



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

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

Stock Code 股份代號 : 1668

INTERIM REPORT 中期報告
2016/17





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CORPORATE INFORMATION

公司資料

Board of Directors Executive Directors

Mr. Cheng Chung Hing (*Co-Chairman*)⁽²⁾⁽³⁾
Mr. Leung Moon Lam
Mr. Fung Sing Hong Stephen (*Chief Executive Officer*) (*FCPA*)

Non-Executive Directors

Dr. Ma Kai Cheung *SBS, BBS* (*Co-Chairman*)
Mr. Sun Kai Lit Cliff *BBS, JP*
Dr. Ma Wai Mo
Mr. Cheng Tai Po
Mr. Lin Ching Hua

Independent Non-Executive Directors

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

Chief Financial Officer

Mr. Tsoi Yiu Ting (*FCCA*)

Company Secretary

Ms. Tse Man Yu Michelle (*FCPA*)

Auditors

Ernst & Young

Legal Advisors

As to Hong Kong law
Baker & McKenzie

As to China law

Commerce & Finance Law Offices

董事會 執行董事

鄭松興先生 (*聯席主席*)⁽²⁾⁽³⁾
梁滿林先生
馮星航先生 (*集團行政總裁*) (*FCPA*)

非執行董事

馬介璋博士 *銀紫荊星章、銅紫荊星章* (*聯席主席*)
孫啟烈先生 *銅紫荊星章、太平紳士*
馬偉武博士
鄭大報先生
林璟驊先生

獨立非執行董事

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

集團首席財務總監

蔡耀庭先生 (*FCCA*)

公司秘書

謝文瑜女士 (*FCPA*)

核數師

安永會計師事務所

法律顧問

香港法律
貝克•麥堅時律師事務所

中國法律

通商律師事務所

⁽¹⁾ Member of Audit Committee
⁽²⁾ Member of Remuneration Committee
⁽³⁾ Member of Nomination Committee

⁽¹⁾ 審核委員會成員
⁽²⁾ 薪酬委員會成員
⁽³⁾ 提名委員會成員

Principal Bankers

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

Registered Office

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

Share Registrar

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

Listing Information

Share Listing

The Stock Exchange of Hong Kong Limited
Stock code: 1668

Senior Notes Listing

The Company's 8.25% 5 years senior notes due 2019
The Company's 6.75% 5 years senior notes due 2021
The Singapore Exchange Securities Trading Limited

Website

www.chinasouthcity.com

Investor Relations

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主要往來銀行

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

註冊辦事處

香港
九龍
尖沙咀
廣東道15號港威大廈
永明金融大樓2205室

證券登記處

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

上市資料

股份上市

香港聯合交易所有限公司
股份代號：1668

優先票據上市

本公司於2019年到期的8.25% 5年期優先票據
本公司於2021年到期的6.75% 5年期優先票據
新加坡證券交易所有限公司

網站

www.chinasouthcity.com

投資者關係

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華南城

CHINA SOUTH CITY

SHENZHEN 深圳



▲ Trade center plaza 5 in operation
運營中的五號交易廣場



▲ HOBA Furnishing's new store in
CSC Shenzhen
於深圳華南城內的好百年家居新店



▲ Marketing campaign in CSC Shenzhen
於深圳華南城舉行的宣傳活動

▼ Birdview – CSC Shenzhen
深圳華南城鳥瞰圖



華南城

CHINA SOUTH CITY

NANCHANG 南昌



▲ Marketing campaign in CSC Nanchang outlet mall

於南昌華南城奧特萊斯商場舉行的宣傳活動

▲ Residential properties under construction in CSC Nanchang

於南昌華南城的在建中住宅物業

▲ Contract signing ceremony held in CSC Nanchang

於南昌華南城舉行的商戶入駐簽約儀式

▼ Birdview – CSC Nanchang
南昌華南城鳥瞰圖



華南城

CHINA SOUTH CITY

NANNING 南寧



▲ Residential properties under construction in CSC Nanning
於南寧華南城的在建中住宅物業



▲ International Travel and Food Festival in CSC Nanning
於南寧華南城舉行的國際旅遊美食節



▲ Residential properties launch for sale in CSC Nanning
於南寧華南城的住宅物業開盤銷售活動

▼ Birdview – CSC Nanning
南寧華南城鳥瞰圖



華南城

CHINA SOUTH CITY

XI'AN 西安



▲ Cross-border commodities outlet center in CSC Xi'an
於西安華南城的跨境商品直銷中心



▲ Hardware & machinery trading center in CSC Xi'an
於西安華南城的五金機電交易中心



▲ Leather & fur city in CSC Xi'an
於西安華南城的皮革皮草城

▼ Birdview – CSC Xi'an
西安華南城鳥瞰圖



華南城

CHINA SOUTH CITY

HARBIN 哈爾濱



▲ The outlet mall in CSC Harbin
於哈爾濱華南城的奧特萊斯商城



▲ Sino-Russia Trading Building & Petersburg Hotel under construction in CSC Harbin
於哈爾濱華南城在建中的中俄貿易大廈及彼得堡酒店



▲ Grand opening of hardware & machinery market in CSC Harbin
於哈爾濱華南城的五金機電市場盛大開幕

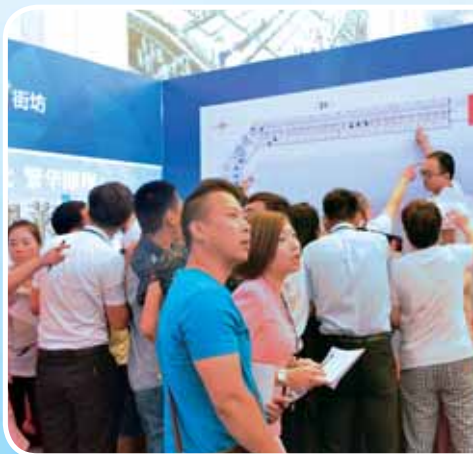
▼ Birdview – CSC Harbin
哈爾濱華南城鳥瞰圖



華南城

CHINA SOUTH CITY

ZHENGZHOU 鄭州



▲ The launch for sale at CSC Zhengzhou
鄭州華南城的開盤活動



▲ Hardware & machinery market in
CSC Zhengzhou
於鄭州華南城的五金機電市場



▲ Non-staple food market in CSC Zhengzhou
於鄭州華南城的副食品市場

▼ Birdview – CSC Zhengzhou
鄭州華南城鳥瞰圖



華南城

CHINA SOUTH CITY

HEFEI 合肥



▲ Residential properties launch for sale in CSC Hefei
於合肥華南城的住宅物業開盤銷售活動

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

▲ Trade center in detached style in CSC Hefei
於合肥華南城單幢式交易中心

▼ Birdview – CSC Hefei
合肥華南城鳥瞰圖



華南城

CHINA SOUTH CITY

CHONGQING 重慶



▲ The grand opening of food wholesale market in CSC Chongqing
於重慶華南城的食物批發市場盛大開幕



▲ CSC Chongqing in trial operation
試運營中的重慶華南城



▲ The exhibition center in CSC Chongqing
於重慶華南城的展覽中心

▼ Birdview – CSC Chongqing
重慶華南城鳥瞰圖



CHAIRMAN'S STATEMENT

主席報告

On behalf of the board of directors (the "Board") of China South City Holdings Limited (the "Company"), together with its subsidiaries ("China South City" or the "Group"), I am pleased to report the unaudited consolidated interim results of the Group for the six months ended 30 September 2016 ("1H FY2016/17" or the "Period").

Results and Dividend

During the Period, the Central Government continued to accelerate its supply-side structural reforms to promote long term and sustainable economic growth. On the back of credit easing, increased fiscal spending, a buoyant property market and other government stimulus measures, major economic indicators pointed to a more stable economic growth in China. This was accompanied by a narrowing decline in imports and exports, as well as a rebound in the manufacturing Purchasing Managers' Index ("PMI") of 51.2 in October 2016. The manufacturing PMI has remained above the 50-point mark for three consecutive months and reached the highest level since July 2014, outperforming market expectations. Furthermore, China maintained 6.7% gross domestic product ("GDP") growth in the third quarter of 2016, remaining at the same level for three consecutive quarters. Nevertheless, the complex and uncertain macroeconomic environment still posed certain challenges to the Group's operating performance.

In response to the economic shift, the Group proactively adjusted its strategy to broaden its revenue stream during the Period. The Group successfully expedited residential ancillary sales, diversified the tenant mix by attracting E-commerce and technology companies as tenants, and strengthened its comprehensive ancillary facilities and services. As a result, the Group's recurring income grew steadily during the Period, and its Contracted Sales also rose 13.7% year-on-year to reach to HK\$4,315.6 million (1H FY2015/16: HK\$3,796.3 million), asserting a rebound marked by five consecutive quarters of growth.

