 人民幣1,308,000,000元 Registered RMB1,308,000,000 Paid up capital RMB1,308,000,000	中國 PRC	物業發展及投資 Properties development and investment
重慶龍湖恒尚地產發展有限公司(附註a) Chongqing Longhu Hengshang Real Estate Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣30,000,000元 繳足股本 人民幣30,000,000元 Registered RMB30,000,000 Paid up capital RMB30,000,000	中國 PRC	物業發展 Properties development
重慶龍湖凱安地產發展有限公司(附註b) Chongqing Longhu Kaian Real Estate Development Co., Ltd. (Note b)	中國 PRC	100%	100%	註冊資本 人民幣1,278,000,000元 繳足股本 人民幣1,278,000,000元 Registered RMB1,278,000,000 Paid up capital RMB1,278,000,000	中國 PRC	物業發展 Properties development
重慶龍湖地產發展有限公司(附註a) Chongqing Longhu Properties Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣1,544,912,450元 繳足股本 人民幣1,544,912,450元 Registered RMB1,544,912,450 Paid up capital RMB1,544,912,450	中國 PRC	物業發展及投資 Properties development and investment

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(續)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司*(續)* Subsidiary *(Continued)*						
重慶龍湖西街置業有限公司(附註a) Chongqing Longhu Xijie Real Estate Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣624,000,000元 繳足股本 人民幣624,000,000元 Registered RMB624,000,000 Paid up capital RMB624,000,000	中國 PRC	物業發展及投資 Properties development and investment
重慶龍湖宜恒地產發展有限公司(附註a) Chongqing Longhu Yiheng Estate Development Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣360,000,000元 繳足股本 人民幣360,000,000元 Registered RMB360,000,000 Paid up capital RMB360,000,000	中國 PRC	物業發展 Properties development
重慶融凱實業有限公司(附註b) Chongqing Rongkai Industrial Company Limited (Note b)	中國 PRC	100%	100%	註冊資本 人民幣698,000,000元 繳足股本 人民幣698,000,000元 Registered RMB698,000,000 Paid up capital RMB698,000,000	中國 PRC	物業發展 Properties development
重慶天卓投資有限公司(附註a) Chongqing Tianzhuo Investment Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣20,000,000元 繳足股本 人民幣20,000,000元 Registered RMB20,000,000 Paid up capital RMB20,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(續)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司*(續)* Subsidiary *(Continued)*						
重慶天朗農業發展有限公司(附註a) Chongqing Tianlang Agriculture Development Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣10,000,000元 繳足股本 人民幣10,000,000元 Registered RMB10,000,000 Paid up capital RMB10,000,000	中國 PRC	樹苗培育 Nursery of seeding tree
重慶新龍湖物業服務有限公司(附註a) Chongqing Xinlonghu Properties Services Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣5,000,000元 繳足股本 人民幣5,000,000元 Registered RMB5,000,000 Paid up capital RMB5,000,000	中國 PRC	物業管理 Properties management
重慶龍湖德卓地產發展有限公司(附註c) Chongqing Longfor Dezhuo Real Estate Development Co., Ltd. (Note c)	中國 PRC	100%	100%	註冊資本 150,000,000美元 繳足股本 150,000,000美元 Registered USD150,000,000 Paid up capital USD150,000,000	中國 PRC	物業發展 Properties development
重慶龍湖科恒地產發展有限公司(附註a) Chongqing Longhu Keheng Real Estate Development Co., Limited (Note a)	中國 PRC	100%	91%	繳足股本 人民幣100,000,000元 註冊資本 人民幣100,000,000元 Paid up capital RMB100,000,000 Registered RMB100,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情 *(續)*

(i) *(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司*(續)* Subsidiary *(Continued)*						
重慶興龍湖置地發展有限公司（附註b） Longhu Land Limited (Note b)	中國 PRC	50%	50%#	註冊資本 27,000,000美元 繳足股本 27,000,000美元 Registered USD27,000,000 Paid up capital USD27,000,000	中國 PRC	物業發展 Properties development
杭州龍湖房地產開發有限公司（附註c） Hangzhou Longhu Real Estate Development Co., Ltd. (Note c)	中國 PRC	100%	100%	註冊資本 229,400,000美元 繳足股本 189,400,000美元 Registered USD229,400,000 Paid up capital USD189,400,000	中國 PRC	物業發展 Properties development
杭州龍卓房地產開發有限公司（附註a） Hangzhou Longzhuo Real Estate Development Ltd (Note a)	中國 PRC	40%	—	繳足股本 人民幣500,000,000元 註冊資本 人民幣500,000,000元 Paid up capital RMB500,000,000 Registered RMB500,000,000	中國 PRC	物業發展 Properties development
杭州龍嘉房地產開發有限公司（附註a） Hangzhou Longjia Real Estate Development Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣50,000,000元 繳足股本 人民幣50,000,000元 Registered RMB50,000,000 Paid up capital RMB50,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(續)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司*(續)* Subsidiary *(Continued)*						
上海恒馳房地產有限公司(附註a) Shanghai Hengchi Real Estate Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣1,010,000,000元 繳足股本 人民幣1,010,000,000元 Registered RMB1,010,000,000 Paid up capital RMB1,010,000,000	中國 PRC	物業發展 Properties development
上海龍湖物業管理有限公司(附註a) Shanghai Longhu Property Management Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣5,000,000元 繳足股本 人民幣5,000,000元 Registered RMB5,000,000 Paid up capital RMB5,000,000	中國 PRC	物業管理 Properties management
上海龍湖置業發展有限公司(附註a) Shanghai Longhu Real Estate Co. Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣100,000,000元 繳足股本 人民幣100,000,000元 Registered RMB100,000,000 Paid up capital RMB100,000,000	中國 PRC	物業發展 Properties development
上海莘潤園林綠化有限公司(附註a) Shanghai Xinrun Garden Virescence Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣12,000,000元 繳足股本 人民幣12,000,000元 Registered RMB12,000,000 Paid up capital RMB12,000,000	中國 PRC	樹苗培育 Nursery of seeding tree

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(續)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司*(續)* Subsidiary *(Continued)*						
上海渝久實業有限公司(附註a) Shanghai Yujiu Industrial Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣20,000,000元 繳足股本 人民幣20,000,000元 Registered RMB20,000,000 Paid up capital RMB20,000,000	中國 PRC	建材貿易 Trading of construction materials
上海恒世房地產有限公司(附註a) Shanghai Hengshi Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣1,000,000,000元 繳足股本 人民幣1,000,000,000元 Registered RMB1,000,000,000 Paid up capital RMB1,000,000,000	中國 PRC	物業發展 Properties development
上海恒逸房地產有限公司(附註a) Shanghai Hengyi Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣1,100,000,000元 繳足股本 人民幣1,100,000,000元 Registered RMB1,100,000,000 Paid up capital RMB1,100,000,000	中國 PRC	物業發展 Properties development
上海恒睿房地產有限公司(附註b) Shanghai Hengrui Real Estate Co., Ltd. (Note b)	中國 PRC	100%	100%	註冊資本 人民幣1,589,000,000元 繳足股本 人民幣1,589,000,000元 Registered RMB1,589,000,000 Paid up capital RMB1,589,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(續)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司*(續)* Subsidiary *(Continued)*						
上海恒駿房地產有限公司(附註b) Shanghai Hengjun Real Estate Co., Ltd. (Note b)	中國 PRC	100%	100%	註冊資本 人民幣4,300,000,000元 繳足股本 人民幣3,539,934,000元 Registered RMB4,300,000,000 Paid up capital RMB3,539,934,000	中國 PRC	物業發展 Properties development
瀋陽龍湖房地產拓展有限公司(附註b) Shenyang Longhu Estate Development Co., Ltd. (Note b)	中國 PRC	100%	100%	註冊資本 65,000,000美元 繳足股本 65,000,000美元 Registered USD65,000,000 Paid up capital USD65,000,000	中國 PRC	物業發展 Properties development
瀋陽龍湖新北置業有限公司(附註b) Shenyang Longfor Xinbei Real Estate Co., Ltd. (Note b)	中國 PRC	100%	100%	註冊資本 113,000,000美元 繳足股本 113,000,000美元 Registered USD113,000,000 Paid up capital USD113,000,000	中國 PRC	物業發展 Properties development
四川龍湖地產發展有限公司(附註b) Sichuan Longhu Real Estate Development Company Limited (Note b)	中國 PRC	100%	100%	註冊資本 人民幣50,000,000元 繳足股本 人民幣50,000,000元 Registered RMB50,000,000 Paid up capital RMB50,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(續)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司*(續)* Subsidiary *(Continued)*						
西安龍湖錦城置業有限公司(附註a) Xi'an Longhu Jincheng Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣430,000,000元 繳足股本 人民幣430,000,000元 Registered RMB430,000,000 Paid up capital RMB430,000,000	中國 PRC	物業發展 Properties development
西安龍湖物業服務有限公司(附註a) Xi'an Longhu Property Service Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣3,000,000元 繳足股本 人民幣3,000,000元 Registered RMB3,000,000 Paid up capital RMB3,000,000	中國 PRC	物業管理 Properties management
西安龍湖地產發展有限公司(附註a) Xi'an Longhu Real Estate Inc. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣50,000,000元 繳足股本 人民幣50,000,000元 Registered RMB50,000,000 Paid up capital RMB50,000,000	中國 PRC	物業發展 Properties development
西安龍湖興城置業有限公司(附註a) Xi'an Longhu Xingcheng Estate Co. Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣499,610,000元 繳足股本 人民幣499,610,000元 Registered RMB499,610,000 Paid up capital RMB499,610,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(續)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司*(續)* Subsidiary *(Continued)*						
西安龍湖潤融置業有限公司(附註a) Xi'an Longfor Runrong Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣615,000,000元 繳足股本 人民幣615,000,000元 Registered RMB615,000,000 Paid up capital RMB615,000,000	中國 PRC	物業發展 Properties development
青島龍湖置業拓展有限公司(附註b) Qingdao Longfor Real Estate Co. Ltd. (Note b)	中國 PRC	100%	100%	註冊資本 人民幣1,100,000,000元 繳足股本 人民幣1,100,000,000元 Registered RMB1,100,000,000 Paid up capital RMB1,100,000,000	中國 PRC	物業發展 Properties development
青島龍嘉置業有限公司(附註c) Qingdao Longjia Real Estate Co. Ltd. (Note c)	中國 PRC	100%	100%	註冊資本 90,000,000美元 繳足股本 90,000,000美元 Registered USD90,000,000 Paid up capital USD90,000,000	中國 PRC	物業發展 Properties development
青島龍凱置業有限公司(附註c) Qingdao Longkai Real Estate Co. Ltd. (Note c)	中國 PRC	100%	100%	註冊資本 80,000,000美元 繳足股本 80,000,000美元 Registered USD80,000,000 Paid up capital USD80,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情 *(續)*

(i) *(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司*(續)* Subsidiary *(Continued)*						
寧波龍嘉房地產發展有限公司(附註c) Ningbo Longjia Real Estate Development Co., Ltd. (Note c)	中國 PRC	100%	100%	註冊資本 99,800,000美元 繳足股本 99,800,000美元 Registered USD99,800,000 Paid up capital USD99,800,000	中國 PRC	物業發展 Properties development
煙台龍湖置業有限公司(附註a) Yantai Longfor Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣600,000,000元 繳足股本 人民幣600,000,000元 Registered RMB600,000,000 Paid up capital RMB600,000,000	中國 PRC	物業發展 Properties development
大連龍湖東港房地產有限公司(附註a) Dalian Longfor Donggang Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣340,000,000元 繳足股本 人民幣340,000,000元 Registered RMB340,000,000 Paid up capital RMB340,000,000	PRC	Properties development
南京金名城置業有限公司(附註a) Nanjing Jinmingcheng Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣20,000,000元 繳足股本 人民幣8,000,000元 Registered RMB20,000,000 Paid up capital RMB8,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(續)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司*(續)* Subsidiary *(Continued)*						
蘇州龍湖基業房地產有限公司（附註c） Suzhou Longfor Real Estate Co., Ltd. (Note c)	中國 PRC	51%	51%	註冊資本 130,000,000美元 繳足股本 130,000,000美元 Registered USD130,000,000 Paid up capital USD130,000,000	中國 PRC	物業發展 Properties development
佛山市順德區盛暉置業有限公司（附註b） Foshan Shi Shun De Gu Sheng Hui Real Estate Company Limited (Note b)	中國 PRC	80.0%	46.1%#	註冊資本 人民幣50,000,000元 繳足股本 人民幣50,000,000元 Registered RMB50,000,000 Paid up capital RMB50,000,000	中國 PRC	物業發展 Properties development
Jasmine Spread Investment Limited	英屬維爾京群島（「英屬維爾京群島」） The British Virgin Islands (the "BVI")	100%	100%	法定股本 50,000美元 繳足股本 2美元 Authorised USD50,000 Paid up capital USD2	香港 HK	投資控股 Investment holding
Join Dragon Limited	英屬維爾京群島 BVI	100%	100%	法定股本 50,000美元 繳足股本 2美元 Authorised USD50,000 Paid up capital USD2	香港 HK	投資控股 Investment holding

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(續)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司*(續)* Subsidiary *(Continued)*						
Longfor Investment Co. Ltd.(附註g) Longfor Investment Co. Ltd. (Note g)	英屬維爾京群島 BVI	100%	100%	法定股本 1美元 繳足股本 1美元 Authorised USD1 Paid up capital USD1	香港 HK	投資控股 Investment holding
Silver Oak Enterprises Limited	英屬維爾京群島 BVI	100%	100%	法定股本 50,000美元 繳足股本 2美元 Authorised USD50,000 Paid up capital USD2	香港 HK	投資控股 Investment holding
富煌發展有限公司 Fortune Glister Development Limited	香港 (「香港」) Hong Kong ("HK")	100%	100%	法定股本 10,000港元 繳足股本 1港元 Authorised HKD10,000 Paid up capital HKD1	香港 HK	投資控股 Investment holding
寶欣貿易有限公司 Joy Wealth Trading Limited	香港 HK	100%	100%	法定股本 100,000,000港元 繳足股本 69,687,000港元 Authorised HKD100,000,000 Paid up capital HKD69,687,000	香港 HK	投資控股 Investment holding

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(續)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司*(續)* Subsidiary *(Continued)*						
順嘉有限公司 Joyline Corporation Limited	香港 HK	100%	100%	法定股本 10,000港元 繳足股本 1港元 Authorised HKD10,000 Paid up capital HKD1	香港 HK	投資控股 Investment holding
嘉遜發展香港(控股)有限公司 Juntion Development Hong Kong (Holding) Limited	香港 HK	100%	100%	法定股本 2,000,000港元 繳足股本 2,000,000港元 Authorised HKD2,000,000 Paid up capital HKD2,000,000	香港 HK	投資控股 Investment holding
Longfor Company Limited	香港 HK	100%	100%	法定股本 10,000港元 繳足股本 1港元 Authorised HKD10,000 Paid up capital HKD1	香港 HK	投資控股 Investment holding
定邦有限公司 Treasure State Limited	香港 HK	100%	100%	法定股本 10,000港元 繳足股本 1港元 Authorised HKD10,000 Paid up capital HKD1	香港 HK	投資控股 Investment holding

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(續)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
附屬公司*(續)* Subsidiary *(Continued)*						
順升企業有限公司 Easy Rise Enterprise Limited	香港 HK	51%	51%	法定股本 20,000港元 繳足股本 20,000港元 Authorised HKD20,000 Paid up capital HKD20,000	香港 HK	投資控股 Investment holding
合營企業 Joint ventures						
北京錦昊萬華置業有限公司(附註d) Beijing Jinghao Wanhua Real Estate Company Limited (Note d)	中國 PRC	34%#	34%#	繳足股本 人民幣50,000,000元 註冊資本 人民幣50,000,000元 Paid up capital RMB50,000,000 Registered RMB50,000,000	中國 PRC	物業發展 Properties development
杭州龍耀房地產開發有限公司(附註d) Hangzhou Longyao Real Estate Development Ltd (Note d)	中國 PRC	51%#	100%	繳足股本 人民幣900,000,000元 註冊資本 人民幣900,000,000元 Paid up capital RMB900,000,000 Registered RMB900,000,000	中國 PRC	物業發展 Properties development
廣州市君梁房地產有限公司(附註d) Guangzhou Junliang Real Estate Ltd (Note d)	中國 PRC	50%#	100%	繳足股本 人民幣100,000,000元 註冊資本 人民幣100,000,000元 Paid up capital RMB100,000,000 Registered RMB100,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(續)*

(i) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一五年 2015	二零一四年 2014	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
合營企業*(續)* Joint ventures *(Continued)*						
廣州市湖品房地產有限公司(附註d) Guangzhou Hupin Real Estate Ltd (Note d)	中國 PRC	50%#	100%	繳足股本 人民幣100,000,000元 註冊資本 人民幣100,000,000元 Paid up capital RMB100,000,000 Registered RMB100,000,000	中國 PRC	物業發展 Properties development
聯營公司 Associates						
北京錦泰房地產開發有限公司(附註f) Beijing Jingtai Real Estate Development Company Limited (Note f)	中國 PRC	50%*	—	繳足股本 人民幣90,000,000元 註冊資本 人民幣90,000,000元 Paid up capital RMB90,000,000 Registered RMB90,000,000	中國 PRC	物業發展 Properties development
杭州萬科大家房地產開發有限公司(附註f) Hangzhou Wanke Dajia Real Estate Company Limited (Note f)	中國 PRC	10%**	—	繳足股本 人民幣2,300,000,000元 註冊資本 人民幣2,300,000,000元 Paid up capital RMB2,300,000,000 Registered RMB2,300,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

(i) *(續)*

附註：

(a) 該附屬公司為於中國成立之國內全資附屬企業。

(b) 該附屬公司為於中國成立之合資企業。

(c) 該附屬公司為於中國成立之全外資企業。

(d) 該合營企業為於中國成立之合資企業。

(e) 該聯營公司為於中國成立之全外資企業。

(f) 該聯營公司為於中國成立之合資聯營公司。

(g) 該附屬公司為本公司全資附屬公司並由本公司直接持有，而其他附屬公司由本公司間接持有。

該等公司於各期間結算日根據各公司組織章程大綱及細則入賬列為合營企業，該等公司主要財務及經營政策須獲全體董事一致同意。

+ 截至二零一四年十二月三十一日止年度，成都佳遜(本集團附屬公司)分別直接持有成都嘉南、成都拓晟、成都景匯及成都匯新32.84%、29.74%、29.50%及57.05%的權益，而Northpole(本集團合營企業)分別直接持有成都嘉南、成都拓晟、成都景匯及成都匯新67.16%、70.26%、70.41%及42.95%的權益。根據相關合營協議，該等公司主要財務及經營政策須獲全體合營夥伴一致同意。本集團透過附屬公司及合營企業實際享有該等合營企業71.96%的溢利。截至二零一五年十二月三十一日止年度，如附註35所披露，成都嘉南、成都拓晟、成都景滙及成都滙新成為本集團附屬公司。

* 該公司於年度結算日根據其大綱及細則入賬列作聯營公司，其主要財務及經營政策須獲董事會大多數成員同意。該公司董事會五名董事中有兩名來自本集團，故本集團僅可對該公司施行重大影響。

** 由於該公司董事會七名董事中有一名來自本集團且本集團可對該公司施行重大影響，該公司於年度結算日入賬列作聯營公司。

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(Continued)*

Notes:

(a) The subsidiary is a domestic wholly-owned enterprise established in the PRC.

(b) The subsidiary is an equity joint venture established in the PRC.

(c) The subsidiary is a wholly foreign owned enterprise established in the PRC.

(d) The joint venture is an equity joint venture established in the PRC.

(e) The associate is a wholly foreign owned enterprise established in the PRC.

(f) The associate is an equity associate established in the PRC.

(g) The subsidiary is a wholly owned subsidiary and directly held by the Company. All other subsidiaries are indirectly held by the Company.

These companies are accounted for as joint ventures as at respective period end date as in accordance with the memorandum and articles of the companies, major financial and operating policies of these companies require the unanimous consent of all directors.

+ During the year ended December 31, 2014, the interests in Chengdu Jia'nan, Chengdu Tuocheng, Chengdu Jinghui and Chengdu Huixin directly held by Chengdu Jiaxun (a subsidiary of the Group) and Northpole (a joint venture of the Group) are 32.84%, 29.74%, 29.50% and 57.05% and 67.16%, 70.26%, 70.41% and 42.95% respectively. Pursuant to the relevant joint venture agreements, major financial and operating policies of these companies require the unanimous consent of all joint venture partners. The Group is effectively entitled to 71.96% of profit of these joint ventures through its subsidiary and joint venture. During the year ended December 31, 2015, Chengdu Jia'nan, Chengdu Tuocheng, Chengdu Jinghui and Chengdu Huixin became subsidiaries of the Group as disclosed in note 35.

* The company is accounted for as an associate as at year end date as in accordance with the memorandum and articles of the company, major financial and operating policies of the company requires consent with simple majority in the board of directors. The Group has two out of five directors in the board of the company, thus, the Group is only able to exercise significant influence in the company.

** The company is accounted for as an associate as at year end date as the Group has one out of seven directors in the board of the company and is able to exercise significant influence in the company.

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

(i) *(續)*

董事認為，上表列示主要影響本集團業績或資產之本集團附屬公司、合營企業及聯營公司。董事認為描述其他附屬公司、合營企業及聯營公司詳情會令篇幅過於冗長。

概無附屬公司於二零一五年十二月三十一日發行任何債務證券，重慶龍湖企業拓展發行若干債券(如附註28披露)除外。

董事認為本集團於資產、負債及現金流量之非控制權益對本集團而言並不重大，故並無披露資產、負債及現金流量之財務資料概要。年內，已向非控制權益支付股息零(二零一四年：人民幣100,050,000元)。

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(i) *(Continued)*

The above table lists the subsidiaries, joint ventures and associates of the Group which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries, joint ventures and associates would, in the opinion of the directors, result in particulars of excessive length.

None of the subsidiaries had issued any debt securities at December 31, 2015, except for Chongqing Longhu Development which has issued several bonds as disclosed in note 28.

The directors consider that the non-controlling interests in the assets, liabilities and cash flows of the Group are not material to the Group and so no summarised financial information on the assets, liabilities and cash flows are disclosed. Dividend of nil (2014: RMB100,050,000) was paid to non-controlling interests during the year.

50. 報告期後事項

(a) 於二零一六年一月二十五日及二零一六年一月二十六日，本集團通過間接全資附屬公司重慶龍湖企業拓展發行境內公司債券，包括(i)五年期債券人民幣23億元，票面利率為3.3%且須於二零二一年一月二十五日前悉數償還，重慶龍湖企業拓展有權於第三年末後調整票面利率及投資者有權於二零一九年一月二十五日前回售債券；及(ii)八年期債券人民幣18億元，票面利率為3.68%且須於二零二四年一月二十五日前悉數償還，重慶龍湖企業拓展有權於第五年末後調整票面利率及投資者有權於二零二一年一月二十五日前回售債券。

50. EVENTS AFTER THE REPORTING PERIOD

(a) On January 25, 2016 and January 26, 2016, the Group through Chongqing Longhu Development, an indirectly wholly-owned subsidiary, issued domestic corporate bonds of (i) five years bonds of RMB2.3 billion with a coupon rate of 3.3% repayable in full by January 25, 2021, Chongqing Longhu Development shall be entitled to adjust the coupon rate after the end of the third year and the investors shall be entitled to sell back the bonds by January 25, 2019, and (ii) eight years bonds of RMB1.8 billion with a coupon rate of 3.68% repayable in full by January 25, 2024, Chongqing Longhu Development shall be entitled to adjust the coupon rate after the end of the fifth year and the investors shall be entitled to sell back the bonds by January 25, 2021.

50. 報告期後事項*(續)*

(b) 於二零一六年三月四日及二零一六年三月七日，重慶龍湖企業拓展發行第二批境內公司債券，包括(i)六年期債券人民幣25億元，票面利率為3.19%且須於二零二二年三月四日前悉數償還，重慶龍湖企業拓展有權於第三年末後調整票面利率及投資者有權於二零一九年三月四日前回售債券；及(ii)十年期債券人民幣15億元，票面利率為3.75%且須於二零二六年三月四日前悉數償還，重慶龍湖企業拓展有權於第五年末後調整票面利率及投資者有權於二零二一年三月四日前回售債券。

發行債券所得款項經扣除債券發行相關開支後擬用於調整債務結構及補充流動資金。

債券為無擔保並於上海證券交易所上市。

50. EVENTS AFTER THE REPORTING PERIOD *(Continued)*

(b) On March 4, 2016 and March 7, 2016, Chongqing Longhu Development issued the second tranche of the domestic corporate bonds of (i) six years bonds of RMB2.5 billion with a coupon rate of 3.19% repayable to full by March 4, 2022, Chongqing Longhu Development shall be entitled to adjust the coupon rate after the end of the third year and the investors shall be entitled to sell back the bonds by March 4, 2019, and (ii) ten years bonds of RMB1.5 billion with a coupon rate of 3.75% repayable in full by March 4, 2026, Chongqing Longhu Development shall be entitled to adjust the coupon rate after the end of the fifth year and the investors shall be entitled to sell back the bonds by March 4, 2021.

The proceeds from the issue of the bonds, after deduction of the expenses relating to the bond offering will be used to adjust its debt structure and replenish working capital.

The bonds are non-guaranteed and listed on the Shanghai Stock Exchange.

Deloitte. 德勤

致龍湖地產有限公司成員

(於開曼群島註冊成立的有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第115頁至第295頁的龍湖地產有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表，此綜合財務報表包括於二零一六年十二月三十一日的綜合財務狀況報表及於截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據《國際財務報告準則》(「國際財務報告準則」)真實而中肯地反映　貴集團於二零一六年十二月三十一日的綜合財務狀況及截至該日止年度　貴集團的綜合財務表現及其綜合現金流量，並已遵照香港《公司條例》的披露規定妥為擬備。

意見的基礎

我們已根據香港會計師公會(「香港會計師公會」)頒佈的《香港審計準則》(「香港審計準則」)進行審計。我們在該等準則下承擔的責任於本報告「核數師就審計綜合財務報表承擔的責任」一節中作進一步闡述。根據香港會計師公會頒佈的「專業會計師道德守則」(「守則」)，我們獨立於　貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

關鍵審計事項

關鍵審計事項為我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是我們在審計整體綜合財務報表及出具意見時進行處理的，我們不會對這些事項提供單獨意見。

TO THE MEMBERS OF LONGFOR PROPERTIES CO. LTD.

(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Longfor Properties Co. Ltd. (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 115 to 295, which comprise the consolidated statement of financial position as at December 31, 2016, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2016, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters 關鍵審計事項	How our audit addressed the key audit matters 我們於審計時如何處理關鍵審計事項
Valuation of investment properties	
We identified the valuation of investment properties as a key audit matter due to the significance of the balance to the consolidated financial statements as a whole, combined with the management judgments associated with determining the fair value. The investment properties of the Group represent shopping malls located in the People's Republic of China (the "PRC"). As disclosed in note 12 to the consolidated financial statements, the investment properties are carried at RMB49,031 million as at December 31, 2016, which represents 22% of the Group's total assets. A fair value gain upon transfer to investment properties of RMB47 million and a change in fair value of investment properties of RMB1,971 million were recognised in the consolidated statement of profit or loss and other comprehensive income for the year then ended. All of the Group's investment properties are stated at fair value based on valuations performed by a firm of independent qualified professional valuers (the "Valuers"). Details of the valuation techniques and key inputs used in the valuations are disclosed in note 12 to the consolidated financial statements. The valuations are dependent on certain key inputs that involve management judgments, including term yield, reversionary yield and reversionary rental for completed investment properties, gross development value, developer's profit and discount rate for investment properties under development.	Our procedures in relation to the valuation of the investment properties included: • Evaluating the competence, capabilities and objectivity of the Valuers; • Obtaining an understanding from the Valuers about the valuation methodology, the performance of the property markets, significant assumptions adopted, critical judgment on key inputs and data used in the valuation and how the Valuers justify the methodology and assumptions used; and • Assessing the reasonableness of the key inputs and source data used in the valuations by the management and the Valuers by comparing them, on a sample basis, to existing tenancy profiles, publicly available information of similar comparable properties and our knowledge of the real estate industry.
投資物業的估值	
由於投資物業在綜合財務報表上有重大結餘，以及管理層釐定公平值時須作出判斷，我們將投資物業估值釐定為關鍵審計事項。 貴集團的投資物業為位於中華人民共和國(「中國」)的購物中心。如綜合財務報表附註12所示，投資物業於二零一六年十二月三十一日的賬面值為人民幣49,031百萬元，佔 貴集團總資產的22%。轉撥為投資物業的公平值收益人民幣47百萬元及投資物業公平值變動金額人民幣1,971百萬元已於截至該日止年度的綜合損益及其他全面收益表中確認。 貴集團所有投資物業均以一家獨立合資格專業估值師(「估值師」)所進行的估值為基礎以公平值列賬。綜合財務報表附註12已披露估值技術和估值所用主要輸入數據的詳細資料。估值依賴涉及管理層判斷的若干主要輸入數據，包括已落成投資物業的年期收益率、可能重訂租約收益率和可能重訂租金、在建投資物業的總發展價值、開發商的利潤和貼現率。	我們就有關投資物業的估值採取的程序包括： • 評估估值師的資歷、能力及其客觀性； • 向估值師了解估值方法、物業市場的表現、所採用的重大假設，對主要輸入數據及估值使用的數據的關鍵判斷以及估值師如何支持所用的方法和假設；及 • 評估管理層和估值師在估值中使用的主要輸入數據和來源數據的合理性，並抽樣與現有租約狀況、類似可比物業的公開可得資料以及我們對房地產行業的了解進行比較。

Key audit matters 關鍵審計事項	How our audit addressed the key audit matters 我們於審計時如何處理關鍵審計事項
Valuation of properties under development for sales and properties held for sales	
We identified the valuation of the Group's properties under development for sales (the "PUD") and properties held for sales (the "PFS") (collectively referred to as the "Properties") as a key audit matter due to the management judgments involved in the determination of the net realisable value (the "NRV") of these Properties and the estimation of future costs to completion of the Properties. The Group's PUD of RMB89,426 million and PFS of RMB10,247 million are situated in the PRC as at December 31, 2016. As set out in note 4 to the consolidated financial statements, the management of the Group determined the NRV of these Properties by reference to the estimated market prices of the Properties, which takes into account a number of factors including the recent prices of similar property types in the same project or by similar properties, and the prevailing and forecasted real estate market conditions in the PRC. Based on the management estimation of the NRV of the Properties, no write-downs were considered to be necessary. Besides, as set out in note 4 to the consolidated financial statements, the management estimated the future cost to completion of the Properties by reference to the actual development cost of the Group's completed projects, adjusted by certain current market data.	Our procedures in relation to the valuation of the Properties included: • Evaluating the reasonableness of the estimated future cost to completion of the Properties, on a sample basis, by comparing it to the actual development cost of similar completed properties of the Group and comparing the adjustments made by the management to current market data; • Assessing the appropriateness of the NRV of the Properties, on a sample basis, estimated by the management by comparing the estimated selling prices to the market prices achieved in the same projects or comparable properties, based on our knowledge of the Group's business and the PRC real estate industry; and • Assessing the reasonableness of the estimation of the NRV and future cost to completion of the Properties by comparing the previous estimation to the actual amounts.
發展中物業及持作出售物業的估值	
由於釐定　貴集團發展中待售物業(「發展中待售物業」)及持作出售物業(「持作出售物業」)(統稱為「該等物業」)的可變現淨值(「可變現淨值」)及估計該等物業的未來完工成本涉及管理層的判斷，故我們將該等物業的估值釐定為關鍵審計事項。 於二零一六年十二月三十一日，　貴集團於中國的發展中待售物業為人民幣89,426百萬元，而持作出售物業為人民幣10,247百萬元。如綜合財務報表附註4所示，　貴集團管理層於確定該等物業的可變現淨值時，參照該等物業的估計市場價格，其中考慮多項因素，包括同一項目中類似物業類型或類似物業的近期價格，以及現行和預測的中國房地產市場狀況。根據管理層對該等物業可變現淨值時的估計，該等物業毋須作出撇減的。此外，如綜合財務報表附註4所示，管理層參照　貴集團已完成項目的實際開發成本(已就若干當前市場數據進行調整)，估計完成該等物業的未來成本。	我們就有關該等物業的估值採取的程序包括： • 通過將　貴集團類似已完工物業的實際開發成本與管理層對當前市場數據作出的調整進行比較，評估完成該等物業的估計未來成本的合理性； • 根據我們對　貴集團的業務及中國房地產行業的知識，抽樣將估計售價與相同項目或可比較項目的市場價格進行比較，評估該等物業的可變現淨值的合理性；及 • 通過將先前的估計與實際金額進行比較，評估可變現淨值估計和完成該等物業的未來成本的準確性。

Key audit matters 關鍵審計事項	How our audit addressed the key audit matters 我們於審計時如何處理關鍵審計事項
Accuracy of land appreciation tax calculations	
We identified the accuracy of land appreciation tax ("LAT") calculations in the PRC as a key audit matter since significant judgment is required in estimating the amount of LAT to be paid by the Group within each of the property development projects. LAT arises in the PRC when properties are delivered to the buyers and revenue is recognised. As disclosed in note 9 to the consolidated financial statements, LAT amounting to RMB2,732 million was recognised for current year in the consolidated statement of profit or loss and other comprehensive income for the year ended December 31, 2016. As disclosed in note 4 to the consolidated financial statements, the LAT calculations are highly dependent on the appropriateness of the rates used, which are determined by the amount of the land appreciation. The amount of the land appreciation is determined by subtracting the related deductible amounts, including the cost of land and estimated construction costs, from the estimates of sales revenue.	Our procedures in relation to the accuracy of LAT calculations included: • Evaluating the reasonableness of the estimated sales revenue and the related deductible amounts used in the LAT calculation; • Engaging our tax specialists in the PRC to assess the accuracy of the land appreciation amount calculations for each of the property development projects, and to assess the appropriateness of the LAT rate used for each of the property development projects by comparing it to the LAT rate announced by the State Administration of Taxation in the PRC; and • Evaluating the judgments applied by the management in estimating the amount of land appreciation amount and LAT rate by comparing their estimates made in previous years to actual results as well as current year's estimates.
土地增值稅計算的準確性	
由於估計　貴集團將於每個物業發展項目的土地增值稅稅金時需要重大判斷，因此我們將土地增值稅(「土地增值稅」)計算的準確性釐定為關鍵審計事項。 當物業交付買家而收入得以確認時，在中國便會產生土地增值稅。如綜合財務報表附註9所披露，截至二零一六年十二月三十一日止年度，綜合損益及其他全面收益表在本年確認土地增值稅為人民幣2,732百萬元。如綜合財務報表附註4所披露，土地增值金額由估計銷售收入所得減去相關可扣除支出(包括土地成本及估計建造成本)釐定。	我們就有關土地增值稅計算的準確性採取的程序包括： • 評估在土地增值稅計算中使用的估計銷售收入和相關可抵扣金額的合理性； • 委聘我們的中國稅務專家，評估每個物業發展項目的土地增值計算金額的準確性，並將每個物業發展項目所用的土地增值稅稅率，與中國國家稅務總局公佈的土地增值稅稅率進行比較，評估是否適當；及 • 將前幾年取得實際成果與本年度的估計進行比較，評估管理層估計土地增值的金額及土地增值稅率所用的判斷。

Key audit matters 關鍵審計事項	How our audit addressed the key audit matters 我們於審計時如何處理關鍵審計事項
Revenue recognised from sales of properties	
We identified revenue recognised from sales of properties as a key audit matter as it is quantitatively significant to the consolidated statement of profit or loss and other comprehensive income and there are judgments involved in determining the appropriate point at which to recognise revenue from sales of properties. Revenue from sales of properties is recognised upon delivery of the properties to buyers and when all of the five criteria as disclosed in note 3 *Revenue recognition* to the consolidated financial statements are satisfied. The Group recognised revenue of RMB51,441 million from sales of properties for the year ended December 31, 2016 as disclosed in note 5(c) in the consolidated financial statements.	Our procedures in relation to the revenue recognised from sales of properties included: • Obtaining an understanding of and testing the Group's internal control over the delivery of properties to buyers; and • Evaluating the terms set out in the sales and purchase agreements, on a sample basis, and obtaining the delivery notices issued by the Group to the buyers to assess whether the five criteria as disclosed in note 3 *Revenue recognition* to the consolidated financial statements are satisfied.
確認銷售物業收入	
由於物業銷售確認的收入於數量上對綜合損益及其他全面收益表而言屬重大且於釐定銷售物業收入的適當確認點時涉及判斷，因此我們將其釐定為關鍵審計事項。 銷售物業收入在物業交付給買方後，並於滿足如綜合財務報表附註3收入確認所披露所有五項標準後確認。如綜合財務報表附註5(c)所披露， 貴集團截至二零一六年十二月三十一日止年度確認收入人民幣51,441百萬元。	我們就有關銷售物業確認的收入採取的程序包括： • 瞭解並測試 貴集團向買方交付物業的內部控制；及 • 抽樣評估買賣協議內所載的條款，並取得 貴集團向買方發出的交付通知，以評估是否達到綜合財務報表附註3「收入確認」披露的五項標準。

其他信息

貴公司董事負責其他信息。其他信息包括年報所載資料，但不包括綜合財務報表及相關核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對其他信息發表任何形式的鑒證結論。

當審計綜合財務報表時，我們的責任為閱讀其他信息，於此過程中，考慮其他信息是否與綜合財務報表或我們於審計過程中所了解的情況有重大抵觸，或者似乎有重大錯誤陳述。基於我們已執行的工作，倘我們認為其他信息有重大錯誤陳述，我們須報告該事實。於此方面，我們沒有任何報告。

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據國際財務報告準則及香港《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並為其認為必須為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估　貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將　貴集團清盤或停止經營，或別無其他實際的替代方案。

治理層須負責監督　貴集團財務報告過程。

RESPONSIBILITIES OF THE DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRSs and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

核數師就審計綜合財務報表承擔的責任

我們的目標是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並根據我們協定的委任條款僅向　閣下(作為整體)出具包括我們意見的核數師報告，除此之外本報告別無其他目的。我們不會就本報告內容向任何其他人士負上或承擔任何責任。合理保證屬高水平的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表作出的經濟決定，則有關的錯誤陳述可被視作重大。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

核數師就審核綜合財務報表承擔的責任*(續)*

在根據香港審計準則進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對　貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論，並根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對　貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當修訂我們的意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致　貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

核數師就審核綜合財務報表承擔的責任*(續)*

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

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

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

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

出具本獨立核數師報告的審計項目合夥人是李民基。

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

The engagement partner on the audit resulting in the independent auditor's report is Li Man Kei.

德勤 • 關黃陳方會計師行
執業會計師
香港
二零一七年三月二十四日

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
March 24, 2017

綜合損益及其他全面收益表
Consolidated Statement of Profit or Loss and other Comprehensive Income

截至二零一六年十二月三十一日止年度
FOR THE YEAR ENDED DECEMBER 31, 2016

		附註 NOTES	二零一六年 2016 *人民幣千元 RMB'000*	二零一五年 2015 *人民幣千元 RMB'000*
收入	Revenue	5	54,799,495	47,423,099
銷售成本	Cost of sales		(38,864,114)	(34,408,307)
毛利	Gross profit		15,935,381	13,014,792
其他收入	Other income	6	336,045	453,445
其他收益及虧損	Other gains and losses	7	(155,308)	(155,988)
轉撥為投資物業的公平值收益	Fair value gain upon transfer to investment properties	12	47,154	434,251
投資物業公平值變動	Change in fair value of investment properties	12	1,970,958	2,439,626
衍生金融工具公平值變動	Change in fair value of derivative financial instruments	26	(109,031)	—
銷售及市場推廣開支	Selling and marketing expenses		(1,427,723)	(1,017,951)
行政開支	Administrative expenses		(2,022,328)	(1,435,026)
融資成本	Finance costs	8	(53,059)	(43,119)
應佔聯營公司業績	Share of results of associates		1,051,011	(18,707)
應佔合營企業業績	Share of results of joint ventures		383,210	266,864
除稅前溢利	Profit before taxation		15,956,310	13,938,187
所得稅開支	Income tax expense	9	(6,021,444)	(4,574,070)
年度溢利	Profit for the year	42	9,934,866	9,364,117
以下應佔溢利：	Profit attributable to:			
本公司擁有人	Owners of the Company		9,152,953	8,988,037
非控制權益	Non-controlling interests		781,913	376,080
			9,934,866	9,364,117
每股盈利(人民幣元)	Earnings per share, in RMB			
基本	Basic	11	1.57	1.54
攤薄	Diluted	11	1.57	1.53

綜合損益及其他全面收益表
Consolidated Statement of Profit or Loss and other Comprehensive Income

截至二零一六年十二月三十一日止年度
FOR THE YEAR ENDED DECEMBER 31, 2016

		附註 NOTES	二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
年度溢利	Profit for the year		9,934,866	9,364,117
其他全面收益(開支)：	Other comprehensive income (expense):			
將可能重新分類至損益之項目：	*Items that may be reclassified subsequently to profit or loss:*			
對沖工具的公平值收益淨額	Net fair value gain on hedging instruments		287,663	518,720
重新換算至損益的對沖工具產生的收益	Gain on retranslating hedging instruments reclassified to profit and loss		(248,592)	(613,754)
			39,071	(95,034)
年度全面收益總額	Total comprehensive income for the year		9,973,937	9,269,083
以下應佔全面收益總額：	Total comprehensive income attributable to:			
本公司擁有人	Owners of the Company		9,192,024	8,893,003
非控制權益	Non-controlling interests		781,913	376,080
			9,973,937	9,269,083

綜合財務狀況報表
Consolidated Statement of Financial Position

於二零一六年十二月三十一日
At December 31, 2016

		附註 NOTES	二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
非流動資產	NON-CURRENT ASSETS			
投資物業	Investment properties	12	49,030,600	43,385,100
物業、廠房及設備	Property, plant and equipment	13	198,642	208,374
預付租賃款項	Prepaid lease payments	14	17,421,955	11,774,585
於聯營公司的權益	Interests in associates	15	1,585,693	355,793
於合營企業的權益	Interests in joint ventures	16	2,737,328	882,285
可供出售投資	Available-for-sale investments	17	180,021	130,920
就購入土地使用權已付的按金	Deposits paid for acquisition of land use rights		11,925,639	4,849,295
衍生金融工具	Derivative financial instruments	28	639,233	701,083
遞延稅項資產	Deferred taxation assets	30	2,622,641	1,623,857
			86,341,752	63,911,292
流動資產	CURRENT ASSETS			
存貨	Inventories	18	838,729	777,384
發展中待售物業	Properties under development for sales	19	89,426,431	70,829,748
持作出售物業	Properties held for sales	20	10,246,730	10,428,963
應收賬款及其他應收款項、按金及預付款項	Accounts and other receivables, deposits and prepayments	21	10,324,224	9,920,130
應收非控制權益款項	Amounts due from non-controlling interests	22	3,854,408	2,301,758
應收聯營公司款項	Amounts due from associates	22	—	2,695,676
應收合營企業款項	Amounts due from joint ventures	22	2,248,153	1,772,453
可收回稅項	Taxation recoverable		3,844,962	3,291,225
衍生金融工具	Derivative financial instruments	28	349,513	—
已抵押銀行存款	Pledged bank deposits	23	97,368	240,313
銀行結餘及現金	Bank balances and cash	23	17,258,104	17,919,664
			138,488,622	120,177,314

綜合財務狀況報表
Consolidated Statement of Financial Position

於二零一六年十二月三十一日
At December 31, 2016

		附註 NOTES	二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
流動負債	CURRENT LIABILITIES			
應付賬項及應付票據、已收按金及應計費用	Accounts and bills payables, deposits received and accrued charges	24	66,725,559	52,942,119
應付非控制權益款項	Amounts due to non-controlling interests	25	2,953,235	—
應付聯營公司款項	Amounts due to associates	25	1,823,964	179,612
應付合營企業款項	Amounts due to joint ventures	25	1,686,533	772,930
應付一名聯營公司控股股東款項	Amount due to a controlling shareholder of an associate	25	—	669,363
應付稅項	Taxation payable		12,939,782	10,304,622
銀行及其他借款－一年內到期	Bank and other borrowings - due within one year	26	5,333,349	6,177,916
			91,462,422	71,046,562
流動資產淨額	NET CURRENT ASSETS		47,026,200	49,130,752
總資產減流動負債	TOTAL ASSETS LESS CURRENT LIABILITIES		133,367,952	113,042,044
資本及儲備	CAPITAL AND RESERVES			
股本	Share capital	29(a)	508,438	507,823
儲備	Reserves		61,256,261	54,616,826
本公司擁有人應佔權益	Equity attributable to owners of the Company		61,764,699	55,124,649
非控制權益	Non-controlling interests		13,350,481	7,343,005
權益總額	TOTAL EQUITY		75,115,180	62,467,654
非流動負債	NON-CURRENT LIABILITIES			
銀行及其他借款－一年後到期	Bank and other borrowings - due after one year	26	47,027,089	38,158,492
優先票據	Senior notes	27	5,511,632	7,929,172
其他衍生金融工具	Other derivative financial instruments	26	215,915	—
遞延稅項負債	Deferred taxation liabilities	30	5,498,136	4,486,726
			58,252,772	50,574,390
			133,367,952	113,042,044

第115至295頁之綜合財務報表於二零一七年三月二十四日獲董事會批准及授權刊發，並由以下人士代表簽署：

The consolidated financial statements on pages 115 to 295 were approved and authorised for issue by the Board of Directors on March 24, 2017 and are signed on its behalf by:

吳亞軍
WU Yajun
董事
DIRECTOR

趙軼
ZHAO Yi
董事
DIRECTOR

綜合權益變動表
Consolidated Statement of Changes in Equity

截至二零一六年十二月三十一日止年度
For the year ended December 31, 2016

		本公司擁有人應佔 Attributable to owners of the Company													
		股本 Share capital 人民幣千元 RMB'000	股份溢價 Share premium 人民幣千元 RMB'000	股本儲備 Capital reserve 人民幣千元 RMB'000	特別儲備 Special reserve 人民幣千元 RMB'000	其他儲備 Other reserve 人民幣千元 RMB'000	法定盈餘儲備 Statutory surplus reserve 人民幣千元 RMB'000	匯兑儲備 Exchange reserve 人民幣千元 RMB'000	持作股份獎勵的股份 Shares held for share award 人民幣千元 RMB'000	購股權儲備 Share option reserve 人民幣千元 RMB'000	對沖儲備 Hedging reserve 人民幣千元 RMB'000	保留盈利 Retained earnings 人民幣千元 RMB'000	本公司擁有人應佔 Attributable to owners of the Company 人民幣千元 RMB'000	非控制權益 Non-controlling interests 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
於二零一五年一月一日	At January 1, 2015	505,814	7,949,501	(437,448)	620,672	513,176	1,075,537	(1,654)	—	479,331	148,574	36,910,422	47,763,925	2,508,078	50,272,003
年度權益	Profit for the year	—	—	—	—	—	—	—	—	—	—	8,988,037	8,988,037	376,080	9,364,117
對沖工具的公平值收益	Fair value gain on hedging instruments	—	—	—	—	—	—	—	—	—	518,720	—	518,720	—	518,720
重新分類至損益的對沖工具收益	Gain on hedging instruments reclassified to profit and loss	—	—	—	—	—	—	—	—	—	(613,754)	—	(613,754)	—	(613,754)
年度全面收益額	Total comprehensive income for the year	—	—	—	—	—	—	—	—	—	(95,034)	8,988,037	8,893,003	376,080	9,269,083
確認以權益結算及股份為基礎的付款	Recognition of equity-settled share-based payments	—	—	—	—	—	—	—	—	101,633	—	—	101,633	—	101,633
註銷購股權	Cancellation of share options	—	—	—	—	—	—	—	—	(3,587)	—	3,587	—	—	—
非控製股東注資	Capital injection from non-controlling shareholders	—	—	—	—	—	—	—	—	—	—	—	—	3,272,290	3,272,290
確認為分派的股息	Dividend recognised as distribution	—	(1,654,310)	—	—	—	—	—	—	—	—	—	(1,654,310)	—	(1,654,310)
收購附屬公司的額外權益(附註31)	Acquisitions of additional interests in subsidiaries (Note 31)	—	—	—	—	(117,302)	—	—	—	—	—	—	(117,302)	(64,812)	(182,114)
透過收購附屬公司收購資產及負債產生的額外非控制權益(附註33)	Additional non-controlling interests arising on acquisition of assets and liabilities through acquisition of subsidiaries (Note 33)	—	—	—	—	—	—	—	—	—	—	—	—	1,251,369	1,251,369
行使購股權發行股份	Issue of shares on exercise of share options	2,009	217,009	—	—	—	—	—	—	(76,467)	—	—	142,551	—	142,551
撥作儲備	Appropriations to reserve	—	—	—	—	—	127,591	—	—	—	—	(127,591)	—	—	—
根據股份獎勵計劃購買股份(附註41b)	Purchase of shares under the share award scheme (Note 41b)	—	—	—	—	—	—	—	(4,851)	—	—	—	(4,851)	—	(4,851)
於二零一五年十二月三十一日	At December 31, 2015	507,823	6,512,200	(437,448)	620,672	395,874	1,203,128	(1,654)	(4,851)	500,910	53,540	45,774,455	55,124,649	7,343,005	62,467,654

		本公司擁有人應佔 Attributable to owners of the Company													
		股本 Share capital 人民幣千元 RMB'000	股份溢價 Share premium 人民幣千元 RMB'000	股本儲備 Capital reserve 人民幣千元 RMB'000	特別儲備 Special reserve 人民幣千元 RMB'000	其他儲備 Other reserve 人民幣千元 RMB'000	法定盈餘儲備 Statutory surplus reserve 人民幣千元 RMB'000	匯兌儲備 Exchange reserve 人民幣千元 RMB'000	持作股份獎勵的股份 Shares held for share award 人民幣千元 RMB'000	購股權儲備 Share option reserve 人民幣千元 RMB'000	對沖儲備 Hedging reserve 人民幣千元 RMB'000	保留盈利 Retained earnings 人民幣千元 RMB'000	本公司擁有人應佔 Attributable to owners of the Company 人民幣千元 RMB'000	非控制權益 Non-controlling interests 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
年度權益	Profit for the year	—	—	—	—	—	—	—	—	—	—	9,152,953	9,152,953	781,913	9,934,866
對沖工具的公平值收益	Fair value gain on hedging instruments	—	—	—	—	—	—	—	—	—	287,663	—	287,663	—	287,663
重新分類至損益的對沖工具收益	Gain on hedging instruments reclassified to profit and loss	—	—	—	—	—	—	—	—	—	(248,592)	—	(248,592)	—	(248,592)
年度全面收益(開支)總額	Total comprehensive income (expense) for the year	—	—	—	—	—	—	—	—	—	39,071	9,152,953	9,192,024	781,913	9,973,937
確認以權益結算及股份為基礎的付款	Recognition of equity-settled share-based payments	—	—	—	—	—	—	—	—	63,978	—	—	63,978	—	63,978
註銷購股權	Cancellation of share options	—	—	—	—	—	—	—	—	(21,639)	—	21,639	—	—	—
非控股股東注資	Capital injection from non-controlling shareholders	—	—	—	—	—	—	—	—	—	—	—	—	1,956,971	1,956,971
確認為分派的股息	Dividend recognised as distribution	—	(2,083,332)	—	—	—	—	—	—	—	—	—	(2,083,332)	—	(2,083,332)
透過收購附屬公司收購資產及負債產生的額外非控制權益(附註33)	Additional non-controlling interests arising on acquisition of assets and liabilities through acquisition of subsidiaries (Note 33)	—	—	—	—	—	—	—	—	—	—	—	—	2,318,442	2,318,442
根據股份獎勵計劃購買股份(附註41b)	Purchase of shares under the share award scheme (Note 41b)	—	—	—	—	—	—	—	(579,218)	—	—	—	(579,218)	—	(579,218)
撥作儲備	Appropriations to reserve	—	—	—	—	—	539,235	—	—	—	—	(539,235)	—	—	—
行使購股權發行股份	Issue of shares on exercise of share options	615	70,653	—	—	—	—	—	—	(18,539)	—	—	52,729	—	52,729
出售附屬公司的部分權益而並無導致失去控制權(附註32)	Disposal of partial interest in subsidiaries not resulting in losing of control (Note 32)	—	—	—	—	(6,131)	—	—	—	—	—	—	(6,131)	950,150	944,019
於二零一六年十二月三十一日	At December 31, 2016	508,438	4,499,521	(437,448)	620,672	389,743	1,742,363	(1,654)	(584,069)	524,710	92,611	54,409,812	61,764,699	13,350,481	75,115,180

此等儲備之性質及用途載於附註29。

Details of the nature and purpose of these reserves are set out in note 29.