The Group recorded revenue growth of 34.4% year-on-year to reach HK\$2,892.8 million (1H FY2015/16: HK\$2,152.9 million) for the Period. Recurring revenue grew 22.1% year-on-year to reach HK\$736.5 million (1H FY2015/16: HK\$603.2 million). Net profit attributable to owners of the parent stood at HK\$856.9 million (1H FY2015/16: HK\$755.8 million). Core net profit attributable to owners of the parent (being net profit attributable to owners of the parent excluding fair value gains on investment properties and related tax effects and profit or loss on purchase and redemption of senior notes) was HK\$258.6 million (1H FY2015/16: HK\$197.7 million). Basic earnings per share stood at HK10.70 cents (1H FY2015/16: HK9.45 cents).

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2016 (1H FY2015/16: Nil).

本人謹代表華南城控股有限公司(「本公司」)之董事會(「董事會」)，連同其附屬公司(「華南城」或「本集團」)，謹此欣然呈報本集團截至2016年9月30日止六個月(「2016/17財政年度上半年」或「本期間」)未經審核的綜合中期業績。

業績及股息

中央政府於本期間持續加強供給側結構性改革，以推動中國經濟達至長遠及可持續增長。在信貸寬鬆、基礎設施開支增加和房地產市場蓬勃的背景，以及其他政府經濟刺激措施的推動下，多項主要經濟指標均顯示中國經濟的增長正趨於穩定。與此同時，進出口貿易降幅收窄，而2016年10月份製造業採購經理指數(「PMI」)亦回升至51.2，並連續3個月突破50點，為2014年7月以來新高，遠超市場預期。此外，2016年第三季度國內生產總值增速維持於6.7%，連續三個季度持平。然而，複雜多變的宏觀經濟環境仍對本集團的經營表現帶來若干挑戰。

為應對經濟轉型，本集團積極調整其經營策略，擴闊收入來源。本期間，本集團成功加快推售其住宅配套，並通過引入電子商貿和科技類公司進一步豐富其租戶組合，同時加強其綜合配套設施及服務，使本集團的持續性收入於本期間實現穩定增長，合約銷售同比上升13.7%至43.156億港元(2015/16財政年度上半年：37.963億港元)，錄得連續5個季度反彈。

本集團於本期間錄得收入同比增長34.4%至28.928億港元(2015/16財政年度上半年：21.529億港元)，持續性收入同比增長22.1%至7.365億港元(2015/16財政年度上半年：6.032億港元)。母公司擁有人應佔淨利潤為8.569億港元(2015/16財政年度上半年：7.558億港元)。母公司擁有人應佔核心淨利潤(即未計投資物業公平值收益及相關稅款和購買及贖回優先票據之損益影響後的母公司擁有人應佔淨利潤)為2.586億港元(2015/16財政年度上半年：1.977億港元)。每股基本盈利為10.70港仙(2015/16財政年度上半年：9.45港仙)。

董事會不建議派付截至2016年9月30日止六個月中期股息(2015/16財政年度上半年：無)。

Review of the Market and Operations Solid performance was attributable to a diversified and flexible business model

China South City commands a unique business model and an unparalleled network of projects, strategically located in major provincial capitals and municipalities in China. With its project developments spanning a long economic cycle and operations straddling numerous business sectors, the Group has a business model which is both diverse and flexible enough to ride through cyclical fluctuations during the economic transition ensures the sustainability of its business. In 1H FY2016/17, the Group continued to see encouraging growth in recurring income and residential ancillary sales despite the sales of trade center remained weak amid the overall macroeconomic environment and the slower than expected of local wholesale market relocation.

During the Period, the Central Government continued to focus on reducing housing inventory. The Group saw an increase in demand for its residential ancillary. Leveraging its flexible business model, the Group launched additional residential ancillary to meet rising market demand during the Period.

Steady growth in recurring income provides sustainable development

Our guiding principle for achieving sustainable and long-term development is based on steady growth in income generated from recurring business operations, such as rental, property management, E-commerce, logistics and warehousing services and outlet operations. The Group believe that the successful replication of our unique business model across geographies highlights the merit of the Group's operating philosophy. During the Period, income from rental, property management, E-commerce, logistics and warehousing services and outlet operations reached HK\$353.5 million, HK\$153.2 million, HK\$63.4 million, HK\$74.9 million and HK\$83.2 million respectively (1H FY2015/16: HK\$334.0 million, HK\$88.0 million, HK\$50.8 million, HK\$65.8 million and HK\$59.6 million respectively).

Logistics and warehousing services formed an integral part of the Group's strategic resources. The growing demand for warehousing services remained the driving force for the Group's warehousing business and its high occupancy rate. Backed by our well-developed regional logistics hub, the Group successfully expanded its tenant portfolio during the Period by attracting new clients such as technology companies and E-commerce platforms. The Group also plans to extend its services through various means, such as providing customized warehouses to leading third party logistics companies.

市場及運營回顧 業務穩健受惠於多元化及靈活的商業模式

華南城擁有獨特的商業模式及無可比擬的戰略布局，其項目網絡遍布中國主要省會及直轄市。由於項目發展跨越較長的經濟周期，加上運營涉及多個業務範疇，本集團充份運用其多元化且靈活的商業模式，以應對經濟轉型中周期性波動所產生的影響，並確保本集團業務的可持續發展。於2016/17財政年度上半年，儘管本集團商品交易中心商舖的銷售受整體經濟環境及地方市場搬遷較預期緩慢的影響依然疲軟，但持續性收入與住宅配套銷售持續錄得令人鼓舞的增長。

中央政府於本期間繼續推動房地產市場去庫存，帶動市場對本集團住宅配套需求的增長。憑藉其靈活的商業模式，本集團於本期間加推住宅配套，以滿足不斷上升的市場需求。

持續性收入增長穩健，確保實現可持續發展

本集團認為其租金、物業管理、電子商貿、物流及倉儲服務及奧特萊斯運營等持續性業務收入的穩健增長是長期可持續發展的基礎。本集團相信，華南城於不同地區成功複製其獨特的商業模式亦反映其經營理念的優勢。本期間，來自租金、物業管理、電子商貿、物流及倉儲服務及奧特萊斯運營的收入分別為3.535億港元、1.532億港元、6,340萬港元、7,490萬港元及8,320萬港元(2015/16財政年度上半年：分別為3.340億港元、8,800萬港元、5,080萬港元、6,580萬港元及5,960萬港元)。

物流及倉儲服務是本集團戰略資源的重要組成部分。市場對倉儲服務需求的日益增長是本集團發展倉儲業務與實現高出租率的驅動力。在完善的區域物流樞紐的支持下，本集團於本期間通過引入如科技類公司及電子商貿平台等新客戶，成功豐富租戶組合。此外，本集團亦計劃通過提供不同業務模式，例如為領先的第三方物流公司提供訂制化倉庫等，優化其服務。

As "Internet Plus" being a core strategy of the Group's fourth-generation integrated logistics and trading platform, the Group further strengthened the development of its E-commerce services by leveraging its B2B platform – CSC86.com and strategic partnership with Tencent Holdings Limited ("Tencent"). the Group's E-commerce services such as online payment and trial online membership program were widely appreciated by our customers, serving as key tools for raising small and medium-sized enterprises ("SMEs") competitiveness and facilitating buyer and seller transactions.

The outlet mall at China South City Shenzhen ("CSC Shenzhen") contributed a steadily growing stream of recurring income for the Group. Following the transformation of CSC Shenzhen into an iconic regional outlet center, the district enjoyed steady visitor traffic which helped to boost the Group's brand recognition. Riding on its successful operations, the Group replicated the Shenzhen outlet model across other projects. During the Period, the outlet malls in Xi'an, Nanchang, Nanning and Harbin also performed in line with our expectations.

Diversification of financing channels in onshore and offshore capital markets

During the Period, the Group undertook a number of onshore and offshore financing activities at a relatively low cost that lead to further reduction of overall financing costs and improvement of its financial structure. As a leading developer and operator of large-scale integrated logistics and trade centers in China by planned gross floor area ("GFA"), the Company taps into the domestic capital market to take advantage of the easing funding environment to diversify its funding channels.