綜合現金流量表
Consolidated Statement of Cash Flows

截至二零一六年十二月三十一日止年度
For the year ended December 31, 2016

		附註 NOTES	二零一六年 2016 *人民幣千元 RMB'000*	二零一五年 2015 *人民幣千元 RMB'000*
經營活動	OPERATING ACTIVITIES			
除稅前溢利	Profit before taxation		15,956,310	13,938,187
經以下調整：	Adjustments for:			
融資成本	Finance costs		53,059	43,119
物業、廠房及設備折舊	Depreciation of property, plant and equipment		46,255	33,164
轉撥為投資物業的公平值收益	Fair value gain upon transfer to investment properties		(47,154)	(434,251)
投資物業公平值變動	Change in fair value of investment properties		(1,970,958)	(2,439,626)
衍生金融工具的公平值變動	Change in fair value of derivative financial instruments		109,031	—
應佔聯營公司業績	Share of results of associates		(1,051,011)	18,707
應佔合營企業業績	Share of results of joint ventures		(383,210)	(266,864)
出售物業、廠房及設備的收益	Gain on disposal of property, plant and equipment		(15,700)	(2,997)
利息收入	Interest income		(141,046)	(238,024)
匯兌虧損(收益)淨額	Net exchange loss (gain)		432,470	(97,130)
可供出售投資的股息收入	Dividend income from available-for-sale investments		(1,252)	(626)
以股份為基礎的付款開支	Share-based payments expenses		63,978	101,633
提早贖回優先票據的虧損	Loss on early redemption of senior notes		117,226	—
營運資金變動前的經營現金流量	Operating cash flows before movements in working capital		13,167,998	10,655,292
存貨(增加)減少	(Increase) decrease in inventories		(61,345)	825
發展中待售物業增加	Increase in properties under development for sales		(17,219,449)	(18,305,191)
持作出售物業減少	Decrease in properties held for sales		37,193,150	33,275,607
應收賬款及其他應收款項、按金及預付款項增加	Increase in accounts and other receivables, deposits and prepayments		(5,662,802)	(2,041,100)
應付賬款及應付票據、已收按金及應計費用增加(減少)	Increase (decrease) in accounts and bills payables, deposits received and accrued charges		9,174,893	(6,421,356)
經營產生的現金	Cash from operations		36,592,445	17,164,077
已付中華人民共和國(「中國」)所得稅	The People's Republic of China (the "PRC") income tax paid		(3,919,089)	(3,082,932)
經營活動所得現金淨額	NET CASH FROM OPERATING ACTIVITIES		32,673,356	14,081,145

		附註 NOTES	二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
投資活動	INVESTING ACTIVITIES			
預付租賃款項增加	Additions to prepaid lease payments		(22,232,378)	(6,033,522)
投資物業增加	Additions to investment properties		(2,953,997)	(3,280,603)
就購入土地使用權已付的按金	Deposits paid for acquisition of land use rights		(12,488,087)	(8,426,278)
透過收購附屬公司收購資產及負債	Acquisition of assets and liabilities through acquisition of subsidiaries	33	(2,634,798)	635,315
出售一間附屬公司	Disposal of a subsidiary	34	—	174,286
視作出售附屬公司	Deemed disposal of subsidiaries		—	(60,000)
向聯營公司出資	Capital contribution to associates		—	(374,500)
向合營企業出資	Capital contribution to joint ventures		—	(58,423)
投資合營企業	Investments in joint ventures		(495,079)	(345,415)
於可供出售投資的投資	Investment in available-for-sale investment		(49,101)	(122,320)
於聯營公司的投資	Investments in associates		(495,321)	—
已收合營企業的股息	Dividend received from a joint venture		—	218,122
已收聯營公司的股息	Dividend received from an associate		300,000	—
聯營公司還款(向聯營公司墊款)	Repayments from (advances to) associates		2,695,676	(2,695,676)
(向合營企業墊款)合營企業還款	(Advance to) repayments from joint ventures		(475,700)	4,843,040
向非控制權益墊款	Advances to non-controlling interests		(1,552,650)	(2,301,758)
存入已抵押銀行存款	Placement of pledged bank deposits		(19,596)	(11,434)
提取已抵押銀行存款	Withdrawal of pledged bank deposits		162,541	13,190
購入物業、廠房及設備	Purchase of property, plant and equipment		(42,392)	(60,259)
已收利息	Interest received		141,046	238,024
出售物業、廠房及設備所得款項	Proceeds from disposal of property, plant and equipment		22,005	15,690
自可供出售投資收取的股息	Dividend received from available-for-sale investments		1,252	626
投資活動所用現金淨額	NET CASH USED IN INVESTING ACTIVITIES		(40,116,579)	(17,631,895)

綜合現金流量表
Consolidated Statement of Cash Flows

截至二零一六年十二月三十一日止年度
For the year ended December 31, 2016

		附註 NOTES	二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
融資活動	FINANCING ACTIVITIES			
收購附屬公司的額外權益	Acquisitions of additional interests in subsidiaries	31	—	(182,114)
出售附屬公司的部份權益（未失去控制權）	Disposal of partial interest in subsidiaries not resulting in losing of control	32	944,019	—
償還銀行及其他借款	Repayment of bank and other borrowings		(22,645,189)	(19,717,508)
已付利息	Interest paid		(2,731,100)	(2,716,977)
新增銀行及其他借款	New bank and other borrowings raised		19,564,069	15,037,275
發行債券所得款項	Proceeds from issue of bonds		11,800,000	8,000,000
償還債券	Repayment of bond		(1,400,000)	—
發行債券的開支	Expenses on issue of bonds		(75,945)	(52,330)
購回優先票據	Repurchase of senior notes		(45,404)	—
贖回優先票據	Redemption of senior notes		(2,817,764)	—
非控股股東注資	Capital injection from non-controlling shareholders		1,956,971	3,272,290
非控制權益墊款	Advance from non-controlling interests		2,953,235	—
發行股份所得款項	Proceeds from issue of shares		52,729	142,551
就根據股份獎勵計劃購買	Payment for purchase of shares under the share award scheme		(579,218)	(4,851)
已付股息	Dividend paid		(2,083,332)	(1,654,310)
聯營公司墊款	Advances from associates		1,644,352	179,612
合營企業墊款（向合營企業還款）	Advances from (repayments to) joint ventures		913,603	(297,068)
（向一名聯營公司控股股東還款）一名聯營公司控股股東墊款	(Repayments to) advance from a controlling shareholder of an associate		(669,363)	669,363
融資活動所得現金淨額	NET CASH FROM FINANCING ACTIVITIES		6,781,663	2,675,933
現金及現金等價物減少淨額	NET DECREASE IN CASH AND CASH EQUIVALENTS		(661,560)	(874,817)
年初的現金及現金等價物	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		17,919,664	18,794,481
年末的現金及現金等價物	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		17,258,104	17,919,664
現金及現金等價物結餘分析	ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS			
銀行結餘及現金	Bank balances and cash		17,258,104	17,919,664

1. 一般資料

本公司於二零零七年十二月二十一日在開曼群島根據開曼群島公司法(一九六一年第三號法律第22章，經綜合及修訂)註冊成立為獲豁免有限公司。本公司股份於香港聯合交易所有限公司(「聯交所」)主板上市，註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands。本公司於中華人民共和國(「中國」)及香港的主要營業地點的地址分別為北京朝陽區惠新東街4號富盛大廈2座7樓及香港中環都爹利街1號15樓。

本公司乃投資控股公司，其附屬公司主要業務活動的詳情載於附註49。

綜合財務報表以本公司及其主要附屬公司的功能貨幣人民幣(「人民幣」)呈報。

1. GENERAL INFORMATION

The Company was incorporated on December 21, 2007 as an exempted company with limited liability in the Cayman Islands under the Companies Law Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The shares of the Company are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "SEHK"). The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The addresses of the principal place of business of the Company in the People's Republic of China (the "PRC") and Hong Kong are 7/F, Tower 2, FuSheng Building, No. 4 Huixin East Street, Chaoyang District, Beijing, and 15/F, 1 Duddell Street, Central, Hong Kong, respectively.

The Company acts as an investment holding company. Details of the principal activities of its subsidiaries are set out in note 49.

The consolidated financial statements are presented in Renminbi ("RMB"), which is the functional currency of the Company and its major subsidiaries.

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)

於本年度強制生效的國際財務報告準則修訂本

本集團於本年度首次採納以下由國際會計準則理事會(「國際會計準則理事會」)頒佈國際財務報告準則的修訂本：

Amendments to IFRS 11
國際財務報告準則第11號之修訂本
Amendments to IAS 1
國際會計準則第1號修訂本
Amendments to IAS 16 and IAS 38
國際會計準則第16號及國際會計準則第38號修訂本
Amendments to IAS 16 and IAS 41
國際會計準則第16號及國際會計準則第41號修訂本
Amendments to IAS 27
國際會計準則第27號修訂本
Amendments to IFRS 10, IFRS 12 and IAS 28
國際財務報告準則第10號、國際財務報告準則第12號及國際會計準則第28號
Amendments to IFRSs
國際財務報告準則修訂本

除下文所述者外，於本年度採用國際財務報告準則修訂本對本集團於本年度及過往年度的財務表現及狀況及／或該等綜合財務報表所載披露並無重大影響。

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS")

Amendments to *IFRSs that are mandatorily effective for the current year*

The Group has applied the following amendments to IFRSs issued by the International Accounting Standards Board ("IASB") for the first time in the current year:

Accounting for Acquisitions of Interests in Joint Operations
收購合資經營業務權益之會計
Disclosure Initiative
披露主動性
Clarification of Acceptable Methods of Depreciation and Amortisation
澄清折舊及攤銷之可接受方法

Agriculture: Bearer Plants
農業：生產性植物

Equity Method in Separate Financial Statements
獨立財務報表中的權益法
Investment Entities: Applying the Consolidation Exception
投資實體：應用綜合入賬的例外

Annual Improvements to IFRSs 2012 - 2014 Cycle
二零一二年至二零一四年週期國際財務報告準則的年度改進

Except as described below, the application of the amendments to IFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」) *(續)*

國際會計準則第1號修訂本披露主動性

本集團已於本年度首次應用國際會計準則第1號披露主動性的修訂。國際會計準則第1號修訂本澄清倘披露之資料並不重大，則實體毋須按國際財務報告準則規定提供具體披露，並就匯總及分析資料的基準提供指引。然而，修訂重申實體應考慮在遵守國際財務報告準則特定要求不足以使財務報表的使用者明白特定交易、事件及情況對實體的財務狀況及財務表現的影響時提供額外披露。

此外，修訂闡明實體應佔的採用權益法入賬的聯營公司及合營企業其他全面收入應當與本集團產生的該等收入單獨呈列，並應根據其他國際財務報告準則分成以下應佔項目：(i)其後不會重新分類至損益；及(ii)其後將會在符合特定條件時重新分類至損益。

至於財務報表的結構，修訂提供系統性排序或分組附註的示例。

本集團已追溯應用該等修訂。綜合財務報表內若干附註的排序已經修改，以突出管理層認為與了解本集團財務表現及財務狀況最相關的本集團活動方面。尤其是，年內溢利重新排序至附註42，而有關董事、行政總裁及僱員薪酬的資料重新排序至附註43。除上述呈列及披露變動外，應用國際會計準則第1號修訂本並無對該等綜合財務報表內本集團的財務表現或財務狀況造成任何影響。

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") *(Continued)*

Amendments to IAS 1 *Disclosure Initiative*

The Group has applied the amendments to IAS 1 *Disclosure Initiative* for the first time in the current year. The amendments to IAS 1 clarify that an entity need not provide a specific disclosure required by an IFRS if the information resulting from that disclosure is not material, and give guidance on the bases of aggregating and disaggregating information. However, the amendments reiterate that an entity should consider providing additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users of financial statements to understand the impact of particular transactions, events and conditions on the entity's financial position and financial performance.

In addition, the amendments clarify that an entity's share of the other comprehensive income of associates and joint ventures accounted for using the equity method should be presented separately from those arising from the Group, and should be separated into the share of items that, in accordance with other IFRSs: (i) will not be reclassified subsequently to profit or loss; and (ii) will be reclassified subsequently to profit or loss when specific conditions are met.

As regards the structure of the financial statements, the amendments provide examples of systematic ordering or grouping of the notes.

The Group has applied these amendments retrospectively. The ordering of certain notes to the consolidated financial statements have been revised to give prominence to the areas of the Group's activities that management considers to be most relevant to an understanding of the Group's financial performance and financial position. Specifically, profit for the year was reordered to note 42 while information in relation to directors', chief executive's and employees' emoluments was reordered to note 43. Other than the above presentation and disclosure changes, the application of the amendments to IAS 1 has not resulted in any impact on the financial performance or financial position of the Group in these consolidated financial statements.

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)*(續)*

國際會計準則第1號修訂本披露主動性(續)

本集團並無提早應用已頒佈但尚未生效的新訂及經修訂國際財務報告準則：

IFRS 9 國際財務報告準則第9號	Financial Instruments[1] 金融工具[1]
IFRS 15 國際財務報告準則第15號	Revenue from Contracts with Customers[1] 客戶合約收入[1]
IFRS 16 國際財務報告準則第16號	Leases[2] 租賃[2]
IFRIC 22 國際財務報告詮釋委員會第22號	Foreign Currency Transactions and Advance Consideration[1] 外幣交易及預付代價[1]
Amendments to IFRSs 國際財務報告準則修訂本	Annual Improvements to IFRS Standards 2014 - 2016 Cycle[5] 二零一四年至二零一六年週期國際財務報告準則的年度改進[5]
Amendments to IFRS 2 國際財務報告準則第2號修訂本	Classification and Measurement of Share-based Payment Transaction[1] 以股份為基礎的付款交易分類及計量[1]
Amendments to IFRS 4 國際財務報告準則第4號修訂本	Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts[1] 將國際會計準則第4號保險合約與國際財務報告準則第9號金融工具應用[1]
Amendments to IFRS 15 國際財務報告準則第15號修訂本	Clarifications to IFRS 15 Revenue from Contracts with Customers[1] 澄清國際會計準則第15號客戶合約收入[1]
Amendments to IFRS 10 and IAS 28 國際財務報告準則第10號及國際會計準則第28號修訂本	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3] 投資者與其聯營公司或合營企業之間的資產銷售或投入[3]
Amendments to IAS 7 國際會計準則第7號修訂本	Disclosure Initiative[4] 披露主動性[4]
Amendments to IAS 12 國際會計準則第12號修訂本	Recognition of Deferred Tax Assets for Unrealised Losses[4] 確認未變現損失之遞延稅項資產[4]
Amendments to IAS 40 國際會計準則第40號修訂本	Transfers of Investment Property[1] 轉讓投資物業[1]

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") *(Continued)*

Amendments to IAS 1 *Disclosure Initiative (Continued)*

The Group has not early applied the following new and amendments to IFRSs that have been issued but are not yet effective:

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)*(續)*

國際會計準則第1號修訂本披露主動性(續)

[1] 於二零一八年一月一日或之後開始之年度期間生效

[2] 於二零一九年一月一日或之後開始之年度期間生效

[3] 於待釐定日期或之後開始之年度期間生效

[4] 於二零一七年一月一日或之後開始之年度期間生效

[5] 於二零一七年一月一日或二零一八年一月一日或之後開始之年度期間生效，如適用

國際財務報告準則第9號金融工具

國際引入金融資產、金融負債分類及計量之新規定、金融資產的一般對沖會計及減值規定。

國際財務報告準則第9號的主要規定於以下說明：

- 所有屬國際財務報告準則第9號範圍內之已確認金融資產其後均須按攤銷成本或公平值計量。特別是，根據業務模式以收取合約現金流量為目的所持有的債務投資，及僅為支付本金額及未償還本金額之利息而產生合約現金流量的債務投資一般於其後的會計期末按攤銷成本計量。於目的為同時收回合約現金流量及出售金融資產的業務模式中持有的債務工具，以及金融資產合約條款令於特定日期產生的現金流純為支付本金及未償還本金的利息的債務工具，按公平值列賬並於其他全面收益內處理的方式計量。所有其他債務投資及股本投資於其後的會計期末按公平值計量。此外，根據國際財務報告準則第9號，實體可作出不可撤回的選擇，於其他全面收益呈列股本投資(非持作交易)公平值之其後變動，而僅有股息收入一般於損益中確認。

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") *(Continued)*

Amendments to IAS 1 *Disclosure Initiative (Continued)*

[1] Effective for annual periods beginning on or after January 1, 2018

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

[3] Effective for annual periods beginning on or after a date to be determined

[4] Effective for annual periods beginning on or after January 1, 2017

[5] Effective for annual periods beginning on or after January 1, 2017 or January 1, 2018, as appropriate

IFRS 9 *Financial Instruments*

IFRS 9 introduces new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

Key requirements of IFRS 9 are described below:

- All recognised financial assets that are within the scope of IFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at fair value through other comprehensive income. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)*(續)*

國際財務報告準則第9號金融工具(續)

- 國際財務報告準則第9號規定，就指定為透過損益按公平值列賬的金融負債的計量而言，因該負債信貸風險變動引致的金融負債公平值變動數額，除非於其他全面收益確認該負債的信貸風險變動影響會造成或擴大損益賬的會計錯配，否則須於其他全面收益呈列。金融負債的信貸風險引致的金融負債公平值變動其後不會重新分類至損益。根據國際會計準則第39號，指定為透過損益按公平值列賬的金融負債的公平值變動全部數額均於損益呈列。

- 就金融資產的減值而言，與國際會計準則第39號項下按已產生信貸虧損模式計算相反，國際財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式需要實體於各報告日期將預期信貸虧損及該等預期信貸虧損的變動入賬，以反映信貸風險自初始確認以來的變動。換言之，毋須再待發生信貸事件即可確認信貸虧損。

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") *(Continued)*

IFRS 9 *Financial Instruments (Continued)*

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

- In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)*(續)*

國際財務報告準則第9號金融工具(續)

- 一般對沖的新會計處理規定保留國際會計準則第39號現時可使用的三類對沖會計機制。國際財務報告準則第9號已為符合對沖會計處理的交易類型引入更大的靈活性，特別是擴闊符合對沖工具的工具類型及符合對沖會計處理的非金融項目的風險組成部分的類型。此外，效益性測試已經徹底修改及以「經濟關係」原則取代。對沖效益性亦不需再作追溯評估。當中亦引入有關實體風險管理活動的強化披露規定。

基於本集團於二零一六年十二月三十一日的金融工具及風險管理政策，日後應用國際財務報告準則第9號可能對本集團金融資產的分類及計量構成重大影響。本集團的可供出售投資(包括目前按成本減減值列賬者)將按公平值透過損益計量或指定為按公平值列賬並於其他全面收益內處理(有待達成指定準則)。此外，預期信貸虧損模式可能導致提早計提尚未產生及有關本集團按攤銷成本計量的金融資產的信貸虧損撥備。

本公司董事預期，應用新對沖規定未必對本集團的目前對沖指定及對沖會計構成重大影響。

本集團指定為透過損益按公平值列賬的衍生金融工具公平值變動(歸因於信貸風險變動)可於其他全面收益內呈列。然而，，於本集團完成詳盡審閱前，提供有關國際財務報告準則第9號的影響的合理估計屬不切實際。

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") *(Continued)*

IFRS 9 *Financial Instruments (Continued)*

- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been removed retrospective quantitative. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

Based on the Group's financial instruments and risk management policies as at December 31, 2016, application of IFRS 9 in the future may have a material impact on the classification and measurement of the Group's financial assets. The Group's available-for-sale investments, including those currently stated at cost less impairment, will either be measured as fair value through profit or loss or be designated as FVTOCI (subject to fulfilment of the designation criteria). In addition, the expected credit loss model may result in early provision of credit losses which are not yet incurred in relation to the Group's financial assets measured at amortised cost.

The directors of the Company anticipate that the application of new hedging requirements may not have a material impact on the Group's current hedge designation and hedge accounting.

The change in fair value of the Group's derivative financial instruments designated at fair value through profit or loss that is attributable to changes in credit risk could be presented in other comprehensive income. However, it is not practicable to provide reasonable estimate of the effect of IFRS 9 until the Group performs a detailed review.

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)*(續)*

國際財務報告準則第15號客戶合約收入

國際財務報告準則第15號獲頒布，其制定一項單一全面模式供實體用作將自客戶合約所產生的收入入賬。於國際財務報告準則第15號生效後，其將取代現時載於國際會計準則第18號收入、國際會計準則第11號建築合約及相關詮釋的收入確認指引。

國際財務報告準則第15號的核心原則為實體所確認描述向客戶轉讓承諾貨品或服務的收入金額，應為能反映該實體預期就交換該等貨品或服務有權獲得的代價。具體而言，該準則引入確認收入的五個步驟：

- 步驟1：識別與客戶之合同步驟
- 步驟2：識別合同內履行之責任
- 步驟3：釐定交易價格
- 步驟4：按合同內履約責任分配交易價格
- 步驟5：當(或於)實體履行責任時確認收入

根據國際財務報告準則第15號，實體於(或當)完成履約責任時確認收入，即於特定履約責任相關的商品或服務的「控制權」轉讓予客戶時。國際財務報告準則第15號已就特別情況的處理方法加入更明確的指引。此外，國際財務報告準則第15號要求更詳盡的披露。

於二零一六年，國際會計準則委員會頒佈對國際財務報告準則第15號的澄清，內容有關識別履約責任、主體對代理代價及發牌的應用指引。

國際財務報告準則第15號的應用可能導致須作出更多披露，然而，本公司董事預期應用國際財務報告準則第15號將不會對相應報告期間收入確認的時間及金額造成重大影響。

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") *(Continued)*

IFRS 15 *Revenue from Contracts with Customers*

IFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 *Revenue*, IAS 11 *Construction Contracts* and the related Interpretations when it becomes effective.

The core principle of IFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

In 2016, the IASB issued *Clarifications to IFRS 15* in relation to the identification of performance obligations, principal versus agent considerations, as well as licensing application guidance.

The directors of the Company anticipate that the application of IFRS 15 may result in more disclosures, however, the directors of the Company do not anticipate that the application of IFRS 15 will have a material impact on the timing and amounts of revenue recognised in respective reporting periods.

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」) *(續)*

國際財務報告準則第16號租賃

國際財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一項綜合模式。國際財務報告準則第16號生效時將取代國際會計準則第17號租賃及相關詮釋

國際財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。除短期租賃及低值資產租賃外，經營租賃及融資租賃的差異就承租人會計處理移除，並須就承租人的所有租賃確認使用權資產及相應負債的模式替代。

使用權資產初步按成本計量，並隨後以成本(惟若干例外情況除外)減累計折舊及減值虧損計量，並就租賃負債任何重新計量而作出調整。租賃負債乃按租賃付款(非當日支付)的現值初步計量。隨後，租賃負債就(其中包括)利息及租賃付款以及租賃修訂的影響作出調整。就現金流量分類而言，本集團目前就自用租賃土地及分類為投資物業的租賃土地呈列預付租賃付款為投資現金流量，而其他經營租賃付款則以經營現金流量呈列。根據國際財務報告準則第16號，有關租賃負債的租賃付款將分配為本金及利息部份，其將以融資現金流量呈列。

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") *(Continued)*

IFRS 16 *Leases*

IFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. IFRS 16 will supersede IAS 17 Leases and the related interpretations when it becomes effective.

IFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for owned use and those classified as investment properties while other operating lease payments are presented as operating cash flows. Under the IFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows.

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)*(續)*

國際財務報告準則第16號租賃(續)

根據國際會計準則第17號，本集團已確認租賃土地(本集團為承租人)的預付租賃款項。應用國際報告準則第16號可能導致該等資產在分類上的潛在變動，取決於本集團個別或在擁有對應相關資產情況下該等資產呈列的同一項目內呈列使用權資產。

與承租人會計處理方法相反，國際財務報告準則第16號大致保留國際會計準則第17號內出租人的會計規定，並繼續規定出租人將租賃分類為經營租賃或融資租賃。

此外，國際財務報告準則第16號亦要求較廣泛的披露。

於二零一六年十二月三十一日，如附註38所披露，本集團有不可撤銷的經營租賃承擔人民幣71,659,000元。初步評估顯示該等安排將符合國際財務報告準則第16號項下租賃的定義，因此本集團將就所有租賃確認使用權資產及對應負債，除非於應用國際財務報告準則第16號時其符合低值或短期租賃。此外，應用新規定可能導致上文所述的計量、呈列及披露有所變動。然而，在董事完成詳細審閱前，對財務影響作出合理估計並不可行。

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") *(Continued)*

IFRS 16 *Leases (Continued)*

Under IAS 17, the Group has already recognised prepaid lease payments for leasehold lands where the Group is a lessee. The application of IFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

In contrast to lessee accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by IFRS 16.

As at December 31, 2016, the Group has non-cancellable operating lease commitments of RMB71,659,000 as disclosed in note 38. A preliminary assessment indicates that these arrangements will meet the definition of a lease under IFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of IFRS 16. In addition, the application of new requirements may result changes in measurement, presentation and disclosure as indicated above. However, it is not practicable to provide a reasonable estimate of the financial effect until the directors complete a detailed review.

2. 採納新訂及經修訂國際財務報告準則(「國際財務報告準則」)*(續)*

國際會計準則第7號修訂本披露主動性

該等修訂規定實體披露能讓財務報表用者評估融資活動引起的負債變動，包括現金流量引致之變動及非現金變動。尤其是，該等修訂規定披露以下來自融資活動的負債變動：(i)來自融資現金流量的變動；(ii)來自取得或失去附屬公司或其他業務的控制權的變動；(iii)外幣匯率變動的影響；(iv)公平值變動；及(v)其他變動。

該等修訂應用於二零一七年一月一日或之後開始的年度期間，並許可提早應用。應用該等修訂可能導致有關本集團融資活動的額外披露，尤其是融資活動產生的負債的綜合財務狀況表的期初及期末結餘的對賬，將於應用該等修訂時提供。

本公司董事預期，應用其他新訂及經修訂國際財務報告準則將不會對綜合財務報表造成重大影響。

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ("IFRS") *(Continued)*

Amendments to IAS 7 Disclosure Initiative

The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities including both changes arising from cash flows and non-cash changes. Specially, the amendments require the following changes in liabilities arising from financing activities to be disclosed: (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes.

The amendments apply prospectively for annual periods beginning on or after January 1, 2017 with earlier application permitted. The application of the amendments will result in additional disclosures on the Group's financing activities, specifically reconciliation between the opening and closing balances in the consolidated statement of financial position for liabilities arising from financing activities will be provided on application.

The directors of the Company anticipate that the application of the other new and revised IFRSs will have no material impact on the consolidated financial statements.

3. 主要會計政策

綜合財務報表乃根據國際會計準則理事會頒佈的國際財務報告準則編製。此外，綜合財務報表載有聯交所證券上市規則及香港公司條例所規定的適用披露事項。

於各報報告期末，綜合財務報表乃根據下文所載會計政策按歷史成本基準編製，惟投資物業及若干金融工具按公平值計量。

歷史成本法一般基於交換貨品及服務代價之公平值釐定。

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with IFRSs issued by the IASB. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the SEHK and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis, except for the investment properties and certain financial instruments that are measured at fair value, at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

3. 主要會計政策*(續)*

公平值是指市場參與者之間在計量日進行的有序交易中出售一項資產所收取的價格或轉移一項負債所支付的價格，無論該價格是直接觀察到的結果還是採用其他估值技術作出的估計。在對資產或負債的公平值作出估計時，本集團考慮了市場參與者在計量日為該資產或負債進行定價時將會考慮的特徵。在本綜合財務報表中計量和／或披露的公平值均在此基礎上予以確定，但國際財務報告準則第2號範圍內的以股份為基礎的支付交易、國際會計準則第17號範圍內的租賃交易、以及與公平值類似但並非公平值的計量(例如，國際會計準則第2號中的可變現淨值或國際會計準則第36號中的使用價值)除外。

非金融資產的公平值計量須計及市場參與者能自最大限度使用該資產達致最佳用途，或將該資產出售予將最大限度使用該資產達致最佳用途的其他市場參與者，所產生的經濟效益。

此外，出於財務報告目的，公平值計量應基於公平值計量的輸入值的可觀察程度以及該等輸入值對公平值計量整體的重要性，被歸入第一層、第二層或第三層級的公平值級次，詳述如下：

- 第一層級公平值是指於計量日期由相同資產或負債在活躍市場中(未經調整)的報價得出的公平值；
- 第二層級公平值是指由除了第一層級公平值計量所包含的報價以外的，資產或負債的其他直接或間接可觀察的輸入值得出的公平值；及
- 第三層級公平值是指由包含資產或負債的不可觀察輸入值的公平值。

主要會計政策載列如下。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

3. 主要會計政策 *(續)*

綜合基準

綜合財務報表包括本公司及本公司控制的實體及其附屬公司的財務報表。當本公司符合以下條件時，其對被投資者具有控制權：

- 擁有對被投資者的權力；
- 通過對被投資者的涉入而承擔或有權獲得可變回報；及
- 有能力運用對被投資者的權力影響所得到回報的金額。

倘有事實及情況表明上列三項條件其中一項或以上出現變動，本集團重新評估其是否仍控制被投資方。

倘本集團於被投資方之投票權未能佔大多數，但只要投票權足以賦予本集團實際能力可單方面掌控被投資方之相關業務時，本集團即對被投資方擁有權力。在評估本集團於被投資方之投票權是否足以賦予其權力時，本集團考慮所有相關事實及情況，包括：

- 本集團持有投票權之規模相對於其他投票權持有人持有投票權之規模及分散性；
- 本集團、其他投票權持有人或其他方持有的潛在投票權；
- 自其他合約協議產生的權利；及
- 於需要作出決定(包括先前股東大會上之投票模式)時表明本集團當前擁有或並無擁有指導相關活動之能力之任何額外事實及情況。

當本集團取得附屬公司控制權時開始綜合附屬公司，而當本集團喪失附屬公司控制權時，則不再綜合附屬公司。尤其是，年內所購入或出售的附屬公司收入及開支按自收購生效日期直至出售生效日期(倘適用)起計入綜合損益及其他全面收益表內。本集團取得控制權起至本集團不再控制附屬公司之日期止。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved where the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group losses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date. The Group gains control until the date when the Group ceases to control the subsidiary.

3. 主要會計政策*(續)*

綜合基準*(續)*

損益及其他全面收益的各部份歸於本公司擁有人及非控股權益應佔。即使導致非控股權益出現歸絀結餘，附屬公司的全面收益的總額歸於本公司擁有人及非控股權益應佔。

附屬公司的財務報表於有需要時作出調整，以使其會計政策與本集團其他成員公司所採用者一致。

集團內公司間所有交易、結餘及收支乃於綜合賬目時悉數對銷。

本集團於現有附屬公司的所有權權益變動

本集團於現有附屬公司的所有權權益出現並無導致本集團失去該等附屬公司控制權的變動均以權益交易入賬。本集團權益相關組成部份(包括儲備及非控制權益)之賬面值均予以調整，以反映彼等於附屬公司之相關權益變動。非控制權益於相關權益組成部份重新分配後所調整之款額與所付或所收代價之公平值兩者之間的差額，均直接於權益確認並歸屬於本公司擁有人。

當本集團失去對附屬公司的控制權時，有關收益或虧損計入損益，並計算為以下兩者的差額(i)所收到代價的公平值與任何保留權益的公平值之和；及(ii)有關資產(包括商譽)的賬面值，以及本公司擁有人應佔該附屬公司的負債。以往在其他全面收益中就該附屬公司確認的所有金額，按如同本集團已直接處置該附屬公司的相關資產或負債之方式入賬(即按適用國際財務報告準則所指定／允許而重新分類至損益或轉移至另一類別的權益)。於失去控制權當日於前附屬公司保留之任何投資之公平值將根據國際會計準則第39號，於其後入賬時被列作首次確認之公平值，或(如適用)於首次確認時於聯營公司或合營企業的投資成本。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Basis of consolidation *(Continued)*

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity including reserves and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted after re-attribution of the relevant equity component, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IAS 39, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

3. 主要會計政策*(續)*

業務合併

收購業務乃使用收購法列賬。業務合併轉讓的代價按公平值計量，計算為本集團收購日期所轉讓資產的公平值與本集團欠付被收購方原擁有人的負債及本集團為換取被收購方的控制權而發行的股權的總和。收購相關成本一般於產生時於損益確認。

於收購日期，所收購可識別資產及所承擔負債按公平值確認，惟：

- 遞延稅項資產或負債及與僱員福利安排有關之資產或負債，分別根據國際會計準則第12號所得稅及國際會計準則第19號僱員福利確認並計量；
- 收購的以股份為基礎的付款安排或本集團所訂立取代被收購方以股份為基礎的付款安排之以股份為基礎的付款安排有關負債或股本工具於收購日期根據國際財務報告準則第2號以股份為基礎的付款計量(見下文所載會計政策)；
- 根據國際財務報告準則第5號持作出售非流動資產及已終止業務分類為持作出售資產(或出售組別)根據該準則計量。

商譽按已轉讓代價、所持被收購方非控制權益金額及收購方原先持有的被收購方股權之公平值(如有)總和超出收購日期所收購可識別資產及所承擔負債之差額計量。於重新評估後，倘所收購可識別資產及所承擔負債超過已轉讓代價、所持被收購方非控制權益金額及收購方原先持有的被收購方股權之公平值(如有)總和，則該差額即時於損益確認為議價購買收益。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred taxation assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 *Income Taxes* and IAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net amount of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

3. 主要會計政策*(續)*

業務合併*(續)*

代表所有權權益並使持有人合資格按比例享有相關附屬公司清盤時淨資產之非控制權益初步按公平值或非控制權益佔被收購方可識別淨資產之確認金額比例計量。計量基準乃按每宗交易選擇。其他類別非控制權益按公平值計量。

收購不構成業務的附屬公司

當本集團收購一組不構成業務的資產及負債時，本集團，識別及組織個別可識別所收購資產及所承擔負債，乃透過首先按各自公平值分配購買價格至金融資產及金融負債，再按購買日期各自公平值分配購買價格餘下結餘至其他個別可識別資產及負債。有關交易並無帶來商譽或議價購買收益。

收入確認

收入按已收或應收代價的公平值計算，指一般業務過程中出售貨物及提供服務的應收款項扣除折扣及銷售相關稅項後的金額。

日常業務過程中銷售物業的收入於物業交付予買方時確認，須滿足下列標準時方予確認：

- 物業所有權的重大風險及回報已轉移至買方；
- 不再保留對物業施加通常與擁有權相關的持續管理參與及實際控制權；
- 有關收入能可靠計量；
- 與交易相關的經濟利益很可能流入本集團；及
- 有關交易所產生或將產生的成本能可靠計量。

在符合上述收入確認標準前從買方所收取的訂金及分期供款，計入綜合財務狀況報表流動負債項下。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Business combinations *(Continued)*

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value.

Acquisition of a subsidiary not constituting a business

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to the financial assets and financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of discounts and sales related taxes.

Revenue from sale of properties in the ordinary course of business is recognised upon delivery of the properties to the buyers, at which time all of the following criteria are satisfied:

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

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

3. 主要會計政策 *(續)*

收入確認 *(續)*

來自經營租賃的租金收入，於有關租賃期內按直線法確認。

物業管理及相關服務費於提供服務的期間確認。

顧問費用收入於提供服務時確認。

推廣及廣告收入於廣告於廣告屏展示或於廣告合約展示期間可估價時確認。

金融資產的利息收入於經濟利益可能流向本集團及收入金額能可靠計量時確認。金融資產的利息收入乃參考尚未償還本金額採用適用實際利率，按時間基準累計，實際利率乃將金融資產於整個預期期限的估計未來現金收入準確折現至該資產賬面淨值的利率。

投資所得股息收入於股東收取款項的權利獲確立時確認。

投資物業

投資物業持有賺取租金及／或資本增值(包括就此用途的發展中物業)的物業。投資物業初步按成本(包括任何直接應佔開支)計量。於初步確認後，投資物業按公平值計量。投資物業公平值變動所產生的盈虧於產生期間計入損益中。

發展中投資物業之建設成本資本化為發展中投資物業之賬面值的一部分。

日後作投資物業用途的發展中物業分類為發展中投資物業。倘無法可靠地釐定公平值，則發展中投資物業將按成本計量，直至公平值可以釐定或發展項目完工為止，屆時公平值與賬面值之間的差額將在期內的損益表中確認。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Revenue recognition *(Continued)*

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

Property management and related service fees are recognised in the period in which the services are rendered.

Consultancy fee income is recognised when the services are rendered.

Promotion and advertising income is recognised when advertisements are displayed on the advertising screens; or rateably over the displayed period of the advertisement contract.

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

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Investment properties

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

Construction costs incurred for investment properties under development are capitalised as part of the carrying amount of the investment properties under development.

Property under development for future use as an investment property is classified as investment property under development. If the fair value cannot be reliably determined, the investment property under development will be measured at cost until such time as fair value can be determined or development is completed, in which time any difference between the fair value and the carrying amount will be recognised in profit or loss in that period.

3. 主要會計政策*(續)*

投資物業*(續)*

倘有證據顯示對另一方之經營租賃開始，則持作出售物業轉撥至投資物業。有關物業於轉讓當日之公平值與其以往賬面值間的任何差額於損益確認。

投資物業於出售或永久終止使用或預期於出售不再產生日後經濟利益時解除確認。解除確認物業所產生的任何盈虧(按該資產的出售所得款項淨額與資產賬面值的差額計算)於該物業解除確認期間計入損益中。

物業、廠房及設備

物業、廠房及設備(包括持作行政用途的樓宇，發展中物業除外)於綜合財務狀況表按成本減其後累計折舊及其後累計減值虧損(如有)列賬。

物業、廠房及設備項目(發展中物業除外)使用直線法於估計可使用年期內確認折舊以撇銷成本。於各報告期末檢討估計可使用年期、剩餘價值及折舊方法，估計變更影響於日後入賬。

物業、廠房及設備項目於出售或預期日後繼續使用有關資產不會產生經濟利益時解除確認。出售或報廢物業、廠房及設備項目所產生的任何盈虧釐定為出售所得款項與資產賬面值的差額並於損益確認。

當租賃土地及樓宇處於發展作生產、租賃或行政用途的過程中，撥回租賃土地入賬為發展中物業成本。不作出售用途的發展中物業以成本減任何已識別減值虧損列賬。擬持作自用的發展中物業列為非流動資產。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Investment properties *(Continued)*

Properties held for sales are transferred to investment properties when it is evidenced by the commencement of an operating lease to another party. Any difference between the fair value of the property at the date of transfer and its previous carrying amount shall be recognised in profit or loss.

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

Property, plant and equipment

Property, plant and equipment including buildings held for administrative purposes (other than properties under development) are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment loss, if any.

Depreciation is recognised so as to write off the cost of items of property, plant and equipment (other than properties under development) over their estimated useful lives using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

When the leasehold land and buildings are in the course of development for production, rental or for administrative purposes, the release of the leasehold land is included as part of the costs of the properties under development. Properties under development not for sale are carried at cost, less any identified impairment losses. Properties under development which are intended to be held for own use are shown as non-current assets.

3. 主要會計政策*(續)*

預付租賃款項

預付租賃款項指土地使用權的預付款項，初步按成本確認及於租期內以直線法轉撥至損益表內或資本化為上述樓宇成本，惟分類及入賬列為擬持作出售的發展中物業則除外。

於聯營公司及合營企業的投資

聯營公司是指本集團對其實施重大影響的主體。重大影響是指參與決定被投資者的財務及經營政策的權力、但不是控制或共同控制這些政策。

合營企業是指共同控制一項安排的參與方對該項安排的淨資產享有權利的合營安排。共同控制是指按合同約定分享對一項安排的控制權，並且僅在對相關活動的決策要求分享控制權的參與方一致同意時才存在。

對聯營公司和合營企業的業績、資產及負債按權益法會計納入本綜合財務報表。按權益法核算的合營企業和聯營公司的財務報表是用在相似情況下與集團類似交易或事項統一的會計政策來編製的。根據權益法，於聯營公司或合營企業的投資在綜合財務狀況表中按成本進行初始確認，並在其後進行調整，以確認本集團在該聯營公司或合營企業的損益及其他全面收益中所佔的份額。如果本集團在聯營公司或合營企業的損失中所佔的份額超過本集團在該聯營公司或合營企業中的權益(包括任何實質上構成本集團對該聯營公司或合營企業的淨投資的長期權益)，本集團應終止確認其在進一步損失中所佔的份額。額外損失僅在本集團已產生法定或推定責任或代表聯營公司或合營企業進行的支付範圍內進行確認。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Prepaid lease payments

The prepaid lease payments represent upfront payments for land use rights and are initially recognised at cost and released to profit or loss, or capitalised as part of the cost of building as mentioned above, over the lease term on a straight-line basis, except for those that are classified and accounted for as properties under development intended to be held for sale.

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

3. 主要會計政策*(續)*

於聯營公司及合營企業的投資*(續)*

聯營公司或合營企業中的投資應自被投資者成為聯營公司或合營企業之日起採用權益法進行核算。取得聯營公司或合營企業中的投資時，投資成本超過本集團在被投資者的可辨認資產及負債的公平值淨額中所佔份額的部份確認為商譽(商譽會納入投資的賬面金額內)。如果本集團在此類可辨認資產及負債的公平值淨額中所佔的份額超過投資成本，而且在重新評估後亦是如此，則超出的金額會在取得該項投資的當期立即計入損益。

在確定是否有必要就本集團在聯營公司或合營企業中的投資確認任何減值損失時，應採用國際會計準則第39號的規定。如有必要，投資(包括商譽)的全部賬面金額應按照國際會計準則第36號「資產減值」的規定，作為一項單項資產通過將其可收回金額(使用價值和公平值減去銷售費用後的餘額兩者中的較高者)與其賬面金額進行比較來進行減值測試。已確認的任何減值損失構成投資賬面金額的一部份。該項減值損失的任何轉回金額應按照國際會計準則第36號的規定，以投資的可收回金額其後增加為限進行確認。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Investments in associates and joint ventures *(Continued)*

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

3. 主要會計政策*(續)*

於聯營公司及合營企業的投資*(續)*

當本集團不再對聯營公司有重大影響力或共同控制合營企業時，其列賬為出售被投資者全部權益，所導致收益或虧損於損益內確認。在國際會計準則第39號的範圍下，如果本集團保留在前聯營公司或合營企業中的權益，且所保留的權益是一項金融資產，則本集團按當日的公平值計量所保留的權益，且該公平值被視為進行初始確認時的公平值。在確定處置該聯營公司或合營企業所產生的利得或損失時，應將聯營公司或合營企業在終止採用權益法之日的賬面金額與任何保留的權益及處置聯營公司或合營企業中的部份權益的任何收入的公平值之間的差額納入其中。此外，本集團採用如同聯營公司或合營企業已直接處置相關資產或負債所適用的基礎核算此前計入其他全面收益的與該聯營公司或合營企業相關的全部金額。因此，如果此前被該聯營公司或合營企業計入其他全面收益的的收益或虧損應在處置相關資產或負債時被重分類至損益，則本集團會在終止採用權益法時將此項利得或損失從權益重分類至損益(作為一項重分類調整)。

當在聯營公司中的投資成為合營企業中的投資或合營企業中的投資成為聯營公司中的投資時，本集團將繼續採用權益法。所有者權益發生此類變動時，不存在按公平值進行重新計量的情況。

當本集團減少其在聯營公司或合營企業中的所有者權益但本集團繼續採用權益法時，本集團將此前計入其他全面收益的與此次減少所有者權益相關的收益或虧損部份重分類至損益(如果此項收益或虧損在處置相關資產或負債時將被重分類至損益)。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Investments in associates and joint ventures *(Continued)*

When the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset within the scope of IAS 39, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate or joint venture and the fair value of any retained interest and any proceeds from disposing the relevant interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

3. 主要會計政策*(續)*

於聯營公司及合營企業的投資*(續)*

當某集團主體與本集團的聯營公司或合營企業進行交易時，此類與聯營公司或合營企業進行的交易所產生的損益將僅按聯營公司或合營企業中的權益與本集團無關的份額，在本集團的綜合財務報表中予以確認。

發展中待售物業

擬於發展完成後出售的發展中物業列為流動資產，以成本或可變現淨值兩者中較低者列賬。成本包括相關土地成本、所產生的發展開支及已資本化的借貸成本(倘適用)。

發展中待售物業於落成後轉撥至持作出售物業。

持作出售物業

持作出售物業按成本或可變現淨值兩者之較低者列賬。成本包括土地成本、產生的發展開支及已資本化的借貸成本(倘適用)。可變現淨值指物業的估計售價減所有估計竣工成本及進行銷售所需的成本。

存貨

存貨按成本或可變現淨值兩者之較低者列賬。成本按加權平均法計算。

金融工具

當一間集團公司成為工具合約條文的訂約方時，金融資產及金融負債於綜合財務狀況報表內確認。

金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債直接應佔的交易成本(按公平值計入損益的金融資產及金融負債除外)於初步確認時加入或從金融資產或金融負債的公平值扣除(倘適用)。收購或發行按公平值計入損益的金融資產或金融負債直接應佔的交易成本即時於損益內確認。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Investments in associates and joint ventures *(Continued)*

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Properties under development for sales

Properties under development which are intended to be sold upon completion of development are classified as current assets, and carried at the lower of cost and net realisable value. Cost includes the related land cost, development expenditure incurred and where appropriate, borrowing costs capitalised.

Properties under development for sales are transferred to properties held for sales upon completion.

Properties held for sales

Properties held for sales are stated at the lower of cost and net realisable value. Cost includes the costs of land, development expenditure incurred and, where appropriate, borrowing costs capitalised. Net realisable value represents the estimated selling price for the properties less all estimated costs of completion and costs necessary to make the sales.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method.

Financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition or issue of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3. 主要會計政策*(續)*

金融工具*(續)*

金融資產

本集團的金融資產分為貸款及應收款項或可供出售金融資產。有關分類基於金融資產之性質及用途於初步確認時決定。

實際利率法

實際利率法為計算金融資產的攤銷成本及按有關期間攤分利息收入的方法。實際利率是將金融資產於預計年期或(倘適用)較短期間的估計未來現金收入(包括構成實際利率不可分割部分的已支付或收取的所有費用、交易成本及其他溢價或折價)準確折現至初步確認的賬面淨值的利率。

債務工具的利息收入按實際利率基準確認。

貸款及應收款項

貸款及應收款項為無活躍市場報價而附帶固定或可釐定付款的非衍生金融資產。於初步確認後，貸款及應收款項(包括應收賬款、其他應收款項、按金、應收非控制權益、聯營公司及合營企業款項、已抵押銀行存款及銀行結餘及現金)採用實際利率法按攤銷成本減任何減值列賬(請參閱下文有關金融資產減值虧損的會計政策)。

可供出售金融資產

可供出售金融資產為指定或未分類為按公平值計入損益的金融資產、貸款及應收款項或持至到期投資的非衍生工具。

可供出售股本工具的股息於本集團有權收取股息時於損益賬內確認。

對於在活躍市場並無市場報價及其公平值無法可靠計量的可供出售股本投資，於各報告期末按成本減任何已識別減值虧損計量(請參閱下文有關金融資產減值的會計政策)。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Financial assets

The Group's financial assets are classified as loans and receivables or available-for-sale financial assets. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including accounts and other receivables and deposits, amounts due from non-controlling interests, associates and joint ventures, pledged bank deposits and bank balances and cash) are carried at amortised cost using the effective interest method, less any impairment (see accounting policy on impairment loss on financial assets below).

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments.

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, they are measured at cost less any identified impairment losses at the end of the reporting period (see accounting policy on impairment of financial assets below).

3. 主要會計政策*(續)*

金融工具*(續)*

金融資產*(續)*

金融資產的減值

金融資產會於各報告期末評定是否有減值跡象。金融資產於有客觀證據顯示金融資產的估計未來現金流量因於初步確認該金融資產後發生之一項或多項事件而受到影響時視為減值。

就可供出售股本投資而言，其公平值大幅或持續下跌至低於其成本，視為減值的客觀證據。

就貸款及應收款項而言，減值的客觀證據可包括：

- 發行人或對手方出現重大財政困難；或
- 違約(如拖欠或延遲償還利息或本金)；或
- 借款人可能會破產或進行財務重組；或
- 由於財政困難，金融資產的活躍市場消失。

就若干類別的金融資產(如應收賬款)而言，評估為不會單獨減值的資產會另行一併評估減值。應收款項組合出現減值的客觀證據包括本集團過往收款記錄、組合延遲付款(超逾信貸期)數目增加、國家或地方經濟狀況出現明顯變動導致應收款項未能償還。

按成本列賬的金融資產之減值虧損金額按該資產的賬面值與估計未來現金流量按類似金融資產現時市場回報率折現的現值之間的差額計量。該等減值虧損不會於其後期間撥回。

按成本列賬的金融資產之減值虧損金額按該資產的賬面值與估計未來現金流量按類似金融資產現時市場回報率折現的現值之間的差額計量。該等減值虧損不會於其後期間撥回。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

For loans and receivables, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial asset, such as accounts receivables, assets that are assessed not to be impaired individually are in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the credit period, observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

3. 主要會計政策*(續)*

金融工具*(續)*

金融資產*(續)*

金融資產的減值(續)

所有金融資產的減值虧損直接於金融資產的賬面值扣減，惟應收賬款、其他應收款項除外，其賬面值會透過使用撥備賬作出扣減。撥備賬內的賬面值變動會於損益中確認。當應收賬款及應收票據、其他應收款項視為不可收回時，會於撥備賬內撇銷。之前已撇銷的款項如其後收回，會計入損益內。

當可供出售金融資產被視為已減值時，先前於其他全面收益內確認的累計損益則重新分類至期內損益中。

就按攤銷成本計量的金融資產而言，如在隨後期間減值虧損金額減少，而有關減少在客觀上與確認減值虧損後發生的事件有關，則先前已確認的減值虧損將透過損益撥回，惟該資產於減值撥回當日的賬面值不得超過未確認減值時應有的已攤銷成本。

金融負債及股本工具

本集團發行的金融負債及股本工具根據合約安排的內容及金融負債與股本工具的定義分類為金融負債或股本工具。

股本工具

股本工具為顯示本集團資產經扣除其所有負債後的剩餘權益的任何合約。集團發行的股本工具按已收所得款項扣除直接發行成本確認。

實際利率法

實際利率法為計算金融負債的攤銷成本及按有關期間分配利息支出的方法。實際利率是將金融負債於整個預計年期或(倘適用)較短期間的估計未來現金付款(包括構成實際利率不可分割部分的已支付或收取的所有費用、交易成本及其他溢價或折價)準確折現至首次確認時的賬面淨值的利率。債務工具的利息開支按實際利息基準確認。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Impairment of financial assets (Continued)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of accounts and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When an account, bill and other receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

When an available for sale financial asset is considered to be impaired, cumulative gain or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Financial liabilities and equity instruments

Financial liabilities and equity instruments issued by the Group are classified as either financial liabilities or as equity instruments in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition. Interest expense is recognised on an effective interest basis for debt instruments.

3. 主要會計政策*(續)*

金融工具*(續)*

金融資產*(續)*

金融負債

金融負債(包括應付賬款及應付票據、應付非控制權益、聯營公司、合營企業及一名聯營公司控股股東款項、優先票據以及銀行及其他借款)其後使用實際利率法按攤銷成本計量。

衍生金融工具及對沖

衍生工具以其合約簽訂日的公平值作初次確認及其後以報告期末的公平值重新計量。除非衍生工具被指定為對沖工具且生效，否則產生的損益於損益賬內確認，在此情況下於損益賬內確認的時間視乎對沖關係的性質而定。

嵌入式衍生工具

倘符合衍生工具的定義，且衍生工具的風險及特徵與主合約並非密切關連，而主合約並非透過損益按公平值列賬，列入非衍生主合約的衍生工具則被當作獨立衍生工具。一般而言，單一工具內多個嵌入式衍生工具被視為單一複合嵌入式衍生工具，除非該等衍生工具與不同風險相關及可隨時分開及與彼此獨立。

對沖會計

本集團指定若干衍生工具對沖外幣及利率變動風險(現金流量對沖)。

於對沖關係開始時，本集團記錄對沖工具和被對沖項目的關係，及進行各類對沖交易的風險管理目標及其策略。此外，於對沖開始和進行期間，本集團記錄用於對沖關係的對沖工具是否能高度有效地抵銷被對沖項目的公平值或現金流量變動。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Financial assets *(Continued)*

Financial liabilities

Financial liabilities (including accounts and bills payables, amounts due to non-controlling interests, associates, joint ventures and a controlling shareholder of an associate, senior notes and bank and other borrowings) are subsequently measured at amortised cost using effective interest method.

Derivative financial instruments and hedging

Derivatives are initially recognised at fair value at the date when a derivative contract is entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Embedded derivatives

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when they meet definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value through profit or loss. Generally, multiple embedded derivatives in a single instrument are treated as a single compound embedded derivative unless those derivatives relate to different risk exposures and are readily separable and independent of each other.

Hedge accounting

The Group designates certain derivatives as hedges for foreign currency and interest rate movements exposure (cash flow hedges).

At the inception of the hedging relationship the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument that is used in a hedging relationship is highly effective in offsetting changes in fair values or cash flows of the hedged item.

3. 主要會計政策*(續)*

金融工具*(續)*

現金流量對沖

當衍生工具獲指定並符合條件作為現金流量對沖，其有效部份的公平值變動於其他全面收益內確認並於對沖儲備項下累計。非有效部份的收益或虧損即時於損益確認，並列入「其他收益及虧損」項下。

先前於其他全面收益確認並於權益累計的金額(對沖儲備)，在被對沖項目於損益確認期間重新分類至損益，與綜合損益表內已確認被對沖項目處於相同項下。

當本集團撤銷對沖關係、對沖工具已到期或出售、終止、已行使或不再符合資格使用對沖會計法時，將會終止使用對沖會計法。當時於其他全面收益確認並於權益累計的任何收益或虧損將於權益保留，並於預期交易最終於損益內確認。

財務擔保合約

財務擔保合約指因指定債務人未能按債務工具的原有或經修訂條款如期付款時，發行人須支付指定金額予持有人以補償其所遭受損失的合約。本集團所發行而並無指定按公平值計入損益的財務擔保合約初步以公平值減發行財務擔保合約直接應佔的交易成本確認。於初步確認後，本集團以(i)按照國際會計準則第37號「撥備、或然負債及或然資產」釐定的合約負債金額；及(ii)初步確認的金額減於擔保期內確認的累計攤銷(如適用)兩者中的較高者計量財務擔保合約。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in other comprehensive income and accumulated in hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss and is included in the 'other gains or losses' line item.

Amounts previously recognised in other comprehensive income and accumulated in equity (hedging reserve) are reclassified to profit or loss in the periods when the hedged item is recognised in profit or loss, in the same line of the consolidated statement of profit or loss and other comprehensive income as the recognised hedged item.

Hedge accounting is discontinued when the Group revokes the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the hedged risk is ultimately recognised in profit or loss.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. A financial guarantee contract issued by the Group and not designated as at fair value through profit or loss is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of obligation under the contract, as determined in accordance with IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised over the guarantee period.

3. 主要會計政策*(續)*

金融工具*(續)*

解除確認

僅當從資產收取現金流量的權利已屆滿，或將金融資產及資產擁有權之絕大部分風險及回報轉讓予其他實體時，本集團方會解除確認金融資產。倘本集團並無轉讓或保留擁有權之絕大部分風險及回報並持續控制已轉讓資產，則本集團確認其在資產中的保留權益，並就可能須支付的金額確認相關負債。倘本集團保留已轉讓金融資產所有權之絕大部分風險及回報，則持續確認金融資產，並確認已收所得款項的抵押借款。

於解除確認金融資產時，資產賬面值與已收及應收代價及於其他全面收益確認並於權益累積的累計損益總和之間的差額，將於損益內確認。

當且僅當本集團的責任獲解除、取消或已屆滿時，方會解除確認金融負債。已解除確認的金融負債之賬面值與已付及應付代價的差額，將於損益內確認。

租賃

當租賃條款轉移所有權絕大部分風險及回報至承租人，則有關租賃分類為融資租賃。所有其他租賃分類為經營租賃。

本集團作為出租人

經營租賃的租金收入於相關租賃年期按直線法於損益內確認。

本集團作為承租人

經營租賃付款(包括收購按經營租賃持有的土地成本)於租期按直線法確認為開支。已收訂立經營租賃的租賃獎勵確認為負債。獎勵福利總額按直線基準確認為租金開支減少。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Financial instruments *(Continued)*

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises a financial liability when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

The Group as lessee

Operating lease payments, including the cost of acquiring land held under operating lease, are recognised as an expense on a straight-line basis over the lease term. In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

3. 主要會計政策*(續)*

租賃土地及樓宇

當一項租賃包括土地及樓宇部分，本集團會根據各部份的所有權絕大部分風險及回報是否轉移至本集團獨立評估各部份分類為融資或經營租賃，除非確認兩部份均為經營租賃，而在此情況下，整份租約分類為經營租賃。特別是，最低租賃款項(包括任何一次性預付款)於租賃開始時，按出租人自租賃土地與樓宇所獲利益公平值的比例在土地與樓宇部分間分配。

租賃款項能夠可靠分配時，土地租賃權益作為經營租約在綜合財務狀況報表中列作「預付租賃款項」，並於租期內按直線基準撥回，惟按公平值模式分類及入賬列作投資物業者除外。當租賃款項無法於土地與樓宇部分間可靠分配，整份租約一般視作融資租賃處理，並入賬列作物業、廠房及設備。租賃款項能夠可靠分配時，土地租賃權益作為經營租約在綜合財務狀況報表中列作「預付租賃款項」，並於租期內按直線基準攤銷，惟按公平值模式分類及入賬列作投資物業者除外。當租賃款項無法於土地與樓宇部分間可靠分配，整份租約一般視作融資租賃處理。

借貸成本

由於收購、建設或生產需大量時間用作擬定用途或出售的合資格資產而直接產生的借貸成本計入該等資產之成本，直至該等資產大致上可作擬定用途或出售。特定借款在未用於未完成資產開支之暫時投資所得投資收入，會從可撥作資本化的借貸成本中扣除。

所有其他借貸成本均於產生期間於損益內確認。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Leasehold land and buildings

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as "prepaid lease payments" in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

3. 主要會計政策*(續)*

外幣

編編製各個別集團實體的財務報表時，以該實體功能貨幣以外貨幣(外幣)進行的交易，按交易日的匯率確認。於報告期末，以外幣列值的貨幣項目按該日的現行匯率重新換算。按過往成本以外幣計量的非貨幣項目毋須重新換算。

結算貨幣項目及重新換算貨幣項目所產生的匯兑差額於產生期間確認。

稅項

所得稅開支指現時應付稅項及遞延稅項的總和。

現時應付稅項按年度應課稅溢利計算。應課稅溢利有別於綜合損益及其他全面收益表所報「除稅前溢利」，乃由於其他年度的應課稅收入或可扣減支出項目，以及毋須課稅或不可扣減項目。本集團的即期稅項負債按報告期末已實施或實質上已實施的稅率計算。

遞延稅項按綜合財務報表內資產及負債的賬面值與計算應課稅溢利所用相應稅基間的暫時差額確認。遞延稅項負債通常會就所有應課稅暫時差額確認。遞延稅項資產通常就所有可扣減暫時差額按可能出現可利用該等暫時差額扣稅之應課稅溢利時確認。倘因初步確認一項交易(業務合併情況下除外)的其他資產及負債而引致的暫時差額既不影響應課稅溢利亦不影響會計溢利，則不會確認該等遞延稅項資產及負債。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

Taxation

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

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

Deferred taxation is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred taxation liabilities are generally recognised for all taxable temporary differences. Deferred taxation assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which these deductible temporary differences can be utilised. Such deferred taxation assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

3. 主要會計政策*(續)*

稅項*(續)*

遞延稅項負債確認來自投資附屬公司及聯營公司與合營企業權益的應課稅暫時額，惟倘本集團可控制撥回暫時差額及該暫時差額可能不會於可見將來撥回則除外。有關該投資及權益可扣稅暫時差額產生的遞延稅項資產，僅以可能有足夠應課稅溢利可抵銷暫時差額利益，且預期暫時性差額於可見將來撥回時確認。

遞延稅項資產的賬面值於各報告期末進行檢討，會一直扣減至不再有足夠應課溢利可收回全部或部份資產為止。

遞延稅項資產及負債基於各報告期末已佈或實質頒佈的稅率(及稅法)按清償負債或變現資產期間的預期適用稅率計算。

遞延稅項負債及資產的計量反映本集團預期於各報告期末收回或結算資產及負債賬面值的方式產生的稅務影響。就計量以公平值模式計量的投資物業的遞延稅項負債或遞延稅項資產而言，除非假定被推翻，否則有關物業的賬面值被假定為可通過出售全數收回。倘有關投資物業為可折舊而其相關業務模式的目的乃隨著時間流逝，通過使用而非出售消耗該投資物業內所包含的絕大部分經濟利益，則有關假定被駁回。倘假定被駁回，有關投資物業的遞延稅項負債及遞延稅項資產乃根據上述國際會計準則第12號所載上述一般原則計量(即根據該物業將被收回的預期方式計量)。

即期及遞延稅項於損益確認，惟倘即期及遞延稅項與於其他全面收益或直接於權益確認的項目有關時，則即期及遞延稅項亦分別於其他全面收益或直接在權益確認。倘遞延稅項的即期稅項因業務合併初步入賬產生，則稅務影響納入業務合併入賬。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Taxation *(Continued)*

Deferred taxation liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred taxation assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

The measurement of deferred taxation liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. For the purposes of measuring deferred taxation liabilities or deferred taxation assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. If the presumption is rebutted, deferred taxation liabilities and deferred taxation assets for such investment properties are measured in accordance with the above general principles set out in IAS 12 (i.e. based on the expected manner as to how the properties will be recovered).

Current and deferred taxation are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred taxation are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred taxation arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3. 主要會計政策*(續)*

政府資助

除非能合理確定本集團將遵守政府資助所附帶的條件及將獲發有關資助，否則不會確認政府資助。

政府資助於本集團確認支銷相關費用且政府資助擬作賠償時有系統地於損益表確認。應收政府資助作賠償已產生之開或虧損或用作即時本集團財政支持且於未來並無費用，於應收期間於損益表確認。

退休福利成本

強制性公積金計劃的供款為定額供款，於僱員就其提供服務可享有供款時確認為開支。倘本集團根據國家管理退休福利計劃的責任與定額供款退休福利計劃所產生者相等，則該計劃供款視為定額供款退休福利計劃的供款處理。

以股份為基礎的付款交易

以權益結算及股份為基礎的付款交易

向僱員提供的購股權／股份獎勵

向僱員提供的購股權／股份獎勵以權益結算及股份為基礎的付款按股本工具授出日期的公平值計量。有關釐定以權益結算及股份為基礎的付款交易的公平值詳情載於本集團綜合財務報表附註41。

所獲服務之公平值參考購股權於授出日期之公平值釐定，在購股權歸屬期間以直線法列作開支，並於權益(購股權儲備)作相應增加

於報告期末，本集團修訂對預期最終歸屬購股權數目的估計。於歸屬期修訂原有估計之影響(如有)於損益確認以使累計開支反映修訂估計，並對購股權儲備或注資儲備作出相應調整。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Retirement benefit costs

Payments to the Mandatory Provident Fund Scheme, which is a defined contribution plan, are recognised as an expense when employees have rendered service entitling them to the contributions. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution plans where the Group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit plan.

Share-based payment transactions

Equity-settled share-based payment transactions

Share options/share awards to employees

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based payment transactions are set out in note 41 to the Group's consolidated financial statements.

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

At the end of the reporting period, the Group revises its estimates of the number of options or shares that are expected to ultimately vest. The impact of the revision of the original estimates during the vesting period, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share option reserve or capital contribution reserve.

3. 主要會計政策*(續)*

以股份為基礎的付款交易*(續)*

以權益結算及股份為基礎的付款交易*(續)*

向僱員提供的購股權／股份獎勵(續)

倘購股權獲行使，過往於購股權儲備中確認之款項將轉入股份溢價。倘購股權於歸屬日期後被沒收或於屆滿日仍未行使，則過往於購股權儲備中確認之款項將轉入保留盈利。

有形資產減值虧損

本集團於報告期末檢討有形資產的有限可用年期賬面值，以決定是否有跡象顯示該等資產出現減值虧損。倘出現任何有關跡象，則會估計資產的可收回金額，以釐定減值虧損(如有)的情況。若個別資產的可收回金額不能作出估計，本集團則估算該資產所屬現金產生單位的可收回金額。在合理及一貫的分配基準可被確定的情況下，集團資產亦分配至個別現金產生單位，否則將分配至合理及一貫的分配基準可被確定的最小現金產生單位組別。

可收回金額乃公平值減銷售成本與使用價值的較高者。在評估使用價值時，估計未來現金流量使用稅前貼現率貼現至其現值，該貼現率反映貨幣時間價值的當前市場估計及未來現金流量預期未經調整的資產有關風險。

倘若估計資產(或現金產生單位)的可收回金額低於其賬面值，則該資產(或現金產生單位)的賬面值將調低至其可收回金額。減值虧損即時於收益表確認為開支。

倘其後撥回減值虧損，該資產的賬面值(或現金產生單位)將增至重新估計的可收回數額，惟增加後的賬面值不得超過資產(或現金產生單位)於過往年度並無確認減值虧損時釐定的賬面值。減值虧損的撥回即時確認為收入。

3. SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Share-based payment transactions *(Continued)*

Equity-settled share-based payment transactions *(Continued)*

Share options/share awards to employees (Continued)

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

Impairment losses on tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately.

4. 關鍵會計判斷及估計不明朗因素的主要來源

於採用附註3所述本集團會計政策時，本公司董事須就不能透過其他來源明顯確定的資產及負債的賬面值作出判斷、估計及假設。估計及相關假設乃根據過往經驗及視為相關的其他因素作出。實際結果可能有別於該等估計。

估計及相關假設會持續檢討。對會計估計進行修訂時，若修訂會計估計僅影響修訂估計期間，則會在該段期間確認有關修訂；若修訂影響到現行修訂期間及未來期間，則在現行以及未來期間確認有關修訂。

應用會計政策的關鍵判斷

投資物業的遞延稅項

就計量利用公平值模式計量的投資物業所產生遞延稅項負債或遞延稅項資產而言，本公司董事已審閱本集團的投資物業組，並斷定本集團投資物業乃以旨在隨著時間推移而消耗該等投資物業包含的絕大部分經濟利益的商業模式持有。因此，在釐定本集團投資物業的遞延稅項時，董事認為，以公平值模式計量的投資物業可因出售而收回的假設並不成立。因此，本集團已確認投資物業公平值變動的遞延稅項，乃因本集團須繳納中國企業所得稅(「企業所得稅」)。

對若干公司的控制權

附註33說明兩間公司(即青島萬湖置業有限公司(「青島萬湖」)及青島萬創置業有限公司(「青島萬創」)，統稱「已收購公司」)已獲本集團收購為附屬公司，而附註32說明另一公司(即北京卓信瑞通投資發展有限公司(「北京卓信瑞通」)，連同已收購公司統稱「該等附屬公司」)已獲本集團部份出售而不失去控制權。本集團於各公司分別僅持有25.1%、25.1%及34%股權。

4. CRITICAL ACCOUNTING JUDGMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgment in applying accounting policies

Deferred taxation on investment properties

For the purposes of measuring deferred taxation arising from investment properties that are measured using the fair value model, the directors of the Company have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, in determining the Group's deferred taxation on investment properties, the directors have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is rebutted. As a result, the Group has recognised deferred taxation on changes in fair value of investment properties as the Group is subject to PRC Enterprise Income Tax ("EIT").

Control over certain companies

Note 33 describes that two companies, namely, Qingdao Wanhu Real Estate Co., Ltd. ("Qingdao Wanhu") and Qingdao Wanchuang Real Estate Co., Ltd. ("Qingdao Wanchuang") (collectively referred as "Acquired Companies") have been acquired by the Group as subsidiaries and note 32 describes another company, namely, Beijing Zhuoxinruitong Investment Co., Ltd. ("Beijing Zhuoxinruitong") (together with the Acquired Companies, referred as the "Subsidiaries") have been partially disposed by the Group without losing control. The Group has only held 25.1%, 25.1% and 34% equity interests in each company respectively.

4. 關鍵會計判斷及估計不明朗因素的主要來源*(續)*

應用會計政策的關鍵判斷*(續)*

對若干公司的控制權*(續)*

本公司董事評估本集團是否對該等附屬公司有控制權時，乃基於本集團是否有實際能力直接單方面指揮該等附屬公司的相關活動。於作出判斷時，董事考慮附屬公司董事會中由本集團委任的董事人數、本集團對該等附屬公司在營運及財務決定上的控制權，例如批准營運計劃、預算及銷售計劃(包括決定物業的售價範圍)，以及委任、償付及終止主要管理人員或營運服務供應商等。於評估後，董事的結論為本集團有足夠主導投票權益以指揮該等附屬公司的相關活動，及因此本集團對彼等有控制權。

估計不明朗因素的主要來源

公平值計量和估值過程

本集團部分資產及負債就對財務報告目的以公平值計量。本公司的財務總監確定適當的估值技術和輸入公平值計量。

在估計資產或負債的公平值時，視乎可提供的程度，本集團採用市場可觀察數據。當未能提供第一層級輸入值時，本集團委聘第三方合資格估值師進行估值。本公司的財務總監與合資格外部估值師密切合作，建立適當的估值技術和輸入到模型。財務總監報告每半年向本公司董事會報告結果，解釋資產及負債的公平值波動的原因。

4. CRITICAL ACCOUNTING JUDGMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

Critical judgment in applying accounting policies *(Continued)*

Control over certain companies *(Continued)*

The directors of the Company assessed whether or not the Group has control over the Subsidiaries based on whether the Group has the practical ability to direct the relevant activities of these Subsidiaries unilaterally. In making the judgment, the directors considered the number of directors that the Group has the power to appoint in the board of the Subsidiares, the Group's control relating to the relevant activities of the Subsidiaries, such as the approval of the operation plan, budget and sales plan, which includes the determination of the range of the selling price of the properties, and appointing, remunerating and terminating the key management personnel or service providers of the operations, etc. After assessment, the directors concluded that the Group has sufficiently dominant voting interest to direct the relevant activities of these Subsidiaries and therefore the Group has control over them.

Key sources of estimation uncertainty

Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The Chief Financial Officer of the Company determines the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The Chief Financial Officer of the Company works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the findings to the board of directors of the Company every half year to explain the cause of fluctuations in the fair value of the assets and liabilities.

4. 關鍵會計判斷及估計不明朗因素的主要來源*(續)*

估計不明朗因素的主要來源*(續)*

公平值計量和估值過程*(續)*

本集團採用估值技術，包括並非基於可觀察市場數據的輸入值，以估計投資物業及若干種類金融工具的公平值。附註12及47(f)提供關於確定各項資產和負債的公平值採用的估值技術、輸入值和關鍵假設的詳細資料。

發展中待售物業及持作出售物業(統稱「該等物業」)

如附註3所解釋，本集團的該等物業以成本或可變現淨值兩者中較低者列賬。本公司董事於釐定該等物業的可變現淨值(「可變現淨值」)及估計完成該等物業的未來成本時作出重大判斷。

基於本公司董事的經驗及目標物業的性質，本公司董事參考該等物業的估計市場價格(計及若干因素，包括相同項目內相似物業類型或相似物業的近期價格以及中國的現行及預測房地產市況)以釐定該等物業的可變現淨值。本公司董事參考本集團其他類似的已完成項目的實際開發成本並就若干現時市場數據調整后估計完成該等物業的未來成本。

倘可變現淨值增加或減少，將可能導致對該等物業進行撇減。有關撇減須運用本公司董事的判斷及估計。

土地增值稅(「土地增值稅」)

本集團於中國發展作銷售的物業就土地增值按30%至60%不等的累進稅率徵收土地增值稅，即物業銷售所得款項減可扣稅支出(包括土地成本、銷售費用、借款成本及所有相關物業發展開支)。

4. CRITICAL ACCOUNTING JUDGMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

Key sources of estimation uncertainty *(Continued)*

Fair value measurements and valuation processes *(Continued)*

The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of investment properties and certain types of financial instruments. Notes 12 and 47(f) provide detailed information about the valuation techniques, inputs and key assumptions used in the determination of the fair value of various assets and liabilities.

Properties under development for sales and properties held for sales (collectively referred to as the "Properties")

As explained in note 3, the Group's Properties are stated at the lower of cost and net realisable value. The directors of the Company make significant judgments in determining the net realisable value (the "NRV") of these Properties and the estimation of future costs to completion of these Properties.

Based on the experience of the directors of the Company and the nature of the subject properties, the directors of the Company determine the NRV of these Properties by reference to the estimated market prices of the Properties, which takes into account a number of factors including the recent prices of similar property types in the same project or by similar properties, and the prevailing and forecasted real estate market conditions in the PRC. The directors of the Company estimate the future cost to completion of the Properties by reference to the actual development cost of other similar completed projects of the Group, adjusted by certain current market data.

If there is an increase or a decrease in NRV, this may result in write-downs for these Properties. Such write-downs require the use of judgment and estimates of the directors of the Company.

Land appreciation tax ("LAT")

LAT is levied on properties developed by the Group for sale in the PRC, at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including the cost of land, sales charges, borrowing costs and all relevant property development expenditures.

4. 關鍵會計判斷及估計不明朗因素的主要來源*(續)*

估計不明朗因素的主要來源*(續)*

土地增值稅(「土地增值稅」)*(續)*

本集團在中國須繳納土地增值稅。由於不確定物業銷售所得款項及可扣稅支出，本公司董事於估計土地增值金額及適用土地增值稅稅率時須作出重大判斷。

本集團向買方交付物業後於綜合損益及其他全面收益表確認土地增值稅。然而，整個物業項目完成實際增值前，將不會與中國地方稅務機關落實計算及支付年內土地增值稅。最後稅務結果可能有別於最初入賬金額，而該等差額將於本集團與地方稅務機關落實有關稅項期間對所得稅開支及相關所得稅撥備構成影響。

所得稅開支

按附註30所載，於二零一六年十二月三十一日，主要與稅項虧損、土地增值稅撥備、呆賬撥備、政府津貼、集團內購買的未變現溢利及其他項目相關的遞延稅項資產人民幣2,622,641,000元(二零一五年：人民幣1,623,857,000元)經抵銷若干遞延稅項負債後已於本集團綜合財務狀況報表確認。遞延稅項資產能否變現主要視乎未來有無足夠可供動用的未來溢利或應課稅暫時差額。本公司董事釐定遞延稅項資產乃基於已頒佈或實質已頒佈的稅率，以及本集團預期動用遞延稅項資產的未來數年所作的最佳溢利預測。本公司董事會於報告期末前審閱假設及溢利預測。倘所產生的實際未來溢利高於或低於預期，則可能須額外確認或撥回遞延稅項資產，並於確認或撥回期間於損益表內確認。

4. CRITICAL ACCOUNTING JUDGMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY *(Continued)*

Key sources of estimation uncertainty *(Continued)*

Land appreciation tax ("LAT") *(Continued)*

The Group is subject to LAT in the PRC. Significant judgments are made by the directors of the Company in estimating the amounts of land appreciation and the applicable land appreciation tax rate due to the uncertainty of proceeds of sales of properties and deductible expenditures.

The Group recognises LAT in its consolidated statement of profit or loss and other comprehensive income when properties are delivered to the buyers. However, the LAT calculation and payments with local tax authorities in the PRC in the year will not be finalised until the actual appreciation value of the whole property project is completed. The final tax outcome could be different from the amounts that were initially recorded, and these differences will impact the income tax expense and the related income tax provisions in the period in which such tax is finalised with local tax authorities.

Income tax expense

As at December 31, 2016, deferred taxation assets of RMB2,622,641,000 (2015: RMB1,623,857,000) mainly in relation to tax losses, land appreciation tax provisions, allowance for doubtful debts, government grants, unrealised profit on intra-group purchases and others have been recognised in the Group's consolidated statement of financial position, after offsetting certain deferred taxation liabilities as set out in note 30. The realisability of the deferred taxation assets mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. The directors of the Company determine the deferred taxation assets based on the enacted or substantively enacted tax rates and the best knowledge of profit projections of the Group for coming years during which the deferred taxation assets are expected to be utilised. The directors of the Company review the assumptions and profit projections by the end of the reporting period. In cases where the actual future profits generated are more or less than expected, an additional recognition or a reversal of deferred taxation assets may arise, which would be recognised in profit or loss for the period in which such a recognition or reversal takes place.

5. 分部信息

本集團根據主要經營決策人(即本公司執行董事)為向分部配置資源及評估其表現而定期檢討的有關本集團組成部分的內部報告，釐定其經營分部。

本集團按活動類別組成業務單元，並據此編製資料而向本集團主要經營決策人呈報以便配置資源及評估表現。本集團根據國際財務報告準則第8號「經營分部」編製的經營分部可分為以下三項主要業務：

- 物業發展：該分部發展及銷售辦公樓、商業及住宅物業。本集團所有這方面的業務在中國開展。
- 物業投資：該分部租賃本集團發展的投資物業，以賺取租金收入並長期從物業增值中獲取收益。本集團目前的投資物業組合主要包括零售物業，全部位於中國。
- 物業管理及相關服務：該分部主要透過物業管理產生收入。本集團目前在中國開展這方面的業務。

5. SEGMENT INFORMATION

The Group determines its operating segments based on internal reports about components of the Group that are regularly reviewed by the chief operating decision maker (i.e., the executive directors of the Company) in order to allocate resources to the segment and to assess its performance.

The Group is organised into business units based on their types of activities, based on which information is prepared and reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of performance. The Group's operating segments under IFRS 8 *Operating Segments* are identified as three main operations:

- Property development: this segment develops and sells office premises, commercial and residential properties. All of the Group's activities in this regard are carried out in the PRC.
- Property investment: this segment leases investment properties, which are developed by the Group to generate rental income and to gain from the appreciation in the properties' values in the long term. Currently the Group's investment property portfolio mainly comprises retail properties and are all located in the PRC.
- Property management and related services: this segment mainly represents the income generated from property management. Currently the Group's activities in this regard are carried out in the PRC.

5. 分部信息

(a) 分部業績、資產及負債

就評估分部表現及在各分部之間配置資源而言，本公司執行董事按以下基準監督各經營分部應佔的收入、業績、資產及負債：

分部資產包括所有分部直接應佔的所有有形資產及流動資產，惟預付租賃款項、就購入土地使用權已付的按金、於聯營公司及合營企業的權益、可供出售投資、遞延稅項資產、可收回稅項、衍生金融工具及其他公司資產除外。由於其他公司資產為總部資產或由本集團集中管理，因此並無分配至經營分部。主要經營決策人評估時，計入分部資產的投資物業以成本列賬。分部負債包括應付賬款及應付票據及應計建築開支、已收按金及物業銷售預收款項，惟不包括應付稅項、遞延稅項負債、銀行及其他借款、優先票據、其他衍生金融工具以及其他公司負債。由於其他公司負債為總部負債或由集團整體管理，因此並無分配至經營分部。

收入及支出根據分部的銷售收入及產生的相關支出分配至經營分部。分部溢利不包括本集團應佔其聯營公司及合營企業業務活動產生的業績。

5. SEGMENT INFORMATION *(Continued)*

(a) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Company's executive directors monitor the revenue, results, assets and liabilities attributable to each operating segment on the following bases:

Segment assets include all tangible assets and current assets directly attributable to each segment with the exception of prepaid lease payments, deposits paid for acquisition of land use rights, interests in associates and joint ventures, available-for-sale investments, deferred taxation assets, taxation recoverable, derivative financial instruments and other corporate assets. Other corporate assets are not allocated to the operating segments because they are head office assets or assets which are managed centrally by the Group. The investment properties included in segment assets are stated at cost when assessed by the chief operating decision maker. Segment liabilities include accounts and bills payables and accrued expenditure on construction, deposits received and receipt in advance from property sales but exclude taxation payable, deferred taxation liabilities, bank and other borrowings, senior notes, other derivative financial instruments and other corporate liabilities. Other corporate liabilities are not allocated to the operating segment because they are head office liabilities or liabilities which are managed on a group basis.

Revenue and expenses are allocated to the operating segments with reference to sales generated by those segments and the expenses incurred by those segments. Segment profit does not include the Group's share of results arising from the activities of the Group's associates and joint ventures.

5. 分部信息 *(續)*

(a) 分部業績、資產及負債 *(續)*

呈報分部溢利所採用的指標為未計利息、其他收益及虧損、稅項、折舊、應佔聯營公司及合營企業業績、投資物業及轉撥為投資物業時公平值變動、衍生金融工具公平值變動以及融資成本的經調整盈利(「經調整盈利」)，此處所指的「利息」包括投資收入，而「折舊」則視為包括非流動資產的減值虧損。為確定經調整盈利，本集團的盈利會就未具體劃撥至個別分部的項目，如董事及核數師薪酬、其他總部或公司行政開支，作進一步調整。

除獲取有關分部溢利的分部資料外，管理層獲取各分部的相關資訊，包括收入(包括分部間銷售)及分部用於經營業務的新增非流動分部資產。分部間銷售乃參照同類服務對外部客戶的售價而定價。

有關本集團經營分部的資料列示如下。

5. SEGMENT INFORMATION *(Continued)*

(a) Segment results, assets and liabilities *(Continued)*

The measure used for reporting segment profit is adjusted earnings before interest, other gains and losses, taxes, depreciation, share of results of associates and joint ventures, changes in fair value of investment properties and upon transfer to investment properties, change in fair value of derivative financial instruments and finance costs ("Adjusted Earnings"), where "interest" is regarded as including investment income and "depreciation" is regarded as including impairment losses on non-current assets. To arrive at Adjusted Earnings the Group's earnings are further adjusted for items not specifically attributed to individual segments, such as directors' and auditor's remuneration and other head office or corporate administration costs.

In addition to receiving segment information concerning segment profit, management is provided with segment information concerning revenue (including inter-segment sales) and additions to non-current segment assets used by the segments in their operations. Inter-segment sales are priced with reference to prices charged to external parties for similar service.

Information regarding the Group's operating segments is set out below.

		截至二零一六年十二月三十一日止年度 Year ended December 31, 2016			
		物業發展 Property development *人民幣千元* *RMB'000*	物業投資 Property investment *人民幣千元* *RMB'000*	物業管理及相關服務 Property management and related services *人民幣千元* *RMB'000*	總計 Total *人民幣千元* *RMB'000*
來自外界客戶的收入	Revenue from external customers	51,441,402	1,913,093	1,445,000	54,799,495
分部間收入	Inter-segment revenue	—	—	396,434	396,434
分部收入	Segment revenue	51,441,402	1,913,093	1,841,434	55,195,929
分部溢利(經調整盈利)	Segment profit (Adjusted Earnings)	12,443,324	1,331,460	732,874	14,507,658
分部資產	Segment assets	110,640,994	28,684,847	298,366	139,624,207
分部負債	Segment liabilities	58,600,985	471,119	46,051	59,118,155

5. 分部信息 *(續)*

(a) 分部業績、資產及負債 *(續)*

5. SEGMENT INFORMATION *(Continued)*

(a) Segment results, assets and liabilities *(Continued)*

		截至二零一五年十二月三十一日止年度 Year ended December 31, 2015			
		物業發展 Property development *人民幣千元 RMB'000*	物業投資 Property investment *人民幣千元 RMB'000*	物業管理及相關服務 Property management and related services *人民幣千元 RMB'000*	總計 Total *人民幣千元 RMB'000*
來自外界客戶的收入	Revenue from external customers	44,992,984	1,415,187	1,014,928	47,423,099
分部間收入	Inter-segment revenue	—	—	383,639	383,639
分部收入	Segment revenue	44,992,984	1,415,187	1,398,567	47,806,738
分部溢利(經調整盈利)	Segment profit (Adjusted Earnings)	10,415,923	990,443	590,475	11,996,841
分部資產	Segment assets	91,710,136	25,048,193	368,333	117,126,662
分部負債	Segment liabilities	46,946,184	429,470	23,409	47,399,063

其他分部資料

Other segment information

		物業發展 Property development *人民幣千元 RMB'000*	物業投資 Property investment *人民幣千元 RMB'000*	物業管理及相關服務 Property management and related services *人民幣千元 RMB'000*	總計 Total *人民幣千元 RMB'000*
計量分部資產時所計入之款項：	Amounts included in the measure of segment assets:				
二零一六年	2016				
添置非流動資產(附註)	Additions to non-current assets (Note)	36,345	2,955,063	4,981	2,996,389
二零一五年	2015				
添置非流動資產(附註)	Additions to non-current assets (Note)	49,362	3,285,790	5,710	3,340,862

附註：款項包括添置投資物業以及物業、廠房及設備。

Note: Amounts comprise additions to investment properties and property, plant and equipment.

5. 分部信息 *(續)*

(a) 分部業績、資產及負債 *(續)*

除獲取有關分部溢利的分部資料外，主要經營決策人獲提供有關本集團綜合款項的資料，綜合款項包括於聯營公司的權益及應佔相關業績、於合營企業的權益及應佔相關業績、投資物業及轉撥為投資物業時公平值變動、衍生金融工具公平值變動、其他收入、其他收益及虧損、借款產生的融資成本、折舊以及不可分配至營運分部的減值虧損（如有）。

5. SEGMENT INFORMATION *(Continued)*

(a) Segment results, assets and liabilities *(Continued)*

In addition to receiving segment information concerning segment profit, the chief operating decision maker is provided with information concerning the Group's consolidated amount of interests in associates and related share of results, interests in joint ventures and related share of results, changes in fair value of investment properties and upon transfer to investment properties, change in fair value of derivative financial instruments, other income, other gains and losses, finance costs from borrowings, depreciation and impairment losses (if any) which are not allocated to operating segments.

(b) 分部收入、損益、資產及負債的對賬

(b) Reconciliations of segment revenues, profit or loss, assets and liabilities

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
收入	**Revenue**		
分部收入	Segment revenue	55,195,929	47,806,738
分部間收入對銷	Elimination of inter-segment revenue	(396,434)	(383,639)
綜合收入	Consolidated revenue	54,799,495	47,423,099
溢利	**Profit**		
分部溢利	Segment profit	14,507,658	11,996,841
其他收入	Other income	336,045	453,445
其他收益及虧損	Other gains and losses	(155,308)	(155,988)
轉撥為投資物業的公平值收益	Fair value gain upon transfer to investment properties	47,154	434,251
投資物業公平值變動	Change in fair value of investment properties	1,970,958	2,439,626
衍生金融工具公平值變動	Change in fair value of derivative financial instruments	(109,031)	—
融資成本	Finance costs	(53,059)	(43,119)
應佔聯營公司業績	Share of results of associates	1,051,011	(18,707)
應佔合營企業業績	Share of results of joint ventures	383,210	266,864
折舊	Depreciation	(46,255)	(33,164)
未分配開支	Unallocated expenses	(1,976,073)	(1,401,862)
綜合除稅前溢利	Consolidated profit before taxation	15,956,310	13,938,187

5. 分部信息 *(續)*

(b) 分部收入、損益、資產及負債的對賬 *(續)*

5. SEGMENT INFORMATION *(Continued)*

(b) Reconciliations of segment revenues, profit or loss, assets and liabilities *(Continued)*

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
資產	**Assets**		
分部資產	Segment assets	139,624,207	117,126,662
投資物業公平值累計變動	Cumulative change in fair value of investment properties	20,441,149	18,423,037
預付租賃款項	Prepaid lease payments	17,421,955	11,774,585
於聯營公司的權益	Interests in associates	1,585,693	355,793
於合營企業的權益	Interests in joint ventures	2,737,328	882,285
可供出售投資	Available-for-sale investments	180,021	130,920
就購入土地使用權已付的按金	Deposits paid for acquisition of land use rights	11,925,639	4,849,295
遞延稅項資產	Deferred taxation assets	2,622,641	1,623,857
衍生金融工具	Derivative financial instruments	988,746	701,083
可收回稅項	Taxation recoverable	3,844,962	3,291,225
未分配總部及其他資產	Unallocated head office and other assets	23,458,033	24,929,864
綜合資產總值	Consolidated total assets	224,830,374	184,088,606
負債	**Liabilities**		
分部負債	Segment liabilities	59,118,155	47,399,063
應付稅項	Taxation payable	12,939,782	10,304,622
遞延稅項負債	Deferred taxation liabilities	5,498,136	4,486,726
銀行及其他借款	Bank and other borrowings	52,360,438	44,336,408
優先票據	Senior notes	5,511,632	7,929,172
其他衍生金融工具	Other derivative financial instruments	215,915	—
未分配總部及其他負債	Unallocated head office and other liabilities	14,071,136	7,164,961
綜合負債總值	Consolidated total liabilities	149,715,194	121,620,952

(c) 主要產品及服務所得收益

本集團自出售物業、投資物業及提供服務所得收益分析如下：

(c) Revenue from major product and services

The following is an analysis of the Group's revenue from its properties sold, properties invested and services provided:

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
出售物業	Sales of properties	51,441,402	44,992,984
租賃物業	Leasing of properties	1,913,093	1,415,187
提供物業管理服務	Provision of property management services	1,445,000	1,014,928
		54,799,495	47,423,099

5. 分部信息 *(續)*

(d) 地區資料

下表載列按出售物業、投資物業及提供服務所在中國城市劃分有關本集團來自外界客戶收入的資料。非流動資產資料按資產所在地理位置分析。

5. SEGMENT INFORMATION *(Continued)*

(d) Geographic information

The following table sets out information about the Group's revenue from external customers by cities in the PRC, based on the location at which the properties are sold, properties are invested and services are provided. Information about its non-current assets is analysed by geographical location of assets.

		來自外界客戶的收入 Revenue from external customers		非流動資產 Non-current assets	
		二零一六年 2016	二零一五年 2015	二零一六年 2016	二零一五年 2015
		人民幣千元 RMB'000	*人民幣千元 RMB'000*	*人民幣千元 RMB'000*	*人民幣千元 RMB'000*
北京	Beijing	1,933,241	2,993,063	13,714,539	9,092,667
成都	Chengdu	4,741,258	4,260,967	7,295,322	7,074,754
重慶	Chongqing	12,426,394	10,658,671	22,872,727	19,764,571
杭州	Hangzhou	8,301,344	6,520,638	6,067,935	5,616,167
南京	Nanjing	2,685,901	—	101,679	945
青島	Qingdao	2,861,144	2,084,107	590,526	106,101
上海	Shanghai	4,714,772	4,487,061	9,109,454	6,304,061
蘇南	Sunan	2,915,546	1,918,047	1,186,119	1,424,239
蘇州	Suzhou	2,054,169	1,219,565	2,551,739	2,027,959
廈門	Xiamen	1,906,687	2,866,437	6,609,364	4,367,170
西安	Xi'an	2,558,747	1,601,811	1,282,771	726,039
中國其他城市	Other cities in the PRC	7,700,292	8,812,732	11,517,682	4,950,759
		54,799,495	47,423,099	82,899,857	61,455,432

附註：非流動資產不包括可供出售投資、金融工具及遞延稅項資產。

Note: Non-current assets excluded available-for-sale investments, financial instruments and deferred taxation assets.

概無與單一外界客戶進行交易的收入達本集團收入的10%或以上。

No revenue from transaction with a single external customer amounts to 10% or more of the Group's revenue.

6. 其他收入 / 6. OTHER INCOME

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
利息收入	Interest income	141,046	238,024
可供出售投資的股息收入	Dividend income from available-for-sale investments	1,252	626
政府津貼(附註a)	Government subsidies (Note a)	47,826	80,106
違約收入(附註b)	Penalty income (Note b)	68,096	59,865
雜項收入	Sundry income	77,825	74,824
總計	Total	336,045	453,445

附註：

(a) 金額指從相關中國政府收取以鼓勵特定地區投資的補助。津貼為無條件及於年內按酌情基準授予本集團。

(b) 指從未履行物業銷售買賣協議的物業買家或提早終止租賃協議的租戶收取的違約金。

Notes:

(a) The amount represents the grants received from the relevant PRC government to encourage the investments in specific regions. The subsidies are unconditional and granted on a discretionary basis to the Group during the year.

(b) It represents penalty received from property buyers who do not execute sales and purchase agreements on property sales or from tenants who early terminate tenancy agreements.

7. 其他收益及虧損 / 7. OTHER GAINS AND LOSSES

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
出售物業、廠房及設備的收益	Gain on disposal of property, plant and equipment	15,700	2,997
匯兑虧損淨額(附註)	Net exchange losses (Note)	(302,374)	(772,739)
從對沖儲備重新分類至對沖工具的公平值收益	Reclassification of fair value gain of hedging instruments from hedging reserve	248,592	613,754
提前贖回優先票據的虧損	Loss on early redemption of senior notes	(117,226)	—
		(155,308)	(155,988)

附註：指原貨幣以港元(「港元」)或美元(「美元」)列值的銀行結餘、銀行借款及優先票據產生的匯兑差額。

Note: It represents exchange difference arising from bank balances, bank borrowings and senior notes, original currencies of which are either denominated in Hong Kong Dollar ("HKD") or United States Dollar ("USD").

8. 融資成本 / 8. FINANCE COSTS

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
銀行及其他借款利息	Interest on bank and other borrowings		
五年內悉數償還	Wholly repayable within five years	(1,849,214)	(2,250,350)
非五年內悉數償還	Not wholly repayable within five years	(638,928)	(203,508)
優先票據的利息開支	Interest expense on senior notes	(537,576)	(533,678)
減：發展中待售物業及發展中投資物業的資本化金額	Less: Amount capitalised to properties under development for sales and investment properties under development	2,972,659	2,944,417
		(53,059)	(43,119)

資本化的借貸成本均源自本集團的一般借款額，於截至二零一六年十二月三十一日止年度按每年5.32%(二零一五年：6.55%)的資本化比率計算，計入合資格資產開支。

Borrowing costs capitalised arose on the general borrowing pool of the Group and were calculated by applying a capitalisation rate of 5.32% (2015: 6.55%) per annum for the year ended December 31, 2016, to expenditure on the qualifying assets.

9. 所得稅開支 / 9. INCOME TAX EXPENSE

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
本期稅項	Current tax		
企業所得稅	EIT	(3,470,064)	(2,577,985)
土地增值稅	LAT	(2,732,472)	(1,844,446)
		(6,202,536)	(4,422,431)
往年超額撥備：	Overprovision in prior years:		
企業所得稅(附註a)	EIT (Note a)	106,927	161,017
土地增值稅(附註b)	LAT (Note b)	95,097	287,444
		202,024	448,461
		(6,000,512)	(3,973,970)
遞延稅項(附註30)	Deferred taxation (Note 30)		
本年度	Current year	65,882	(724,542)
過往年度(撥備不足)超額撥備	(Under) overprovision in prior years	(86,814)	124,442
		(20,932)	(600,100)
		(6,021,444)	(4,574,070)

9. 所得稅開支 *(續)*

附註：

(a) 就若干持有竣工物業項目的附屬公司估計及計算應付企業所得稅已完成，此有別於管理層於往年對企業所得稅的估計，造成有關往年的企業所得稅超額撥備。

(b) 若干物業項目的實際增值額已予確定及物業項目的開發計劃已予修訂，其中經修訂估計增值額與往年所作出的增值額不同，導致往年土地增值稅超額撥備。

由於本集團的收入既不產自亦非來自香港，故並無作出香港利得稅撥備。

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，於兩年內，中國附屬公司的稅率均為25%。

本公司於中國經營的若干附屬公司合資格享有豁免繳納各年度的中國企業所得稅。

根據相關中國企業所得稅規則及規例，本公司若干於西部地區成立且從事受鼓勵業務的中國附屬公司獲授優惠企業所得稅稅率。倘該等公司受鼓勵業務所得年收入超過其年總收入的70%，則彼等於二零一六年按15%(二零一五年：15%)的優惠稅率繳納企業所得稅，惟須待主管稅務機構批准。

9. INCOME TAX EXPENSE *(Continued)*

Notes:

(a) The assessment and computation of EIT payable in respect of certain subsidiaries which held completed property projects were finalised which differed from the management's estimation on EIT in prior years, resulting in an overprovision of EIT in respect of prior years.