「互聯網+」作為本集團第四代綜合商貿物流及商品交易平台的核心策略。本集團憑藉其B2B平台—華南城網以及與騰訊控股有限公司(「騰訊」)的策略性合作，將進一步加強其電子商貿服務的發展。本集團的電子商貿服務，提供包括線上支付功能及試驗性網上會員計劃，成為協助中小企業提升自身競爭力以及促進買賣雙方交易的工具，受到客戶的廣泛認可。

位於深圳華南城的奧特萊斯商城為本集團提供了穩定增長的持續性收入。隨著深圳華南城成為標誌性的地區奧特萊斯中心，本集團盡享穩定客流，並提升品牌的知名度。憑藉深圳奧特萊斯商城的成功運營，本集團將該模式陸續複製至其他項目。本期間，西安、南昌、南寧及哈爾濱的奧特萊斯商城的運營表現均如預期。

多元化的境內和境外資本市場融資渠道

本期間，本集團進行了多項成本相對較低的境內及境外融資活動，進一步降低整體融資成本及改善融資結構。作為一家中國領先的大型綜合商貿物流及商品交易中心的開發及運營商(按規劃建築面積)，本公司利用國內資本市場寬鬆的融資環境，豐富其融資渠道。

Future Prospects

Looking ahead to the second half of the fiscal year, the Group maintains a cautiously optimistic business outlook for its operating environment in the short to medium term, as China's economy continues to face considerable pressure amid structural reforms and transformation. The Group will continue to implement its long-term strategy and is well-positioned to capture the opportunities arising from China's economic development. After 1H FY2016/17, I have signed a letter of intent (the "Letter of Intent") with a Shenzhen-listed property developer, Shenzhen Centralcon Investment Holding Co., Ltd. ("Centralcon"), in relation to the proposed share transfer of an approximately 23.20% equity stake in the Company. I believe the introduction of Centralcon as a substantial shareholder will further strengthen the Company's shareholder base. The transaction is expected to bring synergy and increase the competitiveness of both companies, as well as combine their resources as listed companies in both PRC and Hong Kong. These benefits will stem from Centralcon's extensive experience in residential property development, high-end hotel and commercial property management, as well as China South City's expertise in the development and operation of integrated large-scale trade and logistics centers. After the proposed transaction, my management position and the core management of the Company will basically remain unchanged and we all have full confidence in the future of the Company. I am also actively looking into investment opportunities in Centralcon and becoming an important shareholder of Centralcon.

The Central Government's "One Belt, One Road" initiative and "Internet Plus" strategy will continue to support the Group's prospects for long-term development. In addition, the Group anticipates a diversified revenue stream with the introduction of new business initiatives and opportunities such as further tenant mix diversification, accelerated development of its warehousing business and the upcoming government initiatives in the proximity of several existing projects. These will serve to bolster the Group's steady growth trajectory. In adapting to the shifting business landscape, the Group will continue to develop its "Online + Physical + Logistics" business eco-system to provide better services and support to its tenants, in line with the Group's fourth-generation integrated logistics and trading development.

The management expects the Group to achieve an annual sales target of HK\$7.5-8.5 billion for the fiscal year ended 31 March 2017 ("FY2016/17"). As at 30 September 2016, the Group has achieved HK\$4.3 billion of Contracted Sales.

Finally, on behalf of the Board, I would like to extend my heartfelt gratitude to our valued shareholders, customers and business partners, for their trust and continued support of the Group. I would also like to express my appreciation to the management and staff for their professionalism and wholehearted commitment.

Cheng Chung Hing
Co-Chairman & Executive Director

Hong Kong, 25 November 2016

前景

展望本財政年度下半年，結構性改革和轉型將持續對中國經濟構成一定壓力。本集團對其中短期的業務前景保持審慎樂觀。同時，本集團亦將繼續貫徹其長期策略，積極把握國家經濟發展中所帶來的機遇。於2016/17財政年度上半年期後，本人與於深圳上市的房地產開發商，深圳市中洲投資控股股份有限公司（「中洲控股」）簽訂了意向書，擬轉讓合共約佔本公司已發行股份總數約23.20%的股權。本人相信引入中洲控股作為主要股東將進一步加強本公司的股東基礎。預期該交易將有利於兩家公司利用雙方在香港與內地上市的公司資源，提升雙方的競爭力，形成業務協同與互補。這些得益將源於中洲控股在住宅地產開發、高端酒店與商業物業管理的豐富經驗，以及華南城在大型綜合商貿物流與商品交易中心開發與運營方面的專業經驗。該建議交易之後，本人和核心管理層在公司的管理地位將基本保持不變，我們對公司未來的發展充滿信心。本人將積極尋求在中洲控股的投資機會，並有意成為中洲控股的重要股東。

本集團的長遠發展將繼續受惠於中央政府提出的「一帶一路」倡議和「互聯網+」戰略。此外，因應多元化的租戶組合、倉儲業務的加快發展，以及當地政府於現有華南城項目周邊將推出的新發展計劃等，相信本集團未來的收入來源將更加多元化，亦將有助加強其穩定增長的勢頭。為應對多變的商業環境，本集團將堅持其第四代商貿物流及商品交易平台的發展，繼續完善「網絡+實體+物流」的商貿生態系統從而為租戶提供更優質的服務與支持。

管理層預計本集團截至2017年3月31日止財政年度（「2016/17財政年度」）的年度銷售目標將實現75至85億港元。截至2016年9月30日，本集團已實現43億港元的合約銷售。

最後，本人謹代表董事會，衷心感謝我們的股東、客戶以及業務夥伴一直以來對本集團的信任及支持，同時亦對管理層及員工的專業精神及全心投入深表謝意。

鄭松興
聯席主席兼執行董事

香港，2016年11月25日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review

During the Period, the Central Government continued to pursue supply-side structural reforms by boosting infrastructure investment, stimulating domestic demand, and fostered internal growth drivers. As a result, China's economy has shown new signs of growth momentum. In recent months, key market indicators such as GDP growth, manufacturing PMI and foreign trade volume have reflected China's economic stability. In addition, the property market in China continued to thrive during the Period, seeing strong demand and stellar growth in housing prices. These factors have contributed to a favorable market sentiment, supporting the demand for the Group's residential ancillary and comprehensive value-added services.

Anchored on its unique "Online + Physical + Logistics" business model, the Group succeeded in maintaining the growth momentum of its recurring businesses, delivering steady revenue stream growth. With the increasing maturity of the Group's existing projects, its residential ancillary was well-received by the market and contributed to the Group's contracted sales growth. This strong performance was made possible by excellent property locations in major provincial capitals and municipalities in China, and aided by surrounding infrastructural developments such as metro systems, highways and railways.

However, in light of a complex and uncertain macroeconomic environment, intensifying competition and the slower than expected in local wholesale market relocation, SMEs remained hesitant towards investing in trade center units. As a result, contracted sales for the Group's wholesale market units were adversely affected.

During the Period, the Group recorded total revenue of HK\$2,892.8 million (1H FY2015/16: HK\$2,152.9 million) representing a year-on-year growth of 34.4%. Its recurring income increased by 22.1% year-on-year from HK\$603.2 million in 1H FY2015/16 to HK\$736.5 million, accounting for 25.5% of the total revenue (1H FY2015/16: 28.0%). Contracted sales grew by 13.7% to HK\$4,315.6 million (1H FY2015/16: HK\$3,796.3 million). Net profit attributable to owners of the parent reached HK\$856.9 million (1H FY2015/16: HK\$755.8 million). Basic earnings per share amounted to HK10.70 cents (1H FY2015/16: HK9.45 cents).

Harnessing China South City's Business Growth Potential

Located in China's major provincial capitals and municipalities, the Group's projects are set to benefit from the Central Government's increase in infrastructure spending. Following the increasing maturity of our projects, the Group saw a growing demand for its residential ancillary facilities. This demand was further assisted by increased provincial development during the Period, as shown in strong residential ancillary sales at China South City Nanchang ("CSC Nanchang") and China South City Hefei ("CSC Hefei") during the Period.

業務回顧

中央政府於本期間通過加大基礎設施投資以及刺激內需等措施，進一步深化供給側結構性改革，為中國經濟增長提供新動力。因此，中國經濟呈現出新的增長趨勢的跡象。近月，多項主要市場指標如國內生產總值增速、製造業採購經理指數和對外貿易總額等均顯示中國經濟保持穩定。此外，中國房地產市場於本期間亦發展蓬勃，需求強勁，房價上漲。上述因素營造了良好的市場氣氛，並帶動對本集團住宅配套及綜合增值服務的需求。

本集團憑藉其獨特的「線上+實體+物流」商業模式，成功保持持續性業務的增長趨勢，提供穩定增長的收入來源。隨著現有項目漸趨成熟，本集團的住宅配套受到市場的廣泛認可，並為本集團的合約銷售增長作出貢獻。與此同時，項目位處中國主要省會及直轄市，盡享地理優勢，加上周邊基礎設施建設如地鐵系統、高速公路及鐵路的發展，亦是本集團強勁表現的助力。

然而，在複雜多變的宏觀經濟環境下，市場競爭日益加劇，加上地方批發市場外遷計劃較預期緩慢，導致中小企業對投資商品交易中心商舖保持觀望態度。因此，本集團商品交易中心商舖的合約銷售表現因而受到負面影響。

本期間，本集團錄得總收入28.928億港元(2015/16財政年度上半年：21.529億港元)同比增長34.4%。持續性收入由2015/16財政年度上半年的6.032億港元增長22.1%至7.365億港元，佔總收入的25.5%(2015/16財政年度上半年：28.0%)。合約銷售增長13.7%至43.156億港元(2015/16財政年度上半年：37.963億港元)。母公司擁有人應佔淨利潤為8.569億港元(2015/16財政年度上半年：7.558億港元)。每股基本盈利為10.70港仙(2015/16財政年度上半年：9.45港仙)。

發揮華南城業務的增長潛力

本集團的項目位處中國主要省會及直轄市，勢將受惠於中央政府對基礎建設設施投入的增加。隨著本集團的項目運營逐漸成熟，市場對本集團的住宅配套設施需求增長日趨強勁。於本期間，受省會城市快速發展的帶動，南昌華南城及合肥華南城的住宅配套銷售備受市場熱烈追捧。

Accelerated Ancillary Facilities Developments

The completion of multiple government-led infrastructure projects has led to greater demand for ancillary facilities in and around of the Group's project sites. With the recent completion of the subway line passing through China South City Xi'an ("CSC Xi'an") and China South City Zhengzhou ("CSC Zhengzhou") as well as the subway line passing through Shenzhen subway line is underway, the Group has identified ancillary facilities as a development priority. In addition, key national events such as the 14th National Games of the People's Republic of China in Xi'an 2021 will pull further visitors to its sites. In response, the Group has ramped up the development of ancillary facilities in its major projects, with particular focus on residential ancillary and outlet operations.