(b) The actual appreciation value of several property projects had been finalised and the development plan for property projects had been revised in which the revised estimated appreciation amount was different with the appreciation amount made in prior years, resulting in an overprovision of LAT in respect of prior years.

No provision for Hong Kong Profits Tax has been made as the Group does not have income which arises in, or is derived from, Hong Kong.

Under the Law of the PRC on EIT (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

Certain of the Company's subsidiaries operating in the PRC are eligible for exemption from PRC EIT for both years.

Pursuant to the relevant PRC corporate income tax rules and regulations, preferential corporate income tax rates have been granted to certain PRC subsidiaries of the Company which were established in western regions and engaged in the encouraged business. These companies are subject to a preferential rate of 15% in 2016 (2015: 15%), subject to approval of the tax authority, if the annual income derived from the encouraged business is more than 70% of the annual total income.

9. 所得稅開支 *(續)*

年度稅費與綜合損益及其他全面收益表內除稅前溢利的對賬如下：

9. INCOME TAX EXPENSE *(Continued)*

The tax charge for the year can be reconciled to the profit before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
除稅前溢利	Profit before taxation	15,956,310	13,938,187
25%的中國企業所得稅	PRC EIT at 25%	(3,989,078)	(3,484,547)
應佔聯營公司業績的稅務影響	Tax effect of share of results of associates	262,753	(4,677)
應佔合營企業業績的稅務影響	Tax effect of share of results of joint ventures	95,803	66,716
就稅項而言不可扣除開支的稅務影響(附註a)	Tax effect of expenses not deductible for tax purposes (Note a)	(436,361)	(410,968)
就稅項而言毋須課稅收入的稅務影響	Tax effect of income not taxable for tax purposes	1,184	2,260
土地增值稅	LAT	(2,732,472)	(1,844,446)
土地增值稅的稅務影響	Tax effect of LAT	683,118	461,112
往年超額撥備	Overprovision in prior years	115,210	572,903
未確認稅項虧損的稅務影響	Tax effect of tax losses not recognised	(40,410)	(24,465)
若干中國附屬公司獲授的稅項豁免及優惠稅率的影響	Effect of tax exemption and preferential rates granted to certain PRC subsidiaries	10,345	18,704
有待分派保留盈利的預扣稅(附註b)	Withholding tax on retained profits to be distributed (Note b)	—	(19,151)
已付股息徵收的預扣稅	Withholding tax levied on dividend paid	8,464	92,489
年度稅費	Tax charge for the year	(6,021,444)	(4,574,070)

附註：

(a) 該金額主要包括本集團不可扣減企業開支及若干附屬公司開支超出相關稅法規定的可扣減限額的稅務影響。

(b) 根據《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》及國稅法[2008]112號，5%股息預扣稅稅率適用於直接擁有中國內地公司股本最少25%的香港居民公司。該數額指就若干中國附公司於截至二零一六年十二月三十一日止年度所賺取的未分派溢利而撥備的預扣所得稅。

Notes:

(a) The amount mainly comprises the tax effect of non-deductible corporate expenses of the Group and the expenses of certain subsidiaries in excess of the allowable deduction limits in accordance with the relevant tax regulations.

(b) According to the "Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income" and Guoshuifa [2008]112, where the Hong Kong resident company directly owns at least 25% of the capital of the Mainland company, 5% dividend withholding tax rate is applicable. The amount represents the withholding income tax provided on the undistributed profits arisen during the year ended December 31, 2016 of certain PRC subsidiaries.

10. 股息

10. DIVIDEND

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
年內確認分派的股息：	Dividend recognised as distribution during the year:		
二零一五年派付的末期股息每股人民幣0.357元(二零一五年：二零一四年每股人民幣0.284元)	Final dividend paid in respect of 2015 of RMB0.357 (2015: in respect of 2014 of RMB0.284) per share	**2,083,332**	1,654,310

於報告期結束後，本公司董事建議派發截至二零一六年十二月三十一日止年度的末期股息人民幣2,722,014,000元，每股人民幣0.466元(基於二零一六年十二月三十一日的已發行股份數目)(二零一五年：截至二零一五年十二月三十一日止年度的末期股息人民幣2,083,000,000元，每股人民幣0.357元)，惟須待股東於應屆股東週年大會批准。

Subsequent to the end of the reporting period, a final dividend of RMB2,722,014,000, representing RMB0.466 per share, based on the number of shares in issue as at December 31, 2016, in respect of the year ended December 31, 2016 (2015: final dividend of RMB2,083,000,000, representing RMB0.357 per share, in respect of the year ended December 31, 2015) has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming Annual General Meeting.

11. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利的計算乃基於以下數據：

11. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
用於計算每股基本及攤薄盈利的本公司擁有人應佔盈利	Earnings attributable to the owners of the Company for the purposes of calculation of basic and diluted earnings per share	9,152,953	8,988,037

11. 每股盈利 *(續)*

11. EARNINGS PER SHARE *(Continued)*

		二零一六年 2016 *千股* *'000*	二零一五年 2015 *千股* *'000*
股份數目	Number of shares		
用於計算每股基本盈利的普通股加權平均數	Weighted average number of ordinary shares for the purpose of calculation of basic earnings per share	5,817,674	5,821,449
購股權相關之普通股的潛在攤薄影響	Effect of dilutive potential ordinary shares in respect of - share options	21,173	41,412
用於計算每股攤薄盈利的普通股加權平均數	Weighted average number of ordinary shares for the purpose of calculation of diluted earnings per share	5,838,847	5,862,861

計算兩個年度每股基本及攤薄盈利所採用的普通股加權平均數乃經扣除一名獨立受託人根據本公司股份獎勵計劃以信託形式代本公司持有的股份後達致。

截至二零一六年及二零一五年十二月三十一日止年度，由於經調整行使價高於二零一六年及二零一五年未行使期間本公司股份的平均市價，故計算每股攤薄盈利時並無計入根據二零零九年十二月二十三日採納的首次公開發售後購股權計劃於二零一一年一月十七日授出的購股權。

The weighted average number of ordinary shares adopted in the calculation of basic and diluted earnings per share for both years have been arrived at after deducting the shares held in trust for the Company by an independent trustee under the share award scheme of the Company.

For the year ended December 31, 2016 and 2015, the share options granted on January 17, 2011 under the Post-IPO share option scheme adopted on December 23, 2009 are not included in the calculation of diluted earnings per share as the adjusted exercise price was greater than the average market price of the Company's shares during the outstanding period in 2016 and 2015.

12. 投資物業

12. INVESTMENT PROPERTIES

		已落成投資物業 Completed investment properties 人民幣千元 RMB'000	發展中投資物業 Investment properties under development 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
公平值	FAIR VALUE			
於二零一五年一月一日	At January 1, 2015	25,702,800	7,658,700	33,361,500
添置	Additions	2,482	3,278,121	3,280,603
轉撥自預付租賃款項	Transfer from prepaid lease payments	—	3,004,611	3,004,611
轉撥自持作出售物業(附註)	Transfer from properties held for sales (Note)	337,172	—	337,172
轉撥	Transfer	4,131,009	(4,131,009)	—
成本調整	Cost adjustment	(5,661)	532,998	527,337
由預付租賃款項轉撥為投資物業的公平值收益	Fair value gain upon transfer of prepaid lease payments to investment properties	—	395,863	395,863
由持作出售物業轉撥為投資物業的公平值變動	Fair value change upon transfer of properties held for sales to investment properties	38,388	—	38,388
於損益確認的公平值增加淨額	Net increase in fair value recognised in profit or loss	773,210	1,666,416	2,439,626
於二零一五十二月三十一日	At December 31, 2015	30,979,400	12,405,700	43,385,100
添置	Additions	97,724	2,856,273	2,953,997
轉撥自持作出售物業(附註)	Transfer from properties held for sales (Note)	673,391	—	673,391
轉撥	Transfer	8,135,437	(8,135,437)	—
由持作出售物業轉撥為投資物業的公平值變動	Fair value change upon transfer of properties held for sales to investment properties	47,154	—	47,154
於損益確認的公平值增加淨額	Net increase in fair value recognised in profit or loss	1,575,694	395,264	1,970,958
於二零一六年十二月三十一日	At December 31, 2016	41,508,800	7,521,800	49,030,600
計入損益的物業重估的未變現收益	Unrealised gain on property revaluation included in profit or loss	1,622,848	395,264	2,018,112

附註：由於與第三方的經營租賃已開始，顯示物業用途已改變，故自持作出售物業轉撥為投資物業。

Note: The transfer from properties held for sales to investment properties were made since there was a change in use as evidenced by the commencement of operating leases to third parties.

12. 投資物業*(續)*

投資物業均位於中國。

本集團投資物業於轉撥之日以及二零一六及二零一五十二月三十一日的公平值乃基於由與本集團並無關連的一家獨立合資格專業估值師第一太平戴維斯估值及專業顧問有限公司(其於相關地點類似物業的估值上擁有適當資格及新近經驗)於該等日期進行的估值編製。

在估計物業的公平值時，其目前用途為該等物業帶來最高價值及和最佳用途。

估值師採用以下基準釐定投資物業的公平值：

已落成物業－將現有租約所得租金收入淨額撥充資本計算，並適當考慮有關物業可能重訂租約收入。

發展中物業－基於有關物業將根據最新發展建議發展及落成的假設估值，並計及完成發展項目將支銷的成本及開發商的利潤率以反映已完成發展項目的質量。

本集團用作賺取租金或作資本增值用途的所有租賃土地及樓宇的物業權益以公平值模式計量並分類及入賬列作投資物業。

有關該等投資物業公平值的釐定方法(特別是估值技術及輸入數據)，以及根據公平值計量可觀察的輸入數據分類公平值計量的公平值等級(第一至三層級)資料載列如下。

12. INVESTMENT PROPERTIES *(Continued)*

The investment properties are all situated in the PRC.

The fair values of the Group's investment properties at dates of transfer and December 31, 2016 and 2015 have been arrived at on the basis of valuations carried out on those dates by Savills Valuation and Professional Services Limited, a firm of independent qualified professional valuers not connected with the Group, who have appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations.

In estimating the fair value of the properties, the highest and best use of the properties is their current use.

The fair values of the investment properties were determined by the valuers on the following basis:

Completed properties - arrived at by capitalising the net rental income derived from the existing tenancies with due allowance for reversionary incoming potential of the respective properties.

Properties under development - valued on the basis that they will be developed and completed in accordance with the latest development proposals and taken into account the construction costs that will be expended to complete the development as well as developer's profit margin to reflect the quality of the completed development.

All of the Group's property interests in leasehold land and buildings to earn rentals or for capital appreciation purposes are measured using the fair value model and classified and accounted for as investment properties.

The following table gives information about how the fair values of these investment properties are determined (in particular, the valuation techniques and inputs used), as well as the fair value hierarchy into which the fair value measurements are categorised (Levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

12. 投資物業 *(續)*

12. INVESTMENT PROPERTIES *(Continued)*

本集團於綜合財務狀況報表持有之投資物業 Investment properties held by the Group in the consolidated statement of financial position	公平值等級 Fair value hierarchy	估值技術及主要輸入數據 Valuation technique(s) and key input(s)	重大不可觀察輸入數據 Significant unobservable input(s)	不可觀察輸入數據相對公平值的關係(附註a) Relationship of unobservable inputs to fair value (Note a)
已落成投資物業－於中國西部的購物中心 Completed investment properties - shopping malls in Western China	第三層級 Level 3	收益資本化法 主要輸入數據為 (1) 年期收益率 (2) 可能重訂租約收益率 (3) 每月定期租金 (4) 可能重訂租金 Income capitalisation method The key inputs are (1) Term yield (2) Reversionary yield (3) Monthly term rental (4) Reversionary rental	年期收益率，考慮到市場平均售價及可比物業市場平均租金產生的收益率，並作出調整，以反映年期價值較低的市場風險，界乎4%至6.5%(二零一五年：4%至6.5%)。 Term yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the lower market risk for the term value, range from 4% to 6.5% (2015: 4% to 6.5%). 可能重訂租約收益率，考慮到市場平均售價及可比物業市場平均租金產生的收益率，並作出調整，以反映購物中心的狀況，界乎4.5%至7%(二零一五年：4.5%至7.5%)。 Reversionary yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the conditions of the shopping malls, range from 4.5% to 7% (2015: 4.5% to 7.5%). 每個單位的每月定期租金來自現有租賃協議所列的租金，平均為人民幣28元／平方米／月至人民幣304元／平方米／月(二零一五年：人民幣36元／平方米／月至人民幣241元／平方米／月)。 Monthly term rental for each unit is derived from the rental as stated in the existing rental agreements with an average of RMB28/sq.m./month to RMB304/sq.m./month (2015: RMB36/sq.m./month to RMB241/sq.m./month). 可能重訂租金來自可比物業市場租金或新租賃協議所列的租金，平均為人民幣81元／平方米／月至人民幣701元／平方米／月(二零一五年：人民幣82元／平方米／月至人民幣692元／平方米／月)。 Reversionary rental is derived from the market rentals from comparable properties or the rental as stated in the new rental agreements with an average of RMB81/sq.m./month to RMB701/sq.m./month (2015: RMB82/sq.m./month to RMB692/sq.m./month).	年期收益率越高，公平值越低。 The higher the term yield, the lower the fair value. 可能重訂租約收益率越高，公平值越低。 The higher the reversionary yield, the lower the fair value. 每月定期租金越高，公平值越高。 The higher the monthly term rental, the higher the fair value. 可能重訂租金越高，公平值越高。 The higher the reversionary rental, the higher the fair value.

12. 投資物業 *(續)*

12. INVESTMENT PROPERTIES *(Continued)*

本集團於綜合財務狀況報表持有之投資物業 Investment properties held by the Group in the consolidated statement of financial position	公平值等級 Fair value hierarchy	估值技術及主要輸入數據 Valuation technique(s) and key input(s)	重大不可觀察輸入數據 Significant unobservable input(s)	不可觀察輸入數據相對公平值的關係(附註b) Relationship of unobservable inputs to fair value (Note b)
中國西部在建投資物業 Investment properties under development in Western China	第三層級 Level 3	剩餘法 主要輸入數據為 (1) 總發展價值 (2) 開發商的利潤 (3) 貼現率 The residual method The key inputs are (1) Gross development value (2) Developer's profit (3) Discount rate	以竣工為基準的總發展價值，考慮到可比物業及物業的位置和個別因素，如面向和大小，界乎人民幣1,076百萬元至人民幣1,086百萬元(二零一五年：人民幣1,027百萬元至人民幣1,683百萬元)。 Gross development value on completion basis, taking into account of location and individual factors such as frontage and size, between the comparables and the property, range from RMB1,076 million to RMB1,086 million (2015: RMB1,027 million to RMB1,683 million). 開發商的利潤，考慮到可比土地交易及物業的進度，界乎15%至20%(二零一五年：10%至20%)。 Developer's profit, taking into account of the comparables land transactions and progress of the property, range from 15% to 20% (2015: 10% to 20%). 貼現率，考慮到市場現行利率，為4.35%(二零一五年：4.35%至4.75%)。 Discount rate, taking into account of the prevailing market interest rates, at 4.35% (2015: 4.35% to 4.75%).	總發展價值越高，公平值越高。 The higher the gross development value, the higher the fair value. 開發商的利潤越高，公平值越低。 The higher the developer's profit, the lower the fair value. 貼現率越高，公平值越低。 The higher the discount rate, the lower the fair value.

12. INVESTMENT PROPERTIES *(Continued)*

本集團於綜合財務狀況報表持有之投資物業 Investment properties held by the Group in the consolidated statement of financial position	公平值等級 Fair value hierarchy	估值技術及主要輸入數據 Valuation technique(s) and key input(s)	重大不可觀察輸入數據 Significant unobservable input(s)	不可觀察輸入數據相對公平值的關係(附註a) Relationship of unobservable inputs to fair value (Note a)
已落成投資物業－於環渤海區的購物中心 Completed investment properties - shopping malls in Pan Bohai Rim	第三層級 Level 3	收益資本化法 主要輸入數據為 (1) 年期收益率 (2) 可能重訂租約收益率 (3) 每月定期租金 (4) 可能重訂租金 Income capitalisation method The key inputs are (1) Term yield (2) Reversionary yield (3) Monthly term rental (4) Reversionary rental	年期收益率，考慮到市場平均售價及可比物業市場平均租金產生的收益率，並作出調整，以反映年期價值較低的市場風險，界乎5.5%至6%(二零一五年：5.5%至6%)。 Term yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the lower market risk for the term value, range from 5.5% to 6% (2015: 5.5% to 6%). 可能重訂租約收益率，考慮到市場平均售價及可比物業市場平均租金產生的收益率，並作出調整，以反映購物中心的狀況，為6%(二零一五年：6%)。 Reversionary yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the conditions of the shopping malls, at 6% (2015: 6%). 每個單位的每月定期租金來自現有租賃協議所列的租金，平均為人民幣138元／平方米／月至人民幣228元／平方米／月(二零一五年：人民幣141元／平方米／月至人民幣316元／平方米／月)。 Monthly term rental for each unit is derived from the rental as stated in the existing rental agreements with an average of RMB138/sq.m./month to RMB228/sq.m./month (2015: RMB141/sq.m./month to RMB316/sq.m./month). 每個單位的每月定期租金來自現有租賃協議所列的租金，平均為人民幣206元／平方米／月至人民幣484元／平方米／月(二零一五年：人民幣235元／平方米／月至人民幣457元／平方米／月)。 Reversionary rental is derived from the market rentals from comparable properties or the rental as stated in the new rental agreements with an average of RMB206/sq.m./month to RMB484/sq.m./month (2015: RMB235/sq.m./month to RMB457/sq.m./month).	年期收益率越高，公平值越低。 The higher the term yield, the lower the fair value. 可能重訂租約收益率越高，公平值越低。 The higher the reversionary yield, the lower the fair value. 每月定期租金越高，公平值越高。 The higher the monthly term rental, the higher the fair value. 可能重訂租金越高，公平值越高。 The higher the reversionary rental, the higher the fair value.

12. 投資物業 *(續)*

12. INVESTMENT PROPERTIES *(Continued)*

本集團於綜合財務狀況報表持有之投資物業 Investment properties held by the Group in the consolidated statement of financial position	公平值等級 Fair value hierarchy	估值技術及主要輸入數據 Valuation technique(s) and key input(s)	重大不可觀察輸入數據 Significant unobservable input(s)	不可觀察輸入數據相對公平值的關係(附註b) Relationship of unobservable inputs to fair value (Note b)
環渤海區在建投資物業 Investment properties under development in Pan Bohai Rim	第三層級 Level 3	剩餘法 主要輸入數據為 (1) 總發展價值 (2) 開發商的利潤 (3) 貼現率 The residual method The key inputs are (1) Gross development value (2) Developer's profit (3) Discount rate	以竣工為基準的總發展價值，考慮到可比物業及物業的位置和個別因素，如面向和大小，為零(二零一五年：人民幣3,660百萬元)。 Gross development value on completion basis, taking into account of location and individual factors such as frontage and size, between the comparables and the property, of nil (2015: RMB3,660 million). 開發商的利潤，考慮到可比土地交易及物業的進度為零(二零一五年：5%)。 Developer's profit, taking into account of the comparables land transactions and progress of the property, at nil (2015: 5%). 貼現率，考慮到市場現行利率，為零(二零一五年：4.35%)。 Discount rate, taking into account of the prevailing market interest rate, at nil (2015: 4.35%).	總發展價值越高，公平值越高。 The higher the gross development value, the higher the fair value. 開發商的利潤越高，公平值越低。 The higher the developer's profit, the lower the fair value. 貼現率越高，公平值越低。 The higher the discount rate, the lower the fair value.

12. 投資物業 *(續)*

12. INVESTMENT PROPERTIES *(Continued)*

本集團於綜合財務狀況報表持有之投資物業 Investment properties held by the Group in the consolidated statement of financial position	公平值等級 Fair value hierarchy	估值技術及主要輸入數據 Valuation technique(s) and key input(s)	重大不可觀察輸入數據 Significant unobservable input(s)	不可觀察輸入數據相對公平值的關係(附註a) Relationship of unobservable inputs to fair value (Note a)
已落成投資物業－於長江三角洲的購物中心 Completed investment properties - shopping malls in Yangtze River Delta	第三層級 Level 3	收益資本化法 主要輸入數據為 (1) 年期收益率 (2) 可能重訂租約收益率 (3) 每月定期租金 (4) 可能重訂租金 Income capitalisation method The key inputs are (1) Term yield (2) Reversionary yield (3) Monthly term rental (4) Reversionary rental	年期收益率，考慮到市場平均售價及可比物業市場平均租金產生的收益率，並作出調整，以反映年期價值較低的市場風險，界乎5%至5.5%(二零一五年：6%)。 Term yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the lower market risk for the term value, range from 5% to 5.5% (2015: 6%). 可能重訂租約收益率，考慮到市場平均售價及可比物業市場平均租金產生的收益率，並作出調整，以反映購物中心的狀況，為6%(二零一五年：6.5%)。 Reversionary yield, taking into account of yield generated by market average selling price and the market average rental from comparable properties and adjustment to reflect the conditions of the shopping malls, at 6% (2015: 6.5%). 每個單位的每月定期租金來自現有租賃協議所列的租金，平均為人民幣24元／平方米／月至人民幣258元／平方米／月(二零一五年：人民幣24元／平方米／月至人民幣114元／平方米／月)。 Monthly term rental for each unit is derived from the rental as stated in the existing rental agreements with an average of RMB24/sq.m./month to RMB258/sq.m./month (2015: RMB24/sq.m./month to RMB114/sq.m./month). 可能重訂租金來自可比物業市場租金或新租賃協議所列的租金，平均為人民幣301元／平方米／月至人民幣402元／平方米／月(二零一五年：人民幣379元／平方米／月)。 Reversionary rental is derived from the market rentals from comparable properties or the rental as stated in the new rental agreements with an average of RMB301/sq.m./month to RMB402/sq.m./month (2015: RMB379/sq.m./month).	年期收益率越高，公平值越低。 The higher the term yield, the lower the fair value. 可能重訂租約收益率越高，公平值越低。 The higher the reversionary yield, the lower the fair value. 每月定期租金越高，公平值越高。 The higher the monthly term rental, the higher the fair value. 可能重訂租金越高，公平值越高。 The higher the reversionary rental, the higher the fair value.

12. 投資物業 *(續)*

12. INVESTMENT PROPERTIES *(Continued)*

本集團於綜合財務狀況報表持有之投資物業 Investment properties held by the Group in the consolidated statement of financial position	公平值等級 Fair value hierarchy	估值技術及主要輸入數據 Valuation technique(s) and key input(s)	重大不可觀察輸入數據 Significant unobservable input(s)	不可觀察輸入數據相對公平值的關係(附註b) Relationship of unobservable inputs to fair value (Note b)
長江三角洲在建投資物業 Investment properties under development in Yangtze River Delta	第三層級 Level 3	剩餘法 主要輸入數據為 (1) 總發展價值 (2) 開發商的利潤 (3) 貼現率 The residual method The key inputs are (1) Gross development value (2) Developer's profit (3) Discount rate	以竣工為基準的總發展價值，考慮到可比物業及物業的位置和個別因素，如面向和大小，界乎人民幣1,396百萬元至人民幣4,153百萬元(二零一五年：人民幣1,330百萬元至人民幣4,663百萬元)。 Gross development value on completion basis, taking into account of location and individual factors such as frontage and size, between the comparables and the property, range from RMB1,396 million to RMB4,153 million (2015: RMB1,330 million to RMB4,663 million). 開發商的利潤，考慮到可比土地交易及物業的進度，為15%至20%(二零一五年：8%至20%)。 Developer's profit, taking into account of the comparables land transactions and progress of the property, range from 15% to 20% (2015: 8% to 20%). 貼現率，考慮到市場現行利率，界乎4.35%至4.75%(二零一五年：4.35%至4.75%) Discount rate, taking into account of the prevailing market interest rates, range from 4.35% to 4.75% (2015: 4.35% to 4.75%).	總發展價值越高，公平值越高。 The higher the gross development value, the higher the fair value. 開發商的利潤越高，公平值越低。 The higher the developer's profit, the lower the fair value. 貼現率越高，公平值越低。 The higher the discount rate, the lower the fair value.

附註：

(a) 概無跡象顯示不可觀察輸入數據出現任何輕微變動，或會導致公平值計量大幅上升或下跌。

(b) 除總發展價值外，概無跡象顯示不可觀察輸入數據出現任何輕微變動，或會導致公平值計量大幅上升或下跌。

Notes:

(a) There is no indication that any slight change in the unobservable input(s) would result in significant higher or lower fair value measurement.

(b) Except gross development value, there is no indication that any slight change in the other unobservable input(s) would result in significant higher or lower fair value measurement.

13. 物業、廠房及設備 13. PROPERTY, PLANT AND EQUIPMENT

		樓宇 Buildings 人民幣千元 RMB'000	機動車輛 Motor vehicles 人民幣千元 RMB'000	設備及傢俱 Equipment and furniture 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
成本	**COST**				
於二零一五年一月一日	At January 1, 2015	161,038	61,609	165,778	388,425
添置	Additions	29,133	4,604	26,522	60,259
透過收購附屬公司收購資產及負債(附註33)	Acquisition of assets and liabilities through acquisition of subsidiaries (Note 33)	—	375	3,502	3,877
出售	Disposals	(2,572)	(3,883)	(14,345)	(20,800)
於二零一五年十二月三十一日	At December 31, 2015	187,599	62,705	181,457	431,761
添置	Additions	—	4,209	38,183	42,392
透過收購附屬公司收購資產及負債(附註33)	Acquisition of assets and liabilities through acquisition of subsidiaries (Note 33)	—	—	436	436
出售	Disposals	(6,329)	(4,119)	(1,427)	(11,875)
於二零一六年十二月三十一日	At December 31, 2016	181,270	62,795	218,649	462,714
累計折舊	**ACCUMULATED DEPRECIATION**				
於二零一五年一月一日	At January 1, 2015	61,892	36,321	100,117	198,330
年度扣除	Charge for the year	6,574	6,150	20,440	33,164
出售時抵銷	Eliminated on disposals	(2,571)	(2,491)	(3,045)	(8,107)
於二零一五年十二月三十一日	At December 31, 2015	65,895	39,980	117,512	223,387
年度扣除	Charge for the year	3,952	6,299	36,004	46,255
出售時抵銷	Eliminated on disposals	(977)	(3,702)	(891)	(5,570)
於二零一六年十二月三十一日	At December 31, 2016	68,870	42,577	152,625	264,072
賬面值	**CARRYING VALUES**				
於二零一六年十二月三十一日	At December 31, 2016	112,400	20,218	66,024	198,642
於二零一五年十二月三十一日	At December 31, 2015	121,704	22,725	63,945	208,374

13. 物業、廠房及設備 *(續)*

上述物業、廠房及設備項目經計及按以下年率計算的估計剩餘價值後以直線法折舊：

樓宇	按估計可使用年期20年
機動車輛	20%
設備及傢俱	33%

樓宇所在土地均位於中國。

13. PROPERTY, PLANT AND EQUIPMENT *(Continued)*

The above items of property, plant and equipment are depreciated using the straight-line method after taking into account of their estimated residual values at the following rates per annum:

Buildings	Over the estimated useful lives of 20 years
Motor vehicles	20%
Equipment and furniture	33%

The buildings are all situated on land in the PRC.

14. 預付租賃款項

預付租賃款項的賬面值指在中國持有的土地使用權，分析如下：

14. PREPAID LEASE PAYMENTS

The carrying amount of prepaid lease payments represents land use rights held in the PRC and is analysed as follows:

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
中期	Medium-term	6,728,305	2,415,955
長期	Long-term	10,693,650	9,358,630
非即期	Non-current	17,421,955	11,774,585

本集團預付租賃款項指為在中國購入介乎40年至70年租期作物業發展的土地使用權所支付的款項。於二零一六年十二月三十一日，本集團尚未自相關機構取得賬面值人民幣3,249,157,000元(二零一五年：人民幣8,817,213,000元)的預付租賃土地使用權證。

The Group's prepaid lease payments represent payments for acquisition of the land use rights in the PRC with lease terms ranging from 40 to 70 years for the purpose of property development. The Group had not yet obtained the certificates of land use rights of prepaid leases with a carrying value of RMB3,249,157,000 (2015: RMB8,817,213,000) from the relevant authorities at December 31, 2016.

15. 於聯營公司的權益

15. INTERESTS IN ASSOCIATES

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
投資成本，非上市	Cost of investments, unlisted	853,803	374,914
應佔收購後溢利(虧損)，扣除已收股息	Share of post-acquisition profits (losses), net of dividend received	732,304	(18,707)
減：已確認減值虧損	Less: Impairment loss recognised	(414)	(414)
		1,585,693	355,793

於二零一六年十二月三十一日之聯營公司的詳情載於附註49。

Details of the associates as at December 31, 2016 are set out in note 49.

個別並不重大的聯營公司彙總資料

Aggregate information of associates that are not individually material

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
本集團應佔的溢利(虧損)及全面收益(開支)總額	The Group's share of profit (loss) and total comprehensive income (expense)	5,994	(10,536)

重大聯營公司財務資料概要

本集團各重大聯營公司之財務資料概要載列如下。以下財務資料概要呈列聯營公司根據國際財務報告準則編製之財務報表所示之金額。

假設廈門翔洲房地產開發有限公司(「廈門翔洲」)及北京葛洲壩龍湖置業有限公司(「北京葛洲壩」)為本集團僅有的重大聯營公司，以供說明用途。

所有該等聯營公司均使用權益法於該等綜合財務報表內入賬。

Summarised financial information of material associates

Summarised financial information in respect of each of the Group's material associates is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with IFRSs.

For illustrative purposes, it is assumed that Xiamen Xiangzhou Real Estate Development Limited ("Xiamen Xiangzhou") and Beijing Gezhouba Longfor Real Estate Development Limited ("Beijing Gezhouba) are the only material associates to the Group.

All of these associates are accounted for using the equity method in these consolidated financial statements.

15. 於聯營公司的權益 *(續)*

重大聯營公司財務資料概要 *(續)*

廈門翔洲

15. INTERESTS IN ASSOCIATES *(Continued)*

Summarised financial information of material associates *(Continued)*

Xiamen Xiangzhou

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
流動資產	Current assets	1,933,605	1,472,994
非流動資產	Non-current assets	417	242
流動負債	Current liabilities	(325,574)	(836,892)
非流動負債	Non-current liabilities	(930,000)	(603,020)

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
收入	Revenue	3,048,801	—
年度溢利(虧損)	Profit (loss) for the year	645,124	(16,676)

上述財務資料概要與於綜合財務報表確認的於聯營公司權益的賬面值的對賬：

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
廈門翔洲之淨資產	Net assets of Xiamen Xiangzhou	678,448	33,324
本集團於廈門翔洲之所有權權益比例	Proportion of the Group's ownership interest in Xiamen Xiangzhou	49%	49%
本集團於廈門翔洲的權益的賬面值	Carrying amount of the Group's interest in Xiamen Xiangzhou	332,440	16,329

15. 於聯營公司的權益 *(續)*

15. INTERESTS IN ASSOCIATES *(Continued)*

北京葛洲壩

Beijing Gezhouba

		二零一六年 2016 *人民幣千元* *RMB'000*
流動資產	Current assets	5,329,836
非流動資產	Non-current assets	363
流動負債	Current liabilities	(3,911,626)
非流動負債	Non-current liabilities	—

		二零一六年 2016 *人民幣千元* *RMB'000*
收入	Revenue	5,406,644
年度溢利	Profit for the year	1,457,811

上述財務資料概要與於綜合財務報表確認的於聯營公司權益的賬面值的對賬：

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements.

		二零一六年 2016 *人民幣千元* *RMB'000*
北京葛洲壩之淨資產	Net assets of Beijing Gezhouba	1,418,573
本集團於北京葛洲壩之所有權權益比例	Proportion of the Group's ownership interest in Beijing Gezhouba	50%
本集團於北京葛洲壩的權益的賬面值	Carrying amount of the Group's interest in Beijing Gezhouba	709,287

15. 於聯營公司的權益 *(續)*

於截至二零一六年十二月三十一日止年度，本集團與北京葛洲壩的合營企業合夥人訂立投資協議附錄。簽訂附錄前，本集團有權委任北京葛洲壩董事會五名董事中的三名，而北京葛洲壩相關活動須獲北京葛洲壩董事會一致同意。因此，本集團能夠對北京葛洲壩行使共同控制權，故其過往入賬列作本集團的一間合營企業。簽訂附錄後，本集團有權委任北京葛洲壩董事會七名董事中的三名，而北京葛洲壩相關活動須獲北京葛洲壩董事會過半數董事同意，因此本集團能夠對北京葛洲壩行使重大影響力。因此，其成為本集團的聯營公司。

15. INTERESTS IN ASSOCIATES *(Continued)*

During the year ended December 31, 2016, addendum to the investment agreement of Beijing Gezhouba, was entered into between the Group and its joint venture partner. Before the signing of the addendum, the Group has the power to appoint three out of five directors in the board of Beijing Gezhouba and relevant activities of Beijing Gezhouba require unanimous consent from the board of Beijing Gezhouba. Thus, the Group is able to exercise joint control in Beijing Gezhouba and accordingly it was previously accounted for as a joint venture of the Group. After the signing of the acddendum, the Group has the power to appoint three out of seven directors in the board of Beijing Gezhouba and relevant activities of Beijing Gezhouba require consent with more than half of the directors in the board of Beijing Gezhouba, thus the Group is able to exercise significant influence in Beijing Gezhouba. Accordingly, it becomes an associate of the Group.

16. 於合營企業的權益

16. INTERESTS IN JOINT VENTURES

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
投資成本，非上市	Cost of investments, unlisted	2,364,293	962,293
應佔收購後溢利(虧損)，扣除已收股息	Share of post-acquisition profits (losses), net of dividend received	373,035	(80,008)
		2,737,328	882,285

於二零一六年十二月三十一日之合營企業的詳情載於附註49。

Details of the joint ventures as at December 31, 2016 are set out in note 49.

個別並不重大的合營企業彙總資料

Aggregate information of joint ventures that are not individually material

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
本集團應佔的溢利及全面收益總額	The Group's share of profits and total comprehensive income	383,210	266,864

17. 可供出售投資

17. AVAILABLE-FOR-SALE INVESTMENTS

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
非上市權益證券，按成本	Unlisted equity securities, at cost	180,021	130,920

非上市權益投資指投資於私營實體及一家在上海證券交易所新三板買賣股份的實體發行的非上市權益證券。由於該等投資的合理公平值估計範圍甚大，本公司董事認為不能可靠計量其公平值，故其於報告期末以成本扣減減值計量。

Unlisted equity investments represent the investments in unlisted equity securities issued by private entities and an entity with shares traded in the new over-the-counter market of the Shanghai Stock Exchange. They are measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that its fair value cannot be reliably measured.

18. 存貨

18. INVENTORIES

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
建築材料	Construction materials	835,433	773,930
消費品及其他	Consumables and others	3,296	3,454
		838,729	777,384

19. 發展中待售物業

19. PROPERTIES UNDER DEVELOPMENT FOR SALES

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
成本	COST		
於年初	At the beginning of the year	70,829,748	68,090,667
添置	Additions	26,474,968	21,993,706
透過收購附屬公司收購資產及負債(附註33)	Acquisition of assets and liabilities through acquisition of subsidiaries (Note 33)	6,782,518	3,662,388
動工時轉撥自預付租賃款項	Transfer from prepaid lease payments upon commencement of construction	23,108,350	10,251,090
轉撥至持作出售物業	Transfer to properties held for sales	(37,769,153)	(33,168,103)
於年終	At the end of the year	89,426,431	70,829,748

發展中待售物業均位於中國。

於二零一六年十二月三十一日，計入發展中待售物業分類為流動資產的賬面值為約人民幣58,675,000,000元(二零一五年：人民幣24,700,000,000元)，指預期自報告期末起十二個月後完工及出售的物業的賬面值。

The properties under development for sales are located in the PRC.

Included in the properties under development for sales classified as current assets as at December 31, 2016 is carrying value of approximately RMB58,675 million (2015: RMB24,700 million) which represents the carrying value of the properties expected to be completed and sold after twelve months from the end of the reporting period.

20. 持作出售物業

本集團的持作出售物業位於中國。所有持作出售物業均以成本列賬。

20. PROPERTIES HELD FOR SALES

The Group's properties held for sales are situated in the PRC. All the properties held for sales are stated at cost.

21. 應收賬款及其他應收款項、按金及預付款項

21. ACCOUNTS AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
貿易應收款項(附註a)	Trade receivables (Note a)	2,632,834	2,070,974
其他應收款項，減呆賬撥備(附註b)	Other receivables, net of allowance for doubtful debts (Note b)	2,497,046	1,232,256
向供應商墊款	Advances to suppliers	432,265	377,303
預付營業稅及其他稅項	Prepaid business tax and other taxes	1,920,336	1,883,814
預付款項及設施按金(附註c)	Prepayments and utilities deposits (Note c)	2,841,743	4,355,783
		10,324,224	9,920,130

21. 應收賬款及其他應收款項、按金及預付款項 *(續)*

附註：

(a) 貿易應收款項主要來自物業銷售及物業投資。有關銷售物業的代價由買家根據相關買賣協議條款支付。物業投資方面，租金收入由租戶於兩個月內根據租約條款支付。

以下為報告期末按交付物業及提供服務日期呈列的貿易應收款項及應收票據的賬齡分析：

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
60日內	Within 60 days	1,966,533	1,724,038
61至180日	61 - 180 days	500,792	326,774
181至365日	181 - 365 days	148,986	11,753
1至2年	1 - 2 years	16,523	8,409
		2,632,834	2,070,974

於二零一六年十二月三十一日，2%(二零一五年：2%)的貿易應收款項及應收票據既無過期亦無減值，且信貸質素令人滿意。

於二零一六年十二月三十一日計入本集團應收賬款及應收票據結餘的貿易應收款項之賬面值為人民幣2,567,240,000元(二零一五年：人民幣2,028,595,000元)，其已於報告期末過期，但由於本集團保留售予該等客戶物業的業權且相關物業的估計公平值預期高於尚未收取的應收款項金額，故本集團並無就該等減值作出撥備。

過期但未減值貿易應收款項的賬齡分析：

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
60日內	Within 60 days	1,900,939	1,681,659
61至180日	61 - 180 days	500,792	326,774
181至365日	181 - 365 days	148,986	11,753
1至2年	1 - 2 years	16,523	8,409
總計	Total	2,567,240	2,028,595

21. ACCOUNTS AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS *(Continued)*

Notes:

(a) Trade receivables are mainly arisen from sales of properties and properties investment. Considerations in respect of sales of properties are paid by purchasers in accordance with the terms of the related sales and purchase agreements. For properties investment, rental income are paid by tenants within two months in accordance with the terms in the tenancy agreements.

The following is an aged analysis of trade receivables at the end of the reporting period based on the date of delivery of properties and rendering of services:

At December 31, 2016, 2% (2015: 2%) of the trade receivables are neither past due nor impaired and with satisfactory credit quality.

Included in the Group's accounts receivable balance are trade receivables with a carrying amount of RMB2,567,240,000 (2015: RMB2,028,595,000) at December 31, 2016 which are past due at the end of the reporting period for which the Group has not provided for impairment as the Group has retained the legal titles of the properties sold to these customers and the estimated fair value of the relevant properties is expected to be higher than the outstanding receivable amount.

Aging of trade receivables which are past due but not impaired:

21. 應收賬款及其他應收款項、按金及預付款項*(續)*

附註：*(續)*

於釐定貿易應收款項可否收回時，本集團考慮自首次授出信貸日期至報告期末貿易應收款項信貸質素的任何變動。由於客戶基礎龐大且無關連，故信貸風險集中程度有限。

接受任何客戶前，本集團運用內部信貸評估制度評估潛在客戶之信貸質素，且認為已於報告期末作出充足撥備。所有既未逾期亦未減值的結餘均有良好的信貸質素。

(b) 其他應收款項主要包括租賃按金、應收土地拍賣按金撥回額、建築工程按金、臨時付款及已付但於到期日可退還的各項項目相關按金。於二零一六年十二月三十一日，計入其他應收款項已減值的金額為人民幣12,000,000元(二零一五年：人民幣12,000,000元)，原因為對手方陷入嚴重的財政困難且本集團並無就該等結餘持有任何抵押。餘下的結餘尚未逾期。

其他應收款項的呆賬撥備變動：

21. ACCOUNTS AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS *(Continued)*

Notes: *(Continued)*

In determining the recoverability of trade receivables, the Group considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the customer base being large and unrelated.

Before accepting any customers, the Group uses an internal credit assessment system to assess the potential customers' credit quality and considers adequate allowance has been made at the end of the reporting period. Balances which are neither past due nor impaired are all with good credit quality.

(b) Other receivables mainly comprise rental deposits, receivable of refund of the deposit for land auction, deposits for construction work, temporary payments and miscellaneous projects related deposits paid which are refundable upon maturity. Included in other receivables was an amount of RMB12,000,000 (2015: RMB12,000,000) which has been impaired as at December 31, 2016 because the counterparties are in severe financial difficulties and the Group does not hold any collateral over these balances. The remaining balance was not yet due for repayment.

Movements in the allowance for doubtful debts on other receivables:

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
年初及年末結餘	Balance at the beginning of the year and at the end of the year	**12,000**	12,000

(c) 預付款項及設施按金主要包括預付租賃款項，金額為人民幣2,830,804,000元(二零一五年：人民幣4,334,750,000元)，乃代表本集團為其潛在投資的實體(「潛在投資對象」)支付。董事認為，該等付款乃為該等潛在投資對象物業發展項目的預付款。

(c) Included in the prepayments and utilities deposits, there are mainly prepaid lease payments amounting to RMB2,830,804,000 (2015: RMB4,334,750,000) which are paid on behalf of certain entities which the Group potentially invests in them ("potential investees"). In the opinion of the directors, such payments are prepayment for property development projects for those potential investees.

22. 應收非控制權益／聯營公司／合營企業款項

該等款項以人民幣計值，為無抵押、免息且須於一年內償還。董事認為，該等款項預計將於報告期末後十二個月內償付，故將該等款項呈列為流動。

22. AMOUNTS DUE FROM NON-CONTROLLING INTERESTS/ASSOCIATES/JOINT VENTURES

The amounts are denominated in RMB which are unsecured, interest-free and repayable within one year. In the opinion of the directors, the amounts are expected to be settled within twelve months after the end of the reporting period, and therefore the amounts are presented as current.

23. 已抵押銀行存款／銀行結餘及現金

(a) 已抵押銀行存款以人民幣計值，主要指抵押予銀行的存款，確保為客戶提供按揭擔保。於二零一六年十二月三十一日，存款的固定年利率為0.35%(二零一五年：0.35%)。

(b) 根據二零一六年適用政府法規，銀行結餘及現金包括受規管銀行存款結餘人民幣237,184,000元(二零一五年：人民幣242,554,000元)，僅可用於指定物業發展項目。

銀行結餘及現金包括本集團持有的現金及原到期期限為三個月或以下的活期存款。銀行的現金存款年利率為零至1.5%(二零一五年：零至1.5%)。

23. PLEDGED BANK DEPOSITS/BANK BALANCES AND CASH

(a) Pledged bank deposits are denominated in RMB which mainly represent deposits pledged to banks to secure the mortgage guarantees provided to customers. The deposits carry fixed rate at 0.35% (2015: 0.35%) per annum at December 31, 2016.

(b) Included in bank balances and cash are balances which, in accordance with the applicable government regulations prevailing in 2016, are placed in restricted bank accounts, amounting to RMB237,184,000 (2015: RMB242,554,000), which can only be applied in the designated property development projects.

Bank balances and cash comprise cash held by the Group and demand deposits with an original maturity of three months or less. The interest rates on cash placed with banks ranged from nil to 1.5% (2015: nil to 1.5%) per annum.

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
按貨幣分析的已抵押銀行存款及銀行結餘及現金：	Analysis of pledged bank deposits and bank balances and cash by currency:		
－以人民幣計值	– Denominated in RMB	16,773,262	18,121,733
－以港元計值	– Denominated in HKD	4,043	33,456
－以美元計值	– Denominated in USD	578,167	4,788
		17,355,472	18,159,977

24. 應付賬款及應付票據、已收按金及應計費用

24. ACCOUNTS AND BILLS PAYABLES, DEPOSITS RECEIVED AND ACCRUED CHARGES

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
貿易應付款項及應計建築開支(附註a)	Trade payables and accrued expenditure on construction (Note a)	14,103,934	13,403,567
應付票據(附註a)	Bills payables (Note a)	889,372	673,153
		14,993,306	14,076,720
已收按金及物業銷售預收款項	Deposits received and receipt in advance from property sales	44,124,849	33,322,343
其他應付款項及應計費用(附註b)	Other payables and accrued charges (Note b)	7,607,404	5,543,056
		66,725,559	52,942,119

附註：

(a) 貿易應付款項及應付票據及應計建築開支包括建築費用及其他項目相關開支，乃根據本集團計量的項目進展應付。本集團已實施財務風險管理政策，以確保所有應付款項已於信貸時限內清償。

以下為於報告期末，貿易應付款項及應付票據的賬齡分析：

Notes:

(a) Trade and bills payables and accrued expenditure on construction comprise construction costs and other project-related expenses which are payable based on project progress measured by the Group. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

The following is an aged analysis of trade and bills payables at the end of the reporting period:

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
60日內	Within 60 days	5,992,338	7,057,469
61至180日	61 - 180 days	3,151,211	4,109,307
181至365日	181 - 365 days	1,665,536	458,234
1至2年	1 - 2 years	1,720,493	693,811
2至3年	2 - 3 years	415,574	280,129
超過3年	Over 3 years	36,222	7,319
		12,981,374	12,606,269

(b) 其他應付款項及應計費用主要包括代客戶應付政府的已收稅項、應計薪金及應計員工福利。

(b) Other payables and accrued charges comprise mainly tax received and payable to the government on behalf of customers, accrued salaries and accrued staff welfare.

25. 應付非控股權益／聯營公司／合營企業／一名聯營公司控股股東款項

該等款項以人民幣計值，為無抵押、免息及須於要求時償還。

25. AMOUNTS DUE TO NON-CONTROLLING INTERESTS/ASSOCIATES/JOINT VENTURES/A CONTROLLING SHAREHOLDER OF AN ASSOCIATE

The amounts are denominated in RMB which are unsecured, interest-free and repayable on demand.

26. 銀行及其他借款

26. BANK AND OTHER BORROWINGS

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
銀行貸款，有抵押	Bank loans, secured	14,468,448	20,116,599
銀行貸款，無抵押	Bank loans, unsecured	17,875,656	14,741,114
債券，有抵押	Bond, secured	—	1,399,010
債券，無抵押	Bonds, unsecured	20,016,334	8,079,685
		52,360,438	44,336,408

上述借款的賬面值須按貸款協議所載計劃還款日期償還，詳情如下：

The carrying amounts of the above borrowings are repayable, based on scheduled repayment dates set out in the loan agreements, as follows:

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
一年內	Within one year	5,333,349	6,177,916
多於一年，但不超過兩年	Within a period of more than one year but not exceeding two years	6,604,231	13,794,347
多於兩年，但不超過三年	Within a period of more than two years but not exceeding three years	15,770,243	8,662,268
多於三年，但不超過四年	Within a period of more than three years but not exceeding four years	5,358,583	4,270,590
多於四年，但不超過五年	Within a period of more than four years but not exceeding five years	3,581,461	2,080,822
超過五年	Exceeding five years	15,712,571	9,350,465
		52,360,438	44,336,408
減：流動負債所示一年內到期款項	Less: Amount due within one year shown under current liabilities	(5,333,349)	(6,177,916)
一年後到期款項	Amount due after one year	47,027,089	38,158,492

26. 銀行及其他借款*(續)*

本集團的銀行及其他借款乃按下列貨幣計值：

26. BANK AND OTHER BORROWINGS *(Continued)*

The Group's bank and other borrowings are denominated in the following currencies set out below:

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
借款的貨幣分析：	Analysis of borrowings by currency:		
－以人民幣計值	– Denominated in RMB	47,340,961	34,933,449
－以港元計值	– Denominated in HKD	3,953,925	7,505,204
－以美元計值	– Denominated in USD	1,065,552	1,897,755
		52,360,438	44,336,408

本集團銀行借款的金額及實際利率範圍如下：

The exposure and the range of effective interest rates on the Group's bank borrowings are as follows:

		二零一六年 2016		二零一五年 2015	
		RMB'000 人民幣千元	Effective interest rate 實際利率	RMB'000 人民幣千元	Effective interest rate 實際利率
定息銀行貸款	Fixed rate bank loans	6,253,923	4.02%	660,000	5.38%
浮息銀行貸款	Variable rate bank loans	26,090,181	4.70%	34,197,713	5.18%

(a) 於報告期末的上述有抵押銀行貸款及債券以附註37所載抵押資產所擔保。

(b) 於二零零九年五月五日，本集團發行本金額為人民幣1,400,000,000元及將於二零一六年五月五日悉數償還的債券(可按本年報所述方式提早贖回)。債券於首五年按每年6.7%的固定息率計息，須每半年支付，本集團可選擇自二零一四年五月五日起一次性上調最多100個基點(包括該點)。本集團將於二零一四年四月二十五日釐定利率，選擇調高利率，惟倘釐定維持利率6.7%，債券持有人可於二零一四年四月二十五日至二零一四年四月三十日期間按面值贖回全部或部份債券。於二零一四年四月二十五日票面利率並無調整，而直至二零一四年四月三十日並無贖回債務。該等債券部分(人民幣1,100,000,000元)於上海證券交易所上市及買賣。債券以本集團的若干物業及土地使用權擔保。

管理層估計，債券於二零一五年十二月三十一日的公平值約為人民幣1,418,200,000元。債券已上市及未上市部分之公平值乃參考債券已上市部分的市場報價計算。該債券已於二零一六年五月五日悉數償還。

(a) The above secured bank loans and bond at the end of the reporting period were secured by the pledge of assets as set out in note 37.