Maintained the Strong Growth Momentum of CSC Zhengzhou

Located at the heart of a major logistics hub in Central China, over the past two years CSC Zhengzhou has stood out as the Group's fastest-growing project in terms of revenue contribution and rate of development. Given the progress of local government's relocation and new infrastructure development, the Group saw immense development potential in CSC Zhengzhou. For example, the extension of subway line 2 in Zhengzhou which connects the downtown area to the Zhengzhou Airport Economic Zone ("AEZ"), passes through CSC Zhengzhou with three stops, has already commenced trial operation recently and will put into operation in the near future. To achieve its full growth potential, the Group has strategically focused its investment resources on this project. Between July and November this year, the Group newly acquired land with the purpose of commercial, residential and warehouse to support the long-term development of CSC Zhengzhou.

提速發展配套設施

隨著由地方政府牽頭的多項基礎設施建設相繼落成，市場對本集團項目及其周邊的配套設施的需求亦相應增加。伴隨近期位於西安華南城及鄭州華南城的地鐵項目的分別建成，以及深圳項目上地鐵建設順利推進，本集團將配套設施的建設視為發展重點。此外，國家級的重點活動，例如已經確定在2021年於西安舉辦的第十四屆中華人民共和國全國運動會（「全運會」）將進一步帶動我們項目的人流。因此本集團加速發展其主要項目的配套設施，尤其是住宅配套及奧特萊斯兩個業務板塊。

保持鄭州華南城勢頭強勁

位處華中地區主要物流樞紐的核心地帶，鄭州華南城在過去兩年一直是本集團在收入貢獻和發展速度方面表現最突出的項目。鑒於地方政府在搬遷和區內新基建設的建設進度，本集團認為鄭州華南城的發展潛力非常優厚，例如近期已開始試運營並即將通車，連接鄭州市中心城區及航空港經濟綜合實驗區的鄭州地鐵2號線延長線將沿鄭州華南城設三個車站。為充分發揮鄭州華南城的增長潛力，本集團將策略性地專注投放資源於該項目上。於今年7月至11月期間，本集團新購得商業、住宅及倉儲用途之土地，以支持鄭州華南城的長遠發展。



▲ The extension of Zhengzhou subway line 2 passing through CSC Zhengzhou
直達鄭州華南城的鄭州地鐵2號線延長線



▲ International E-commerce logistics center in CSC Shenzhen
於深圳華南城的國際電商物流中心

Increasingly diversified tenant mix across projects

CSC Shenzhen is the Group's first development project. After over a decade of development, CSC Shenzhen further diversified its business operations and enhanced the ancillary facilities and services of its fourth-generation integrated logistics and trading platform. Due to its competitive strengths in logistics facilities and a diverse customer base, CSC Shenzhen has become a hub for leading cross-border E-commerce enterprises. Building on this successful model, the Group further diversified its tenant mix by introducing E-commerce companies to other projects. Tapping into our E-commerce tenants' high demand for warehousing facilities and logistics services, tenant diversification not only broadens the Group's revenue stream, but also further develops its business eco-system for the extensive integration of O2O trading.

Steady Revenue Streams from Recurring Business

As a leading operator of large-scale integrated logistics and trade centers in China, the Group has successfully built up a strong project portfolio spanning eight cities over the country. The Group leverages its physical assets as a platform to offer comprehensive value-added services to its occupants, thereby generating multiple streams of recurring income. With more projects commencing operation and a burgeoning demand for its ancillary services, the Group saw a sustainable growth in recurring income.

Logistics and Warehousing Services

China's logistics sector has flourished on the back of the E-commerce boom and has drawn increasing investor interest. Riding on the growing maturity of its projects, coupled with the exponential growth of E-commerce in China, the Group saw a strong demand for its warehousing facilities and logistics services from both tenants and third-party logistics providers, the growing demand has acted as a key driving force for the Group's warehousing business. During the Period, this segment recorded revenue of HK\$74.9 million (1H FY2015/16: HK\$65.8 million), up by 13.8% year-on-year.

項目租戶組合日趨多元化

深圳華南城是本集團開發的首個項目。經過十餘年的發展，深圳華南城進一步豐富其商業運營，並提升其第四代綜合商貿物流及商品交易平台的配套設施和服務。憑藉深圳華南城在物流設施及多元化客戶基礎的競爭優勢，該項目已成為匯聚領先跨境電子商貿企業的樞紐。基於該項目的成功模式，本集團積極在其他項目引入電子商貿企業，使租戶組合進一步多元化。鑒於電子商貿租戶對倉儲設施與物流服務的龐大需求，多元化的租戶組合不僅擴闊本集團的收入來源，並促進其商業生態系統的進一步發展，深化「線上線下」融合的貿易服務。

持續性業務創造穩定收入來源

作為一家中國領先的大型綜合商貿物流及商品交易中心運營商，本集團已成功建立起一個遍布全國八個城市的強大項目組合。本集團以實體資源為平台，為其租戶提供全面的增值服務，從而產生多元化的持續性收入。隨著越來越多項目投入運營，加上市場對配套服務的需求顯著上升，本集團的持續性收入增長穩定。

物流及倉儲服務

受惠於電子商貿的高速發展，中國物流業發展蓬勃，投資者對行業的關注度亦因而提升。隨著項目發展日漸成熟，加上電子商貿在中國迅速增長，租戶及第三方物流供應商對本集團倉儲設施與物流服務的需求強勁，這日益增長的需求是本集團倉儲業務發展的主要驅動力。本期間，此業務分部錄得收入7,490萬港元（2015/16財政年度上半年：6,580萬港元），同比上升13.8%。

Capitalizing on the E-commerce boom, the Group intends to grow its tenant portfolio by attracting new clients, such as leading third-party logistics companies and E-commerce companies. The Group also considers optimizing its services through various means, including a plan to provide customized warehouses to meet customers' needs. Through utilizing China South City's extensive network, the Group saw a gradual increase in demand for its Logistics Information Exchange Platform ("LIEP") services from SMEs and Heavy Goods Vehicles ("HGVs") drivers, which help cargo owners to manage delivery cost more effectively and utilize resources more efficiently.

順應電子商貿的蓬勃發展，本集團計劃通過吸納領先的第三方物流公司及電子商貿企業等新客戶進一步豐富其租戶組合。本集團亦計劃提供訂制化倉庫等多種措施以滿足客戶需求從而優化其服務。通過利用華南城完善的項目網絡，中小企業及重型卡車司機對本集團物流信息交易平台的需求逐步增強，物流信息交易平台將有助於貨主更有效管理運輸成本及運用資源。



▲ QianLong Logistics and warehousing in CSC Zhengzhou
於鄭州華南城的乾龍倉儲物流



▲ QianLong Logistics and warehousing in CSC Shenzhen
於深圳華南城的乾龍倉儲物流

E-commerce Development

Today, China's internet penetration rate exceeds 50%. The "Internet Plus" strategy is pivotal to upgrading the nation's industries. It is also set to create new economic drivers and form a new economic trend in China. To take full advantage of this national strategy, the Group further strengthened its fourth-generation integrated logistics and trading platform during the Period, which was instrumental in helping SMEs raise their operational efficiency and competitiveness. Backed by its strategic partnership with Tencent, the Group has harnessed Tencent's technical expertise and wealth of resources to step up its support of SMEs' E-commerce development.

During the Period, the Group continued to upgrade its integrated "O2O" platform. It strengthened its E-commerce platform – CSC86.com to deliver a more superior and efficient support service to SMEs in areas such as online trading and payment.