(b) On May 5, 2009, the Group issued a bond with the principal amount of RMB1,400,000,000 and would be repayable in full by May 5, 2016, subject to early redemption as described herein. The bond bears fixed coupon interest rate at 6.7% per annum for the first five years payable semi-annually in arrears and is subject to an one-off upward adjustment of up to 100 basis points (inclusive) from May 5, 2014 at the election of the Group. The Group would determine on April 25, 2014 the interest rate by election of an upward adjustment to the interest rate but if it determines to maintain the interest rate at 6.7%, the holder of the bond then may elect to redeem all or part of the bond at the face value from the period April 25, 2014 to April 30, 2014. There is neither adjustment on the coupon interest rate on April 25, 2014 nor redemption of bond up to April 30, 2014. A portion of such bond (RMB1,100,000,000) was listed and traded on the Shanghai Stock Exchange. The bond was secured by certain properties and land use rights of the Group.

Management estimates the fair value of the bond at December 31, 2015 to be approximately RMB1,418,200,000. The fair values of both the listed and unlisted portions of the bond have been calculated with reference to the quoted market price of the listed portion of the bond. The bond was fully repaid on May 5, 2016.

26. 銀行及其他借款*(續)*

附註：*(續)*

(c) 於二零一五年七月七日，本集團發行第一批境內公司債券人民幣20億元(「二零一五年第一批債券」)。債券之票面年利率為4.60%(利息於其後每年支付)，並須於二零二零年七月七日前悉數償還。

於二零一六年十二月三十一日，二零一五年第一批債券的賬面淨值按扣除未攤銷的發行開支淨額人民幣10,371,000元列賬。二零一五年第一批債券的實際年利率為4.71%。

於二零一五年七月二十七日，本集團發行第二批境內公司債券，金額合共為人民幣40億元(「二零一五年第二批債券」)，分為兩個品種：(i)人民幣20億元，債券票面利率為3.93%，為期五年，須於二零二零年七月二十七日前悉數償還，二零一八年七月二十七日之後本集團有權調整票面利率及二零一八年七月二十七日前投資者有權回售債券，以及(ii)人民幣20億元，債券票面利率為4.20%，為期七年，須於二零二二年七月二十七日前悉數償還，二零二零年七月二十七日之後本集團有權調整票面利率及二零二零年七月二十七日前投資者有權回售債券。

於二零一五年十一月二日及二零一五年十一月三日，本集團發行第三批境內公司債券，金額合共為人民幣20億元(「二零一五年第三批債券」)，須於二零二二年十一月二日前悉數償還。債券之票面年利率為4.08%。二零二零年十一月二日之後本集團有權調整票面利率及二零二零年十一月二日前投資者有權回售債券。

(d) 於二零一六年一月二十五日及二零一六年一月二十六日，本集團發行第一批境內公司債券(「二零一六年第一批債券」)，包括(i)五年期債券人民幣23億元，票面利率為3.3%且須於二零二一年一月二十五日前悉數償還，本集團有權於二零一九年一月二十五日後調整票面利率及投資者有權於二零一九年一月二十五日前回售債券；及(ii)八年期債券人民幣18億元，票面利率為3.68%且須於二零二四年一月二十五日前悉數償還，本集團有權於二零二一年一月二十五日後調整票面利率及投資者有權於二零二一年一月二十五日前回售債券。

26. BANK AND OTHER BORROWINGS *(Continued)*

Note: *(Continued)*

(c) On July 7, 2015, the Group issued first tranche of domestic corporate bonds of RMB2 billion (the "2015 First Tranche Bonds"). The bonds carry a coupon rate of 4.60% per annum (interest payable annually in arrears) and will be fully repayable by July 7, 2020.

The net carrying amount of the 2015 First Tranche Bonds is stated net of unamortised issue expense of RMB10,371,000 as at December 31, 2016 and the effective interest rate of the 2015 First Tranche Bonds is 4.71% per annum.

On July 27, 2015, the Group issued second tranche of domestic corporate bonds with an aggregate amount of RMB4 billion (the "2015 Second Tranche Bonds") and is in two forms: (i) five years bonds of RMB2 billion with a coupon rate of 3.93% repayable in full by July 27, 2020, the Group shall be entitled to adjust the coupon rate after July 27, 2018 and the investors shall be entitled to sell back the bonds by July 27, 2018, and (ii) seven years bonds of RMB2 billion with a coupon rate of 4.20% repayable in full by July 27, 2022, the Group shall be entitled to adjust the coupon rate after July 27, 2020 and the investors shall be entitled to sell back the bonds by July 27, 2020.

On November 2, 2015 and November 3, 2015, the Group issued third tranche of domestic corporate bonds with an aggregate amount of RMB2 billion (the "2015 Third Tranche Bonds") and will be repayable in full by November 2, 2022. The bonds carry a coupon rate of 4.08% per annum. The Group shall be entitled to adjust the coupon rate after November 2, 2020 and the investors shall be entitled to sell back the bonds by November 2, 2020.

(d) On January 25, 2016 and January 26, 2016, the Group issued first tranche of domestic corporate bonds (the "2016 First Tranche Bonds") of (i) five years bonds of RMB2.3 billion with a coupon rate of 3.3% repayable in full by January 25, 2021, the Group shall be entitled to adjust the coupon rate after January 25, 2019 and the investors shall be entitled to sell back the bonds by January 25, 2019, and (ii) eight years bonds of RMB1.8 billion with a coupon rate of 3.68% repayable in full by January 25, 2024, the Group shall be entitled to adjust the coupon rate after January 25, 2021 and the investors shall be entitled to sell back the bonds by January 25, 2021.

26. 銀行及其他借款*(續)*

附註：*(續)*

(d) *(續)*

於二零一六年三月四日及二零一六年三月七日，本集團發行第二批境內公司債券(「二零一六年第二批債券」)，包括(i)六年期債券人民幣25億元，票面利率為3.19%且須於二零二二年三月四日前悉數償還，本集團有權於二零一九年三月四日後調整票面利率及投資者有權於二零一九年三月四日前回售債券；及(ii)十年期債券人民幣15億元，票面利率為3.75%且須於二零二六年三月四日前悉數償還，本集團有權於二零二一年三月四日後調整票面利率及投資者有權於二零二一年三月四日前回售債券。

於二零一六年七月十四日及二零一六年七月十五日，本集團發行第三批境內公司債券(「二零一六年第三批債券」)，包括(i)五年期債券人民幣7億元，票面利率為3.06%且須於二零二一年七月十四日前悉數償還，本集團有權於二零一九年七月十四日後調整票面利率及投資者有權於二零一九年七月十四日前回售債券；及(ii)七年期債券人民幣30億元，票面利率為3.68%且須於二零二三年七月十四日前悉數償還，本集團有權於二零二一年七月十四日後調整票面利率及投資者有權於二零二一年七月十四日前回售債券。

二零一五年第二批債券、二零一五年第三批債券、二零一六年第一批債券、二零一六年第二批債券及二零一六年第三批債券包含負債部分及提早贖回選擇權：

26. BANK AND OTHER BORROWINGS *(Continued)*

Note: *(Continued)*

(d) *(Continued)*

On March 4, 2016 and March 7, 2016, the Group issued the second tranche of the domestic corporate bonds (the "2016 Second Tranche Bonds") of (i) six years bonds of RMB2.5 billion with a coupon rate of 3.19% repayable in full by March 4, 2022, the Group shall be entitled to adjust the coupon rate after March 4, 2019 and the investors shall be entitled to sell back the bonds by March 4, 2019, and (ii) ten years bonds of RMB1.5 billion with a coupon rate of 3.75% repayable in full by March 4, 2026, the Group shall be entitled to adjust the coupon rate after March 4, 2021 and the investors shall be entitled to sell back the bonds by March 4, 2021.

On July 14, 2016 and July 15, 2016, the Group issued the third tranche of the domestic corporate bonds (the "2016 Third Tranche Bonds") of (i) five years bonds of RMB700 million with a coupon rate of 3.06% repayable in full by July 14, 2021, the Group shall be entitled to adjust the coupon rate after July 14, 2019, and the investors shall be entitled to sell back the bonds by July 14, 2019, and (ii) seven years bonds of RMB3 billion with a coupon rate of 3.68% repayable in full by July 14, 2023, the Group shall be entitled to adjust the coupon rate after July 14, 2021 and the investors shall be entitled to sell back the bond by July 14, 2021.

The 2015 Second Tranche Bonds, 2015 Third Tranche Bonds, 2016 First Tranche Bonds, 2016 Second Tranche Bonds and 2016 Third Tranche Bonds contain a liability component and early redemption options:

26. 銀行及其他借款*(續)*

附註：*(續)*

(d) *(續)*

(i) 負債部分指計及本公司的業務風險及財務風險後按可比較信用狀況的市場工具所釐定的利率折現未來現金流量的合約約定流量。於二零一六年十二月三十一日，二零一五年第二批債券的(i)及(ii)兩個品種、二零一五年第三批債券、二零一六年第一批債券的(i)及(ii)兩個品種、二零一六年第二批債券的(i)及(ii)兩個品種以及二零一六年第三批債券的(i)及(ii)兩個品種的賬面淨值按扣除未攤銷的發行開支後的淨額列賬，總額為人民幣8,940,000元及人民幣10,009,400元、人民幣10,428,000元、人民幣11,976,000元及人民幣10,177,000元、人民幣13,855,000元及人民幣8,843,000元、人民幣4,121,000元及人民幣18,176,000元，實際年利率為自發行後各債券負債部分的4.02%及4.25%、4.13%、3.41%及3.73%、3.28%及3.78%、3.17%及3.75%。

(ii) 於二零一六年十二月三十一日，由債券持有人持有的認沽期權公平值人民幣215,915,000元已於簡明綜合財務狀況表確認，其中人民幣109,031,000元的公平值虧損已於截至二零一六年十二月三十一日止年度確認。

26. BANK AND OTHER BORROWINGS *(Continued)*

Note: *(Continued)*

(d) *(Continued)*

(i) Liability component represents the contractually determined stream of future cash flows discounted at the rate of interest determined by the market instruments of comparable credit status taken into account the business risk and financial risk of the Company. The net carrying amounts of (i) and (ii) forms of 2015 Second Tranche Bonds, 2015 Third Tranche Bonds, (i) and (ii) forms of 2016 First Tranche Bonds, (i) and (ii) forms of 2016 Second Tranche Bonds and (i) and (ii) forms of 2016 Third Tranche Bond are stated net of unamortised issue expenses totally RMB8,940,000 and RMB10,009,400, RMB10,428,000, RMB11,976,000 and RMB10,177,000, RMB13,855,000 and RMB8,843,000, RMB4,121,000 and RMB18,176,000 as at December 31, 2016 and the effective interest rate are 4.02% and 4.25%, 4.13%, 3.41% and 3.73%, 3.28% and 3.78%, 3.17% and 3.75% per annum to the liability component of respective bonds since they were issued.

(ii) As at December 31, 2016, the fair value of put options held by bondholders of RMB215,915,000 have been recognised in the consolidated statement of financial position, of which, fair value loss of RMB109,031,000 was recognised for the year ended December 31, 2016.

26. 銀行及其他借款*(續)*

附註：*(續)*

(d) *(續)*

(ii) *(續)*

二零一五年第一批債券、二零一五年第二批債券、二零一五年第三批債券、二零一六年第一批債券、二零一六年第二批債券及二零一六年第三批債券為無擔保債券，於上海證券交易所上市。二零一五年第一批債券、二零一五年第二批債券的(i)及(ii)兩個品種、二零一五年第三批債券、二零一六年第一批債券的(i)及(ii)兩個品種、二零一六年第二批債券的(i)及(ii)兩個品種以及二零一六年第三批債券的(i)及(ii)兩個品種於二零一六年十二月三十一日的公平值經參考上海證券交易所所報市場價後，分別為數人民幣2,054,000,000元(二零一五年十二月三十一日：人民幣2,062,000,000元)、人民幣2,040,000,000元及人民幣2,020,000,000元(二零一五年十二月三十一日：人民幣2,010,000,000元及人民幣2,034,000,000元)、人民幣2,042,600,000元(二零一五年十二月三十一日：人民幣2,019,600,000元)、人民幣2,309,200,000元及人民幣1,827,000,000元(二零一五年十二月三十一日：零及零)、人民幣2,461,250,000元及人民幣1,482,000,000元(二零一五年十二月三十一日：零及零)以及人民幣701,400,000元及人民幣3,030,000,000元(二零一五年十二月三十一日：零及零)。

26. BANK AND OTHER BORROWINGS *(Continued)*

Note: *(Continued)*

(d) *(Continued)*

(ii) *(Continued)*

The 2015 First Tranche Bonds, 2015 Second Tranche Bonds, 2015 Third Tranche Bonds, 2016 First Tranche Bonds, 2016 Second Tranche Bonds and 2016 Third Tranche Bonds are non-guaranteed and listed on the Shanghai Stock Exchange. The fair value of the 2015 First Tranche Bonds, (i) and (ii) form of 2015 Second Tranche Bonds, 2015 Third Tranche Bonds, (i) and (ii) form of 2016 First Tranche Bonds, (i) and (ii) form of 2016 Second Tranche Bonds and (i) and (ii) form of 2016 Third Tranche Bond at December 31, 2016 with reference to the quoted market price available on the Shanghai Stock Exchange amounted to RMB2,054,000,000 (at December 31, 2015: RMB2,062,000,000), RMB2,040,000,000 and RMB2,020,000,000 (at December 31, 2015: RMB2,010,000,000 and RMB2,034,000,000), RMB2,042,600,000 (at December 31, 2015: RMB2,019,600,000), RMB2,309,200,000 and RMB1,827,000,000 (at December 31, 2015: nil and nil), RMB2,461,250,000 and RMB1,482,000,000 (at December 31, 2015: nil and nil) and RMB701,400,000 and RMB3,030,000,000 (at December 31, 2015: nil and nil), respectively.

27. 優先票據

27. SENIOR NOTES

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
於二零一二年發行的優先票據	Senior notes issued in 2012	—	2,606,327
於二零一三年發行的優先票據	Senior notes issued in 2013	3,538,902	3,322,815
於二零一四年發行的優先票據	Senior notes issued in 2014	1,972,730	2,000,030
		5,511,632	7,929,172
於年初	At the beginning of the year	7,929,172	7,574,953
利息支出	Interest charge	540,258	533,678
已付利息	Interest paid	(546,312)	(517,499)
贖回優先票據	Redemption of senior notes	(2,700,538)	—
購回優先票據	Repurchase of senior notes	(45,404)	—
匯兑虧損	Exchange losses	334,456	338,040
於年末	At the end of the year	5,511,632	7,929,172

(a) 於二零一二年十月十八日，本公司按面值向公眾發行總面值400,000,000美元(約人民幣2,513,560,000元)的有擔保優先定息票據(「二零一九年美元票據」)，該等票據之固定年利率為6.875%，須每半年支付一次利息，並須於二零一九年十月十八日前按面值悉數償還。

二零一九年美元票據於新加坡證券交易所有限公司上市，為本公司無抵押優先責任，由本公司若干並非根據中國法律成立之現有附屬公司擔保。該等擔保實際從屬於各擔保方的其他有抵押承擔，惟以所抵押之資產價值為限。

(a) On October 18, 2012, the Company issued guaranteed senior fixed rate notes to the public at par with aggregate nominal value of US$400,000,000 (approximately RMB2,513,560,000) (the "2019 USD Notes") which carry fixed interest of 6.875% per annum (interest payable semi-annually in arrears) and will be fully repayable at par by October 18, 2019.

The 2019 USD Notes are listed on the Singapore Exchange Securities Trading Limited. They are unsecured, senior obligations of the Company and guaranteed by certain of the Company's existing subsidiaries, other than those organised under the laws of the PRC. The guarantees are effectively subordinated to the other secured obligations of each guarantor, to the extent of the value of assets serving as security.

27. 優先票據 *(續)*

(a) *(續)*

倘於下文所示各年十月十八日開始的十二個月期間贖回，則本公司可於二零一六年十月十八日後隨時及不時選擇按相等於下文載列的本金額百分比的贖回價另加截至贖回日期的應計但未付利息贖回全部或部分二零一九年美元票據。

年份 Year		贖回價 Redemption price
二零一六年	2016	103.4375%
二零一七年	2017	101.71875%
二零一八年及其後	2018 and thereafter	100%

於二零一六年十月十八日前任何時間，本公司可選擇按相等於二零一九年美元票據本金額100%的贖回價另加截至贖回日期(不包括當日)的二零一九年有關溢價及應計但未付利息(如有)，贖回全部(但並非部分)二零一九年美元票據。

「二零一九年有關溢價」有關贖回日期之二零一九年美元票據，為(1)有關二零一九年美元票據本金額的1.00%及(2)(A)有關贖回日期(i)二零一六年十月十八日有關二零一九年美元票據之贖回價加上(ii)按相當於經調整國債利率加100個基準點之貼現率計算有關二零一九年美元票據於二零一六年十月十八日前之所有規定剩餘計劃應付利息(不包括截至贖回日期應計但未付利息)之現值超出(B)有關二零一九年美元票據於有關贖回日期之本金額之差額間的較高者。

27. SENIOR NOTES *(Continued)*

(a) *(Continued)*

At any time and from time to time after October 18, 2016, the Company may at its option redeem the 2019 USD Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest to the redemption date if redeemed during the twelve-month period beginning on October 18 of each of the years indicated below.

At any time prior to October 18, 2016, the Company may at its option redeem the 2019 USD Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2019 USD Notes plus the 2019 Applicable Premium as of, and accrued the unpaid interest, if any, to (but not including) the redemption date.

"2019 Applicable Premium" means with respect to the 2019 USD Notes at any redemption date, the greater of (1) 1.00% of the principal amount of such 2019 USD Notes and (2) the excess of (A) the present value at such redemption date of (i) the redemption price of such 2019 USD Notes on October 18, 2016 plus (ii) all required remaining scheduled interest payments due on such 2019 USD Notes through October 18, 2016 (but excluding accrued and unpaid interest to the redemption date), computed using a discount rate equal to the adjusted treasury rate plus 100 basis points, over (B) the principal amount of such 2019 USD Notes on such redemption date.

27. 優先票據 *(續)*

(a) *(續)*

於二零一六年十月十八日前任何時間，本公司可不時按二零一九年美元票據本金額106.875%的贖回價，另加截至贖回日期(但不包括該日)的應計但未付利息(如有)，以一宗或以上的若干類型股本銷售的現金所得款項淨額，贖回最多二零一九年美元票據本金總額35%；惟於各有關贖回及於有關股本發售結束後60日內進行的任何有關贖回後，至少65%於原發行日期發行的二零一九年美元票據本金總額未償還。

董事認為，於初步確認時及報告期末提早贖回權的公平值並不重大。

倘發生觸發控制權變更的事件，則本公司將按相等於本金額101%的購買價另加要約日期(不包括該日)至購買付款日期的應計但未付利息要約購回所有未償還二零一九年美元票據。

截至二零一六年十二月三十一日止年度，以代價416,676,000美元(約人民幣2,817,764,000元)自市場贖回本金總額400,000,000美元(約人民幣2,705,640,000元)，並導致提前贖回虧損約人民幣117,226,000元。

二零一九年美元票據於提前贖回日期之賬面淨值經扣除未攤銷發行費用合共3,286,426美元(約人民幣22,069,000元)呈列，二零一九年美元票據之實際年利率為7.20%。

27. SENIOR NOTES *(Continued)*

(a) *(Continued)*

At any time and from time to time prior to October 18, 2016, the Company may redeem up to 35% of the aggregate principal amount of the 2019 USD Notes with the net cash proceeds of one or more sales of common stock of the Company in an equity offering at a redemption price of 106.875% of the principal amount of the 2019 USD Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date; provided that at least 65% of the aggregate principal amount of the 2019 USD Notes originally issued on the original issue date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related equity offering.

In the opinion of the directors, the fair value of the early redemption options is insignificant at initial recognition and the end of the reporting period.

Upon the occurrence of a change of control triggering event, the Company will make an offer to repurchase all outstanding 2019 USD Notes at a purchase price equal to 101% of their principal amount plus accrued and unpaid interest, if any, to (but not including) the offer to purchase payment date.

During the year ended December 31, 2016, a total principal amount of US$400,000,000 (approximately RMB2,705,640,000) was redeemed at a consideration of US$416,676,000 (approximately RMB2,817,764,000) and resulted in loss of early redemption of approximately RMB117,226,000.

The net carrying amount of the 2019 USD Notes at the early redemption date is stated net of unamortised issue expenses totalling US$3,286,426 (approximately RMB22,069,000) and the effective interest rate of the 2019 USD Notes is 7.20% per annum.

27. 優先票據 *(續)*

(b) 於二零一三年一月二十九日，本公司按面值向公眾發行總面值500,000,000美元(約人民幣3,139,800,000元)的有擔保優先定息票據(「二零二三年美元票據」)，該等票據之固定年利率為6.75%，須每半年支付一次利息，並須於二零二三年一月二十九日前按面值悉數償還。

二零二三年美元票據於新加坡證券交易所有限公司上市，為本公司無抵押優先責任，由本公司若干並非根據中國法律成立之現有附屬公司擔保。該等擔保實際從屬於各擔保方的其他有抵押承擔，惟以所抵押之資產價值為限。

倘於下文所示各年一月二十九日開始的十二個月期間贖回，則本公司可於二零一八年一月二十九日或之後隨時及不時選擇按相等於下文載列的本金額百分比的贖回價另加截至贖回日期的應計但未付利息贖回全部或部分二零二三年美元票據。

年份 Year		贖回價 Redemption price
二零一八年	2018	103.375%
二零一九年	2019	102.250%
二零二零年	2020	101.125%
二零二一年及其後	2021 and thereafter	100%

於二零一八年一月二十九日前任何時間，本公司可選擇按相等於二零二三年美元票據本金額100%的贖回價另加截至贖回日期(不包括當日)的二零二三年有關溢價及應計但未付利息(如有)，贖回全部(但並非部分)二零二三年美元票據。

27. SENIOR NOTES *(Continued)*

(b) On January 29, 2013, the Company issued guaranteed senior fixed rate notes to the public at par with aggregate nominal value of US$500,000,000 (approximately RMB3,139,800,000) (the "2023 USD Notes") which carry fixed interest of 6.75% per annum (interest payable semi-annually in arrears) and will be fully repayable at par by January 29, 2023.

The 2023 USD Notes are listed on the Singapore Exchange Securities Trading Limited. They are unsecured, senior obligations of the Company and guaranteed by certain of the Company's existing subsidiaries, other than those organised under the laws of the PRC. The guarantees are effectively subordinated to the other secured obligations of each guarantor, to the extent of the value of assets serving as security.

At any time and from time to time on or after January 29, 2018, the Company may at its option redeem the 2023 USD Notes, in whole or in part, at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest to the redemption date if redeemed during the twelve-month period beginning on January 29 of each of the years indicated below.

At any time prior to January 29, 2018, the Company may at its option redeem the 2023 USD Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2023 USD Notes plus the 2023 Applicable Premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date.

27. 優先票據 *(續)*

(b) *(續)*

「二零二三年有關溢價」有關贖回日期之二零二三年美元票據，為(1)有關二零二三年美元票據本金額的1.00%及(2)(A)有關贖回日期(i)二零一八年一月二十九日有關二零二三年美元票據之贖回價加上(ii)按相當於經調整國債利率加100個基準點之貼現率計算有關二零二三年美元票據於二零一八年一月二十九日前之所有規定剩餘計劃應付利息(不包括截至贖回日期應計但未付利息)之現值超出(B)有關二零二三年美元票據於有關贖回日期之本金額之差額間的較高者。

於二零一六年一月二十九日前任何時間，本公司可不時按二零二三年美元票據本金額106.75%的贖回價，另加截至贖回日期(但不包括該日)的應計但未付利息(如有)，以一宗或以上的若干類型股本銷售的現金所得款項淨額，贖回最多二零二三年美元票據本金總額35%；惟於各有關贖回及於有關股本發售結束後60日內進行的任何有關贖回後，至少65%於原發行日期發行的二零二三年美元票據本金總額仍未償還。

董事認為，於初步確認時及報告期末提早贖回權的公平值並不重大。

倘發生觸發控制權變更的事件，則本公司將按相等於本金額101%的購買價另加要約日期(不包括該日)至購買付款日期的應計但未付利息要約購回所有未償還二零二三年美元票據。

27. SENIOR NOTES *(Continued)*

(b) *(Continued)*

"2023 Applicable Premium" means with respect to the 2023 USD Notes at any redemption date, the greater of (1) 1.00% of the principal amount of such 2023 USD Notes and (2) the excess of (A) the present value at such redemption date of (i) the redemption price of such 2023 USD Notes on January 29, 2018, plus (ii) all required remaining scheduled interest payments due on such 2023 USD Notes through January 29, 2018 (but excluding accrued and unpaid interest to the redemption date), computed using a discount rate equal to the adjusted treasury rate plus 100 basis points, over (B) the principal amount of such 2023 USD Notes on such redemption date.

At any time and from time to time prior to January 29, 2016, the Company may redeem up to 35% of the aggregate principal amount of the 2023 USD Notes with the net cash proceeds of one or more sales of common stock of the Company in an equity offering at a redemption price of 106.75% of the principal amount of the 2023 USD Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date; provided that at least 65% of the aggregate principal amount of the 2023 USD Notes originally issued on the original issue date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related equity offering.

In the opinion of the directors, the fair value of the early redemption options is insignificant at initial recognition and the end of the reporting period.

Upon the occurrence of a change of control triggering event, the Company will make an offer to repurchase all outstanding 2023 USD Notes at a purchase price equal to 101% of their principal amount plus accrued and unpaid interest, if any, to (but not including) the offer to purchase payment date.

27. 優先票據*(續)*

(b) *(續)*

截至二零一六年十二月三十一日止年度，以代價2,050,000美元(約人民幣13,312,000元)自市場購回本金額2,000,000美元(約人民幣13,154,000元)。

董事認為，已付代價與二零二三年美元票據購回部分的賬面值之間的差額並不重大。

二零二三年美元票據之賬面淨值經扣除未攤銷發行費用合共2,769,000美元(約人民幣18,593,000元)入賬，二零二三年美元票據之實際年利率為6.89%。

(c) 於二零一四年五月二十八日，本公司按面值向公眾發行總面值人民幣2,000,000,000元的有擔保優先定息票據(「二零一八年人民幣票據」)，該等票據之固定年利率為6.75%，須每半年支付一次利息，並須於二零一八年五月二十八日前按面值悉數償還。

二零一八年人民幣票據於新加坡證券交易所有限公司上市，為本公司無抵押優先責任，由本公司若干並非根據中國法律成立之現有附屬公司擔保。該等擔保實際從屬於各擔保方的其他有抵押承擔，惟以所抵押之資產價值為限。

於二零一八年五月二十八日前任何時間，本公司可不時選擇按相等於二零一八年人民幣票據本金額100%的贖回價另加截至贖回日期(不包括當日)的二零一八年有關溢價及應計但未付利息(如有)，贖回全部(但並非部分)二零一八年人民幣票據。

27. SENIOR NOTES *(Continued)*

(b) *(Continued)*

During the year ended December 31, 2016, a principal amount of US$2,000,000 (approximately RMB13,154,000) was purchased from market at a consideration US$2,050,000 (approximately RMB13,312,000).

In the opinion of the directors, the difference between the consideration paid and the carrying amount of the repurchased portion of 2023 USD Notes are considered insignificant.

The net carrying amount of the 2023 USD Notes is stated net of unamortised issue expenses totaling US$2,769,000 (approximately RMB18,593,000) and the effective interest rate of the 2023 USD Notes is 6.89% per annum.

(c) On May 28, 2014, the Company issued guaranteed senior fixed rate notes to the public at par with aggregate nominal value of RMB2,000,000,000 (the "2018 RMB Notes") which carry fixed interest of 6.75% per annum (interest payable semi-annually in arrears) and will be fully repayable at par by May 28, 2018.

The 2018 RMB Notes are listed on the Singapore Exchange Securities Trading Limited. They are unsecured, senior obligations of the Company and guaranteed by certain of the Company's existing subsidiaries, other than those organised under the laws of the PRC. The guarantees are effectively subordinated to the other secured obligations of each guarantor, to the extent of the value of assets serving as security.

At any time prior to May 28, 2018, the Company may at its option redeem the 2018 RMB Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the Notes plus 2018 Applicable Premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date.

27. 優先票據 *(續)*

(c) *(續)*

「二零一八年有關溢價」有關贖回日期之二零一八年人民幣票據，為(1)有關二零一八年人民幣票據本金額的1.00%及(2)二零一八年人民幣票據本金額連同直至二零一八年人民幣票據到期前之所有規定剩餘計劃應付利息(按年貼現率2.50%計算)(不包括截至贖回日期應計但未付利息)超出二零一八年人民幣票據於有關贖回日期之本金額之差額。

於二零一七年五月二十八日前任何時間，本公司可不時按二零一八年人民幣票據本金額106.75%的贖回價，另加截至贖回日期(但不包括該日)的應計但未付利息(如有)，以一宗或以上的若干類型股本銷售的現金所得款項淨額，贖回最多二零一八年人民幣票據本金總額35%；惟於各有關贖回及於有關股本發售結束後60日內進行的任何有關贖回後，至少65%於原發行日期發行的二零一八年人民幣票據本金總額仍未償還。

董事認為，於初步確認時及報告期末提早贖回權的公平值並不重大。

倘發生觸發控制權變更的事件，則本公司將按相等於本金額101%的購買價另加要約日期(不包括該日)至購買付款日期的應計但未付利息要約購回所有未償還二零一八年人民幣票據。

27. SENIOR NOTES *(Continued)*

(c) *(Continued)*

"2018 Applicable Premium" means with respect to 2018 RMB Notes at any redemption date, the greater of (1) 1.00% of the principal amount of such 2018 RMB Notes and (2) the excess of the principal amount of such 2018 RMB Notes, plus all required remaining scheduled interest payments due on such 2018 RMB Notes through the maturity date of such 2018 RMB Notes (but excluding accrued and unpaid interest to the redemption date), computed using a discount rate of 2.50% per annum, over the principal amount of such 2018 RMB Notes on such redemption date.

At any time and from time to time prior to May 28, 2017, the Company may redeem up to 35% of the aggregate principal amount of the 2018 RMB Notes with the net cash proceeds of one or more sales of Common Stock of the Company in an equity offering at a redemption price of 106.75% of the principal amount of the 2018 RMB Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date; provided that at least 65% of the aggregate principal amount of the 2018 RMB Notes originally issued on the original issue date remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related equity offering.

In the opinion of the directors, the fair value of the early redemption options is insignificant at initial recognition and the end of the reporting period.

Upon the occurrence of a change of control triggering event, the Company will make an offer to repurchase all outstanding 2018 RMB Notes at a purchase price equal to 101% of their principal amount plus accrued and unpaid interest, if any, to (but not including) the offer to purchase payment date.

27. 優先票據*(續)*

(c) *(續)*

截至二零一六年十二月三十一日止年度，以代價人民幣32,092,000元自市場購回本金額人民幣33,000,000元。

董事認為，已付代價與二零一八年人民幣票據購回部分的賬面值之間的差額並不重大。

於二零一六年十二月三十一日，二零一八年人民幣票據之賬面淨值經扣除未攤銷發行費用合共人民幣7,285,000元入賬，而二零一八年人民幣票據之實際年利率為7%。

於二零一六年十二月三十一日，經參考新加坡證券交易所有限公司之市場報價計算之二零一九年美元票據、二零二三年美元票據及二零一八年人民幣票據公平值分別為零(二零一五年：人民幣2,720,818,000元)、人民幣3,673,857,000元(二零一五年：人民幣3,340,957,000)及人民幣1,966,154,000元(二零一五年：人民幣2,008,380,000元)。

27. SENIOR NOTES *(Continued)*

(c) *(Continued)*

During the year ended December 31, 2016, a principal amount of RMB33,000,000 was purchased from market at a consideration RMB32,092,000.

In the opinion of the directors, the difference between the consideration paid and the carrying amount of the repurchased portion of 2018 RMB Notes are considered insignificant.

The net carrying amount of the 2018 RMB Notes is stated net of unamortised issue expenses totalling RMB7,285,000 as at December 31, 2016 and the effective interest rate of the 2018 RMB Notes is 7% per annum.

The fair value of the 2019 USD Notes, 2023 USD Notes and 2018 RMB Notes at December 31, 2016 with reference to the quoted market price available on the Singapore Exchange Securities Trading Limited amounted to nil (2015: RMB2,720,818,000), RMB3,673,857,000 (2015: RMB3,340,957,000) and RMB1,966,154,000 (2015: RMB2,008,380,000), respectively.

28. 衍生金融工具

28. DERIVATIVE FINANCIAL INSTRUMENTS

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
根據對沖會計方法入賬的衍生金融資產	Derivative financial assets (under hedge accounting)		
現金流量對沖	Cash flow hedges		
－交叉貨幣利率掉期	– Cross currency interest rate swaps	988,746	701,083
即期	Current	349,513	—
非即期	Non-current	639,233	701,083
合計	Total	988,746	701,083

28. 衍生金融工具*(續)*

交叉貨幣利率掉期

於報告期末，本集團有以下指定為高效對沖工具的交叉貨幣利率掉期，以透過將一定比例的浮息美元及港元銀行借款及美元優先票據及相應利息付款由美元及港元轉換為人民幣及由浮息利息付款轉換為定息付款來減低本集團承受的該等借款及優先票據及相應利息付款的外幣及現金流量利率風險。

交叉貨幣利率掉期的條款經已磋商以配合各項指定對沖項目的條款，而董事認為該等交叉貨幣利率掉期屬高效對沖工具。該等合約的主要條款如下：

28. DERIVATIVE FINANCIAL INSTRUMENTS *(Continued)*

Cross currency interest rate swaps

At the end of the reporting period, the Group had the following cross currency interest rate swaps designated as highly effective hedging instruments in order to minimise its exposures to foreign currency and cash flow interest rate risk on its floating-rate USD and HKD bank borrowings and USD senior notes and corresponding interest payment by swapping a portion of those borrowings and senior notes and corresponding interest payment from USD and HKD to RMB and floating-rate interest payments to fixed rate interest payments.

The terms of the cross currency interest rate contracts have been negotiated to match the terms of the respective designated hedged items and the directors consider that the cross currency interest rate swaps are highly effective hedging instruments. The major terms of these contracts are as follows:

名義金額 Notional amount	到期日 Maturity	匯率 Exchange rates	利息掉期 Interest rate swap
買入200,000,000港元 （二零一五年：買入200,000,000港元）	二零一七年七月十日	人民幣1元兑1.2515港元	由香港銀行同業拆息+3.1%至固定利率6.13%
Buy HKD200,000,000 (2015:Buy HKD200,000,000)	10/07/2017	RMB1: HKD1.2515	From HIBOR + 3.1% to fixed rate of 6.13%
買入155,000,000港元 （二零一五年：買入155,000,000港元）	二零一七年七月十日	人民幣1元兑1.2517港元	由香港銀行同業拆息+3.1%至固定利率6.18%
Buy HKD155,000,000 (2015:Buy HKD155,000,000)	10/07/2017	RMB1: HKD1.2517	From HIBOR + 3.1% to fixed rate of 6.18%
買入1,000,000,000港元 （二零一五年：買入1,000,000,000港元）	二零一七年七月十日	人民幣1元兑1.2616港元	由香港銀行同業拆息+3.1%至固定利率5.65%
Buy HKD1,000,000,000 (2015:Buy HKD1,000,000,000)	10/07/2017	RMB1: HKD1.2616	From HIBOR + 3.1% to fixed rate of 5.65%
買入200,000,000港元 （二零一五年：買入200,000,000港元）	二零一七年七月十日	人民幣1元兑1.2542港元	由香港銀行同業拆息+3.1%至固定利率6.13%
Buy HKD200,000,000 (2015:Buy HKD200,000,000)	10/07/2017	RMB1: HKD1.2542	From HIBOR + 3.1% to fixed rate of 6.13%
買入1,000,000,000港元 （二零一五年：買入1,000,000,000港元）	二零一七年七月十日	人民幣1元兑1.2479港元	由香港銀行同業拆息+3.1%至固定利率6.04%
Buy HKD1,000,000,000 (2015:HKD1,000,000,000)	10/07/2017	RMB1: HKD1.2479	From HIBOR + 3.1% to fixed rate of 6.04%

28. 衍生金融工具*(續)*

交叉貨幣利率掉期*(續)*

28. DERIVATIVE FINANCIAL INSTRUMENTS *(Continued)*

Cross currency interest rate swaps *(Continued)*

名義金額 Notional amount	到期日 Maturity	匯率 Exchange rates	利息掉期 Interest rate swap
買入390,000,000港元 (二零一五年：買入390,000,000港元)	二零一七年七月十日	人民幣1元兑1.249港元	由香港銀行同業拆息+3.1%至固定利率6.03%
Buy HKD390,000,000 (2015: Buy HKD390,000,000)	10/07/2017	RMB1: HKD1.249	From HIBOR + 3.1% to fixed rate of 6.03%
買入310,000,000港元 (二零一五年：買入310,000,000港元)	二零二零年四月二十八日	人民幣1元兑1.1997港元	由香港銀行同業拆息+3.1%至固定利率6.47%
Buy HKD310,000,000 (2015: Buy HKD310,000,000)	28/04/2020	RMB1: HKD1.1997	From HIBOR + 3.1% to fixed rate of 6.47%
買入310,000,000港元 (二零一五年：買入310,000,000港元)	二零二零年四月二十八日	人民幣1元兑1.1998港元	由香港銀行同業拆息+3.1%至固定利率6.47%
Buy HKD310,000,000 (2015: Buy HKD310,000,000)	28/04/2020	RMB1: HKD1.1998	From HIBOR + 3.1% to fixed rate of 6.47%
買入387,500,000港元 (二零一五年：買入387,500,000港元)	二零二零年四月二十八日	人民幣1元兑1.2081港元	由香港銀行同業拆息+3.1%至固定利率6.33%
Buy HKD387,500,000 (2015: Buy HKD387,500,000)	28/04/2020	RMB1: HKD1.2081	From HIBOR + 3.1% to fixed rate of 6.33%
買入500,000,000港元 (二零一五年：買入500,000,000港元)	二零二零年四月二十八日	人民幣1元兑1.2065港元	由香港銀行同業拆息+3.1%至固定利率6.25%
Buy HKD500,000,000 (2015: Buy HKD500,000,000)	28/04/2020	RMB1: HKD1.2065	From HIBOR + 3.1% to fixed rate of 6.25%
買入50,000,000美元 (二零一五年：買入50,000,000美元)	二零二三年一月二十九日	人民幣1元兑0.164美元	由固定利率6.75%至固定利率7.59%
Buy USD50,000,000 (2015:Buy USD50,000,000)	29/01/2023	RMB1: USD0.164	From fixed rate of 6.75% to fixed rate of 7.59%
買入20,000,000美元 (二零一五年：買入20,000,000美元)	二零二三年一月二十九日	人民幣1元兑0.164美元	由固定利率6.75%至固定利率7.53%
Buy USD20,000,000 (2015:Buy USD20,000,000)	29/01/2023	RMB1: USD0.164	From fixed rate of 6.75% to fixed rate of 7.53%

28. 衍生金融工具*(續)*

交叉貨幣利率掉期*(續)*

名義金額 Notional amount	到期日 Maturity	匯率 Exchange rates	利息掉期 Interest rate swap
買入25,000,000美元 (二零一五年：買入25,000,000美元)	二零二三年一月三十日	人民幣1元兌0.166美元	由固定利率6.75%至固定利率7.65%
Buy USD25,000,000 (2015:Buy USD25,000,000)	30/01/2023	RMB1: USD0.166	From fixed rate of 6.75% to fixed rate of 7.65%
買入75,000,000美元 (二零一五年：買入75,000,000美元)	二零二三年一月三十日	人民幣1元兌0.166美元	由固定利率6.75%至固定利率7.65%
Buy USD75,000,000 (2015:Buy USD75,000,000)	30/01/2023	RMB1: USD0.166	From fixed rate of 6.75% to fixed rate of 7.65%
買入25,000,000美元 (二零一五年：買入25,000,000美元)	二零二三年一月三十日	人民幣1元兌0.166美元	由固定利率6.75%至固定利率7.63%
Buy USD25,000,000 (2015:Buy USD25,000,000)	30/01/2023	RMB1: USD0.166	From fixed rate of 6.75% to fixed rate of 7.63%
買入25,000,000美元 (二零一五年：買入25,000,000美元)	二零二三年一月三十日	人民幣1元兌0.165美元	由固定利率6.75%至固定利率7.63%
Buy USD25,000,000 (2015:Buy USD25,000,000)	30/01/2023	RMB1: USD0.165	From fixed rate of 6.75% to fixed rate of 7.63%
買入25,000,000美元 (二零一五年：買入25,000,000美元)	二零二三年一月三十日	人民幣1元兌0.165美元	由固定利率6.75%至固定利率7.6%
Buy USD25,000,000 (2015:Buy USD25,000,000)	30/01/2023	RMB1: USD0.165	From fixed rate of 6.75% to fixed rate of 7.6%

上述所有交叉貨幣利率掉期均指定作為現金流量對沖且有效。於二零一六年十二月三十一日，上述交叉貨幣利率掉期合約的公平值收益合共人民幣988,746,000元(二零一五年：淨收益人民幣701,083,000元)已於權益內作遞延處理。對沖工具的公平值收益人民幣248,592,000元(二零一五年：收益人民幣613,754,000元)於同年內由對沖儲備重新分類至損益。

28. DERIVATIVE FINANCIAL INSTRUMENTS *(Continued)*

Cross currency interest rate swaps *(Continued)*

All of the above cross currency interest rate swaps are designated and effective as cash flow hedges. The fair values gain of the above cross currency interest rate swap contracts totalling RMB988,746,000 (2015: net gain of RMB701,083,000) have been deferred in equity at December 31, 2016. The fair value gain of the hedging instruments amounting to RMB248,592,000 (2015: gain of RMB613,754,000) were reclassified from hedging reserve to profit and loss in the same year.

29. 資本及儲備

(a) 股本

29. CAPITAL AND RESERVES

(a) Share capital

		每股面值 0.10港元之普通股數目 Number of ordinary shares of par value HK$0.10 each	面值 Nominal value *千港元 HK$'000*
法定	**Authorised**		
於二零一五年一月一日、二零一五年十二月三十一日及二零一六年十二月三十一日	At January 1, 2015, December 31, 2015 and December 31, 2016	10,000,000,000	1,000,000
已發行及繳足	**Issued and fully paid**		
於二零一五年一月一日	At January 1, 2015	5,808,932,105	580,893
行使購股權發行股份(附註(i))	Issue of shares upon exercise of share options (Note (i))	25,091,500	2,509
於二零一五年十二月三十一日	At December 31, 2015	5,834,023,605	583,402
行使購股權發行股份(附註(i))	Issue of shares upon exercise of share options (Note (i))	7,207,500	721
於二零一六年十二月三十一日	At December 31, 2016	5,841,231,105	584,123
綜合財務報表所示	Shown in the consolidated financial statements		
於二零一六年十二月三十一日	At December 31, 2016	等值人民幣千元 RMB'000 equivalent	508,438
於二零一五年十二月三十一日	At December 31, 2015	等值人民幣千元 RMB'000 equivalent	507,823

29. 資本及儲備*(續)*

(a) 股本*(續)*

(i) 截至二零一六年十二月三十一日止年度，本公司因行使購股權發行7,207,500股(二零一五年：25,091,500股)每股面值0.1港元的股份。年內所行使購股權的行使價介乎8.28港元至12.528港元(相當於人民幣7.41元至人民幣11.21元)(二零一五年：2.94港元至12.528港元(相當於人民幣2.32元至人民幣9.91元))。已發行新股在各方面與當時已有股份享有同等權益。

(b) 儲備

儲備名稱、性質及用途

(i) 股份溢價

二零一六年及二零一五年十二月三十一日的股份溢價指本公司股份溢價。

股份溢價賬受開曼群島公司法規管，並可由本公司根據(如有)組織章程大綱及細則的規定作以下用途：(a)支付分配或股息予股東；(b)繳足將發行予權益股東作為繳足紅股的本公司未發行股份；(c)按開曼群島公司法第37條的規定贖回及購回股份；(d)撇銷公司開辦費用；(e)撇銷發行本公司股份或債券的費用或就此支付的佣金或給予的折扣；及(f)作為贖回或購買本公司任何股份或債券時須予支付的溢價。

29. CAPITAL AND RESERVES *(Continued)*

(a) Share capital *(Continued)*

(i) During the year ended December 31, 2016, the Company issued 7,207,500 (2015: 25,091,500) shares of HK$0.1 each upon exercise of share options. The exercise prices of the share options exercised during the year range from HK$8.28 to HK$12.528 (equivalent to RMB7.41 to RMB11.21) (2015: HK$2.94 to HK$12.528 (equivalent to RMB2.32 to RMB9.91). The new shares issued rank pari passu with the then existing shares in all respects.

(b) Reserves

Name, nature and purpose of reserves

(i) Share premium

Share premium at December 31, 2016 and 2015 represented share premium of the Company.

The share premium account is governed by the Cayman Companies Law and may be applied by the Company subject to the provisions, if any, of its memorandum and articles of association in (a) paying distributions or dividends to members; (b) paying up unissued shares of the Company to be issued to equity shareholders as fully paid bonus shares; (c) the redemption and repurchase of shares (subject to the provisions of section 37 of the Cayman Companies Law); (d) writing-off the preliminary expenses of the Company; (e) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company; and (f) providing for the premium payable on redemption or purchase of any shares or debentures of the Company.

29. 資本及儲備*(續)*

(b) 儲備*(續)*

儲備名稱、性質及用途*(續)*

(i) *(續)*

除非於緊隨建議作出分派或支付股息日期後，本公司可償還日常業務中到期的債務，否則不得自股份溢價賬向權益股東作出任何分派或支付任何股息。

(ii) 資本儲備

為籌備本公司股份上市，於二零零八年六月十一日，透過發行3,999,999,000股每股面值0.1港元的股份完成集團重組。本公司所發行股份的面值與嘉遜發展香港(控股)有限公司(「嘉遜發展」，本集團當時的控股公司)的股本總額之間的差額自資本儲備扣除。

於二零零九年十月二日，本公司向其當時股東宣派股息100,000,000港元(相當於人民幣88,120,000元)並自資本儲備扣除。

29. CAPITAL AND RESERVES *(Continued)*

(b) Reserves *(Continued)*

Name, nature and purpose of reserves *(Continued)*

(i) *(Continued)*

No distribution or dividend may be paid to the equity shareholders out of the share premium account unless immediately following the date on which the distribution or dividend is proposed to be paid, the Company will be able to pay its debts as they fall due in the ordinary course of business.

(ii) Capital reserve

On June 11, 2008, a group reorganisation was completed for the preparation of the listing of the Company's shares by issuing 3,999,999,000 shares of HK$0.1 each. The difference between the nominal amount of the shares issued by the Company and the aggregate amount of the share capital of Juntion Development Hong Kong (Holding) Limited ("Juntion Development"), then holding company of the Group, is charged to capital reserve.

On October 2, 2009, the Company declared dividend of HK$100,000,000 (equivalent to RMB88,120,000) to the then shareholders of the Company and charged to capital reserve.

29. 資本及儲備*(續)*

(b) 儲備*(續)*

儲備名稱、性質及用途*(續)*

(iii) 特別儲備

截至二零零七年十二月三十一日止年度，嘉遜發展已向一家非全資附屬公司重慶龍湖企業拓展有限公司(「重慶龍湖企業拓展」)增資770,000,000港元，而本公司當日的最終控股股東吳亞軍女士及蔡奎先生亦為重慶龍湖企業拓展的非控制股東。本集團於重慶龍湖企業拓展的股權由60%增至91.3%，而視作收購的折讓人民幣620,672,000元則指所收購額外權益的應佔資產淨值超出注資金額的部分，已於特別儲備內確認為權益擁有人注資。

(iv) 其他儲備

其他儲備指本集團應佔有關附屬公司擁有權變動(未失去控制權)的資產淨值變動。

29. CAPITAL AND RESERVES *(Continued)*

(b) Reserves *(Continued)*

Name, nature and purpose of reserves *(Continued)*

(iii) Special reserve

During the year ended December 31, 2007, Juntion Development injected additional capital of HK$770,000,000 in a non-wholly owned subsidiary, Chongqing Longhu Development Company Limited ("Chongqing Longhu Development") in which the non-controlling shareholders are Madam Wu Yajun and Mr. Cai Kui, who are also the ultimate controlling shareholders of the Company at that date. The Group's equity interest in Chongqing Longhu Development has increased from 60% to 91.3% and a discount on deemed acquisition of RMB620,672,000 which represents the excess of the share of net assets attributable to the additional interest acquired over the amount injected was recognised in special reserve as the contribution from equity owners.