電子商貿發展

目前，互聯網普及率在中國已超過50%。「互聯網+」戰略無疑是國家進行產業升級的關鍵，並為中國經濟提供新的動力，形成經濟新趨勢。本集團積極把握此利好國策，於本期間進一步加強發展其第四代綜合商貿物流及商品交易平台，以提升中小企業的經營效率及競爭力。憑藉與騰訊的戰略合作關係，本集團利用騰訊的技術優勢與豐富資源，支持中小企業發展電子商貿。

本期間，本集團繼續升級其「線上線下」平台，強化其電子商貿平台—華南城網，從而為中小企業提供包括線上交易與支付服務在內的更優質更高效服務。

Outlet Operations

Due to the intensifying competition from online retail, the brick-and-mortar retail business faced challenges with weak same-store sales and excessive inventory. Nevertheless, the outlet business has become more popular in the retail sector and grown rapidly in recent years, providing shoppers with a quality shopping experience, after sales service and branded goods at value-for-money prices. The Group gains full exposure to these market opportunities through its wholly-owned subsidiary – Shenzhen Huasheng Commercial Development Company Limited. The outlets business continues to generate significant cash flow and further supports our projects by driving steady visitor flow.

During the Period, the outlets operations recorded a gross sales turnover of approximately RMB415 million and generated a recurring income of HK\$83.2 million. Riding on its successful operations, the Group replicated the Shenzhen outlet model across other projects. Trial runs of its outlet malls in China South City Nanning (“CSC Nanning”), CSC Nanchang, CSC Xi’an and China South City Harbin (“CSC Harbin”) projects are showing positive results. The outlet mall in CSC Xi’an was the second-largest contributor among the Group’s outlet malls in terms of sales turnover and number of brands. The subway line 3 of Xi’an metro, which commenced trial operation on 8 November 2016, passes through CSC Xi’an and is expected to bring more business opportunities and visitor traffic to the region. The outlet malls in CSC Zhengzhou and CSC Hefei are slated to begin operations in the near future, which will generate more recurring income and operating cash flow for the Group.



▲ Cross-border commodities outlet center in CSC Shenzhen
於深圳華南城的跨境商品直銷中心

奧特萊斯運營

面對來自線上零售的激烈競爭，以實體店為銷售點的零售業面臨同店銷售疲弱及庫存積壓的挑戰。然而，奧特萊斯商城為消費者提供折扣品牌產品的同時，亦帶來具品質的購物體驗及售後服務，於近年零售行業日益風靡，實現快速增長。本集團全資附屬公司—深圳華盛商業發展有限公司把握市場機遇，專業經營奧特萊斯業務，持續貢獻可觀的現金流並進一步為項目帶來穩定的人流。

於本期間，奧特萊斯運營錄得約人民幣4.15億元的總銷售額，貢獻8,320萬港元的持續性收入。憑藉其成功的運營，本集團複製深圳奧特萊斯商城的運營模式至其他項目。南寧華南城、南昌華南城、西安華南城以及哈爾濱華南城的奧特萊斯商城試運營均獲得良好的業績表現。西安華南城的奧特萊斯商城在銷售額及品牌數量方面均已成為本集團奧特萊斯商城中第二大貢獻來源。途經西安華南城的西安地鐵3號線亦已於2016年11月8日投入試運營，將為該區域帶來更多商機及帶動更多客流。鄭州華南城及合肥華南城的奧特萊斯商城即將陸續投入運營，並為本集團帶來更多的持續性收入及經營現金流。



▲ Marketing campaign held in CSC Xi'an outlet mall
於西安華南城奧特萊斯商城舉行的宣傳活動

The Group recognized the inherent opportunity in China’s strong demand for overseas products ranging from daily essentials to high-end luxury products. It has targeted this opportunity by expanding its outlets business based on the “Direct Overseas Sourcing” model. The Group have started a new business unit called “Atlantis” which specializes in sourcing luxury fashion products from overseas, to meet the increasing demand for affordable foreign luxury goods in China. Atlantis is expected to commence operations in Shenzhen, Nanchang and Harbin within the coming year, and is set to further enhance the ancillary facilities of the projects, as well as to attract additional traffic.

本集團注意到中國市場對包括日常用品以至高級奢侈品在內的外國產品的需求強勁所帶來的商機。針對這一商機，本集團利用「海外直購」的模式拓展及豐富其奧特萊斯業務。本集團成立了一個全新的業務單位—「亞特蘭蒂斯」，專營時尚奢侈品的海外採購，以滿足國內對海外折扣奢侈品日益增長的需求。亞特蘭蒂斯將於未來一年於深圳、南昌和哈爾濱等地開始運營，預計將能進一步加強各項目的配套設施，以吸引更多的人流。

Property Management

In order to further increase its competitive edge in property management of wholesale market, the Group increased its efforts to raise property management and service standards. With the completion of several new projects, the Group has fortified its industry standing by utilizing its fourth-generation integrated logistics and trade centers to provide quality service and grow economies of scale. The Group's efforts paid off, as shown by the continued growth in recurring revenue and steady cash inflows provide by this segment. In 1H FY2016/17, recurring income from property management grew by 74.1% year-on-year to HK\$153.2 million.



▲ Property management team in CSC Harbin
於哈爾濱華南城的物業管理團隊

物業管理

為進一步加強其在批發市場物業管理方面的競爭優勢，本集團積極提升管理與服務標準。隨著新項目陸續落成，本集團憑藉其第四代綜合商貿物流及商品交易平台先進的設施，提供優質的服務以及日益增長的規模，從而鞏固其領先的市場地位。本集團通過多方面努力，成功取得了該業務板塊收入的持續快速增長。2016/17財政年度上半年，來自物業管理的持續性收入同比增長74.1%達1.532億港元。



▲ HOBA Furnishing main store in Shenzhen
於深圳的好百年家居總店

HOBA Furnishing

Quoted on the National Equities Exchange and Quotations System (also known as the "New Third Board") in the PRC, Shenzhen HOBA Home Furnishing Chain Store Co., Ltd. ("HOBA Furnishing") is principally engaged in the operation of furnishing centers in the PRC for the supply of middle-to-high-end quality home furnishing products and accessories. As at 30 September 2016, HOBA Furnishing operated ten stores (including two new megastores in CSC Shenzhen and CSC Nanning respectively) in China, contributing stable recurring income to the Group. During the Period, trial operations of the two new stores in CSC Shenzhen and CSC Nanning proceeded smoothly.

Trade Fairs

The Group organized a number of trade exhibitions and conventions across its projects, leveraging its large-scale trading platforms in major provincial capitals and municipalities in China together with its long-term relationships and extensive experience in co-organizing trade fairs with local governments. The events were well-received by many international and local exhibitors, not only boosting visitor and business traffic to these projects, but also creating more business opportunities for its trade centers. This further enhanced the brand awareness and recognition of China South City.

好百年家居

深圳市好百年家居連鎖股份有限公司(「好百年家居」)於中國的全國中小企業股份轉讓系統(俗稱「新三板」)掛牌，主要在中國內地從事家居廣場運營，專營中高檔品質的家居產品以及配件銷售。截至2016年9月30日，好百年家居於中國經營十家門店(包括分別位於深圳華南城以及南寧華南城的兩家新設大型門店)，為本集團貢獻了穩定的持續性收入。本期間，於深圳華南城及南寧華南城試運營的兩家新店表現平穩。

貿易博覽會

本集團利用位於主要省會及直轄市的大型商貿平台，配合與各當地政府長期合作關係及合辦貿易博覽會的豐富經驗，於旗下項目內籌辦多場貿易展會及會議。該等博覽會反應熱烈，吸引眾多國際及地方參展商，不僅提升了項目內的訪客及業務流量，更為商品交易中心帶來商機，進一步提高華南城品牌的知名度與耐受性。

Selective Events at a Glance

Ethnic and Cultural Festival cum Trade Fairs

The Ethnic and Cultural Festival cum Trade Fair was held in CSC Nanning in April 2016. The 11-day event attracted a large number of participants and visitor traffic to the project. Meanwhile, CSC Nanning held the 9th (Guangxi) Nanning Spring Tea Festival which significantly boosted the sales of tenants selling tea and teaware, and created business opportunities for other tenants in CSC Nanning.

ITFCEWC cum the Silk Road International Expo

The 20th Investment & Trade Forum for Cooperation between East & West China (“ITFCEWC”) cum 2016 Silk Road International Expo were held in Xi’an in May 2016. During the event, the “Silk Road Commodity Trade Fair” was undertaken by CSC Xi’an to exhibit numerous commodities produced by the countries along the Silk Road. Leveraging its convention and exhibition facilities and easily accessible logistic network, CSC Xi’an not only integrate the resources of countries along the Silk Road but also promote full cooperation, driving trade and logistics development in Xi’an.

Harbin International Economic and Trade Fair

The 27th Harbin International Economic and Trade Fair China South City sub-venue cum the 9th Heilongjiang, Hong Kong, Macao, Taiwan and Russia (Green organic food, Korean goods) Trade Fair kicked off in CSC Harbin in June 2016. It was hosted by Heilongjiang Province People’s Government and co-organized by the Council for Promotion of Trade in Heilongjiang Province, the Council for Promotion of Trade in Harbin and CSC Harbin. Harbin International Economic and Trade Fair acts as the window of China to the world, which laying the platform for the economic and trade cooperation with Northeast Asia and the world. It is regarded as a leading exhibition for Sino-Russia on economic, trade and technological cooperation. The 5-day event not only brought visitors and business opportunities to CSC Harbin, but also highlighted the growing role of CSC Harbin as a powerful platform to promote international economic and trade cooperation in Northeast Asia, thereby boosting the brand power of China South City in the region.