(iv) Other reserve

Other reserve represents the change in net assets attributable to the Group in relation to changes in ownership interests in subsidiaries without losing of control.

29. 資本及儲備*(續)*

(b) 儲備*(續)*

儲備名稱、性質及用途*(續)*

(v) 法定盈餘儲備

根據在中國成立的若干附屬公司的組織章程細則，該等附屬公司須向法定盈餘儲備轉撥其除稅後溢利的10%，直至儲備達到註冊資本的50%為止。轉撥至該儲備須於向權益擁有人分派股息之前作出。法定盈餘儲備可用於彌補過往年度的虧損、擴現有的經營業務或轉換為附屬公司的額外資本。

(vi) 對沖儲備

對沖儲備指就現金流量對沖訂立之對沖工具之公平值變動產生之損益之累計實際部分。僅當對沖交易影響損益，則於對沖儲備項下確認及累計之對沖工具之公平值變動產生之累計損益才會重新分類至損益表。

(vii) 持作股份獎勵的股份

該金額指就股份獎勵計劃(附註41(b)披露)在市場上收購股份作出的付款。

29. CAPITAL AND RESERVES *(Continued)*

(b) Reserves *(Continued)*

Name, nature and purpose of reserves *(Continued)*

(v) Statutory surplus reserve

In accordance with the articles of association of certain subsidiaries established in the PRC, these subsidiaries are required to transfer 10% of the profit after taxation to the statutory surplus reserve until the reserve reaches 50% of the registered capital. Transfer to this reserve must be made before distributing dividends to equity owners. The statutory surplus reserve can be used to make up for previous year's losses, expand the existing operations or convert into additional capital of the subsidiaries.

(vi) Hedging reserve

The hedging reserve represents the cumulative effective portion of gains and losses arising on changes in fair value of hedging instruments entered into for cash flow hedges. The cumulative gain and loss arising on changes in fair value of the hedging instrument that are recognised and accumulated under the heading of hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss.

(vii) Shares held for share award

The amount represents the payments made to acquire shares from the market for the share award scheme as disclosed in note 41(b).

30. 遞延稅項

以下為於年內確認的主要遞延稅項(負債)資產及其變動：

30. DEFERRED TAXATION

The followings are the major deferred taxation (liabilities) assets recognised and movements thereon during the year:

		加速稅項折舊 Accelerated tax depreciation 人民幣千元 RMB'000	投資物業的公平值 Fair value of investment properties 人民幣千元 RMB'000	稅項虧損 Tax losses 人民幣千元 RMB'000	土地增值稅撥備 Land appreciation tax provisions 人民幣千元 RMB'000	呆賬撥備 Allowance for doubtful debts 人民幣千元 RMB'000	政府津貼 Government subsidies 人民幣千元 RMB'000 (附註a) (Note a)	集團內購買的未變現溢利 Unrealised profit on intra-group purchases 人民幣千元 RMB'000	待分配保留溢利的預扣稅 Withholding tax on retained profits to be distributed 人民幣千元 RMB'000	其他 Others 人民幣千元 RMB'000 (附註b) (Note b)	總計 Total 人民幣千元 RMB'000
於二零一五年一月一日	At January 1, 2015	(137,930)	(3,877,958)	319,125	1,157,603	3,750	10,661	118,491	(91,046)	17,897	(2,479,407)
於損益(扣除)計入	(Charge) credit to profit or loss	(84,021)	(718,469)	135,779	24,678	—	(27)	(35,069)	73,338	3,691	(600,100)
透過收購附屬公司收購資產及負債(附註33)	Acquisition of assets and liabilities through acquisition of subsidiaries (Note 33)	—	—	(231)	232,502	—	—	—	—	(15,633)	216,638
於二零一五年十二月三十一日	At December 31, 2015	(221,951)	(4,596,427)	454,673	1,414,783	3,750	10,634	83,422	(17,708)	5,955	(2,862,869)
於損益(扣除)計入	(Charge) credit to profit or loss	(66,270)	(504,528)	259,112	256,772	—	—	(15,243)	8,464	40,761	(20,932)
透過收購附屬公司收購資產及負債(附註33)	Acquisition of assets and liabilities through acquisition of subsidiaries (Note 33)	—	—	8,306	—	—	—	—	—	—	8,306
於二零一六年十二月三十一日	At December 31, 2016	(288,221)	(5,100,955)	722,091	1,671,555	3,750	10,634	68,179	(9,244)	46,716	(2,875,495)

附註：

(a) 該金額指會計準則與稅務機關對政府津貼的處理所產生暫時差額的稅務影響。稅務機關將政府津貼視為收入，但進行財務呈報時則將政府津貼當作發展中待售物業開支減少。

(b) 該金額指扣除廣告開支所產生暫時差額的稅務影響。本集團可扣除不超過其收益15%的廣告開支，而不可扣除的部分(如有)則可於期後年間結轉。

Notes:

(a) This represents the tax effect of the temporary difference arising from the treatment of the government subsidies between the accounting standard and the tax bureau. Tax bureau treats the government subsidies as an income but for financial reporting purpose, the government subsidies as deduction from costs of properties under development for sales.

(b) This represents the tax effect of temporary differences arising from the deduction of advertising expense. The Group can deduct its advertising expense of no more than 15% of its revenue and for the part that cannot be deducted, if any, it can be carried forward to future years.

30. 遞延稅項*(續)*

為呈報綜合財務狀況報表，若干遞延稅項資產(負債)已抵銷。以下為就財務報告目的而作出的遞延稅項結餘分析：

30. DEFERRED TAXATION *(Continued)*

For the presentation purposes of the consolidated statement of financial position, certain deferred taxation assets (liabilities) have been offset. The following is an analysis of the deferred taxation balances for financial reporting purposes:

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
遞延稅項資產	Deferred taxation assets	2,622,641	1,623,857
遞延稅項負債	Deferred taxation liabilities	(5,498,136)	(4,486,726)
		(2,875,495)	(2,862,869)

於二零一六年十二月三十一日，本集團有約人民幣3,378,534,000元(二零一五年：人民幣2,033,498,000元)的估計未動用稅項虧損可用於抵銷未來溢利。已就人民幣2,888,364,000元(二零一五年：人民幣1,703,034,000元)的虧損確認遞延稅項資產。由於不可預測未來溢利來源，故概無就餘下人民幣490,170,000元(二零一五年：人民幣330,464,000元)確認遞延稅項資產。未確認稅項虧損將於以下年度到期：

At December 31, 2016, the Group had unused estimated tax losses of RMB3,378,534,000 (2015: RMB2,033,498,000) available to offset against future profits. Deferred taxation assets have been recognised in respect of RMB2,888,364,000 (2015: RMB1,703,034,000) of such losses. No deferred taxation asset has been recognised in respect of the remaining RMB490,170,000 (2015: RMB330,464,000) due to the unpredictability of future profit streams. The unrecognised tax losses will expire in the following years:

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
二零一六年	2016	—	1,934
二零一七年	2017	4,110	4,110
二零一八年	2018	1,861	1,861
二零一九年	2019	224,698	224,698
二零二零年	2020	97,861	97,861
二零二一年	2021	161,640	—
		490,170	330,464

30. 遞延稅項*(續)*

根據《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》及國稅法[2008]112號，5%股息預扣稅稅率適用於直接擁有中國內地公司股本最少25%的香港居民公司。

遞延稅項負債包括最近財政年度就所有中國附屬公司所產生及香港公司所持的未分派溢利20%作出的預扣稅撥備。於報告期末，暫時差額的總額連同附屬公司的未分配盈利(遞延稅項負債未被確認)約為人民幣38,000,000元(二零一五年：人民幣25,000,000元)。由於本集團能夠控制暫時差額撥回的時間，及該等差額在可見將來將可能不會撥回，因此並無就此等差額確認負債。

30. DEFERRED TAXATION *(Continued)*

According to the "Arrangement between the Mainland of China and the Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income" and Guoshuifa [2008] No. 112, where the Hong Kong resident company directly owns at least 25% of the capital of the Mainland company, 5% dividend withholding tax rate is applicable.

Deferred taxation liabilities include provision for withholding tax which has been provided for 20% of the latest financial year's undistributed profits arising from all subsidiaries situated in the PRC and held by Hong Kong companies. At the end of the reporting period, the aggregate amount of temporary differences associated with undistributed earnings of subsidiaries for which deferred taxation liabilities have not been recognised was approximately RMB38 million (2015: RMB25 million). No liability has been recognised in respect of these differences because the Group is in a position to control the timing of the reversal of the temporary differences and it is probable that such differences will not reverse in the foreseeable future.

31. 收購附屬公司的額外權益

截至二零一五年十二月三十一日止年度，本集團以代價人民幣100,000,000元從非控股股東收購重慶龍湖科恒地產發展有限公司額外9%股權、以代價人民幣40,381,000元收購佛山市順德區盛暉置業有限公司(「佛山盛暉」)額外33.96%股權以及以代價人民幣15,000,000元收購北京龍湖置業有限公司額外1.5%股權。該等收購事項已作為權益交易入賬，而應佔已收購非控制權益的已付代價與賬面值之間的差額分別人民幣88,408,000元及人民幣32,974,000元(借方結餘)以及人民幣30,813,000元(貸方結餘)已直接於其他儲備確認。

31. ACQUISITIONS OF ADDITIONAL INTERESTS IN SUBSIDIARIES

During the year ended December 31, 2015, the Group acquired additional 9% of the equity interest of Chongqing Longhu Keheng Real Estate Development Co., Ltd, at a consideration of RMB100,000,000, additional 33.96% of the equity interest of Foshan Shi Shun De Gu Sheng Hui Real Estate Company Limited ("Foshan Sheng Hui") at a consideration of RMB40,381,000 and additional 1.5% of the equity interest of Beijing Longhu Properties Company Limited at a consideration of RMB15,000,000, from the non-controlling shareholders. The acquisitions have been accounted for as equity transactions and RMB88,408,000 and RMB32,974,000 (debit balances) and RMB30,813,000 (credit balance), respectively, between the consideration paid and the carrying amount of the attributable non-controlling interests acquired had been recognised directly in other reserve.

32. 出售附屬公司的部份權益(未失去控制權)

(a) 截至二零一六年十二月三十一日止年度，本集團分別出售於成都東錦企業管理諮詢有限公司(「成都東錦」)的40%股權、北京卓信瑞通的66%股權及上海湖邦企業管理有限公司(「上海湖邦」)的50%股權(該等公司均為全資附屬公司)予若干獨立第三方，代價分別為人民幣2,000,000元、人民幣660,000元及人民幣5,351,000元。

截至二零一六年十二月三十一日止年度，本集團透過出售於兩間全資附屬公司重慶龍湖地產發展有限公司及重慶龍湖企業拓展分別46.79%及2.21%股權，以出售於重慶龍湖西街置業有限公司(「重慶西街」)的49%股權予獨立第三方，該公司為全資附屬公司，代價為人民幣936,008,000元。

應佔非控制權益與已付代價公平值之間的總差額人民幣6,131,000元(借方結餘)已直接於其他儲備確認。

出售之後，成都東錦、北京卓信瑞通、上海湖邦及重慶西街的餘下60%、34%、50%及51%權益仍然由本集團持有。董事認為，本集團有足夠主導投票權益以指揮該等公司的相關活動，及因此本集團對其有控制權。因此，該等實體仍為本集團附屬公司，而出售已作為權益交易入賬。

32. DISPOSAL OF PARTIAL INTEREST IN SUBSIDIARIES NOT RESULTING IN LOSING OF CONTROL

(a) During the year ended December 31, 2016, the Group disposed of its 40% equity interest in Chengdu Dongjin Enterprise Management Consulting Co., Ltd. ("Chengdu Dongjin"), 66% equity interest in Beijing Zhuoxinruitong and 50% equity interest in Shanghai Hukang Enterprise Management Co., Ltd ("Shanghai Hukang"), which are wholly-owned subsidiaries, to several independent third parties at considerations of RMB2,000,000, RMB660,000 and RMB5,351,000, respectively.

During the year ended December 31, 2016, the Group disposed of its 49% equity interest in Chongqing Longhu Xijie Real Estate Co., Ltd ("Chongqing Xijie"), which is a wholly-owned subsidiary, through disposal of 46.79% and 2.21% of its equity interests in two wholly-owned subsidiaries, Chongqing Longhu Properties Co., Ltd. and Chongqing Longhu Development respectively, to independent third parties at considerations of RMB936,008,000.

The total difference of RMB6,131,000 (debit balance) between the amount by which the attributable non-controlling interests and the fair value of the consideration paid are recognised directly to other reserve.

Subsequent to the disposal, the remaining 60%, 34%, 50% and 51% interest of Chengdu Dongjin, Beijing Zhuoxinruitong, Shanghai Hukang and Chongqing Xijie are still held by the Group. In the opinion of the directors, the Group has sufficiently dominant voting interest to direct the relevant activities of these companies and therefore the Group has control over them. Accordingly, these entities remained as subsidiaries of the Group and the disposal have been accounted for as equity transactions.

32. 出售附屬公司的部份權益(未失去控制權)*(續)*

(b) 截至二零一五年十二月三十一日止年度，本集團已透過向兩個獨立第三方各以代價人民幣100,000元出售其於兩間全資擁有附屬公司(杭州卓德投資管理有限公司及杭州攬拓投資管理有限公司)的全部股權，出售其於全資擁有附屬公司杭州龍卓房地產開發有限公司(「杭州龍卓」)的60%股權。董事認為，已收代價與已處置資產淨值之間的差額並不重大。

緊隨出售之後，杭州龍卓剩餘的40%權益仍然由本集團持有。根據二零一五年一月二十七日一份補充股東協議，本集團仍對杭州龍卓有控制權。因此，杭州龍卓仍然是本集團的附屬公司，而出售事項已作為權益交易入賬。

32. DISPOSAL OF PARTIAL INTEREST IN SUBSIDIARIES NOT RESULTING IN LOSING OF CONTROL *(Continued)*

(b) During the year ended December 31, 2015, the Group disposed of its 60% equity interest in a wholly-owned subsidiary, Hangzhou Longzhuo Real Estate Development Ltd ("Hangzhou Longzhuo"), through disposal of its entire equity interests in two wholly-owned subsidiaries, Hangzhou Zhuode Investment Management Ltd. and Hangzhou Lantuo Investment Management Ltd, to two independent third parties at a consideration of RMB100,000 each. In the opinion of directors, the difference between the consideration received and the net asset values disposed of are considered insignificant.

Subsequent to the disposal, the remaining 40% interest of Hangzhou Longzhuo are still held by the Group. Pursuant to a supplementary shareholders' agreement dated January 27, 2015, the Group still has control of Hangzhou Longzhuo. Accordingly, it remained as subsidiary of the Group and the disposal has been accounted for as equity transaction.

33. 透過收購附屬公司收購資產及負債

(a) 截至二零一六年十二月三十一日止年度，本集團以代價人民幣231,823,000元收購瀋陽金恒置業有限公司(「瀋陽金恒」)60%股權、以代價人民幣757,100,000元收購大連東陽房地產開發有限公司(「大連東陽」)100%股權、以代價人民幣725,268,000元收購濟南盛雪置業有限公司(「濟南盛雪」)51%股權、以代價人民幣149,954,000元收購青島萬湖25.1%股權、以代價人民幣288,182,000元收購青島萬創25.1%股權及以代價人民幣800,000,000元收購上海陽恩投資管理有限公司的65%股權。

33. ACQUISITION OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES

(a) During the year ended December 31, 2016, the Group acquired 60% of the equity interest of Shenyang Jinheng Real Estate Co., Ltd. ("Shenyang Jinheng") at a consideration of RMB231,823,000, 100% equity interest of Dalian Dongyang Real Estate Development Ltd. ("Dalian Dongyang") at a consideration of RMB757,100,000, 51% equity interest of Jinan Shengxue Real Estate Co., Ltd. ("Jinan Shengxue") at a consideration of RMB725,268,000, 25.1% equity interest of Qingdao Wanhu at a consideration of RMB149,954,000, 25.1% equity interest of Qingdao Wanchuang at a consideration of RMB288,182,000 and 65% equity interest of Shanghai Yangen Investment Management Co., Ltd. at a consideration of RMB800,000,000.

33. 透過收購附屬公司收購資產及負債*(續)*

(a) *(續)*

截至二零一六年十二月三十一日止年度，根據杭州龍耀房地產開發有限公司(「杭州龍耀」)(先前均入賬列作本集團合營企業)的補充股東協議(由本集團與其合營企業合夥人於年內訂立)，本集團已取得實際控制表決權，以管治杭州龍耀的相關活動。因此，其成為本集團附屬公司。

33. ACQUISITION OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES *(Continued)*

(a) *(Continued)*

During the year ended December 31, 2016, pursuant to a supplementary shareholders' agreement of Hangzhou Longyao Real Estate Development Ltd ("Hangzhou Longyao"), which was previously accounted for as joint venture of the Group, entered into between the Group and its joint venture partner during the year, the Group has obtained effective control of voting power to govern the relevant activities of Hangzhou Longyao. Accordingly, it becomes subsidiary of the Group.

		瀋陽金恒 Shenyang Jinheng *人民幣千元* *RMB'000*	大連東陽 Dalian Donyang *人民幣千元* *RMB'000*	濟南盛雪 Jinan Shengxue *人民幣千元* *RMB'000*	青島萬湖 Qingdao Wanhu *人民幣千元* *RMB'000*	青島萬創 Qingdao Wanchuang *人民幣千元* *RMB'000*	上海陽恩 Shanghai Yangen *人民幣千元* *RMB'000*	杭州龍耀 Hangzhou Longyao *人民幣千元* *RMB'000*	合計 Total *人民幣千元* *RMB'000*
物業、廠房及設備(附註13)	Property, plant and equipment (Note 13)	19	—	—	—	—	—	417	436
預付租賃款項	Prepaid lease payments	—	—	—	—	—	1,203,599	—	1,203,599
發展中待售物業(附註19)	Properties under development for sales (Note 19)	341,879	757,100	2,556,217	605,783	1,208,976	—	1,312,563	6,782,518
其他應收款項	Other receivables	7,175	—	—	61,271	—	3,028	1,035,590	1,107,064
遞延稅項資產(附註30)	Deferred taxation assets (Note 30)	—	—	—	348	685	—	7,273	8,306
銀行結餘及現金	Bank balances and cash	68	—	8,066	118,304	29	24,142	166,920	317,529
應付賬款及應付票據、已收按金及應計費用	Accounts and bills payables, deposits received and accrued charges	(78,841)	—	(1,721,415)	(188,280)	(61,556)	—	(1,494,916)	(3,545,008)
應付股東款項	Amounts due to shareholders	(118,200)	(614,504)	(602,868)	—	—	—	—	(1,335,572)
		152,100	142,596	240,000	597,426	1,148,134	1,230,769	1,027,847	4,538,872
減：非控制權益	Less: Non-controlling interests	(38,477)	—	(117,600)	(447,472)	(859,952)	(430,769)	(424,172)	(2,318,442)
		113,623	142,596	122,400	149,954	288,182	800,000	603,675	2,220,430

33. 透過收購附屬公司收購資產及負債*(續)*

(a) *(續)*

33. ACQUISITION OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES *(Continued)*

(a) *(Continued)*

		瀋陽金恒 Shenyang Jinheng 人民幣千元 RMB'000	大連東陽 Dalian Donyang 人民幣千元 RMB'000	濟南盛雪 Jinan Shengxue 人民幣千元 RMB'000	青島萬湖 Qingdao Wanhu 人民幣千元 RMB'000	青島萬創 Qingdao Wanchuang 人民幣千元 RMB'000	上海陽恩 Shanghai Yangen 人民幣千元 RMB'000	杭州龍耀 Hangzhou Longyao 人民幣千元 RMB'000	合計 Total 人民幣千元 RMB'000
以下列各項結算代價：	Consideration satisfied by:								
現金	Cash	231,823	757,100	725,268	149,954	288,182	800,000	—	2,952,327
投資合營企業	Investment in joint venture	—	—	—	—	—	—	603,675	603,675
減：貸款轉讓	Less: Loans assignment	(118,200)	(614,504)	(602,868)	—	—	—	—	(1,335,572)
代價淨額	Net consideration	113,623	142,596	122,400	149,954	288,182	800,000	603,675	2,220,430
現金流出淨額：	Net cash outflow:								
已付現金	Cash paid	(231,823)	(757,100)	(725,268)	(149,954)	(288,182)	(800,000)	—	(2,952,327)
減：已收購現金及現金等價物結餘	Less: Cash and cash equivalent balances acquired	68	—	8,066	118,304	29	24,142	166,920	317,529
		(231,755)	(757,100)	(717,202)	(31,650)	(288,153)	(775,858)	166,920	(2,634,798)

董事認為，收購該等公司並不構成業務，故本公司董事將有關交易釐定為收購資產及負債，而非國際財務報告準則第3號(經修訂)「業務合併」所界定的業務合併。

In the opinion of directors, the acquisitions of these companies does not constitute a business. Therefore, the transactions were determined by the directors of the Company to be acquisition of assets and liabilities rather than a business combination as defined in IFRS 3 (Revised) Business Combinations.

(b) 截至二零一五年十二月三十一日止年度，本集團已收購Northpole Intermediary Limited(「Northpole」)38.5%股權，代價為人民幣711,170,000元，Northpole為投資控股公司，曾入賬列作本集團的合營企業並持有四間合營企業，分別為成都滙新置業有限公司、成都嘉南置業有限公司、成都景滙置業有限公司及成都拓晟置業有限公司(合稱「成都公司」)。成都公司曾入賬列作合營企業並持有發展中待售物業。上述收購完成後，本集團取得該等公司的控制權。因此，Northpole及成都公司成為本集團附屬公司。

(b) During the year ended December 31, 2015, the Group acquired 38.5% of the equity interest of Northpole Intermediary Limited ("Northpole"), an investment holding company which was previously accounted for as joint venture of the Group and holds four joint ventures, namely Chengdu Huixin Real Estate Company Limited, Chengdu Jia'nan Real Estate Company Limited, Chengdu Jinghui Real Estate Company Limited and Chengdu Tuocheng Real Estate Company Limited (collectively referred as the "Chengdu Companies") at a consideration of RMB711,170,000. Chengdu Companies were previously accounted for as joint ventures and hold properties under development for sales. Upon completion of the above acquisition, the Group obtains controls on these companies. Accordingly, Northpole and the Chengdu Companies become subsidiaries of the Group.

33. 透過收購附屬公司收購資產及負債*(續)*

(b) *(續)*

此外，根據重慶興龍湖置地發展有限公司(「龍湖置地」)及佛山盛暉(先前均入賬列作本集團合營企業)的補充投資協議及補充股東協議(由本集團與彼等的合營企業合夥人於二零一五年訂立)，本集團可實際控制表決權，以管治龍湖置地及佛山盛暉的財務及經營政策。因此，彼等成為本集團附屬公司。

於收購日期在該等交易中的已收購資產及已確認負債如下：

33. ACQUISITION OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES *(Continued)*

(b) *(Continued)*

In addition, pursuant to an addendum to the investment agreement of Longhu Land Limited ("Longhu Land") and the supplementary shareholders' agreement of Foshan Sheng Hui, which were previously accounted for as joint ventures of the Group, entered into between the Group and their joint venture partners during the year of 2015, the Group has effective control of voting power to govern the financial and operating policies of Longhu Land and Foshan Sheng Hui. Accordingly, they become subsidiaries of the Group.

Assets acquired and liabilities recognised in these transactions at the date of acquisition are as follows:

		成都公司 Chengdu Companies *人民幣千元 RMB'000*	龍湖置地 Longhu Land *人民幣千元 RMB'000*	佛山盛暉 Foshan Sheng Hui *人民幣千元 RMB'000*	二零一五年 2015 *人民幣千元 RMB'000*
物業、廠房及設備(附註13)	Property, plant and equipment (Note 13)	3	188	3,686	3,877
遞延稅項資產(附註30)	Deferred taxation assets (Note 30)	6,393	271,181	—	277,574
存貨	Inventories	2,768	9,608	—	12,376
發展中待售物業(附註19)	Properties under development for sales (Note 19)	1,645,092	775,683	1,241,613	3,662,388
持作出售物業	Properties held for sales	319,582	514,238	—	833,820
應收賬款及其他應收款項、按金及預付款項	Accounts and other receivables, deposits and prepayments	65,696	2,093,857	1,881	2,161,434
應收合營企業合夥人款項	Amount due from joint venture partner	1,062,565	600,809	5,657	1,669,031
可收回稅項	Taxation recoverable	9,714	223,552	—	233,266
銀行結餘及現金	Bank balances and cash	583,138	722,455	24,723	1,330,316
應付賬款及應付票據、已收按金及應計費用	Accounts and bills payables, deposits received and accrued charges	(529,505)	(2,491,564)	(1,242,431)	(4,263,500)
應付合營企業合夥人款項	Amount due to joint venture partner	(103,025)	—	—	(103,025)
應付稅項	Taxation payable	(61,764)	—	—	(61,764)
銀行及其他借款－一年內到期	Bank and other borrowings - due within one year	(160,000)	—	—	(160,000)
遞延稅項負債(附註30)	Deferred taxation liabilities (Note 30)	(45,301)	(15,635)	—	(60,936)
		2,795,356	2,704,372	35,129	5,534,857
減：非控制權益	Less: Non-controlling interests	—	(1,232,916)	(18,453)	(1,251,369)
		2,795,356	1,471,456	16,676	4,283,488

33. 透過收購附屬公司收購資產及負債*(續)*

(b) *(續)*

33. ACQUISITION OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES *(Continued)*

(b) *(Continued)*

		成都公司 Chengdu Companies *人民幣千元 RMB'000*	龍湖置地 Longhu Land *人民幣千元 RMB'000*	佛山盛暉 Foshan Sheng Hui *人民幣千元 RMB'000*	二零一五年 2015 *人民幣千元 RMB'000*
以下列各項結算代價：	Consideration satisfied by:				
現金	Cash	695,000	—	—	695,000
須於一年內支付代價	Consideration payable within one year	16,170	—	—	16,170
投資合營企業	Investments in joint ventures	2,084,186	1,471,456	16,676	3,572,318
		2,795,356	1,471,456	16,676	4,283,488
現金流入淨額：	Net cash inflow				
已付現金	Cash paid	(695,000)	—	—	(695,000)
減：已收購現金及現金等價物結餘	Less: Cash and cash equivalent balances acquired	583,138	722,455	24,722	1,330,315
		(111,862)	722,455	24,722	635,315

董事認為，收購該等公司並不構成業務，故本公司董事將有關交易釐定為收購資產及負債，而非國際財務報告準則第3號(經修訂)「業務合併」所界定的業務合併。

In the opinion of directors, the acquisitions of these companies does not constitute a business. Therefore, the transactions were determined by the directors of the Company to be acquisition of assets and liabilities rather than a business combination as defined in IFRS 3 (Revised) Business Combinations.

34. 出售一間附屬公司

截至二零一五年十二月三十一日止年度，本集團已出售其於全資附屬公司杭州龍耀的49%股權，代價為人民幣451,000,000元。董事認為，已收代價及已處置資產淨值之間的差額並不重大。

34. DISPOSAL OF A SUBSIDIARY

During the year ended December 31, 2015, the Group disposed of its 49% equity interest in a wholly-owned subsidiary, Hangzhou Longyao, at a consideration of RMB451,000,000. In the opinion of directors, the difference between the consideration received and the net asset values disposed of are considered insignificant.

		二零一五年 2015 *千民幣千元* *RMB'000*
已處置資產淨值：	Net assets disposed of:	
預付租賃款項	Prepaid lease payments	463,503
應收賬款、其他應收款項、按金及預付款項	Accounts and other receivables, deposits and prepayments	192
應收本集團款項	Amount due from the Group	416,500
銀行結餘及現金	Bank balances and cash	29,805
		910,000
以下列各項結算代價：	Consideration satisfied by:	
現金	Cash	204,091
已收按金	Deposit received	246,909
		451,000
出售交易的現金流入淨額：	Net cash inflow on disposal transaction:	
已收現金	Cash received	204,091
減：已出售現金及現金等價物結餘	Less: Cash and cash equivalent balances disposed	(29,805)
		174,286

於出售後，杭州龍耀的其餘51%權益仍由本集團持有，而杭州龍耀按照股東協議成為本集團的合營企業，其相關活動須獲全體董事一致共識。

Subsequent to the disposal, the remaining 51% equity interest of Hangzhou Longyao are still held by the Group and it became joint venture of the Group as in accordance with the shareholders' agreement, relevant activities of Hangzhou Longyao require the unanimous consent of all directors.

35. 視作出售附屬公司

截至二零一五年十二月三十一日止年度，廣州市君梁房地產有限公司(「廣州君梁」)及廣州市湖品房地產有限公司(「廣州湖品」)分別增加人民幣90,000,000元及人民幣50,000,000元繳足註冊資本。本集團已向廣州君梁注入註冊資金人民幣40,000,000元及向廣州湖品注入零元，同時一名獨立第三方向廣州君梁及廣州湖品分別注入資金人民幣50,000,000元，致令視作出售廣州君梁及廣州湖品的50%股權。董事認為，公平值與已處置資產淨值之間的差額並不重大。

於視作出售之後，廣州君梁及廣州湖品的其餘50%權益仍由本集團持有，而廣州君梁及廣州湖品按照股東協議成為本集團的合營企業，廣州君梁及廣州湖品的相關活動須獲全體董事一致共識。

35. DEEMED DISPOSAL OF SUBSIDIARIES

During the year ended December 31, 2015, Guangzhou Junliang Real Estate Ltd. ("Guangzhou Junliang") and Guangzhou Hupin Real Estate Ltd. ("Guangzhou Hupin"), increased their paid up registered capital by RMB90,000,000 and RMB50,000,000, respectively. The Group injected registered capital of RMB40,000,000 to Guangzhou Junliang and none for Guangzhou Hupin, meanwhile an independent third party injected capital of RMB50,000,000 to Guangzhou Junliang and Guangzhou Hupin respectively, resulting in deemed disposals of 50% equity interest of both companies. In the opinion of directors, the difference between the fair value and the net asset values disposed of are considered insignificant.

Subsequent to the deemed disposals, the remaining 50% interest of Guangzhou Junliang and Guangzhou Hupin are still held by the Group and they became joint ventures of the Group as in accordance with the shareholders' agreement, relevant activities of Guangzhou Junliang and Guangzhou Hupin require the unanimous consent of all directors.

36. 退休福利計劃

根據中國的相關法律及法規，本公司的中國附屬公司須參加由地方市政府管理的界定供款退休計劃。本公司的中國附屬公司向該計劃供款以撥款予僱員退休福利，該供款根據經地方市政府同意的按僱員平均薪金的若干百分比計算。本集團就有關退休福利計劃的主要責任為根據該計劃作出規定供款。

本集團亦為其所有香港合資格僱員設立強制性公積金計劃。計劃的資產與本集團的資產分開持有，存置於受託人管理的基金。本集團按相關薪金成本的5%向該計劃供款，而僱員按相同金額供款。

截至二零一六年十二月三十一日止年度，本集團確認退休福利供款人民幣182,817,000元(二零一五年：人民幣206,399,000元)。

36. RETIREMENT BENEFIT PLANS

According to the relevant laws and regulations in the PRC, the Company's PRC subsidiaries are required to participate in a defined contribution retirement scheme administered by the local municipal government. The Company's PRC subsidiaries contribute funds which are calculated on certain percentage of the average employee salary as agreed by local municipal government to the scheme to fund the retirement benefits of the employees. The principal obligation of the Group with respect to the retirement benefit scheme is to make the required contributions under the scheme.

The Group also operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustee. The Group contributes 5% of relevant payroll costs to the scheme and the same amount is matched by employees.

The Group recognised the retirement benefit contributions of RMB182,817,000 (2015: RMB206,399,000) for the year ended December 31, 2016.

37. 抵押資產

於報告期末，已抵押以下資產作為本集團獲授若干銀行及其他融資的擔保：

37. PLEDGE OF ASSETS

The following assets were pledged to secure certain banking and other facilities granted to the Group at the end of the reporting period:

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
投資物業	Investment properties	12,798,831	12,014,048
發展中待售物業	Properties under development for sales	30,864,495	31,604,942
已抵押銀行存款	Pledged bank deposits	97,368	240,313
		43,760,694	43,859,303

38. 租賃安排

本集團作為出租人

倘超過預定月租，若干物業向租戶收取的或然租金乃根據租戶賺取的營業額的若干百分比釐定。截至二零一六年十二月三十一日止年度確認的或然租金收入為人民幣188,280,000(二零一五年：人民幣197,673,000元)。本集團持作租賃用途的物業已與租戶訂立介乎一至二十年的租期。

於報告期末，本集團已與租戶就以下未來最低租賃款項訂約：

38. LEASE ARRANGEMENTS

The Group as a lessor

Contingent rental for certain properties was charged to tenants and was determined by a certain percentage of turnover earned by the tenants upon they exceed the pre-determined monthly rental. The contingent rental income recognised during the year ended December 31, 2016 amounted to RMB188,280,000 (2015: RMB197,673,000). The properties held by the Group for rental purpose have committed tenants for periods ranging from one to twenty years.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
一年內	Within one year	985,284	755,839
第二年至第五年(包括首尾兩年)	In the second to fifth year inclusive	1,590,715	1,587,029
五年後	After five years	208,949	200,386
		2,784,948	2,543,254

38. 租賃安排 *(續)*

本集團作為承租人

於報告期末，本集團根據不可撤銷經營租約就有關租賃物業支付的未來最低租賃款項如下：

38. LEASE ARRANGEMENTS *(Continued)*

The Group as a lessee

At the end of the reporting period, the Group had the following future minimum lease payments under non-cancellable operating leases in respect of leased properties:

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
一年內	Within one year	31,689	39,534
第二年至第五年(包括首尾兩年)	In the second to fifth year inclusive	36,554	62,560
五年後	After five years	3,416	5,354
		71,659	107,448

經營租賃款項指本集團就租賃土地及其若干辦公物業應付的租金。租賃的平均租期協商為一至十三年，而租金於簽訂租賃協議之日確定。

Operating lease payments represent rentals payable by the Group for leasehold land and certain of its office premises. Leases are negotiated for an average term of one to thirteen years and rentals are fixed at the date of signing of lease agreements.

39. 承擔

於報告期末，本集團有以下承擔：

39. COMMITMENTS

At the end of the reporting period, the Group had the following commitments:

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
已訂約但未於綜合財務報表中作出撥備：	Contracted but not provided for in the consolidated financial statements:		
－有關分類為發展中待售物業及發展中投資物業項目的開支	– Expenditure in respect of projects classified as properties under development for sales and investment properties under development	19,211,292	23,221,563
－有關購入土地使用權的開支	– Expenditure in respect of acquisition of land use rights	7,306,606	3,973,443
		26,517,898	27,195,006

39. 承擔*(續)*

就合營企業與其他投資者共同作出之承擔，本集團應佔部分如下：

39. COMMITMENTS *(Continued)*

The Group's share of the commitments made jointly with other investors relating to its joint ventures are as follows:

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
已訂約但未於綜合財務報表中作出撥備：	Contracted but not provided for in the consolidated financial statements:		
－有關分類為發展中待售物業及發展中投資物業項目的開支	– Expenditure in respect of projects classified as properties under development for sales and investment properties under development	2,598,987	1,504,438
－有關購入土地使用權的開支	– Expenditure in respect of acquisition of land use rights	469,660	—
		3,068,647	1,504,438

40. 或然負債

於二零一六年十二月三十一日，本集團就物業買方獲授按揭銀行貸款提供人民幣7,889,799,000元(二零一五年：人民幣10,414,147,000元)的擔保。本公司董事認為，本集團該等財務擔保合約的公平值於初始確認時並不重大，所涉訂約方違約的機率極低，因此於擔保合約開始時以及於二零一六年及二零一五年十二月三十一日的報告期末概無確認價值。

本集團向銀行提供有關本集團物業買方之銀行貸款擔保。該等擔保於買方交收物業及相關按揭物業登記完成時由銀行解除。

40. CONTINGENT LIABILITIES

The Group provided guarantees amounting to RMB7,889,799,000 (2015: RMB10,414,147,000) as at December 31, 2016 in respect of mortgage bank loans granted to purchasers of the Group's properties. In the opinion of the directors of the Company, the fair values of these financial guarantee contracts of the Group are insignificant at initial recognition and the directors of the Company consider that the possibility of default of the parties involved is remote, accordingly, no value has been recognised at the inception of the guarantee contracts and at the end of the reporting period as at December 31, 2016 and 2015.

Guarantees are given to banks with respect to loans procured by the purchasers of the Group's properties. Such guarantees will be released by banks upon delivery of the properties to the purchasers and completion of the relevant mortgage properties registration.

41. 以股份為基礎的付款交易

以權益結算的股份獎勵／購股權計劃：

(a) **首次公開發售前股份獎勵計劃**

本公司的兩項首次公開發售前股份獎勵計劃根據於二零零七年十一月三十日及二零零九年七月三十一日通過的決議案採納。根據首次公開發售前股份獎勵計劃，本公司向本公司董事及本集團若干僱員授出本公司股份(「獎勵股份」)。首次公開發售前股份獎勵計劃旨在使僱員利益與本公司利益一致、僱員分享所有權榮譽以及獎勵其表現及對本集團的貢獻。首次公開發售前股份獎勵計劃將於二零一七年十一月二十九日終止。

於二零一六年及二零一五年十二月三十一日，所有獎勵股份已根據二零零七年十一月三十日及二零零九年七月三十一日採納之計劃獲授出。

(b) **限制性股份激勵計劃**

於二零一四年十月二十八日，本公司採納限制性股份激勵計劃。限制性股份激勵計劃旨在認可及激勵本公司董事及本集團僱員的貢獻、提供獎勵、促使本公司挽留現有僱員及吸納更多僱員以及於達致本公司長期業務目標過程中向其提供經濟利益。股份激勵計劃容許本公司向合資格人士派發由一名獨立受託人購入及持有(直至指定的歸屬條件達成為止)的本公司股份作為花紅。限制性股份激勵計劃將於二零二二年十月二十七日終止。

41. SHARE-BASED PAYMENT TRANSACTIONS

Equity-settled share award/share option schemes:

(a) **Pre-IPO share award schemes**

The Company's two Pre-IPO share award schemes were adopted pursuant to a resolution passed on November 30, 2007 and July 31, 2009. Under the Pre-IPO share award schemes, the Company has awarded the Company's shares (the "Awarded Shares") to directors of the Company and certain employees of the Group. The objective of the Pre-IPO share award schemes is to align the interests of the employees with those of the Company, to share the pride of ownership among employees and to reward their performance and contribution to the Group. The Pre-IPO share award schemes will be terminated by November 29, 2017.

All Awarded Shares had been granted under the schemes adopted on November 30, 2007 and July 31, 2009 as at December 31, 2016 and 2015.

(b) **Restricted share award scheme**

On October 28, 2014, Restricted share award scheme was adopted by the Company. The objective of the Restricted share award scheme is to recognise and motivate the contribution of directors of the Company and employees of the Group, to provide incentives, to help the Company in retaining its existing employees and recruiting additional employees and to provide them with economic interests in attaining the long-term business objectives of the Company. The share award scheme allows the Company to make bonus payments to eligible persons by way of the Company's shares acquired by and held through an independent trustee until fulfillment of specified conditions before vesting. The Restricted share award scheme will be terminated by October 27, 2022.

41. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃： *(續)*

(b) **限制性股份激勵計劃** *(續)*

截至二零一六年十二月三十一日止年度，本公司就股份激勵計劃委聘的獨立受託人購入合共54,983,000股(二零一五年：625,000股)本公司股份。就該等股份支付的總代價人民幣579,218,000元(二零一五年：人民幣4,851,000元)已自股東權益扣除。

於截至二零一六年及二零一五年十二月三十一日止年度，概無根據於二零一四年十月二十八日採納的限制性股份激勵計劃獎勵本公司股份。

(c) **首次公開發售前購股權計劃**

本公司的首次公開發售前購股權計劃(「首次公開發售前購股權計劃」)乃根據於二零零七年十一月三十日通過的一項決議案獲採納，主要目的是為本集團董事及合資格僱員提供獎勵，而購股權僅可於二零零七年十一月三十日至本公司股份首次於聯交所開始交易之日(「上市日期」)的前一個營業日止期間發售及授出。根據首次公開發售前購股權計劃，本公司及其附屬公司董事已獲授可認購本公司股份的購股權。首次公開發售前購股權計劃自獲採納之日起為期10年。

41. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(b) **Restricted share award scheme** *(Continued)*

During the year ended December 31, 2016, total of 54,983,000 (2015: 625,000) Company's shares were acquired by an independent trustee appointed by the Company for the share award scheme. The aggregate consideration paid for these shares in an amount of RMB579,218,000 (2015: RMB4,851,000) was deducted from shareholders' equity.

During the years ended December 31, 2016 and 2015, there were no Company's shares awarded under the Restricted share award scheme adopted on October 28, 2014.

(c) **Pre-IPO share option scheme**

The Company's Pre-IPO share option scheme (the "Pre-IPO Share Option Scheme") was adopted pursuant to a resolution passed on November 30, 2007 for the primary purpose of providing incentives to directors and eligible employees of the Group, and options can only be offered and granted from November 30, 2007 until the business day before the date on which dealings in the Company's share first commence on the SEHK (the "Listing Date"). Under the Pre-IPO share Option Scheme, the directors of the Company and its subsidiaries were granted options to subscribe for shares in the Company. The term of the Pre-IPO share Option Scheme is 10 years from the date of adoption.

41. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃： *(續)*

(c) **首次公開發售前購股權計劃** *(續)*

於二零零七年十一月三十日，已授出購股權37,940,000份(包括向董事授出15,588,000份購股權)。於二零一六年十二月三十一日根據首次公開發售前購股權計劃已授出而仍未行使的購股權涉及股份數目為零股(二零一五年：零)，佔二零一六年及二零一五年十二月三十一日本公司股份的零(二零一五年：零)。

因行使根據首次公開發售前購股權計劃及本公司的其他購股權計劃將授出的所有購股權而可能發行的本公司股份總數，不得超過於上市日期本公司已發行股份總數的10%。首次公開發售前購股權計劃的初步行使價為6.46港元，於二零零九年一月一日更改為2.94港元。

因行使根據首次公開發售前購股權計劃及本公司的其他購股權計劃已授出而仍未行使的所有購股權而可能發行的股份數目的全部限額，不得超過不時已發行股份的30%。

截至二零一六年及二零一五年十二月三十一日止年度並無就本公司授出的首次公開發售前購股權計劃項下的購股權確認購股權開支，原因是已於二零一一年度悉數攤銷。

41. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(c) **Pre-IPO share option scheme** *(Continued)*

On November 30, 2007, 37,940,000 share options (including 15,588,000 share options granted to directors) were granted. The number of shares in respect of which options had been granted and remained outstanding under the Pre-IPO Share Option Scheme as at December 31, 2016 was nil (2015: nil), representing nil (2015: nil) of the shares of the Company as at December 31, 2016 and 2015.

The total number of the Company's shares which may be issued upon exercise of all options to be granted under the Pre-IPO Share Option Scheme and other share option schemes of the Company shall not exceed 10% of the aggregate of the shares of the Company in issue at the Listing Date. The exercise price of the pre-IPO share option initial at HK$6.46 and amended to HK$2.94 effective from January 1, 2009.

The overall limit on the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Pre-IPO Share Option Scheme and other share option schemes of the Company must not exceed 30% of the shares in issue from time to time.

There was no share option expense in relation to the share options under the Pre-IPO Share Option Scheme granted by the Company recognised for the years ended December 31, 2016 and 2015 as the they were fully amortised in 2011.

41. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃： *(續)*

(c) 首次公開發售前購股權計劃 *(續)*

年內所授出購股權之條款及條件如下：

41. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(c) **Pre-IPO share option scheme** *(Continued)*

The terms and conditions of the grants that existed during the year are as follows:

	購股數目 Number of options	歸屬期間 Vesting periods	購股權合約年期 Contractual life of options
向董事授出購股權： Share options granted to directors:			
－於二零零七年十一月三十日 – on November 30, 2007	15,588,000	自授出日期起至二零零九年一月一日為25% 25% from the date of grant to January 1, 2009	十年 10 years
		自授出日期起至二零一零年一月一日為25% 25% from the date of grant to January 1, 2010	十年 10 years
		自授出日期起至二零一一年一月一日為25% 25% from the date of grant to January 1, 2011	十年 10 years
		自授出日期起至二零一二年一月一日為25% 25% from the date of grant to January 1, 2012	十年 10 years
向僱員授出購股權： Share options granted to employees:			
－於二零零七年十一月三十日 – on November 30, 2007	22,352,000	自授出日期起至二零零九年一月一日為25% 25% from the date of grant to January 1, 2009	十年 10 years
		自授出日期起至二零一零年一月一日為25% 25% from the date of grant to January 1, 2010	十年 10 years
		自授出日期起至二零一一年一月一日為25% 25% from the date of grant to January 1, 2011	十年 10 years
		自授出日期起至二零一二年一月一日為25% 25% from the date of grant to January 1, 2012	十年 10 years

41. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃：*(續)*

(c) 首次公開發售前購股權計劃 *(續)*

年內董事及僱員持有的本公司首次公開發售前購股權計劃項下購股權的變動：

41. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(c) Pre-IPO share option scheme *(Continued)*

The movements of the Company's share options under the Pre-IPO Share Option Scheme held by directors and employees during the year:

	授出日期 Grant date	行使價 港元 Exercise price HK$	歸屬期間 Vesting period	購股權數目 Number of options		
				於二零一五年一月一日未行使 Outstanding at January 1, 2015	年內已行使 Exercised during the year	於二零一五年十二月三十一日未行使 Outstanding at December 31, 2015
購股權 Share option	二零零七年十一月三十日 November 30, 2007	2.94	二零零七年十一月三十日至二零一二年一月一日 November 30, 2007 to January 1, 2012	8,088,000	(8,088,000)	—
於二零一五年十二月三十一日可行使 Exercisable at December 31, 2015						不適用 N/A

41. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃： *(續)*

(d) **首次公開發售前購股權計劃**

本公司的首次公開發售後購股權計劃(「首次公開發售後購股權計劃」)乃根據於二零零九年十二月二十三日通過的一項決議案獲採納，主要目的是為本集團董事及合資格僱員提供獎勵。根據首次公開發售後購股權計劃，本公司及其附屬公司董事已獲授可認購本公司股份的購股權。首次公開發售後購股權計劃自獲採納之日起為期10年。

於二零零九年十二月二十三日，已授出可認購10,600,000股(包括向董事授出4,550,000股股份)股份的購股權。購股權的行使價為8.44港元。

於二零一一年一月十七日及二零一一年九月二十八日授出可認購46,000,000股(包括向董事授出9,200,000股股份)及150,000,000股(包括向董事授出55,600,000股股份)股份的購股權。購股權之行使價分別為12.528港元及8.28港元。

於二零一四年十一月四日，可認購110,000,000股股份的購股權(包括向董事授予的11,200,000股股份)已授出。購股權之行使價為9.37港元。

41. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(d) **Post-IPO share option scheme**

The Company's Post-IPO share option scheme (the "Post-IPO Share Option Scheme") was adopted pursuant to a resolution passed on December 23, 2009 for the primary purpose of providing incentives to directors and eligible employees of the Group. Under the Post-IPO Share Option Scheme, the directors of the Company and its subsidiaries were granted options to subscribe for shares in the Company. The term of the Post-IPO Share Option Scheme is 10 years from the date of adoption.

On December 23, 2009, options to subscribe 10,600,000 shares (including 4,550,000 shares granted to directors) were granted. The exercise price of the option is HK$8.44.

On January 17, 2011 and September 28, 2011, options to subscribe 46,000,000 shares (including 9,200,000 shares granted to directors) and 150,000,000 shares (including 55,600,000 shares granted to directors) were granted. The exercise price of the options are HK$12.528 and HK$8.28, respectively.

On November 4, 2014, options to subscribe 110,000,000 shares (include 11,200,000 shares granted to directors) were granted. The exercise price of the option is HK$9.37.

41. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃： *(續)*

(d) **首次公開發售前購股權計劃** *(續)*

於二零一六年及二零一五年十二月三十一日，根據首次公開發售後購股權計劃已授出未行使購股權可認購之本公司股份數目為220,957,000股 及237,671,500股，相當於本公司於二零一六年及二零一五年十二月三十一日股份3.78%及4.07%。

因行使根據首次公開發售後購股權計劃及本公司的其他購股權計劃將予授出的所有購股權而可能發行的本公司股份總數，不得超過於上市日期本公司已發行股份總數的10%。

因行使根據首次公開發售後購股權計劃及本公司的其他購股權計劃已授出而仍未行使的所有購股權而可能發行的股份數目的全部限額，不得超過不時已發行股份30%。

截至二零一六十二月三十一日止年度，本集團就本公司授出的首次公開發售後購股權計劃項下購股權確認總支出人民幣63,978,000元(二零一五年：人民幣101,633,000元)。

41. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(d) **Post-IPO share option scheme** *(Continued)*

The number of shares in respect of which options had been granted and remained outstanding under the Post-IPO Share Option Scheme as at December 31, 2016 and 2015 was 220,957,000 and 237,671,500, representing 3.78% and 4.07% of the shares of the Company as at December 31, 2016 and 2015.

The total number of the Company's shares which may be issued upon exercise of all options to be granted under the Post-IPO Share Option Scheme and other share option schemes of the Company shall not exceed 10% of the aggregate of the shares of the Company in issue at the Listing Date.

The overall limit on the number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Post-IPO Share Option Scheme and other share option schemes of the Company must not exceed 30% of the shares in issue from time to time.

The Group recognised total expense of RMB63,978,000 (2015: RMB101,633,000) for the year ended December 31, 2016 in relation to share options under the Post-IPO Share Option Scheme granted by the Company.

41. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃：*(續)*

(d) 首次公開發售前購股權計劃 *(續)*

年內所授出購股權之條款及條件如下

41. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(d) Post-IPO share option scheme *(Continued)*

The terms and conditions of the grants that existed during the year are as follows:

	授出日期 Grant date	購股權數目 Number of options	歸屬期間 Vesting periods	購股權合約年期 Contractual life of options
向董事授出購股權 Share options granted to directors	二零零九年十二月二十三日 December 23, 2009	4,550,000	自授出日期起至二零一零年十二月二十三日為25% 25% from the date of grant to December 23, 2010	十年 10 years
			自授出日期起至二零一一年十二月二十三日為25% 25% from the date of grant to December 23, 2011	十年 10 years
			自授出日期起至二零一二年十二月二十三日為25% 25% from the date of grant to December 23, 2012	十年 10 years
			自授出日期起至二零一三年十二月二十三日為25% 25% from the date of grant to December 23, 2013	十年 10 years
	二零一一年一月十七日 January 17, 2011	9,200,000	自授出日期起至二零一二年一月十七日為25% 25% from the date of grant to January 17, 2012	十年 10 years
			自授出日期起至二零一三年一月十七日為25% 25% from the date of grant to January 17, 2013	十年 10 years
			自授出日期起至二零一四年一月十七日為25% 25% from the date of grant to January 17, 2014	十年 10 years
			自授出日期起至二零一五年一月十七日為25% 25% from the date of grant to January 17, 2015	十年 10 years
	二零一一年九月二十八日 September 28, 2011	45,600,000	自授出日期起至二零一三年九月二十八日為10% 10% from the date of grant to September 28, 2013	十年 10 years
			自授出日期起至二零一四年九月二十八日為30% 30% from the date of grant to September 28, 2014	十年 10 years
			自授出日期起至二零一五年九月二十八日為30% 30% from the date of grant to September 28, 2015	十年 10 years
			自授出日期起至二零一六年九月二十八日為30% 30% from the date of grant to September 28, 2016	十年 10 years

41. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃：*(續)*

(d) 首次公開發售前購股權計劃 *(續)*

41. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(d) Post-IPO share option scheme *(Continued)*

授出日期 Grant date	購股權數目 Number of options	歸屬期間 Vesting periods	購股權合約年期 Contractual life of options
二零一一年九月二十八日 September 28, 2011	10,000,000	自授出日期起至二零一七年九月二十八日為100% 100% from the date of grant to September 28, 2017	十年 10 years
二零一四年十一月四日 November 4, 2014	11,200,000	自授出日期起至二零一五年十一月四日為10% 10% from the date of grant to November 4, 2015	十年 10 years
		自授出日期起至二零一六年十一月四日為15% 15% from the date of grant to November 4, 2016	十年 10 years
		自授出日期起至二零一七年十一月四日為20% 20% from the date of grant to November 4, 2017	十年 10 years
		自授出日期起至二零一八年十一月四日為25% 25% from the date of grant to November 4, 2018	十年 10 years
		自授出日期起至二零一九年十一月四日為30% 30% from the date of grant to November 4, 2019	十年 10 years

41. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃：*(續)*

(d) 首次公開發售前購股權計劃 *(續)*

41. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(d) Post-IPO share option scheme *(Continued)*

	授出日期 Grant date	購股權數目 Number of options	歸屬期間 Vesting periods	購股權合約年期 Contractual life of options
向僱員授出購股權 Share options granted to employees	二零零九年十二月二十三日 December 23, 2009	6,050,000	自授出日期起至二零一零年十二月二十三日為25% 25% from the date of grant to December 23, 2010	十年 10 years
			自授出日期起至二零一一年十二月二十三日為25% 25% from the date of grant to December 23, 2011	十年 10 years
			自授出日期起至二零一二年十二月二十三日為25% 25% from the date of grant to December 23, 2012	十年 10 years
			自授出日期起至二零一三年十二月二十三日為25% 25% from the date of grant to December 23, 2013	十年 10 years
	二零一一年一月十七日 January 17, 2011	36,800,000	自授出日期起至二零一二年一月十七日為25% 25% from the date of grant to January 17, 2012	十年 10 years
			自授出日期起至二零一三年一月十七日為25% 25% from the date of grant to January 17, 2013	十年 10 years
			自授出日期起至二零一四年一月十七日為25% 25% from the date of grant to January 17, 2014	十年 10 years
			自授出日期起至二零一五年一月十七日為25% 25% from the date of grant to January 17, 2015	十年 10 years

41. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃：*(續)*

(d) 首次公開發售前購股權計劃 *(續)*

41. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(d) Post-IPO share option scheme *(Continued)*

授出日期 Grant date	購股權數目 Number of options	歸屬期間 Vesting periods	購股權合約年期 Contractual life of options
二零一一年九月二十八日 September 28, 2011	94,400,000	自授出日期起至二零一三年九月二十八日為10% 10% from the date of grant to September 28, 2013	十年 10 years
		自授出日期起至二零一四年九月二十八日為30% 30% from the date of grant to September 28, 2014	十年 10 years
		自授出日期起至二零一五年九月二十八日為30% 30% from the date of grant to September 28, 2015	十年 10 years
		自授出日期起至二零一六年九月二十八日為30% 30% from the date of grant to September 28, 2016	十年 10 years
二零一四年十一月四日 November 4, 2014	98,800,000	自授出日期起至二零一五年十一月四日為10% 10% from the date of grant to November 4, 2015	十年 10 years
		自授出日期起至二零一六年十一月四日為15% 15% from the date of grant to November 4, 2016	十年 10 years
		自授出日期起至二零一七年十一月四日為20% 20% from the date of grant to November 4, 2017	十年 10 years
		自授出日期起至二零一八年十一月四日為25% 25% from the date of grant to November 4, 2018	十年 10 years
		自授出日期起至二零一九年十一月四日為30% 30% from the date of grant to November 4, 2019	十年 10 years

41. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃：*(續)*

(d) 首次公開發售前購股權計劃 *(續)*

年內董事及僱員持有的本公司首次公開發售後購股權計劃項下購股權的變動：

二零一六年

41. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(d) Post-IPO share option scheme *(Continued)*

The movements of the Company's share options under the Post-IPO Share Option Scheme held by directors and employees during the year:

2016

	授出日期 Grant date	行使價 港元 Exercise price HK$	歸屬期間 Vesting period	於二零一六年一月一日未行使 Outstanding at January 1, 2016	購股權數目 Number of options 年內已行使（附註） Exercised during the year (Note)	年內已註銷 Cancelled during the year	於二零一六年十二月三十一日未行使 Outstanding at December 31, 2016
購股權 Share option	二零零九年十二月二十三日 December 23, 2009	8.44	二零零九年十二月二十三日至二零一三年十二月二十三日 December 23, 2009 to December 23, 2013	400,000	—	—	400,000
	二零一一年一月十七日 January 17, 2011	12.528	二零一一年一月十七日至二零一五年一月十七日 January 17, 2011 to January 17, 2015	25,940,000	(160,000)	(2,625,000)	23,155,000
	二零一一年九月二十八日 September 28, 2011	8.28	二零一一年九月二十八日至二零一七年九月二十八日 September 28, 2011 to September 28, 2017	101,376,500	(6,057,500)	(1,322,000)	93,997,000
	二零一四年十一月四日 November 4, 2014	9.37	二零一四年十一月四日至二零一九年十一月四日 November 4, 2014 to November 4, 2019	109,955,000	(990,000)	(5,560,000)	103,405,000
				237,671,500	(7,207,500)	(9,507,000)	220,957,000
於二零一六年十二月三十一日可行使 Exercisable at December 31, 2016							128,457,000
加權平均行使價(港元) Weighted average exercise price (HK$)				9.25	8.52	10.09	9.24

附註：於行使日期的加權平均股價為11.68港元。

Note: The weighted average share price at the dates of exercise is HK$11.68.

41. 以股份為基礎的付款交易 *(續)*

以權益結算的股份獎勵／購股權計劃：*(續)*

(d) 首次公開發售前購股權計劃 *(續)*

二零一五年

41. SHARE-BASED PAYMENT TRANSACTIONS *(Continued)*

Equity-settled share award/share option schemes: *(Continued)*

(d) Post-IPO share option scheme *(Continued)*

2015

				購股權數目 Number of options			
	授出日期 Grant date	行使價 港元 Exercise price HK$	歸屬期間 Vesting period	於二零一五年一月一日未行使 Outstanding at January 1, 2015	年內已行使（附註） Exercised during the year (Note)	年內已註銷 Cancelled during the year	於二零一五年十二月三十一日，未行使 Outstanding at December 31, 2015
購股權 Share option	二零零九年十二月二十三日 December 23, 2009	8.44	二零零九年十二月二十三日至二零一三年十二月二十三日 December 23, 2009 to December 23, 2013	4,400,000	(4,000,000)	—	400,000
	二零一一年一月十七日 January 17, 2011	12.528	二零一一年一月十七日至二零一五年一月十七日 January 17, 2011 to January 17, 2015	32,015,500	(3,020,000)	(3,055,500)	25,940,000
	二零一一年九月二十八日 September 28, 2011	8.28	二零一一年九月二十八日至二零一七年九月二十八日 September 28, 2011 to September 28, 2017	121,765,000	(9,938,500)	(10,450,000)	101,376,500
	二零一四年十一月四日 November 4, 2014	9.37	二零一四年十一月四日至二零一九年十一月四日 November 4, 2014 to November 4, 2019	110,000,000	(45,000)	—	109,955,000
				268,180,500	(17,003,500)	(13,505,500)	237,671,500
於二零一五年十二月三十一日可行使 Exercisable at December 31, 2015							95,639,500
加權平均行使價（港元） Weighted average exercise price (HK$)				9.24	9.08	9.24	9.25

附註：於行使日期的加權平均股價為12.17港元。

Note: The weighted average share price at the dates of exercise is HK$12.17.

42. 年度溢利 / 42. PROFIT FOR THE YEAR

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
經扣除(計入)下列各項後的年度溢利：	Profit for the year has been arrived at after charging (crediting):		
核數師酬金	Auditor's remuneration	4,504	4,300
計入銷售成本的物業存貨成本	Cost of property inventories included in cost of sales	37,257,201	32,901,651
視作出售合營企業權益的收益	Gain on deemed disposal of interests in joint ventures	(84,845)	(285,414)
物業、廠房及設備折舊	Depreciation of property, plant and equipment	46,255	33,164
經營租賃的最低租金付款	Minimum lease payment of operating lease rentals	43,903	44,355
員工成本	Staff costs		
董事薪酬(包括以權益結算及股份為基礎的付款)(附註43)	Directors' emoluments (including equity-settled share-based payments) (Note 43)	73,785	64,509
其他員工成本	Other staff costs		
退休福利供款	Retirement benefit contributions	182,287	205,995
以權益結算及股份為基礎的付款	Equity-settled share-based payments	52,217	81,866
其他員工成本	Other staff costs	1,977,293	1,823,651
總員工成本	Total staff costs	2,285,582	2,176,021
減：發展中物業的資本化金額	Less: Amount capitalised to properties under development	(486,291)	(631,157)
		1,799,291	1,544,864
投資物業的最低租金收入	Minimum lease income from investment properties	(1,724,813)	(1,217,514)
或然租金收入	Contingent rental income	(188,280)	(197,673)
減：產生租金收入的直接開支	Less: direct expenses that generated rental income	498,353	413,150
		(1,414,740)	(1,002,037)
應佔合營企業稅項(計入應佔合營企業業績)	Share of tax of joint ventures (included in share of results of joint ventures)	135,227	91,442

43. 董事、行政總裁及僱員薪酬

根據適用上市規則及公司條例披露的董事及行政總裁於年內的薪酬如下：

43. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

Directors' and chief executive's remuneration for the year, disclosed pursuant to the applicable Listing Rules and Companies Ordinance, is as follows:

截至二零一六年十二月三十一日止年度	Year ended December 31, 2016	董事袍金 Directors' fees *人民幣千元 RMB'000*	薪金、補貼及實物福利 Salaries, allowances and benefits in kind *人民幣千元 RMB'000*	表現相關花紅 Performance related bonuses *人民幣千元 RMB'000* (附註) (Note)	退休福利 Retirement benefit *人民幣千元 RMB'000*	以權益結算的購股權開支 Equity-settled share option expense *人民幣千元 RMB'000*	總計 Total *人民幣千元 RMB'000*
A) 執行董事：	A) EXECUTIVE DIRECTORS						
吳亞軍女士	Madam Wu Yajun	—	5,000	6,500	106	—	11,606
邵明曉先生	Mr. Shao Mingxiao	—	8,000	11,000	106	6,980	26,086
顏建國先生	Mr. Yan Jianguo	—	5,200	6,760	106	1,869	13,935
趙軼先生	Mr. Zhao Yi	—	4,200	6,000	106	1,490	11,796
李朝江先生	Mr. Li Chaojiang	—	3,292	4,290	106	1,246	8,934
小計	Sub-total	—	25,692	34,550	530	11,585	72,357

上述執行董事薪酬主要為與管理本公司及本集團事務有關的服務。

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group.

43. 董事、行政總裁及僱員薪酬 *(續)*

43. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS *(Continued)*

		董事袍金 Directors' fees *人民幣千元 RMB'000*	薪金、補貼及實物福利 Salaries, allowances and benefits in kind *人民幣千元 RMB'000*	表現相關花紅 Performance related bonuses *人民幣千元 RMB'000* (附註) (Note)	退休福利 Retirement benefit *人民幣千元 RMB'000*	以權益結算的購股權開支 Equity-settled share option expense *人民幣千元 RMB'000*	總計 Total *人民幣千元 RMB'000*
B) 獨立非執行董事：	B) INDEPENDENT NON-EXECUTIVE DIRECTORS:						
Frederick Peter Churchouse先生	Mr. Frederick Peter Churchouse	313	—	—	—	49	362
陳志安先生	Mr. Chan Chi On, Derek	313	—	—	—	49	362
項兵先生	Dr. Xiang Bing	313	—	—	—	49	362
曾鳴先生	Dr. Zeng Ming	313	—	—	—	29	342
小計	Sub-total	1,252	—	—	—	176	1,428
總計	Total	1,252	25,692	34,550	530	11,761	73,785

上述獨立非執行董事薪酬主要為身為本公司董事的服務。

The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.

43. 董事、行政總裁及僱員薪酬 *(續)*

43. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS *(Continued)*

		董事袍金 Directors' fees *人民幣千元 RMB'000*	薪金、補貼及實物福利 Salaries, allowances and benefits in kind *人民幣千元 RMB'000*	表現相關花紅 Performance related bonuses *人民幣千元 RMB'000* (附註) (Note)	退休福利 Retirement benefit *人民幣千元 RMB'000*	以權益結算的購股權開支 Equity-settled share option expense *人民幣千元 RMB'000*	總計 Total *人民幣千元 RMB'000*
截至二零一五年十二月三十一日止年度	Year ended December 31, 2015						
A) 執行董事：	A) EXECUTIVE DIRECTORS						
吳亞軍女士	Madam Wu Yajun	—	5,000	5,000	89	—	10,089
邵明曉先生	Mr. Shao Mingxiao	—	7,500	7,500	97	12,550	27,647
韋華寧先生	Mr. Wei Huaning	—	824	—	23	2,161	3,008
顏建國先生	Mr. Yan Jianguo	—	4,600	4,800	97	2,500	11,997
趙軼先生	Mr. Zhao Yi	—	3,442	4,500	98	2,207	10,247
小計	Sub-total	—	21,366	21,800	404	19,418	62,988

上述執行董事薪酬主要為與管理本公司及本集團事務有關的服務。

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group.

43. 董事、行政總裁及僱員薪酬 *(續)*

43. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS *(Continued)*

		董事袍金 Directors' fees *人民幣千元 RMB'000*	薪金、補貼及實物福利 Salaries, allowances and benefits in kind *人民幣千元 RMB'000*	表現花紅 Performance related bonuses *人民幣千元 RMB'000* (附註) (Note)	退休福利 Retirement benefit *人民幣千元 RMB'000*	以權益結算的購股權開支 Equity-settled share option expense *人民幣千元 RMB'000*	總計 Total *人民幣千元 RMB'000*
B) 獨立非執行董事：	B) INDEPENDENT NON-EXECUTIVE DIRECTORS:						
Frederick Peter Churchouse 先生	Mr. Frederick Peter Churchouse	293	—	—	—	108	401
陳志安先生	Mr. Chan Chi On, Derek	293	—	—	—	108	401
項兵先生	Dr. Xiang Bing	293	—	—	—	68	361
曾鳴先生	Dr. Zeng Ming	293	—	—	—	65	358
小計	Sub-total	1,172	—	—	—	349	1,521
總計	Total	1,172	21,366	21,800	404	19,767	64,509

上述獨立非執行董事薪酬主要為身為本公司董事的服務。

邵明曉先生亦為本公司的行政總裁，上文披露的酬金包括其擔任行政總裁提供服務的酬金。

年內，概無董事或行政總裁可據此放棄或同意放棄任何薪酬的安排。

附註： 本公司執行董事有權獲得花紅付款，花紅付款按本集團及個人於二零一六年及二零一五年十二月三十一日止年度的表現釐定。

The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.

Mr. Shao Mingxiao is also the Chief Executive of the Company and his emoluments disclosed above include those for services rendered by him as the Chief Executive.

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the year.

Note: Executive directors of the Company are entitled to bonus payments which are determined based on performance of the Group and individual for the years ended December 31, 2016 and 2015.

43. 董事、行政總裁及僱員薪酬 *(續)*

僱員薪酬

本集團五名最高薪酬人士中，三名(二零一五年：三名)為本公司董事，其酬金已於上文披露。餘下兩名(二零一五年：兩名)個別人士的酬金載列如下：

43. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS *(Continued)*

Employee's emoluments

Of the five individuals with the highest emoluments in the Group, three (2015: three) were directors of the Company whose emolument is included in the disclosures above. The emoluments of the remaining two (2015: two) individuals were as follows:

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
薪金、補貼及實物福利	Salaries allowances and benefits in kind	7,200	7,350
表現相關花紅	Performance related bonuses	13,600	10,260
以權益結算的購股權開支	Equity-settled share option expense	3,151	4,684
退休福利	Retirement benefits	209	180
		24,160	22,474

非本公司董事的最高薪酬僱員的薪酬介乎以下範圍：

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

		二零一六年 2016 僱員人數 No. of employees	二零一五年 2015 僱員人數 No. of employees
14,500,001港元至15,000,000港元	HK$14,500,001 to HK$15,000,000	—	1
14,000,001港元至14,500,000港元	HK$14,000,001 to HK$14,500,000	1	—
13,500,001港元至14,000,000港元	HK$13,500,001 to HK$14,000,000	1	—
12,500,001港元至13,000,000港元	HK$12,500,001 to HK$13,000,000	—	1
		2	2

44. 關連方交易

除載於綜合財務狀況報表及附註22及25的關連方結餘外，及附註31的關連方交易，年內，本集團與其關連方訂立以下重大交易：

44. RELATED PARTY TRANSACTIONS

Apart from the balances with related parties as set out in the consolidated statement of financial position, and in notes 22 and 25, and the transaction with the related parties as set out in note 31, during the year, the Group entered into the following significant transactions with its related parties:

(a) 合營企業 / (a) Joint ventures

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
物業管理服務收入	Property management service income	—	612

(b) 主要管理層及董事 / (b) Key management and director

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
銷售物業	Sales of properties	53,205	86,202
租金收入	Rental income	18	83

(c) 關連公司 / (c) Related companies

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
諮詢收入(附註)	Consultancy income (Note)	340	2,897
物業管理服務收入(附註)	Property management service income (Note)	2,527	—

附註：關連公司由吳亞軍女士控制。

Note: The related companies are controlled by Madam Wu Yajun.

(d) 年內已付及應付本公司主要管理層(亦為本公司的董事)的薪酬載於附註43。

(d) The remuneration paid and payable to the key management of the Company, who are the directors of the Company, for the year is set out in note 43.

45. 擁有重大非控制權益之非全資附屬公司詳情

45. DETAILS OF NON-WHOLLY OWNED SUBSIDIARIES THAT HAVE MATERIAL NON-CONTROLLING INTERESTS

下表呈列擁有重大非控制權益的本集團非全資附屬公司詳情：

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

附屬公司名稱 Name of subsidiary		註冊成立／成立地點 Place of incorporation/establishment	非控制權益持有的所有權權益及投票權比例 Proportion of ownership interests and voting rights held by non-controlling interests		累計非控制權益 Accumulated non-controlling interests	
			二零一六年 2016	二零一五年 2015	二零一六年 2016 *人民幣千元 RMB'000*	二零一五年 2015 *人民幣千元 RMB'000*
北京卓信瑞通投資發展有限公司(「北京卓信瑞通」)(i)	Beijing Zhuoxinruitong Investment Co., Ltd. ("Beijing Zhuoxinruitong") (i)	中國 PRC	66%	—	712	—
重慶龍湖嘉凱地產開發有限公司(「重慶嘉凱」)	Chongqing Longhu Jiakai Real Estate Development Co., Ltd. ("Chongqing Jiakai")	中國 PRC	49%	49%	1,105,370	1,034,248
重慶龍湖怡置地產開發有限公司(「重慶怡置」)	Chongqing Longhu Yizhi Real Estate Development Co., Ltd. ("Chongqing Yizhi")	中國 PRC	50%	50%	1,205,517	1,212,676
重慶興龍湖置地發展有限公司(「重慶興龍湖」)	Longhu Land Limited ("Longhu Land")	中國 PRC	50%	50%	1,399,031	1,320,243
南京名萬置業有限公司(「南京名萬」)	Nanjing Mingwan Real Estate Co., Ltd. ("Nanjing Mingwan")	中國 PRC	49%	49%	1,687,598	1,714,350
青島萬湖置業有限公司(「青島萬湖」)(ii)	Qingdao Wanhu Real Estate Co., Ltd. ("Qingdao Wanhu") (ii)	中國 PRC	74.9%	—	442,826	—
青島萬創置業有限公司(「青島萬創」)(ii)	Qingdao Wanchuang Real Estate Co., Ltd. ("Qingdao Wanchuang") (ii)	中國 PRC	74.9%	—	859,263	—
擁有非控制權益的個別非重大附屬公司	Individually immaterial subsidiaries with non-controlling interests				6,650,164	2,061,488
					13,350,481	7,343,005

45. 擁有重大非控制權益之非全資附屬公司詳情*(續)*

附註：

(i) 由於北京卓信瑞通於截至二零一五年十二月三十一日止年度為本集團全資附屬公司，因此於截至二零一五年十二月三十一日止年度概無有關非控制權益的資料須予披露。

(ii) 青島萬湖及青島萬創為於截至二零一六年十二月三十一日止年度新收購的實體。

45. DETAILS OF NON-WHOLLY OWNED SUBSIDIARIES THAT HAVE MATERIAL NON-CONTROLLING INTERESTS *(Continued)*

Notes:

(i) Since Beijing Zhuoxinruitong was a wholly-owned subsidiary of the Group during the year ended December 31, 2015, therefore no information about the non-controlling interests needs to be disclosed for the year ended December 31, 2015.

(ii) Qingdao Wanhu and Qingdao Wanchuang are newly acquired entities during the year ended December 31, 2016.

	北京卓信瑞通 Beijing Zhuoxinruitong		重慶嘉凱 Chongqing Jiakai		重慶怡置 Chongqing Yizhi		龍湖置地 Longhu Land		南京名萬 Nanjing Mingwan		青島萬湖 Qingdao Wanhu		青島萬創 Qingdao Wanchuang	
	二零一六年 2016	二零一五年 2015	二零一六年 2016	二零一五年 2015	二零一六年 2016	二零一五年 2015	二零一六年 2016	二零一五年 2015	二零一六年 2016	二零一五年 2015	二零一六年 2016	二零一五年 2015	二零一六年 2016	二零一五年 2015
	人民幣千元 RMB'000	*人民幣千元 RMB'000*	*人民幣千元 RMB'000*	*人民幣千元 RMB'000*	*人民幣千元 RMB'000*	*人民幣千元 RMB'000*	*人民幣千元 RMB'000*	*人民幣千元 RMB'000*	*人民幣千元 RMB'000*	*人民幣千元 RMB'000*	*人民幣千元 RMB'000*	*人民幣千元 RMB'000*	*人民幣千元 RMB'000*	*人民幣千元 RMB'000*
流動資產 Current assets	518,591	1,025	3,063,975	4,234,172	3,621,362	700,624	5,717,842	4,967,206	8,887,160	3,631,491	1,072,240	–	1,147,577	–
非流動資產 Non-current assets	50,000	–	28,274	6,580	36,100	1,220,917	234,150	250,126	19,518	485	2,153	–	307	–
流動負債 Current liabilities	(567,512)	–	(1,069,813)	(2,689,300)	(2,394,756)	(644,517)	(3,121,262)	(2,550,262)	(5,362,602)	(133,305)	(483,170)	–	(670)	–
非流動負債 Non-current liabilities	–	–	–	(248,000)	–	–	(32,668)	(26,585)	(100,000)	–	–	–	–	–

本公司董事認為，於北京卓信瑞通、重慶嘉凱、重慶怡置、龍湖置地、南京名萬、青島萬湖及青島萬創的年度溢利(虧損)及全面收益(開支)以及現金流的非控制權益對本集團而言並不重大，故並無披露有關年度溢利(虧損)及全面收益(開支)的財務資料概要。年內並無向非控制權益派付股息。

The directors of the Company considered that the non-controlling interests in the profit (loss) and total comprehensive income (expense) for the year and cash flows of Beijing Zhouxinruitong, Chongqing Jiakai, Chongqing Yizhi, Longhu Land, Nanjing Mingwan, Qingdao Wanhu and Qingdao Wanchuang, are not material to the Group and so no summarised financial information on the profit (loss) and total comprehensive income (expense) for the year are disclosed. No dividend was paid to non-controlling interests during the year.

46. 資本風險管理

本集團管理資本以確保本集團的實體能持續經營，同時透過優化債務及股本結餘為股東帶來最大回報。

本集團的資本結構包括債務淨額(包括分別於附註26及27披露的借款及優先票據)、現金及現金等價物淨額以及本公司擁有人應佔權益(包括已發行股本、儲備及保留盈利)。

本公司董事定期審閱資本架構。作為該審閱的一部分，本公司董事考慮資本成本及與各類資本有關的風險，並採取適當措施平衡整體資本架構。

46. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debts, which includes, where appropriate, the borrowings and senior notes disclosed in notes 26 and 27 respectively, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, reserves and retained earnings.

The directors of the Company review the capital structure on a regular basis. As part of this review, the directors of the Company consider the cost of capital and the risks associated with each class of capital, and take appropriate actions to balance its overall capital structure.

47. 金融工具

(a) 金融工具類別

47. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
金融資產	**Financial assets**		
可供出售投資	Available-for-sale investments	180,021	130,920
指定為對沖工具的衍生金融工具	Derivative financial instruments designated as hedging instruments	988,746	701,083
貸款及應收款項（包括現金及現金等價物）	Loans and receivables (including cash and cash equivalents)	28,587,913	28,233,094
金融負債	**Financial liabilities**		
攤銷成本	Amortised cost	83,744,502	72,106,788
其他衍生金融工具	Other derivative financial instruments	215,915	—

47. 金融工具 *(續)*

(b) 金融風險管理目標及政策

本集團的主要金融工具包括可供出售投資、衍生金融工具、應收賬款、應收票據及其他應收款項、應收(應付)非控制權益、聯營公司及合營企業款項、已抵押銀行存款、銀行結餘及現金、應付賬款及票據、其他應付款項、應付一名聯營公司控股股東款項、銀行及其他借款及優先票據。該等金融工具的詳情載於各相應附註。與該等金融工具相關的風險及減低該等風險的政策載於下文。管理層管理及監控該等風險以確保能適時有效地採取適當措施。

(c) 市場風險

本集團的業務主要面對利率變動、外幣匯率變動風險及其他價格風險的市場風險(見下文)。

本集團於年內面對的市場風險或其管理及計量該等風險的方法概無重大變動。

利率風險管理

由於銀行結餘與銀行及其他借款(按現行市場利率及根據中國人民銀行所報利率及香港銀行同業拆息計算的浮動利率計息)的現行市場利率波動，因此本集團面對現金流量利率風險。

本集團亦面對主要與已抵押銀行存款以及按固定利率計息之銀行及其他借款及優先票據有關的公平值利率風險。

管理層旨在透過交叉貨幣利率掉期維持適當水平的重大定息銀行及其他借款。為達致前述結果，本集團訂定交叉貨幣利率掉期以對沖因借款利率變動而產生的若干風險。管理層採納的政策乃保證本集團所有重大銀行及其他借款均有效地以固定利率計息，包括訂定借貸協議內的合約條款或使用交叉貨幣利率掉期。

47. FINANCIAL INSTRUMENTS *(Continued)*

(b) Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale investments, derivative financial instruments, accounts and other receivables, amounts due from (to) non-controlling interests, associates and joint ventures, pledged bank deposits, bank balances and cash, accounts and bills payables, other payables, amount due to a controlling shareholder of an associate, bank and other borrowing and senior notes. Details of these financial instruments are set out in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(c) Market risk

The Group's activities expose primarily to the market risks of changes in interest rates, foreign currency exchange rates risks and other price risk (see below).

There has been no significant change to the Group's exposure to market risk or the manner in which it manages and measures the risk over the year.

Interest rate risk management

The Group is exposed to cash flow interest rate risk due to the fluctuation of the prevailing market interest rate on bank balances and bank and other borrowings which carried at prevailing market interest rates and variable rate based on the interest rates quoted by the People's Bank of China and Hong Kong Interbank Offered Rate, respectively.

The Group is also exposed to fair value interest rate risk relates primarily to pledged bank deposits, bank and other borrowings and senior notes which carried fixed interest rate.

The management aims at keeping material bank and other borrowings at fixed rates at appropriate level by entering into cross currency interest rate swaps. In order to achieve this result, the Group entered into cross currency interest rate swaps to hedge against certain exposures to changes in interest rates of the bank borrowings. The management adopts a policy of ensuring that all the material bank and other borrowings of the Group are effectively on a fixed rate basis, either through the contractual terms of the loan facilities agreements or through the use of cross currency interest rate swaps.

47. 金融工具 *(續)*

(c) 市場風險 *(續)*

利率風險管理 *(續)*

於報告期末本集團訂立的交叉貨幣利率掉期及銀行及其他借款的詳情分別載於附註28及26。

本集團面對與金融負債有關的利率風險，詳情載於本附註流動資金風險管理一節。本集團現金流量利率主要集中在本集團以人民幣計值的借款所產生的中國人民銀行所報利率波動。

利率敏感度

以下敏感度分析乃基於報告期末面對的以浮動利率計息之非衍生工具(銀行結餘與銀行及其他借款)利率風險以及假設於報告期末未償還的金融工具於整年未償還而作出。公司內部向主要管理人員匯報利率風險時會以升跌200個基點(就銀行及其他借款而言)及升跌100個基點(就銀行結餘而言)為基準，即管理人員分別評估銀行及其他借款以及銀行結餘利率的可能變動。

於報告期末，倘利率上升／下降200個基點(就銀行及其他借款而言)，而所有其他變數維持不變，並經計及指定為對沖工具的利率掉期及交叉貨幣利率掉期及利息成本資本化的影響後，本集團截至二零一六年十二月三十一日止年度溢利增加／減少人民幣20,674,000(二零一五年：人民幣14,835,000)。

此外，倘利率上升／下降100個基點(就銀行存款而言)，而所有其他變數維持不變，則本集團截至二零一六年十二月三十一日止年度溢利將增加／減少人民幣129,410,000元(二零一五年：人民幣134,377,000元)。

47. FINANCIAL INSTRUMENTS *(Continued)*

(c) Market risk *(Continued)*

Interest rate risk management *(Continued)*

Details of the Group's cross currency interest rate swaps and bank and other borrowings entered into by the Group at the end of the reporting period are set out in notes 28 and 26, respectively.

The Group's exposures to interest rates on financial liabilities are detailed in the liquidity risk management section of this note. The Group cash flow interest rate is mainly concentrated on the fluctuation of the interest rates quoted by the People's Bank of China arising from the Group's RMB denominated borrowings.

Interest rate sensitivity

The sensitivity analyses below have been prepared based on the exposure to interest rates for non-derivative instruments carried at variable rates (bank balances and bank and other borrowings) at the end of the reporting period and assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 200 basis point increase or decrease for bank and other borrowings and a 100 basis point increase or decrease for bank balances are used when reporting interest rate risk internally to key management personnel and represent management's assessment of the possible change in interest rate in respect of bank and other borrowings and bank balances respectively.

At the end of the reporting period, if interest rates had been increased/decreased by 200 basis points in respect of bank and other borrowings and all other variables were held constant, the Group's post-tax profit for the year would increase/decrease by RMB20,674,000 (2015: RMB14,835,000) for the year ended December 31, 2016, after taking into effects of the cross currency interest rate swaps designated as hedging instruments and capitalisation of interest costs.

In addition, if interest rate had been increased/decreased by 100 basis points in respect of bank deposits, with all other variables held constant, the Group's post-tax profit for the year would increase/decrease by RMB129,410,000 (2015: RMB134,377,000) for the year ended December 31, 2016.

47. 金融工具 *(續)*

(c) 市場風險 *(續)*

外幣風險管理

本集團的全部收入均以人民幣收款，且大部分開支(包括物業銷售所致的開支)以及資本開支亦以人民幣計值。

本集團面對的貨幣風險主要來自個別附屬公司以非功能貨幣計值的借款。本集團訂定交叉貨幣利率掉期以對沖以外幣計值的若干重大銀行借款。有鑒於此，管理層認為所面對的貨幣風險淨額保持於合適水平。本集團的政策是磋商對沖衍生工具的條款以符合對沖項目的條款從而將對沖效率最大化。於報告期末本集團訂定交叉貨幣利率掉期的詳情載列於附註28。

此外，本集團亦面對以外幣計值的銀行存款所產生的貨幣風險。管理層保持以不同貨幣計值的銀行存款組合及將所面對的貨幣風險保持在適當水平。

本集團於各呈報日期以外幣計值的貨幣資產及貨幣負債(受指定為對沖工具的交叉貨幣利率掉期影響的銀行借款除外)的賬面值如下：

47. FINANCIAL INSTRUMENTS *(Continued)*

(c) Market risk *(Continued)*

Foreign currency risk management

The Group collects all of its revenue in RMB and most of the expenditures including expenditures incurred in property sales as well as capital expenditures are also denominated in RMB.

The Group is exposed to currency risk primarily arising from borrowings denominated in currencies other than the functional currency of individual subsidiaries. The Group entered into cross currency interest rate swaps to hedge certain material bank borrowings denominated in foreign currencies. Given this, the management considers that the net exposure to currency risk is kept to an appropriate level. It is the Group's policy to negotiate the terms of the hedge derivatives to match the terms of the hedged item to maximise hedge effectiveness. Details of the cross currency interest rate swaps entered into by the Group at the end of the reporting period are set out in note 28.

The Group is also exposed to currency risk arising from bank deposits denominated in foreign currencies. The management maintains the portfolio of bank deposits denominated in different currencies and the exposure to currency risk is kept to an appropriate level.

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities (other than bank borrowings subject to cross currency interest rate swaps designated as hedging instruments) at the respective reporting date are as follows:

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
資產	**Assets**		
美元	USD	578,167	4,788
港元	HKD	4,043	33,456

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
負債	**Liabilities**		
美元	USD	2,869,925	4,121,946
港元	HKD	89,397	6,594,672

47. 金融工具 *(續)*

(c) 市場風險 *(續)*

外幣敏感度分析

本集團主要面對美元及港元兑人民幣的匯率波動風險。

下表詳述本集團有關人民幣兑相關外幣匯率增加及減少5%的敏感度。敏感度分析僅包括未換算的外幣計值貨幣項目(受指定為對沖工具的交叉貨幣利率掉期影響的銀行借款除外)，並於年末調整其換算以反映外匯匯率的5%變動。5%為用於向主要管理層人員內部報告外幣風險的敏感度利率，並為管理層對外匯匯率合理可能變動的評估。敏感度分析包括以外幣計值的銀行借款以及銀行結餘及已抵押銀行存款。正數表示人民幣兑相關外幣升值時年度溢利的增加。倘人民幣兑相關外幣貶值5%，則對年度溢利帶來同等的負面影響。

47. FINANCIAL INSTRUMENTS *(Continued)*

(c) Market risk *(Continued)*

Foreign currency risk management *(Continued)*

Foreign currency sensitivity analysis

The Group mainly exposes to foreign exchange fluctuation of USD and HKD against RMB.

The following table details of the Group's sensitivity to a 5% increase and decrease in RMB against the relevant foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items (other than the bank borrowings subject to cross currency interest rate swaps designated as hedging instruments) and adjusts their translation at the year end for a 5% change in foreign currency rates. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes bank borrowings as well as bank balances and pledged bank deposits denominated in foreign currencies. A positive number indicates an increase in post-tax profit for the year where the RMB strengthens against the relevant currencies. For a 5% weakening of RMB against the relevant currencies, there would be an equal and opposite impact on the post-tax profit for the year.

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
美元	USD		
年度溢利	Profit for the year	114,588	205,858
港元	HKD		
年度溢利	Profit for the year	4,268	328,061

(c) 市場風險 *(續)*

其他價格風險

本集團因可供出售投資面對股價波動風險。然而，管理層認為本公司面對的股價波動風險甚微。

(c) Market risk *(Continued)*

Other price risk

The Group is exposed to equity price risk through its available-for-sale investments. However, the management considers that the Company's exposure to fluctuation in equity price is minimal.

47. 金融工具 *(續)*

(d) 信貸風險管理

於各報告期末，本集團所面對並因對手方未能履行責任及本集團發出金融擔保而導致本集團產生財務虧損的最大信貸風險，乃產生自綜合財務狀況報表內所列各已確認金融資產的賬面值，以及附註40所披露的或然負債金額。為將信貸風險降至最低，已執行監管程序確保採取跟進行動收回過期債務。此外，本集團於報告期末定期審閱每項個別貿易、票據及其他應收款項，以及應收關連方款項的可收回金額。呈列於綜合財務狀況報表中的金額乃扣除呆壞賬撥備，並由本集團管理層基於過往經驗及其對現時經濟環境的評估進行估算。

由於對手方均為國際評級機構給予高信貸評級的銀行或中國的國有銀行，故流動資金信貸風險有限。

除存於多家高信貸評級銀行的流動資金及應收非控制權益、聯營公司及合營企業款項有信貸風險集中的情況外，本集團的風險分佈於多個對手方及客戶，故並無重大集中信貸風險。

47. FINANCIAL INSTRUMENTS *(Continued)*

(d) Credit risk management

At each of the end of the reporting period, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees issued by the Group is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position and the amount of contingent liabilities disclosed in note 40. In order to minimise the credit risk, monitoring procedures are carried out to ensure that follow up action is taken to recover overdue debts. In addition, the Group reviews regularly the recoverable amount of each individual accounts, bills and other receivables and amounts due from related parties at the end of the reporting period. The amounts presented in the consolidated statement of financial position are net of allowances for bad and doubtful debts, estimated by the Group's management based on prior experience and their assessment of the current economic environment.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies or state-owned banks in the PRC.

Other than concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings and amounts due from non-controlling interests, associates and joint ventures, the Group has no significant concentration of credit risk, in which exposure is spread over a number of counterparties and customers.

47. 金融工具 *(續)*

(d) 信貸風險管理 *(續)*

就已預售但未竣工的物業而言，本集團通常就買方借入按揭貸款以為購買物業籌集資金而向銀行提供擔保，擔保金額最高為個別物業購買價的70%。倘買方於擔保期間未能償還按揭，則持有按揭的銀行可要求本集團償還未償還貸款及任何有關應計利息。在此情況下，本集團可沒收已收銷售按金並轉售收回的物業。因此，管理層認為本集團將有可能收回擔保引致的任何虧損。管理層認為，由於該等融資以物業擔保而物業的市價高於擔保金額，故提供予置業者的金融擔保面對的信貸風險有限。就此而言，本公司董事認為，本集團的信貸風險已大幅降低。

(e) 流動資金風險

本集團的目標是在持續取得資金與靈活使用借款之間維持平衡。本公司董事密切監察流動資金狀況，預期會有足夠資金來源來為本集團的項目及經營提供融資。

下表詳列本集團非衍生金融負債基於協定還款期的預期剩餘合約到期日。該表按本集團可能須付款的最早日期的金融負債之未貼現現金流量編製。表中包括利息及本金現金流量。

47. FINANCIAL INSTRUMENTS *(Continued)*

(d) Credit risk management *(Continued)*

For properties that are presold but development has not been completed, the Group typically provides guarantees to banks in connection with the purchasers' borrowing of mortgage loans to finance their purchase of the properties for an amount up to 70% of the purchase price of the individual property. If a purchaser defaults on the payment of its mortgage during the period of guarantee, the bank holding the mortgage may demand the Group to repay the outstanding loan and any interest accrued thereon. Under such circumstances, the Group is able to forfeit the sales deposit received and resell the repossessed properties. Therefore, the management considers the Group would likely recover any loss incurred arising from the guarantees. The management considers the credit risk exposure to financial guarantees provided to property purchasers is limited because the facilities are secured by the properties and the market price of the properties is higher than the guaranteed amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

(e) Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and the flexibility through the use of borrowings. The directors of the Company closely monitor the liquidity position and expect to have adequate sources of funding to finance the Group's projects and operations.

The following table details the Group's expected remaining contractual maturity for its non-derivative financial liabilities based on agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

47. 金融工具 *(續)*

(e) 流動資金風險 *(續)*

倘利息按浮動利率計算，則已貼現金額按報告期末當時的利率計算。

47. FINANCIAL INSTRUMENTS *(Continued)*

(e) Liquidity risk *(Continued)*

To the extent that interest flows are floating rate, the discounted amount is derived from interest rates existing at the end of the reporting period.

		加權平均利率 Weighted average interest rate	於二零一六年十二月三十一日的賬面值 Carrying amount at December 31, 2016 人民幣千元 RMB'000	0至60日 0 to 60 days 人民幣千元 RMB'000	61至180日 61 to 180 days 人民幣千元 RMB'000	181至365日 181 to 365 days 人民幣千元 RMB'000	1至2年 1 to 2 years 人民幣千元 RMB'000	2至3年 2 to 3 years 人民幣千元 RMB'000	超過3年 Over 3 years 人民幣千元 RMB'000	未貼現現金流量總額 Total undiscounted cash flows 人民幣千元 RMB'000
非衍生金融負債	Non-derivative financial liabilities									
不計息	Non-interest bearing	—	25,872,432	5,753,188	8,590,810	11,528,434	—	—	—	25,872,432
定息工具	Fixed interest rate instruments	4.33%	31,781,889	134,496	753,214	308,290	2,447,101	6,008,876	24,417,180	34,069,157
浮息工具	Variable interest rate instruments	4.70%	26,090,181	1,273,980	709,363	4,328,857	7,038,486	10,222,812	4,831,994	28,405,492
財務擔保合約	Financial guarantee contracts	—	—	7,889,799	—	—	—	—	—	7,889,799
			83,744,502	15,051,463	10,053,387	16,165,581	9,485,587	16,231,688	29,249,174	96,236,880

47. 金融工具 *(續)*

(e) 流動資金風險 *(續)*

47. FINANCIAL INSTRUMENTS *(Continued)*

(e) Liquidity risk *(Continued)*

		加權平均利率 Weighted average interest rate	於二零一五年十二月三十一日的賬面值 Carrying amount at December 31, 2015	0至60日 0 to 60 days	61至180日 61 to 180 days	181至365日 181 to 365 days	1至2年 1 to 2 years	2至3年 2 to 3 years	超過3年 Over 3 years	未貼現現金流量總額 Total undiscounted cash flows
			人民幣千元 *RMB'000*	*人民幣千元* *RMB'000*	*人民幣千元* *RMB'000*	*人民幣千元* *RMB'000*	*人民幣千元* *RMB'000*	*人民幣千元* *RMB'000*	*人民幣千元* *RMB'000*	*人民幣千元* *RMB'000*
非衍生金融負債	Non-derivative financial liabilities									
不計息	Non-interest bearing	—	19,841,208	4,292,763	7,365,118	8,183,327	—	—	—	19,841,208
定息工具	Fixed interest rate instruments	5.58%	18,067,867	1,672,335	663,752	675,832	1,240,946	3,563,115	15,576,223	23,392,203
浮息工具	Variable interest rate instruments	5.18%	34,197,713	622,170	1,554,460	3,332,424	15,012,726	9,023,857	9,005,666	38,551,303
財務擔保合約	Financial guarantee contracts	—	—	10,414,147	—	—	—	—	—	10,414,147
			72,106,788	17,001,415	9,583,330	12,191,583	16,253,672	12,586,972	24,581,889	92,198,861

上述非衍生金融負債之浮息工具金額會因浮動利率變動不同於報告期末所釐定的利率估計變動而調整。

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

計入上述財務擔保合約之金額為倘擔保的交易方索償，本集團根據安排須清償的全部擔保的最高金額。基於報告期末的預計，本集團認為根據該安排很有可能並無應付款項。然而，此估計視乎交易方根據擔保索償的可能性而改變，而提出索償之可能性則取決於交易方所持獲擔保金融應收款項遭受信貸損失的可能性。

The amounts included above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Group considers that it is more likely than not that no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

47. 金融工具 *(續)*

(f) 金融工具的公平值計量

本集團部份金融資產及負債於各報告期末按公平值計量。下表提供如何計量公平值(特別是所使用之估值技術及輸入數據)，其輸入數據之可觀測程度以釐定該等金融資產及負債之公平值，及公平值計量所劃分之公平值級別(第一至三層級)之資料。

47. FINANCIAL INSTRUMENTS *(Continued)*

(f) Fair value measurements of financial instruments

Some of the Group's financial assets and liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and liabilities are determined (in particular, the valuation technique(s) and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorised (levels 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

金融資產／負債 Financial assets/liabilities	於十二月三十一日之公平值 Fair value as at December 31, 二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*	公平值等級 Fair value hierarchy	估值技術及主要輸入數據 Valuation techniques and key inputs
Cross currency interest rate swaps classified as derivative financial instruments in the consolidated statement of financial position	**Assets:** **988,746**	Assets: 701,083	Level 2	Discounted cash flows. Future cash flows are estimated based on forward exchange rates and interest rates (from observable forward exchange rates and yield curves at the end of the reporting period) and contracted forward rates and interest rates, discounted at a rate that reflects the credit risk of the Group or the counterparties, as appropriate.
綜合財務狀況報表分類為衍生金融工具之交叉貨幣利率掉期	**資產：** **988,746**	資產： 701,083	第二層級	貼現現金流量。根據遠期匯率及利率(於報告期末可觀察的遠期匯率及收益曲線)及已訂約的遠期比率及利率來估計未來現金流量，並採用一個能夠反映本集團或對手信貸風險的比率將之貼現(如適用)。
Early redemption option derivatives in relation to the domestic corporate bonds issued by the Group	**Liabilities:** **215,915**	Liabilities: -	Level 2	The fair value of early redemption options are determined by assessing the difference between the fair values of the bonds by quoted price and the pure bond value.
與本集團所發行境內公司債券有關之提早贖回權衍生工具	**負債：** **215,915**	負債：－	第二層級	計入第二層級之金融資產及金融負債之公平值按公認定價模式基於貼現現金流量分析釐定，主要輸入數據為貼現率，該輸入數據反應了交易對手的信用風險。

47. 金融工具 *(續)*

(f) 金融工具的公平值計量 *(續)*

本年度及過往年度，第一層級及第二層級之間並無任何轉換。

除分別於附註26及27披露的註有公平值的債券及優先票據、衍生金融工具人民幣988,746,000元(二零一五年：人民幣701,083,000元)及其他衍生金融工具人民幣215,915,000元(二零一五年：零)外，本公司董事認為，報告期末於綜合財務狀況報表內以攤銷成本列賬之金融資產及金融負債的賬面值與其公平值相若。

計入第二層級之金融資產及金融負債之公平值按公認定價模式基於貼現現金流量分析釐定，主要輸入數據為貼現率，該輸入數據反應了交易對手的信用風險。

47. FINANCIAL INSTRUMENTS *(Continued)*

(f) Fair value measurements of financial instruments *(Continued)*

There were no transfers between Level 1 and 2 in the current and prior years.

Except for the bonds and senior notes with fair value disclosed in notes 26 and 27 respectively, the derivative financial instruments of RMB988,746,000 (2015: RMB701,083,000) and other derivative financial instruments of RMB215,915,000 (2015: nil), the directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated statement of financial position approximate their respective fair values at the end of the reporting period.