China-ASEAN Expo and Light Industrial Exhibition

The 13th China-ASEAN Expo and Light Industrial Exhibition, co-hosted by China and the Economic and Trade Departments of ten ASEAN counterparts and the China-ASEAN Expo Secretariat, organized by the Government of the Guangxi Zhuang Autonomous Region, took place in CSC Nanning in September 2016 for the 7th consecutive years. This has firmly established CSC Nanning as a hub for light industrial products trading between China and ASEAN countries, strengthening the trade links and cultural exchanges between both sides, and increased the Group’s brand recognition in the region and among ASEAN countries.

部份活動回顧

民俗文化商貿節暨博覽會

民俗文化商貿節暨博覽會於2016年4月在南寧華南城舉辦，該為期十一天的活動，吸引眾多參與者前來。同時，第九屆(廣西)南寧春茶節亦在南寧華南城舉辦，該次活動顯著帶動茶葉及茶具商戶的銷售，並為南寧華南城內的其他商戶帶來商機。

西洽會暨絲博會

2016絲綢之路國際博覽會暨第二十屆中國東西部合作與投資貿易洽談會於2016年5月在西安舉行。當中「絲綢之路商品貿易展」由西安華南城承辦，展示絲路沿線國家眾多商品。西安華南城利用自身會議展覽與商貿物流的雙重優勢，一方面為絲路沿線國家的資源整合，並且為全方位合作做出積極貢獻，推動西安商貿物流產業的發展。

哈爾濱國際經濟貿易洽談會

第二十七屆哈爾濱國際經濟貿易洽談會華南城分會場暨第九屆龍港澳臺及俄羅斯(綠色有機食品、韓國商品)經貿合作洽談會於2016年6月在哈爾濱華南城隆重舉辦。該活動由黑龍江省人民政府主辦，黑龍江省貿促會、哈爾濱市貿促會和哈爾濱華南城承辦。哈爾濱國際經濟貿易洽談會是中國對外開放的窗口和開展與東北亞及世界各國經貿合作的重要平台，亦是對俄經貿科技合作第一展會。此為期五天的展會不僅為哈爾濱華南城帶來了客流及商機，更進一步彰顯了哈爾濱華南城作為推動東北亞國際經貿合作的平台優勢，增強了華南城品牌在區域內的影響力。

中國－東盟博覽會輕工展

第十三屆中國－東盟博覽會輕工展由中國和東盟10國政府經貿主管部門及東盟秘書處共同主辦，廣西壯族自治區政府承辦，於2016年9月在南寧華南城舉行，該輕工展已連續七年於南寧華南城舉辦。該展會使南寧華南城成為中國與東盟各國之間輕工產品商貿物流的重要平台，有力推動了雙方貿易往來和人文互通，同時加強了本集團品牌於區內乃至東盟成員國間的認受性。

Financial Management

During the Period, the diversity of our funding channels in both onshore and offshore markets allow the Group to optimize its funding costs and maturity profile to support its ongoing business development. As at 30 September 2016, the Group recorded a weighted average financing cost of 6.2% (31 March 2016: 6.3%).

In May 2016, China South International Industrial Material City (Shenzhen) Company Limited (“China South International”), a wholly-owned subsidiary of the Group, completed the issuance of its second tranche of domestic company bonds of 2016 in the PRC for a total principal amount of RMB1.4 billion, with a term of three years, at a coupon rate of 6.85% per annum. In September 2016, China South International completed the issuance of its first tranche of short-term notes of 2016 in the national inter-bank market of the PRC for a total principal amount of RMB1.2 billion with a maturity period of 365 days, at an interest rate of 4.9% per annum. The Group also completed the issuance of an aggregate total of US\$350 million senior notes due 2021 with an interest of 6.75% per annum in September and October 2016. The successful financings through both notes issuance and bank loans reflected the supports from banks and investors both onshore and offshore.

大公國際資信評估有限公司 (Dagong Global Credit Rating Co., Ltd) awarded an A-1 rating and AA rating to the first tranche of the short-term notes of 2016 and China South International respectively. 東方金誠國際信用評估有限公司 (Golden Credit Rating International Co., Ltd) upgrade the credit rating of China South International from AA rating to AA+ rating in July 2016. This reflected the PRC rating agency's recognition of China South International's performance.

China South City's market-leading position and proven business model have been well recognized by the capital market, as evident in the Group being designated a constituent of the Hang Seng Composite MidCap Index and MSCI China Index.

財務管理

本期間，於境內與境外市場的多元化融資渠道使本集團得以優化融資成本與到期債務組合，從而推動業務的發展。截至2016年9月30日，本集團錄得加權平均融資成本6.2% (2016年3月31日：6.3%)。

2016年5月，本集團全資附屬公司華南國際工業原料城(深圳)有限公司(「華南國際」)於中國完成發行本金總額為人民幣14億元之2016年第二期境內公司債券，期限為三年，票面年利率為6.85%。2016年9月，華南國際於中國銀行間市場完成發行本金總額為人民幣12億元之2016年第一期短期融資券，期限為365天，票面年利率為4.9%。本集團同時於2016年9月及10月亦完成於2021年到期之本金總額合共為3.5億美元之優先票據的發行，票面年利率為6.75%。本集團得以成功地透過發行票據及銀行貸款融資，充份反映境內外銀行及投資者對本集團的支持。

大公國際資信評估有限公司給予華南國際2016年第一期短期融資券及華南國際的信用評級分別為「A-1」級與「AA」級。東方金誠國際信用評估有限公司於2016年7月上調華南國際的信用評級，由「AA」級上調至「AA+」級。這反映了國內評級機構對華南國際業務表現的認可。

本集團獲納為恒生綜合中型股指數及MSCI中國指數成份股，足證華南城領先的市場地位及成功的商業模式廣受資本市場的認可。

Further Strengthening of our Shareholder Base

After 1H FY2016/17, the Company was informed by Mr. Cheng Chung Hing, the Co-Chairman and Executive Director, that he had signed the Letter of Intent with Centralcon on 27 October 2016. Centralcon is a Shenzhen-listed Class I Real Property Developer in the PRC, and the Letter of Intent was in relation to the proposed share transfer representing approximately 23.20% equity stake in the Company (“Proposed Transaction”). The consideration of which was set at between HK\$1.80 to HK\$2.20 per share. Upon completion of the Proposed Transaction, Mr. Cheng will remain as Co-Chairman and Executive Director, while Centralcon will become the single largest shareholder and a substantial shareholder of the Company. The details of the Proposed Transaction are subject to agreement between the parties.

The potential introduction of Centralcon as a substantial shareholder is set to further strengthen the Group’s shareholder base. The transaction is expected to bring synergy and increase the competitiveness of both companies, as well as combine their resources as listed companies in both PRC and Hong Kong. These benefits will stem from Centralcon’s extensive experience in residential property development, high-end hotel and commercial property management, as well as China South City’s expertise in the development and operation of integrated large-scale trade and logistics centers.

The core management team of China South City, including Mr. Cheng as the Co-Chairman and Executive Director, will basically remain unchanged after the introduction of Centralcon. Mr. Cheng is optimistic on the business outlook of both the Company and Centralcon. He is also actively looking into investment opportunities in Centralcon and becoming an important shareholder of Centralcon, subject to applicable laws and other regulations.

進一步加強股東基礎

於2016/17財政年度上半年期後，公司聯席主席兼執行董事鄭松興先生通知本公司於2016年10月27日與中洲控股簽署意向書。中洲控股是在深圳證券交易所上市的中國房地產開發一級資質企業，意向書建議轉讓約23.20%本公司的股份（「建議交易」），交易代價為每股1.80港元至2.20港元。於建議交易完成後，鄭松興先生仍為本公司聯席主席兼執行董事，而中洲控股將成為本公司最大單一股東及主要股東。建議交易的細節尚待雙方協議落實。

該潛在交易引入中洲控股作為主要股東將進一步加強本集團的股東基礎。預期該交易將有利於兩家公司利用雙方在香港與內地上市的公司資源，提升雙方的競爭力，形成業務協同與互補。這些得益將源於中洲控股在住宅地產開發、高端酒店與商業物業管理的豐富經驗，以及華南城在大型綜合商貿物流與商品交易中心開發與運營方面的專業經驗。

華南城的核心管理團隊，包括聯席主席兼執行董事的鄭先生，將在引入中洲控股後基本保持不變。鄭先生對公司和中洲控股的商業前景充滿信心，並積極尋求在中洲控股的投資機會，並在符合適用法律法規及其他規定的前提下，有意成為中洲控股的重要股東。

Land Bank

With the Group's unique business model of "One Body with Two Wings", the Group intends to retain the commercial properties like logistics and warehousing facilities and hotels, as well as not less than 50% of the trade center units for self-use or long-term rental purposes, while the remaining 50% of the trade center units and the residential properties will be disposed progressively to generate cash flow for the development of the Group.