The fair values of the financial assets and financial liabilities included in Level 2 have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

48. 本公司財務資料

(a) 本公司財務狀況之財務資料：

48. FINANCIAL INFORMATION OF THE COMPANY

(a) Financial information of the financial position of the Company:

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
非流動資產	**NON-CURRENT ASSETS**		
投資附屬公司	Investments in subsidiaries	20,269,271	22,717,178
衍生金融工具	Derivative financial instruments	639,233	701,083
		20,908,504	23,418,261
流動資產	**CURRENT ASSETS**		
應收賬款及其他應收款項、按金及預付款項	Accounts and other receivables, deposits and prepayments	2,041	2,113
衍生金融工具	Derivative financial instruments	349,513	—
銀行結餘及現金	Bank balances and cash	673,574	292,816
		1,025,128	294,929
流動負債	**CURRENT LIABILITIES**		
應付賬款、已收按金及應計開支	Accounts payables, deposits received and accrued charges	30,985	38,833
應付附屬公司款項	Amounts due to subsidiaries	3,280,971	1,563,616
銀行及其他借款－一年內到期	Bank and other borrowings - due within one year	3,635,787	283,616
		6,947,743	1,886,065
流動負債淨值	**NET CURRENT LIABILITIES**	(5,922,615)	(1,591,136)
總資產減流動負債	**TOTAL ASSETS LESS CURRENT LIABILITIES**	14,985,889	21,827,125

48. 本公司財務資料*(續)*

48. FINANCIAL INFORMATION OF THE COMPANY *(Continued)*

(a) 本公司財務狀況之財務資料：*(續)*

(a) Financial information of the financial position of the Company: *(Continued)*

		二零一六年 2016 *人民幣千元* *RMB'000*	二零一五年 2015 *人民幣千元* *RMB'000*
股本及儲備	**CAPITAL AND RESERVES**		
股本(附註29)	Share capital (Note 29)	508,438	507,823
儲備	Reserves	1,266,724	4,220,788
權益總額	**TOTAL EQUITY**	1,775,162	4,728,611
非流動負債	**NON-CURRENT LIABILITIES**		
銀行及其他借款－一年後到期	Bank and other borrowings - due after one year	7,653,691	9,169,342
優先票據	Senior notes	5,557,036	7,929,172
		13,210,727	17,098,514
		14,985,889	21,827,125

(b) 本公司儲備變動：

(b) Movement of reserves of the Company:

		股權溢價 Share premium *人民幣千元* *RMB'000*	股本儲備 Capital reserve *人民幣千元* *RMB'000*	持作股份獎勵的股份 Shares held for share award *人民幣千元* *RMB'000*	購股權儲備 Share option reserve *人民幣千元* *RMB'000*	對沖儲備 Hedging reserve *人民幣千元* *RMB'000*	累計虧損 Accumulated losses *人民幣千元* *RMB'000*	總計 Total *人民幣千元* *RMB'000*
於二零一五年一月一日	At January 1, 2015	7,949,501	2,523,930	—	479,331	148,574	(4,928,697)	6,172,639
年度虧損	Loss for the year	—	—	—	—	—	(439,831)	(439,831)
對沖工具的公平值收益	Fair value gain on hedging instruments	—	—	—	—	518,720	—	518,720
重新分類至損益的對沖工具收益	Gain on hedging instruments reclassified to profit and loss	—	—	—	—	(613,754)	—	(613,754)
年度全面開支總額	Total comprehensive expense for the year	—	—	—	—	(95,034)	(439,831)	(534,865)
確認以權益結算及股份為基礎的付款	Recognition of equity-settled share-based payments	—	—	—	101,633	—	—	101,633
註銷購股權	Cancellation of share options	—	—	—	(3,587)	—	3,587	—
確認為分派的股息	Dividend recognised as distribution	(1,654,310)	—	—	—	—	—	(1,654,310)
行使購股權發行股份	Issue of shares on exercise of share options	217,009	—	—	(76,467)	—	—	140,542
根據股份獎勵計劃購買股份	Purchase of shares under the share award scheme	—	—	(4,851)	—	—	—	(4,851)
於二零一五年十二月三十一日	At December 31, 2015	6,512,200	2,523,930	(4,851)	500,910	53,540	(5,364,941)	4,220,788

48. 本公司財務資料*(續)*

48. FINANCIAL INFORMATION OF THE COMPANY *(Continued)*

(b) 本公司儲備變動：*(續)*

(b) Movement of reserves of the Company: *(Continued)*

		股權溢價 Share premium 人民幣千元 RMB'000	股本儲備 Capital reserve 人民幣千元 RMB'000	持作股份獎勵的股份 Shares held for share award 人民幣千元 RMB'000	購股權儲備 Share option reserve 人民幣千元 RMB'000	對沖儲備 Hedging reserve 人民幣千元 RMB'000	累計虧損 Accumulated losses 人民幣千元 RMB'000	總計 Total 人民幣千元 RMB'000
年度虧損	Loss for the year	—	—	—	—	—	(446,677)	(446,677)
對沖工具的公平值收益	Fair value gain on hedging instruments	—	—	—	—	287,663	—	287,663
重新分類至損益的對沖工具收益	Gain on hedging instruments reclassified to profit and loss	—	—	—	—	(248,592)	—	(248,592)
年度全面收益(開支)總額	Total comprehensive income (expense) for the year	—	—	—	—	39,071	(446,677)	(407,606)
確認以權益結算及股份為基礎的付款	Recognition of equity-settled share-based payments	—	—	—	63,978	—	—	63,978
註銷購股權	Cancellation of share options	—	—	—	(21,639)	—	21,639	—
確認為分派的股息	Dividend recognised as distribution	(2,083,332)	—	—	—	—	—	(2,083,332)
行使購股權發行股份	Issue of shares on exercise of share options	70,653	—	—	(18,539)	—	—	52,114
根據股份獎勵計劃購買股份	Purchase of shares under the share award scheme	—	—	(579,218)	—	—	—	(579,218)
於二零一六年十二月三十一日	At December 31, 2016	4,499,521	2,523,930	(584,069)	524,710	92,611	(5,789,979)	1,266,724

(c) 投資附屬公司

(c) Investments in subsidiaries

		二零一六年 2016 人民幣千元 RMB'000	二零一五年 2015 人民幣千元 RMB'000
非上市股份，按成本	Unlisted shares, at cost	2,875,598	2,875,598
視作向附屬公司注資	Deemed capital contribution to subsidiaries	17,393,673	19,841,580
		20,269,271	22,717,178

(d) 應付附屬公司款項

應付附屬公司款項為無抵押、免息且須於要求時償還。

(d) Amounts due to subsidiaries

The amounts due to subsidiaries are unsecured, interest-free and are repayable on demand.

49. 主要附屬公司、合營企業及聯營公司的詳情

(a) 於二零一六年及二零一五年十二月三十一日，本公司主要附屬公司詳情如下：

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

(a) Particulars of the Company's principal subsidiaries at December 31, 2016 and 2015 are as follows:

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
北京德卓貿易有限公司(附註a) Beijing Dezhuo Trade Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣20,000,000元 繳足股本 人民幣20,000,000元 Registered RMB20,000,000 Paid up capital RMB20,000,000	中國 PRC	建材貿易 Trading of construction materials
北京匯晟投資有限公司(附註a) Beijing Huicheng Investment Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣10,000,000元 繳足股本 人民幣10,000,000元 Registered RMB10,000,000 Paid up capital RMB10,000,000	中國 PRC	物業發展 Properties development
北京龍湖成恒裝飾有限公司(附註a) Beijing Longhu Chengheng Decoration Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣2,000,000元 繳足股本 人民幣2,000,000元 Registered RMB2,000,000 Paid up capital RMB2,000,000	中國 PRC	房屋裝修 House decoration
北京龍湖置業有限公司(附註b) Beijing Longhu Properties Company Limited (Note b)	中國 PRC	100%	100%	註冊資本 人民幣1,000,000,000元 繳足股本 人民幣1,000,000,000元 Registered RMB1,000,000,000 Paid up capital RMB1,000,000,000	中國 PRC	物業發展 Properties development and provision of consultancy service

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(續)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
北京龍湖物業服務有限公司(附註a) Beijing Longhu Property Service Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣5,000,000元 繳足股本 人民幣5,000,000元 Registered RMB5,000,000 Paid up capital RMB5,000,000	中國 PRC	物業管理 Properties management
北京龍湖慶華置業有限公司(附註b) Beijing Longhu Qinghua Property Company Limited (Note b)	中國 PRC	100%	100%	註冊資本 人民幣500,000,000元 繳足股本 人民幣500,000,000元 Registered RMB500,000,000 Paid up capital RMB500,000,000	中國 PRC	物業發展 Properties development
北京龍湖時代置業有限公司(附註a) Beijing Longhu Shidai Properties Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣1,400,000,000元 繳足股本 人民幣1,400,000,000元 Registered RMB1,400,000,000 Paid up capital RMB1,400,000,000	中國 PRC	物業發展 Properties development
北京龍湖天行置業有限公司(附註a) Beijing Longhu Tianxing Properties Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣600,000,000元 繳足股本 人民幣600,000,000元 Registered RMB600,000,000 Paid up capital RMB600,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(續)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
北京龍湖中佰置業有限公司(附註a) Beijing Longhu Zhongbai Properties Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣1,500,000,000元 繳足股本 人民幣1,500,000,000元 Registered RMB1,500,000,000 Paid up capital RMB1,500,000,000	中國 PRC	物業發展 Properties development
北京盟科置業有限公司(附註a) Beijing Mengke Properties Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣830,000,000元 繳足股本 人民幣830,000,000元 Registered RMB830,000,000 Paid up capital RMB830,000,000	中國 PRC	物業發展 Properties development and provision of consultancy service
北京通瑞萬華置業有限公司(附註a) Beijing Tongrui Wanhua Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣2,800,000,000元 繳足股本 人民幣2,800,000,000元 Registered RMB2,800,000,000 Paid up capital RMB2,800,000,000	中國 PRC	物業發展 Properties development
北京龍湖興順置業有限公司(附註a) Beijing Xingshun Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣700,000,000元 繳足股本 人民幣700,000,000元 Registered RMB700,000,000 Paid up capital RMB700,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

(a) *(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
北京龍湖興潤置業有限公司(附註a) Beijing Xiongrun Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣800,000,000元 繳足股本 人民幣800,000,000元 Registered RMB800,000,000 Paid up capital RMB800,000,000	中國 PRC	物業發展 Properties development
北京古北水鎮房地產開發有限公司(附註b) Beijing Gubei Town Real Estate Development Ltd (Note b)	中國 PRC	60%	60%	註冊資本 人民幣127,500,000元 繳足股本 人民幣127,500,000元 Registered RMB127,500,000 Paid up capital RMB127,500,000	中國 PRC	物業發展 Properties development
北京卓信瑞通投資發展有限公司(附註a) Beijing Zhouxinruitong Investment Co., Ltd. (Note a)	中國 PRC	34% (附註i) (Note i)	100%	註冊股本 人民幣1,000,000元 繳足股本 零 Registered RMB1,000,000 Paid up capital Nil	中國 PRC	投資控股 Investment holding
常州嘉南置業有限公司(附註a) Changzhou Jia'nan Properties Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣720,000,000元 繳足股本 人民幣720,000,000元 Registered RMB720,000,000 Paid up capital RMB720,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(續)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
常州龍湖基業發展有限公司(附註b) Changzhou Longfor Jiye Co., Ltd. (Note b)	中國 PRC	100%	100%	註冊資本 124,690,000美元 繳足股本 124,690,000美元 Registered USD124,690,000 Paid up capital USD124,690,000	中國 PRC	物業發展 Properties development
常州嘉博置業有限公司(附註c) Changzhou Jiabo Real Estate Co., Ltd. (Note c)	中國 PRC	100%	100%	註冊資本 196,160,000美元 繳足股本 196,160,000美元 Registered USD196,160,000 Paid up capital USD196,160,000	中國 PRC	物業發展 Properties development
無錫嘉南置業有限公司(附註a) Wuxi Jianan Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣260,000,000元 繳足股本 人民幣260,000,000元 Registered RMB260,000,000 Paid up capital RMB260,000,000	中國 PRC	物業發展 Properties development
無錫嘉睿置業有限公司(附註a) Wuxi Jiarui Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣559,500,000元 繳足股本 人民幣559,500,000元 Registered RMB559,500,000 Paid up capital RMB559,500,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(續)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
無錫嘉騰置業有限公司(附註a) Wuxi Jiateng Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣720,000,000元 繳足股本 人民幣720,000,000元 Registered RMB720,000,000 Paid up capital RMB720,000,000	中國 PRC	物業發展 Properties development
無錫龍湖置業有限公司(附註a) Wuxi Longhu Real Estate Inc. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣615,200,000元 繳足股本 人民幣615,200,000元 Registered RMB615,200,000 Paid up capital RMB615,200,000	中國 PRC	物業發展 Properties development
成都東錦企業管理諮詢有限公司(附註a) Chengdu Dongjin Enterprise Management Consulting Co., Ltd. (Note a)	中國 PRC	60%	100%	註冊資本 人民幣5,000,000元 繳足股本 人民幣5,000,000元 Registered RMB5,000,000 Paid up capital RMB5,000,000	中國 PRC	投資控股 Investment holding
成都佳遜投資有限公司(「成都佳遜」)(附註a) Chengdu Jiaxun Investment Company Limited ("Chengdu Jiaxun") (Note a)	中國 PRC	100%	100%	註冊資本 人民幣30,000,000元 繳足股本 人民幣30,000,000元 Registered RMB30,000,000 Paid up capital RMB30,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(續)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
成都錦騰貿易公司(附註a) Chengdu Jinteng Trade Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣20,000,000元 繳足股本 人民幣20,000,000元 Registered RMB20,000,000 Paid up capital RMB20,000,000	中國 PRC	建材貿易 Trading of construction materials
成都龍湖錦華置業有限公司(附註b) Chengdu Longhu Jinhua Real Estate Company Limited (Note b)	中國 PRC	100%	100%	註冊資本 人民幣100,000,000元 繳足股本 人民幣100,000,000元 Registered RMB100,000,000 Paid up capital RMB100,000,000	中國 PRC	物業發展 Properties development
成都龍湖物業服務有限公司(附註a) Chengdu Longhu Property Services Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣5,000,000元 繳足股本 人民幣5,000,000元 Registered RMB5,000,000 Paid up capital RMB5,000,000	中國 PRC	物業管理 Properties management
成都龍湖同晉置業有限公司(附註b) Chengdu Longhu Tongjin Real Estate Company Limited (Note b)	中國 PRC	100%	100%	註冊資本 人民幣966,549,865元 繳足股本 人民幣966,549,865元 Registered RMB966,549,865 Paid up capital RMB966,549,865	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(續)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
成都西璽置業有限公司(附註a) Chengdu Xixi Real Estate Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣335,660,000元 繳足股本 人民幣335,660,000元 Registered RMB335,660,000 Paid up capital RMB335,660,000	中國 PRC	物業發展 Properties development
成都西祥置業有限公司(附註a) Chengdu Xixiang Real Estate Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣436,370,000元 繳足股本 人民幣436,370,000元 Registered RMB436,370,000 Paid up capital RMB436,370,000	中國 PRC	物業發展 Properties development
成都元博苗木有限公司(附註a) Chengdu Yuanbo Gardening Co., Ltd (Note a)	中國 PRC	100%	100%	註冊資本 人民幣20,000,000元 繳足股本 人民幣20,000,000元 Registered RMB20,000,000 Paid up capital RMB20,000,000	中國 PRC	樹苗培育 Nursery of seeding tree
成都龍湖錦城置業有限公司(附註b) Chengdu Longfor Jincheng Real Estate Co., Ltd. (Note b)	中國 PRC	100%	100%	註冊資本 人民幣390,000,000元 繳足股本 人民幣390,000,000元 Registered RMB390,000,000 Paid up capital RMB390,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(續)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
成都龍湖北城置業有限公司(附註b) Chengdu Longfor Beicheng Co., Ltd. (Note b)	中國 PRC	100%	100%	註冊資本 人民幣1,970,000,000元 繳足股本 人民幣1,970,000,000元 Registered RMB1,970,000,000 Paid up capital RMB1,970,000,000	中國 PRC	物業發展 Properties development
成都龍湖錦鴻置業有限公司(附註a) Chengdu Longfor Jinhua Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣650,000,000元 繳足股本 人民幣650,000,000元 Registered RMB650,000,000 Paid up capital RMB650,000,000	中國 PRC	物業發展 Properties development
成都匯新置業有限公司 (「成都匯新」)(附註b) Chengdu Huixin Real Estate Company Limited ("Chengdu Huixin") (Note b)	中國 PRC	100%	100%	註冊資本 人民幣629,993,500元 繳足股本 人民幣629,993,500元 Registered RMB629,993,500 Paid up capital RMB629,993,500	中國 PRC	物業發展 Properties development
成都嘉南置業有限公司 (「成都嘉南」)(附註b) Chengdu Jia'nan Real Estate Company Limited ("Chengdu Jia'nan") (Note b)	中國 PRC	100%	100%	註冊資本 人民幣382,890,100元 繳足股本 人民幣382,890,100元 Registered RMB382,890,100 Paid up capital RMB382,890,100	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(續)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
成都景匯置業有限公司（「成都景匯」）(附註b) Chengdu Jinghui Real Estate Company Limited ("Chengdu Jinghui") (Note b)	中國 PRC	100%	100%	註冊資本 人民幣653,275,800元 繳足股本 人民幣653,275,800元 Registered RMB653,275,800 Paid up capital RMB653,275,800	中國 PRC	物業發展 Properties development
成都拓晟置業有限公司（「成都拓晟」）(附註b) Chengdu Tuocheng Real Estate Company Limited ("Chengdu Tuocheng") (Note b)	中國 PRC	100%	100%	註冊資本 人民幣633,495,100元 繳足股本 人民幣633,495,100元 Registered RMB633,495,100 Paid up capital RMB633,495,100	中國 PRC	物業發展 Properties development
重慶北龍湖置地發展有限公司(附註a) Chongqing Beilonghu Property Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣700,000,000元 繳足股本 人民幣700,000,000元 Registered RMB700,000,000 Paid up capital RMB700,000,000	中國 PRC	物業發展 Properties development
重慶恒弘投資有限公司(附註a) Chongqing Henghong Investment Inc. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣10,000,000元 繳足股本 人民幣10,000,000元 Registered RMB10,000,000 Paid up capital RMB10,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(續)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
重慶嘉遜地產開發有限公司(附註b) Chongqing Juntion Real Estate Development Inc. (Note b)	中國 PRC	100%	100%	註冊資本 民幣778,000,000元 繳足股本 人民幣778,000,000元 Registered RMB778,000,000 Paid up capital RMB778,000,000	中國 PRC	物業發展 Properties development
重慶龍湖成恒地產發展有限公司(附註a) Chongqing Longhu Chengheng Real Estate Development Inc. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣1,000,000,000元 繳足股本 人民幣1,000,000,000元 Registered RMB1,000,000,000 Paid up capital RMB1,000,000,000	中國 PRC	物業發展 Properties development
重慶龍湖企業拓展有限公司(附註b) Chongqing Longhu Development Company Limited (Note b)	中國 PRC	100%	100%	註冊資本 人民幣，308,000,000元 繳足股本 人民幣1,308,000,000元 Registered RMB1,308,000,000 Paid up capital RMB1,308,000,000	中國 PRC	物業發展及投資 Properties development and investment
重慶龍湖恒尚地產發展有限公司(附註a) Chongqing Longhu Hengshang Real Estate Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣30,000,000元 繳足股本 人民幣30,000,000元 Registered RMB30,000,000 Paid up capital RMB30,000,000	中國 PRC	物業發展 Properties development
重慶龍湖嘉凱地產開發有限公司 Chongqing Longhu Jiakai Real Estate Development Co., Ltd. (Note b)	中國 PRC	51%	51%	註冊資本 人民幣1,323,000,000元 繳足股本 人民幣1,323,000,000元 Registered RMB1,323,000,000 Paid up capital RMB1,323,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

(a) *(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
重慶龍湖凱安地產發展有限公司（附註b） Chongqing Longhu Kaian Real Estate Development Co., Ltd. (Note b)	中國 PRC	100%	100%	註冊資本 人民幣1,278,000,000元 繳足股本 人民幣1,278,000,000元 Registered RMB1,278,000,000 Paid up capital RMB1,278,000,000	中國 PRC	物業發展 Properties development
重慶龍湖地產發展有限公司(附註a) Chongqing Longhu Properties Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣1,544,912,450元 繳足股本 人民幣1,544,912,450元 Registered RMB1,544,912,450 Paid up capital RMB1,544,912,450	中國 PRC	物業發展及投資 Properties development and investment
重慶龍湖西街置業有限公司(附註b) Chongqing Longhu Xijie Real Estate Company Limited (Note b)	中國 PRC	51%	100%	註冊資本 人民幣624,000,000元 繳足股本 人民幣624,000,000元 Registered RMB624,000,000 Paid up capital RMB624,000,000	中國 PRC	物業發展及投資 Properties development and investment
重慶龍湖宜恒地產發展有限公司（附註a） Chongqing Longhu Yiheng Estate Development Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣360,000,000元 繳足股本 人民幣360,000,000元 Registered RMB360,000,000 Paid up capital RMB360,000,000	中國 PRC	物業發展 Properties development
重慶龍湖怡置地產開發有限公司（附註c） Chongqing Longhu Yizhi Real Estate Development Co., Ltd. (Note c)	中國 PRC	50% （附註h） (Note h)	50% （附註h） (Note h)	註冊資本 200,000,000美元 繳足股本 200,000,000美元 Registered USD200,000,000 Paid up capital USD200,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(續)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
重慶融凱實業有限公司(附註b) Chongqing Rongkai Industrial Company Limited (Note b)	中國 PRC	100%	100%	註冊資本 人民幣698,000,000元 繳足股本 人民幣698,000,000元 Registered RMB698,000,000 Paid up capital RMB698,000,000	中國 PRC	建材貿易 Trading of construction materials
重慶天卓投資有限公司(附註a) Chongqing Tianzhuo Investment Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣20,000,000元 繳足股本 人民幣20,000,000元 Registered RMB20,000,000 Paid up capital RMB20,000,000	中國 PRC	物業發展 Properties development
重慶天朗農業發展有限公司(附註a) Chongqing Tianlang Agriculture Development Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣10,000,000元 繳足股本 人民幣10,000,000元 Registered RMB10,000,000 Paid up capital RMB10,000,000	中國 PRC	樹苗培育 Nursery of seeding tree
重慶新龍湖物業服務有限公司(附註a) Chongqing Xinlonghu Properties Services Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣5,000,000元 繳足股本 人民幣5,000,000元 Registered RMB5,000,000 Paid up capital RMB5,000,000	中國 PRC	物業管理 Properties management

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(續)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
重慶龍湖德卓地產發展有限公司（附註c） Chongqing Longfor Dezhuo Real Estate Development Co., Ltd. (Note c)	中國 PRC	100%	100%	註冊資本 150,000,000美元 繳足股本 150,000,000美元 Registered USD150,000,000 Paid up capital USD150,000,000	中國 PRC	物業發展 Properties development
重慶龍湖科恒地產發展有限公司（附註a） Chongqing Longhu Keheng Real Estate Development Co., Limited (Note a)	中國 PRC	100%	100%	繳足股本 人民幣100,000,000元 註冊資本 人民幣100,000,000元 Paid up capital RMB100,000,000 Registered RMB100,000,000	中國 PRC	物業發展 Properties development
重慶興龍湖置地發展有限公司（附註b） Longhu Land Limited (Note b)	中國 PRC	50% （附註h） (Note h)	50% （附註h） (Note h)	註冊資本 27,000,000美元 繳足股本 27,000,000美元 Registered USD27,000,000 Paid up capital USD27,000,000	中國 PRC	物業發展 Properties development
杭州龍耀房地產開發有限公司（附註a） Hangzhou Longyao Real Estate Development Ltd (Note a)	中國 PRC	51% （附註j） (Note j)	51%	繳足股本 人民幣900,000,000元 註冊資本 人民幣900,000,000元 Paid up capital RMB900,000,000 Registered RMB900,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(續)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
杭州龍湖房地產開發有限公司(附註c) Hangzhou Longhu Real Estate Development Co., Ltd. (Note c)	中國 PRC	100%	100%	註冊資本 229,400,000美元 繳足股本 189,400,000美元 Registered USD229,400,000 Paid up capital USD189,400,000	中國 PRC	物業發展 Properties development
杭州龍卓房地產開發有限公司(附註a) Hangzhou Longzhuo Real Estate Development Ltd (Note a)	中國 PRC	40% (附註k) (Note k)	40% (附註k) (Note k)	繳足股本 人民幣500,000,000元 註冊資本 人民幣500,000,000元 Paid up capital RMB500,000,000 Registered RMB500,000,000	中國 PRC	物業發展 Properties development
杭州龍嘉房地產開發有限公司(附註a) Hangzhou Longjia Real Estate Development Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣50,000,000元 繳足股本 人民幣50,000,000元 Registered RMB50,000,000 Paid up capital RMB50,000,000	中國 PRC	物業發展 Properties development
上海恒馳房地產有限公司(附註a) Shanghai Hengchi Real Estate Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣1,010,000,000元 繳足股本 人民幣1,010,000,000元 Registered RMB1,010,000,000 Paid up capital RMB1,010,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(續)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
上海龍湖物業管理有限公司(附註a) Shanghai Longhu Property Management Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣5,000,000元 繳足股本 人民幣5,000,000元 Registered RMB5,000,000 Paid up capital RMB5,000,000	中國 PRC	物業發展 Properties management
上海龍湖置業發展有限公司(附註a) Shanghai Longhu Real Estate Co. Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣100,000,000元 繳足股本 人民幣100,000,000元 Registered RMB100,000,000 Paid up capital RMB100,000,000	中國 PRC	物業發展 Properties development
上海莘潤園林綠化有限公司(附註a) Shanghai Xinrun Garden Virescence Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣12,000,000元 繳足股本 人民幣12,000,000元 Registered RMB12,000,000 Paid up capital RMB12,000,000	中國 PRC	樹苗培育 Nursery of seeding tree
上海渝久實業有限公司(附註a) Shanghai Yujiu Industrial Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣20,000,000元 繳足股本 人民幣20,000,000元 Registered RMB20,000,000 Paid up capital RMB20,000,000	中國 PRC	建材貿易 Trading of construction materials

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(續)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
上海恒世房地產有限公司(附註a) Shanghai Hengshi Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣1,000,000,000元 繳足股本 人民幣1,000,000,000元 Registered RMB1,000,000,000 Paid up capital RMB1,000,000,000	中國 PRC	物業發展 Properties development
上海恒逸房地產有限公司(附註a) Shanghai Hengyi Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣1,100,000,000元 繳足股本 人民幣1,100,000,000元 Registered RMB1,100,000,000 Paid up capital RMB1,100,000,000	中國 PRC	物業發展 Properties development
上海恒睿房地產有限公司(附註b) Shanghai Hengrui Real Estate Co., Ltd. (Note b)	中國 PRC	100%	100%	註冊資本 人民幣1,589,000,000元 繳足股本 人民幣1,589,000,000元 Registered RMB1,589,000,000 Paid up capital RMB1,589,000,000	中國 PRC	物業發展 Properties development
上海恒駿房地產有限公司(附註b) Shanghai Hengjun Real Estate Co., Ltd. (Note b)	中國 PRC	100%	100%	註冊資本 人民幣4,300,000,000元 繳足股本 人民幣3,539,934,000元 Registered RMB4,300,000,000 Paid up capital RMB3,539,934,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

(a) *(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
上海湖邦企業管理有限公司(附註a) Shanghai Hukang Enterprise Management Co., Ltd. (Note a)	中國 PRC	50% (附註k) (Note k)	100%	註冊資本 人民幣5,000,000元 繳足股本 零 Registered RMB5,000,000 Paid up capital Nil	中國 PRC	投資控股 Investment holding
上海陽恩投資管理有限公司(附註a) Shanghai Yangen Investment Management Co., Ltd. (Note a)	中國 PRC	65%	—	註冊資本 人民幣799,050,000元 繳足股本 人民幣799,050,000元 Registered RMB799,050,000 Paid up capital RMB799,050,000	中國 PRC	投資控股 Investment holding
瀋陽金恒置業有限公司(附註a) Shenyang Jinheng Real Estate Co., Ltd. (Note a)	中國 PRC	60%	—	註冊資本 人民幣100,000,000元 繳足股本 人民幣100,000,000元 Registered RMB100,000,000 Paid up capital RMB100,000,000	中國 PRC	物業發展 Property development
瀋陽龍湖房地產拓展有限公司(附註b) Shenyang Longhu Estate Development Co., Ltd. (Note b)	中國 PRC	100%	100%	註冊資本 美元65,000,000元 繳足股本 美元65,000,000元 Registered USD65,000,000 Paid up capital USD65,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(續)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
瀋陽龍湖新北置業有限公司(附註b) Shenyang Longfor Xinbei Real Estate Co., Ltd. (Note b)	中國 PRC	100%	100%	註冊資本 美元113,000,000元 繳足股本 美元113,000,000元 Registered USD113,000,000 Paid up capital USD113,000,000	中國 PRC	物業發展 Properties development
四川龍湖地產發展有限公司(附註b) Sichuan Longhu Real Estate Development Company Limited (Note b)	中國 PRC	100%	100%	註冊資本 人民幣50,000,000元 繳足股本 人民幣50,000,000元 Registered RMB50,000,000 Paid up capital RMB50,000,000	中國 PRC	物業發展 Properties development
西安龍湖錦城置業有限公司(附註a) Xi'an Longhu Jincheng Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣430,000,000元 繳足股本 人民幣430,000,000元 Registered RMB430,000,000 Paid up capital RMB430,000,000	中國 PRC	物業發展 Properties development
西安龍湖物業服務有限公司(附註a) Xi'an Longhu Property Service Company Limited (Note a)	中國 PRC	100%	100%	註冊資本 人民幣3,000,000元 繳足股本 人民幣3,000,000元 Registered RMB3,000,000 Paid up capital RMB3,000,000	中國 PRC	物業管理 Properties management

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(續)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
西安龍湖地產發展有限公司(附註a) Xi'an Longhu Real Estate Inc. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣50,000,000元 繳足股本 人民幣50,000,000元 Registered RMB50,000,000 Paid up capital RMB50,000,000	中國 PRC	物業發展 Properties development
西安龍湖興城置業有限公司(附註a) Xi'an Longhu Xingcheng Estate Co. Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣499,610,000元 繳足股本 人民幣499,610,000元 Registered RMB499,610,000 Paid up capital RMB499,610,000	中國 PRC	物業發展 Properties development
西安龍湖潤融置業有限公司(附註a) Xi'an Longfor Runrong Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣615,000,000元 繳足股本 人民幣615,000,000元 Registered RMB615,000,000 Paid up capital RMB615,000,000	中國 PRC	物業發展 Properties development
青島龍湖置業拓展有限公司(附註b) Qingdao Longfor Real Estate Co. Ltd. (Note b)	中國 PRC	100%	100%	註冊資本 人民幣1,100,000,000元 繳足股本 人民幣1,100,000,000元 Registered RMB1,100,000,000 Paid up capital RMB1,100,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(續)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
青島龍嘉置業有限公司(附註c) Qingdao Longjia Real Estate Co. Ltd. (Note c)	中國 PRC	100%	100%	註冊資本 90,000,000美元 繳足股本 90,000,000美元 Registered USD90,000,000 Paid up capital USD90,000,000	中國 PRC	物業發展 Properties development
青島龍凱置業有限公司(附註c) Qingdao Longkai Real Estate Co. Ltd. (Note c)	中國 PRC	100%	100%	註冊資本 80,000,000美元 繳足股本 80,000,000美元 Registered USD80,000,000 Paid up capital USD80,000,000	中國 PRC	物業發展 Properties development
青島萬創置業有限公司(附註b) Qingdao Wanchuang Real Estate Co., Ltd. (Note b)	中國 PRC	25.1% (附註h) (Note h)	—	註冊資本 人民幣1,148,133,200元 繳足股本 人民幣1,148,133,200元 Registered RMB1,148,133,200 Paid up capital RMB1,148,133,200	中國 PRC	物業發展 Properties development
青島萬湖置業有限公司(附註b) Qingdao Wanhu Real Estate Co., Ltd. (Note b)	中國 PRC	25.1% (附註h) (Note h)	—	註冊資本 人民幣597,425,000元 繳足股本 人民幣597,425,000元 Registered RMB597,425,000 Paid up capital RMB597,425,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(續)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
寧波龍嘉房地產發展有限公司(附註c) Ningbo Longjia Real Estate Development Co., Ltd. (Note c)	中國 PRC	100%	100%	註冊資本 99,800,000美元 繳足股本 99,800,000美元 Registered USD99,800,000 Paid up capital USD99,800,000	中國 PRC	物業發展 Properties development
煙台龍湖置業有限公司(附註a) Yantai Longfor Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣600,000,000元 繳足股本 人民幣600,000,000元 Registered RMB600,000,000 Paid up capital RMB600,000,000	中國 PRC	物業發展 Properties development
大連東陽房地產開發有限公司(附註a) Dalian Dongyang Real Estate Development Ltd. (Note a)	中國 PRC	100%	—	註冊資本 人民幣2,000,000,000元 繳足股本 人民幣2,000,000,000元 Registered RMB2,000,000,000 Paid up capital RMB2,000,000,000	中國 PRC	物業發展 Properties development
濟南盛雪置業有限公司(附註a) Jinan Shengxue Real Estate Co., Ltd. (Note a)	中國 PRC	51%	—	註冊資本 人民幣2,100,000,000元 繳足股本 人民幣2,100,000,000元 Registered RMB2,100,000,000 Paid up capital RMB2,100,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(續)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
大連龍湖東港房地產有限公司(附註a) Dalian Longfor Donggang Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣340,000,000元 繳足股本 人民幣340,000,000元 Registered RMB340,000,000 Paid up capital RMB340,000,000	中國 PRC	物業發展 Properties development
南京金名城置業有限公司(附註a) Nanjing Jinmingcheng Real Estate Co., Ltd. (Note a)	中國 PRC	100%	100%	註冊資本 人民幣20,000,000元 繳足股本1 人民幣8,000,000元 Registered RMB20,000,000 Paid up capital RMB8,000,000	中國 PRC	物業發展 Properties development
南京名萬置業有限公司(「南京名萬」) Nanjing Mingwan Real Estate Co., Ltd. ("Nanjing Mingwan")	中國 PRC	51%	51%	註冊資本 人民幣3,500,000,000元 繳足股本 人民幣3,500,000,000元 Registered RMB3,500,000,000 Paid up capital RMB3,500,000,000	中國 PRC	物業發展 Properties development
蘇州龍湖基業房地產有限公司(附註c) Suzhou Longfor Real Estate Co., Ltd. (Note c)	中國 PRC	51%	51%	註冊資本 130,000,000美元 繳足股本 130,000,000美元 Registered USD130,000,000 Paid up capital USD130,000,000	中國 PRC	物業發展 Properties development
佛山市順德區盛暉置業有限公司(附註b) Foshan Shi Shun De Gu Sheng Hui Real Estate Company Limited (Note b)	中國 PRC	80%	80%	註冊資本 人民幣50,000,000元 繳足股本 人民幣50,000,000元 Registered RMB50,000,000 Paid up capital RMB50,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(續)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
Jasmine Spread Investment Limited	英屬維爾京群島（「英屬維爾京群島」） The British Virgin Islands (the "BVI")	100%	100%	法定股本 50,000美元 繳足股本 2美元 Authorised USD50,000 Paid up capital USD2	香港 HK	投資控股 Investment holding
Join Dragon Limited	英屬維爾京群島 BVI	100%	100%	法定股本 50,000美元 繳足股本 2美元 Authorised USD50,000 Paid up capital USD2	香港 HK	投資控股 Investment holding
Longfor Investment Co. Ltd.（附註g） Longfor Investment Co. Ltd. (Note g)	英屬維爾京群島 BVI	100%	100%	法定股本 1美元 繳足股本 1美元 Authorised USD1 Paid up capital USD1	香港 HK	投資控股 Investment holding
Silver Oak Enterprises Limited	英屬維爾京群島 BVI	100%	100%	法定股本 50,000美元 繳足股本 2美元 Authorised USD50,000 Paid up capital USD2	香港 HK	投資控股 Investment holding

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(a) *(續)*

(a) *(Continued)*

公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
富煌發展有限公司 Fortune Glister Development Limited	香港 (「香港」) Hong Kong ("HK")	100%	100%	1港元 HKD1	香港 HK	投資控股 Investment holding
寶欣貿易有限公司 Joy Wealth Trading Limited	香港 HK	100%	100%	69,687,000港元 HKD69,687,000	香港 HK	投資控股 Investment holding
順嘉有限公司 Joyline Corporation Limited	香港 HK	100%	100%	1港元 HKD1	香港 HK	投資控股 Investment holding
嘉遜發展香港(控股)有限公司 Juntion Development Hong Kong (Holding) Limited	香港 HK	100%	100%	2,000,000港元 HKD2,000,000	香港 HK	投資控股 Investment holding
Longfor Company Limited	香港 HK	100%	100%	1港元 HKD1	香港 HK	投資控股 Investment holding
定邦有限公司 Treasure State Limited	香港 HK	100%	100%	1港元 HKD1	香港 HK	投資控股 Investment holding
順升企業有限公司 Easy Rise Enterprise Limited	香港 HK	51%	51%	20,000港元 HKD20,000	香港 HK	投資控股 Investment holding

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

(b) 於二零一六年及二零一五年十二月三十一日，本公司主要合營企業詳情如下：

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(b) Particulars of the Company's principal joint ventures at December 31, 2016 and 2015 are as follows:

Joint Ventures 合營企業 公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
北京錦昊萬華置業有限公司(附註d) Beijing Jinghao Wanhua Real Estate Company Limited (Note d)	中國 PRC	34% (附註1) (Note 1)	34% (附註1) (Note 1)	繳足股本 人民幣50,000,000元 註冊股本 人民幣50,000,000元 Paid up capital RMB50,000,000 Registered RMB50,000,000	中國 PRC	物業發展 Properties development
廣州市君梁房地產有限公司(附註d) Guangzhou Junliang Real Estate Ltd (Note d)	中國 PRC	50% (附註1) (Note 1)	50% (附註1) (Note 1)	繳足股本 人民幣100,000,000元 註冊股本 人民幣100,000,000元 Paid up capital RMB100,000,000 Registered RMB100,000,000	中國 PRC	物業發展 Properties development
廣州市湖品房地產有限公司(附註d) Guangzhou Hupin Real Estate Ltd (Note d)	中國 PRC	50% (附註1) (Note 1)	50% (附註1) (Note 1)	繳足股本 人民幣100,000,000元 註冊股本 人民幣100,000,000元 Paid up capital RMB100,000,000 Registered RMB100,000,000	中國 PRC	物業發展 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

(c) 於二零一六年及二零一五年十二月三十一日，本公司主要聯營公司詳情如下：

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(c) Particulars of the Company's principal associates at December 31, 2016 and 2015 are as follows:

Associates 聯營公司 公司名稱 Name of company	註冊成立／成立地點 Place of incorporation/establishment	本集團應佔股權 Equity interest attributable to the Group 二零一六年 2016	二零一五年 2015	已發行及繳足股本／註冊資本 Issued and fully paid share capital/registered capital	經營地點 Place of operation	主要業務 Principal activities
北京葛洲壩龍湖置業有限公司(附註f) Beijing Genzhouba Longfor Real Estate Development Limited (Note f)	中國 PRC	50% (附註m) (Note m)	50%	繳足股本 人民幣50,000,000元 註冊股本 人民幣50,000,000元 Paid up capital RMB50,000,000 Registered RMB50,000,000	中國 PRC	物業發展 Properties development
北京錦泰房地產開發有限公司(附註f) Beijing Jingtai Real Estate Development Company Limited (Note f)	中國 PRC	50% (附註n) (Note n)	50% (附註n) (Note n)	繳足股本 人民幣90,000,000元 註冊股本 人民幣90,000,000元 Paid up capital RMB90,000,000 Registered RMB90,000,000	中國 PRC	物業發展 Properties development
杭州萬科大家房地產開發有限公司(附註f) Hangzhou Wanke Dajia Real Estate Company Limited (Note f)	中國 PRC	10% (附註o) (Note o)	10% (附註o) (Note o)	繳足股本 人民幣2,300,000,000元 註冊股本 人民幣2,300,000,000元 Paid up capital RMB2,300,000,000 Registered RMB2,300,000,000	中國 PRC	物業發展 Properties development
廈門翔洲房地產開發有限公司(附註f) Xiamen Xiangzhou Real Estate Development Limited (Note f)	中國 PRC	49% (附註p) (Note p)	49% (附註p) (Note p)	繳足股本 人民幣50,000,000元 註冊股本 人民幣50,000,000元 Paid up capital RMB50,000,000 Registered RB50,000,000	中國 PRC	物業開發 Properties development

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

(c) *(續)*

附註：

(a) 該附屬公司為於中國成立之國內全資附屬企業。

(b) 該附屬公司為於中國成立之合資企業。

(c) 該附屬公司為於中國成立之全外資企業。

(d) 該合營企業為於中國成立之合資企業。

(e) 該聯營公司為於中國成立之全外資企業。

(f) 該聯營公司為於中國成立之合資聯營公司。

(g) 該附屬公司為本公司全資附屬公司並由本公司直接持有，而其他附屬公司由本公司間接持有。

(h) 該公司根據該公司組織章程大綱及細則入賬列作附屬公司，該公司相關活動須獲其董事會過半數董事同意。本集團有權委任該公司董事會過半數董事，故本集團對該公司有主導控制權，及因此其被視為本集團的附屬公司。

(i) 該公司入賬列作附屬公司，乃因根據投資協議，該公司董事會能主導該公司相關活動。由於本集團能委任該公司董事會過半數董事，故本集團對該公司有主導控制權。

(j) 該公司根據補充協議入賬列作附屬公司，其相關活動須獲董事會大多數成員同意。本集團有權委任該公司董事會三名董事中的兩名董事，故本集團對該公司有主導控制權，及因此其被視為本集團的附屬公司。

(k) 該公司入賬列作附屬公司，乃因根據協議，本集團對該公司有主導控制權。

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(c) *(Continued)*

Notes:

(a) The subsidiary is a domestic wholly-owned enterprise established in the PRC.

(b) The subsidiary is an equity joint venture established in the PRC.

(c) The subsidiary is a wholly foreign owned enterprise established in the PRC.

(d) The joint venture is an equity joint venture established in the PRC.

(e) The associate is a wholly foreign owned enterprise established in the PRC.

(f) The associate is an equity associate established in the PRC.

(g) The subsidiary is a wholly owned subsidiary and directly held by the Company. All other subsidiaries are indirectly held by the Company.

(h) The company is accounted for as a subsidiary as in accordance with the memorandum and articles of the company, relevant activities of the company require consent with more than half of the directors in the board of the company. The Group has the power to appoint more than half of the directors in the board of the company, thus the Group has dominant control of the company and thus it is regarded as a subsidiary of the Group.

(i) The company is accounted for as a subsidiary as in accordance with the investment agreement, the board of directors of the company can direct the relevant activities of the company. Since the Group can appoint more than half of the directors in the board of the company, the Group has dominant control of the company.

(j) The company is accounted for as a subsidiary as in accordance with the supplementary agreement of the company, relevant activities of the company require consent with simple majority in the board of directors. The Group has the power to appoint two out of three directors in the board of the company, the Group has dominant control of the company and thus it is regarded as a subsidiary of the Group.

(k) The company is accounted for as a subsidiary as in accordance with the investment agreement, the Group has dominant control of the company.

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

(c) *(續)*

附註：*(續)*

(l) 該公司於各期間結算日根據該公司組織章程大綱及細則入賬列為合營企業，該公司相關活動須獲全體董事一致同意。

(m) 於截至二零一六年十二月三十一日止年度，本集團與北京葛洲壩的合營企業合夥人訂立投資協議附錄。簽訂附錄前，本集團有權委任北京葛洲壩董事會五名董事中的三名，而北京葛洲壩相關活動須獲北京葛洲壩董事會一致同意。因此，本集團能夠對北京葛洲壩行使共同控制權，故其過往入賬列作本集團的一間合營企業。簽訂附錄後，本集團有權委任北京葛洲壩董事會七名董事中的三名，而北京葛洲壩相關活動須獲北京葛洲壩董事會過半數董事同意，因此本集團能夠對北京葛洲壩行使重大影響力。因此，其成為本集團的聯營公司。

(n) 該公司於年度結算日入賬列作聯營公司，乃因根據其大綱及細則，其相關活動須獲董事會大多數成員同意。本集團有權委任該公司董事會五名董事中的兩名董事，故本集團僅可對該公司施行重大影響。

(o) 該公司入賬列作聯營公司，乃因一名權益擁有人對該公司董事會有控制權，並可主導該公司相關活動。因此，本集團僅能夠對該公司施行重大影響。

(p) 由於該公司董事會五名具有投票權的董事中有兩名來自本集團，因而本集團僅可對該公司施行重大影響，故該公司於年度結算日入賬列作聯營公司。

董事認為，上表列示主要影響本集團業績或資產之本集團附屬公司、合營企業及聯營公司。董事認為描述其他附屬公司、合營企業及聯營公司詳情會令篇幅過於冗長。

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

(c) *(Continued)*

Notes: *(Continued)*

(l) The company is accounted for as a joint venture as at respective period end date as in accordance with the memorandum and articles of the company, relevant activities of the company require the unanimous consent of all directors.

(m) During the year ended December 31, 2016, addendum to the investment agreement of Beijing Gezhouba, was entered into between the Group and its joint venture partner. Before the signing of the addendum, the Group has the power to appoint three out of five directors in the board of Beijing Gezhouba and relevant activities of Beijing Gezhouba require unanimous consent from the board of Beijing Gezhouba. Thus, the Group is able to exercise joint control in Beijing Gezhouba and accordingly it was previously accounted for as a joint venture of the Group. After the signing of the acddendum, the Group has the power to appoint three out of seven directors in the board of Beijing Gezhouba and relevant activities of Beijing Gezhouba require consent with more than half of the directors in the board of Beijing Gezhouba, thus the Group is able to exercise significant influence in Beijing Gezhouba. Accordingly, it becomes an associate of the Group.

(n) The company is accounted for as an associate as at year end date as in accordance with the memorandum and articles of the company, relevant activities of the company requires consent with simple majority in the board of directors. The Group has the power to appoint two out of five directors in the board of the company, thus, the Group is only able to exercise significant influence in the company.

(o) The company is accounted for as associate as at year end date as one of the equity owners has control over the board of directors of the company and can direct the relevant activities of the company. Thus, the Group is only able to exercise significant influence in the company.

(p) The company is accounted for as an associate as at year end date as the Group has two out of five directors in the board of the company with voting rights, thus, the Group is only able to exercise significant influence in the company.

The above table lists the subsidiaries, joint ventures and associates of the Group which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries, joint ventures and associates would, in the opinion of the directors, result in particulars of excessive length.

49. 主要附屬公司、合營企業及聯營公司的詳情*(續)*

概無附屬公司於二零一六年十二月三十一日發行任何債務證券，重慶龍湖企業拓展發行若干債券(如附註26披露)除外。

有關本集團擁有重大非控制權益的非全資附屬公司的資產、負債及現金流量的財務資料概要於附註45披露。

49. PARTICULARS OF PRINCIPAL SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES *(Continued)*

None of the subsidiaries had issued any debt securities at December 31, 2016, except for Chongqing Longhu Development which has issued several bonds as disclosed in note 26.

The summarised financial information on the assets, liabilities and cash flows of non-wholly owned subsidiaries of the Group that have material non-controlling interests are disclosed in note 45.

50. 報告期後事項

於二零一七年二月十六日，本集團通過重慶龍湖企業拓展(一間間接全資附屬公司)發行第一期綠色債券：(i)五年期債券人民幣16億元，債券票面利率為4.4%，須於二零二二年二月十六日前悉數償還，重慶龍湖企業拓展有權於二零二零年二月十六日之後調整票面利率及投資者有權於二零二零年二月十六日前回售債券，以及(ii)七年期債券人民幣14.4億元，債券票面利率為4.67%，須於二零二四年二月十六日前悉數償還，重慶龍湖企業拓展有權於二零二二年二月十六日之後調整票面利率及投資者有權於二零二二年二月十六日前回售債券。

於二零一七年三月六日，重慶龍湖企業拓展發行第二期綠色債券，本金額為人民幣10億元，年期為七年，票面利率為4.75%，須於二零二四年三月六日前悉數償還。發行人有權於二零二二年三月六日之後調整票面利率及投資者有權於二零二二年三月六日前回售債券。

發行債券所得款項經扣除債券發售相關開支後將用於調整其債務結構及補充營運資金。

債券為無擔保債券並於上海證券交易所上市。

50. EVENTS AFTER THE REPORTING PERIOD

On February 16, 2017, the Group through Chongqing Longhu Development, an indirectly wholly-owned subsidiary, issued the first tranche of Green Bonds of (i) five years bonds of RMB1.6 billion with a coupon rate of 4.4% repayable in full by February 16, 2022, Chongqing Longhu Development shall be entitled to adjust the coupon rate after February 16, 2020 and the investors shall be entitled to sell back the bonds by February 16, 2020, and (ii) seven years bonds of RMB1.44 billion with a coupon rate of 4.67% repayable in full by February 16, 2024, Chongqing Longhu Development shall be entitled to adjust the coupon rate after February 16, 2022 and the investors shall be entitled to sell back the bonds by February 16, 2022.

On March 6, 2017, Chongqing Longhu Development issued the second tranche of Green Bonds of a principal amount of RMB1 billion with a duration of seven years and a coupon rate of 4.75% repayable in full by March 6, 2024. The Issuer shall be entitled to adjust the coupon rate after March 6, 2022 and the investors shall be entitled to sell back the bonds by March 6, 2022.

The proceeds from the issue of the bonds, after deduction of the expenses relating to the bond offering will be used to adjust its debt structure and replenish working capital.

The bonds are non-guaranteed bonds and listed on the Shanghai Stock Exchange.

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