In view of the strategic importance of CSC Zhengzhou to the Group's long-term prospects, as well as the broadening of its revenue base, the Group acquired new plots of land in Zhengzhou in this fiscal year to support the long-term development of this project. Since this fiscal year, the Group acquired a site spanning approximately 959,600 sq. m. at CSC Zhengzhou for RMB1,570.68 million. Besides, according to the Group's development plans, the Group has also acquired new plots of land mainly for the purpose of residential and logistic and warehouse with a site area of approximately 975,700 sq.m. with a total consideration of RMB856.84 million for the other entities of the Group during this fiscal year.

Details of the land bank as at 30 September 2016 are as follows:

Project	Completed Properties	Properties under Development		Properties to be Completed by FY2016/17	Properties Planned for Future Development on GFA Acquired	Total Planned GFA	Attributable GFA Acquired (% to Total Planned GFA)		
		Sold	Unsold	Estimated	Estimated	Estimated		%	
項目 (sq. m.) (平方米)	已竣工物業 Sold 已售	未出售	發展中物業	預期於 2016/17 財政年度 竣工的物業 Estimated 估計	按已購土地 已規劃作 未來發展物業 Estimated 估計	總規劃 建築面積 Estimated 估計	已購土地可建築面積 (佔總規劃建築面積百分比)		%
CSC Shenzhen	深圳華南城	776,500	1,615,800	165,000	-	86,700	2,644,000	2,644,000	100%
CSC Nanchang	南昌華南城	887,600	811,300	1,131,200	111,700	1,835,100	7,297,000	4,665,200	64%
CSC Nanning	南寧華南城	349,000	1,038,800	558,500	352,900	533,700	4,880,000	2,480,000	51%
CSC Xi'an	西安華南城	612,500	743,500	601,200	306,600	2,649,500	17,500,000	4,606,700	26%
CSC Harbin	哈爾濱華南城	307,000	865,500	1,023,200	358,000	2,536,700	12,000,000	4,732,400	39%
CSC Zhengzhou	鄭州華南城	1,056,000	1,581,900	1,540,200	410,800	2,075,600	12,000,000	6,253,700	52%
CSC Hefei	合肥華南城	867,500	372,600	2,179,200	550,000	1,781,700	12,000,000	5,201,000	43%
CSC Chongqing	重慶華南城	218,000	1,040,300	217,200	65,900	4,129,600	13,500,000	5,605,100	42%
Total	總計	5,074,100	8,069,700	7,415,700	2,155,900	15,628,600	81,821,000	36,188,100	44%

土地儲備

本集團獨特的「一體兩翼」業務模式將保留物流及倉儲設施、酒店等商業物業及不少於50%商品交易中心商舖作為自營或長期出租用途，而餘下的50%商品交易中心商舖及住宅物業，本集團將逐步出售，為本集團發展提供所需的現金流。

由於鄭州華南城對本集團的長遠前景以及在擴闊收入基礎方面具戰略要義，本集團於本財政年度內為鄭州項目購入土地，以支持鄭州項目的長遠發展。自本財政年度至今，本集團在鄭州華南城以人民幣15.7068億元合共取得約95.96萬平方米之土地。此外，本集團亦因應發展需要，於本財政年度內為集團其他單位以人民幣8.5684億元購入合共約97.57萬平方米，並以住宅及倉儲物流為主的土地。

截至2016年9月30日的土地儲備詳情如下：

China South City Shenzhen

CSC Shenzhen, the Group's first project, is strategically located at the heart of the Pearl River Delta region amid an extensive transportation network. The project is situated at the Pinghu Logistics Park in Longgang District of Shenzhen, occupying a site area of approximately 1.06 million sq. m. and comprising a total planned GFA of approximately 2.64 million sq. m..

With the local government is further advancing the development of Longgang District as an innovation center in the east of Shenzhen, the district's ancillary facilities such as logistics, healthcare and education will continue to improve and bring more convenience to occupants of China South City. In addition, transportation facilities around the project have been improving. According to Shenzhen Metro planning, the subway line 10 which will pass through CSC Shenzhen has commenced construction in 2015 and is expected to be open for traffic by 2020. Upon completion, this subway line will further improve accessibility, generate more business opportunities and increase visitor traffic to the project. At present, CSC Shenzhen's operation cover industries such as textile & clothing, leather & accessories, electronic parts, printing, paper products & packaging, metals, chemicals and plastics materials, outlets and home furnishing, etc.

As at 30 September 2016, trade centers and ancillary facilities at phase I, phase II and part of phase III with a total GFA of approximately 2.39 million sq. m. were in operation. The project is currently under phase III development. During the Period, construction of GFA of approximately 77,700 sq. m. of office ancillary facilities was completed. As at 30 September 2016, construction of GFA of approximately 165,000 sq. m. is underway.

In 1H FY2016/17, CSC Shenzhen recorded total Contracted Sales of approximately HK\$632.4 million (1H FY2015/16: HK\$492.7 million), including a GFA of 300 sq. m. of trade center (mall style) at an average selling price ("ASP") of HK\$29,300/sq. m. (1H FY2015/16: 4,200 sq. m. at an ASP of HK\$21,900/sq. m.), a GFA of 51,000 sq. m. of office units at an ASP of HK\$12,200/sq. m. (1H FY2015/16: 35,500 sq. m. at an ASP of HK\$11,200/sq. m.). Nil in residential ancillary (1H FY2015/16: GFA of 200 sq. m. at an ASP of HK\$9,800/sq. m.) were sold during the Period.

深圳華南城

深圳華南城為本集團旗下首個項目，策略性位處珠江三角洲地區的核心地帶，坐擁完善的交通網絡。項目位於深圳龍崗區平湖物流園區，佔地面積約為106萬平方米，總規劃建築面積約264萬平方米。

隨著當地政府推動龍崗區作為深圳東部創新中心的建設，區內包括物流、醫療、教育等配套設施將繼續完善，為華南城商家的經營帶來更多便利。同時項目周邊的交通配套亦在進一步完善。根據深圳地鐵規劃，途經深圳華南城的地鐵10號線已於2015年開工建設，預計於2020年建成通車，屆時將進一步提升項目的交通便利，為深圳華南城的運營帶來更多的商機及客流。目前深圳華南城經營業態包括紡織服裝、皮革皮具、電子配件、印刷、紙品及包裝、五金、化工、塑膠、奧特萊斯及家居用品等。

截至2016年9月30日，總建築面積約239萬平方米的一期、二期及部分三期物業的商品交易中心及配套設施均已投入運營。項目現時正進行第三期發展。於本期間，建築面積約77,700平方米的寫字樓配套設施已竣工。截至2016年9月30日，建築面積約165,000平方米的工程已展開建設。

於2016/17財政年度上半年，深圳華南城錄得合約銷售總額6.324億港元(2015/16財政年度上半年：4.927億港元)，包括以平均售價29,300港元/平方米售出建築面積300平方米的商品交易中心單位(商場形式)(2015/16財政年度上半年：以21,900港元/平方米售出4,200平方米)，以平均售價12,200港元/平方米售出建築面積51,000平方米的辦公樓單位(2015/16財政年度上半年：以11,200港元/平方米售出35,500平方米)。本期間暫無住宅配套銷售(2015/16財政年度上半年：以9,800港元/平方米售出建築面積200平方米)。

China South City Nanchang

CSC Nanchang is located at the Yangtze River Delta transportation hub and the Pearl River Delta Economic Zone. Situated in the capital of Jiangxi Province, the project is readily accessible to suppliers, manufacturers and merchants via major highways, the largest port on the Gan River and a complete freight network which includes a cargo marshal yard, a container terminus and an international airport, coupled with Nanchang West Railway Station – a principal high-speed rail station located just 1.2 km from CSC Nanchang, which has commenced operation successively since September 2013. As a new business center for Nanchang, Honggutun New District's administrative, commercial and cultural functions are becoming more apparent by the day. In addition, the gradual completion of life-supporting amenities within the new district is driving visitor traffic and generating business opportunities, laying a solid foundation for the development of CSC Nanchang.

CSC Nanchang has a total planned land area of approximately 2.81 million sq. m. and a total planned GFA of approximately 7.30 million sq. m.. The trial operations of CSC Nanchang cover industries such as small commodities, textile & clothing, leather & accessories and healthy & green products, etc. As the first provincial-level E-commerce Model Base in Jiangxi and University Students' E-commerce Business Incubator in Nanchang, through a profound integration of wholesale and E-commerce resources, it has created a closer co-operation between the E-commerce start-ups and manufacturing enterprises, thereby helping SMEs within the project to transform and upgrade their businesses.

As at 30 September 2016, CSC Nanchang has a total GFA of approximately 1.70 million sq. m. completed in phase I, including approximately 1.07 million sq. m. of trade centers, approximately 585,800 sq. m. of residential ancillary and approximately 44,500 sq. m. of warehousing facilities. CSC Nanchang phase II construction has commenced. During the Period, construction of approximately 168,000 sq. m. GFA of trade center was completed. As at 30 September 2016, construction of a GFA of approximately 1.13 million sq. m. is underway, of which approximately 111,700 sq. m. are expected to be completed in FY2016/17.

In 1H FY2016/17, CSC Nanchang recorded total Contracted Sales of HK\$1,977.8 million (1H FY2015/16: HK\$283.2 million), a GFA of 14,000 sq.m. of trade center units (detached style) at an ASP of HK\$8,900/sq.m. (1H FY2015/16: Nil) and a GFA of 209,500 sq. m. of residential ancillary at an ASP of HK\$8,800/sq. m. (1H FY2015/16: 35,000 sq. m. at an ASP of HK\$7,900/sq. m.). Nil in trade center units (mall style) (1H FY2015/16: GFA of 300 sq. m. at an ASP of HK\$20,000/sq. m.) were sold during the Period.

南昌華南城

南昌華南城位於長三角及珠三角經濟區的交通樞紐。項目坐落於江西省省會南昌市的紅谷灘新區，毗連主要高速公路及贛江的最大港口，並擁有完善的貨運網絡，包括鐵路編組站、鐵海聯運集裝箱堆場及國際機場，且南昌華南城距主要高鐵車站—已於2013年9月逐步投入服務的南昌西客站僅1.2公里，為供應商、生產商及商家提供方便的交通連接。紅谷灘新區作為南昌市新型商務中心，其行政、商業及文化功能日漸顯現，同時新區內生活配套的逐步完善帶動了客流及商流的聚集，為南昌華南城的發展奠定基礎。

南昌華南城總規劃佔地面積約281萬平方米，總規劃建築面積約730萬平方米。目前試運營的業態包括小商品、紡織服裝、皮革皮具、健康綠色食品等。南昌華南城作為江西省首個省級電子商務示範基地及省級南昌市大學生電子商務創業孵化基地，通過深入整合批發及電商資源，創造電子商貿創業企業與生產企業的無縫對接，協助項目內中小企業進行轉型及升級。

截至2016年9月30日，南昌華南城一期總建築面積約170萬平方米的建設已竣工，包括約107萬平方米的商品交易中心、約585,800平方米的住宅配套及約44,500平方米的倉儲設施。南昌華南城已展開二期的建設。本期間，建築面積約168,000平方米的商品交易中心已竣工。截至2016年9月30日，建築面積約113萬平方米的工程已展開建設，其中約111,700平方米預期將於2016/17財政年度竣工。

於2016/17財政年度上半年，南昌華南城錄得合約銷售總額19.778億港元(2015/16財政年度上半年：2.832億港元)，以平均售價8,900港元/平方米售出建築面積14,000平方米的商品交易中心(單幢式)(2015/16財政年度上半年：無)及以平均售價8,800港元/平方米售出建築面積209,500平方米的住宅配套(2015/16財政年度上半年：以7,900港元/平方米售出35,000平方米)，本期間暫無商品交易中心(商場形式)銷售(2015/16財政年度上半年：以20,000港元/平方米售出建築面積300平方米)。

China South City Nanning

CSC Nanning is located in Nanning, the capital of the Guangxi Zhuang Autonomous Region and a critical gateway between China and ASEAN countries. It is easily accessible by railway stations, highways and an international airport. Strategically located in close proximity to Southeast Asia and enjoying the advantage of a tariff waiver on cross-border trade activities within the China-ASEAN Free Trade Area, CSC Nanning endeavors to serve as a key hub for cross-border trade catering to the strong demand from the Northern Bay Region and Southeast Asia.

CSC Nanning has a planned net land area of approximately 1.83 million sq. m. and a total planned GFA of approximately 4.88 million sq. m.. The project is under trial operations, covering industries such as textiles & clothing, small commodities, ASEAN products, household goods, tea & teaware and outlets, etc., and continued to cultivate the market and strengthen marketing efforts during the Period. Through organizing a series of exhibitions – such as the China-ASEAN Expo and Light Industrial Exhibition and Spring Tea Festival – the project is gaining increased market popularity and is enhancing its local brand recognition. During the Period, residential properties launched by CSC Nanning received an overwhelming response from the market. With government bodies, major banks, hotels and cinema moving in, the ancillary facilities and services of the project have been further enhanced. To assist SMEs in resolving business loan difficulties, CSC Nanning launched, on a trial basis, a micro-credit service for SMEs in the project, providing them strong financial support for the development of businesses during the Period.

CSC Nanning is currently in phase I construction and has a total completed GFA of approximately 1.39 million sq. m., including approximately 894,600 sq. m. of trade centers, approximately 456,400 sq. m. of residential ancillary and approximately 36,800 sq. m. of logistics and warehousing facilities. As at 30 September 2016, construction of approximately 558,500 sq. m. GFA is underway, of which approximately 352,900 sq. m. is expected to be completed in FY2016/17.

In 1H FY2016/17, CSC Nanning recorded total Contracted Sales of HK\$474.7 million (1H FY2015/16: HK\$191.5 million), including a GFA of 300 sq. m. of trade center units (mall style) at an ASP of HK\$19,300/sq. m. (1H FY2015/16: 1,800 sq. m. at an ASP of HK\$19,900/sq. m.), a GFA of 69,100 sq. m. of residential ancillary at an ASP of HK\$6,700/sq. m. (1H FY2015/16: 21,800 sq. m. at an ASP of HK\$7,100/sq. m.), and a GFA of 500 sq. m. of office units at an ASP of HK\$9,900/sq. m. (1H FY2015/16: Nil).

南寧華南城

南寧華南城位於廣西壯族自治區首府南寧市，是中國與東盟成員國之間的重要窗口，項目與火車站、高速公路及國際機場接連，交通便利。坐擁毗鄰東南亞策略地理優勢，受惠於中國—東盟自由貿易區於跨境貿易活動豁免關稅的優勢，南寧華南城致力成為重要的跨境貿易樞紐，以滿足北部灣及東南亞地區的龐大需求。

南寧華南城的規劃淨佔地面積約183萬平方米，總規劃建築面積約488萬平方米。項目處於試運營階段，試運營的業態包括紡織服裝、小商品、東盟產品、家居廣場、茶葉茶具及奧特萊斯等。於本期間，南寧華南城繼續加強市場培育及推廣，通過舉辦東盟博覽會、輕工展及春茶節等一系列展會活動帶旺項目人氣並提升品牌在當地的知名度。於本期間，南寧華南城推出的住宅項目受到市場的熱烈追捧。隨着各政府機構、各大銀行、酒店及影院陸續入駐南寧華南城，項目的配套設施及服務得到了進一步完善。為協助中小企解決經營過程中貸款困難的問題，南寧華南城於本期間試點推出針對中小企業的小額貸款服務，為項目內商家的發展提供金融支持。

南寧華南城正進行一期開發建設，其中總建築面積約139萬平方米的建設已竣工，包括約894,600平方米的商品交易中心、約456,400平方米的住宅配套及約36,800平方米的物流及倉儲設施。截至2016年9月30日，建築面積約558,500平方米的工程已展開建設，其中約352,900平方米預期將於2016/17財政年度竣工。

於2016/17財政年度上半年，南寧華南城錄得合約銷售總額4.747億港元(2015/16財政年度上半年：1.915億港元)，包括以平均售價19,300港元/平方米售出建築面積300平方米的商品交易中心(商場形式)(2015/16財政年度上半年：以19,900港元/平方米售出1,800平方米)，及以平均售價6,700港元/平方米售出建築面積69,100平方米的住宅配套設施(2015/16財政年度上半年：以7,100港元/平方米售出21,800平方米)，及以平均售價9,900港元/平方米售出建築面積500平方米的辦公樓單位(2015/16財政年度上半年：無)。

China South City Xi'an

CSC Xi'an is located at the Xi'an International Trade and Logistics Park in Shaanxi Province. Built as a key project by the local government, the park is an open economic pilot zone and a core function area for the modern service industry. It aims to become the largest international transit hub port and logistics distribution center along the Silk Road Economic Belt and to act as an important strategic platform for the "One Belt, One Road" initiative. The project is highly accessible and enjoys geographical advantages via the Xi'an City Expressway and Beijing-Kunming Expressway, Lianyungang-Khorgos Expressway, Shanghai-Shaanxi Expressway, Baotou-Maoming Expressway and other national highways, forming an intricate spider network branching in all directions.

Leveraging the strategic location of Xi'an International Trade and Logistics Park, CSC Xi'an enjoys access to an extensive transportation network connected to a railway container terminal and the largest bonded area in the northwestern region of China, along with two planned subway lines that cross the project site. The subway line 3 which passes through the CSC Xi'an has commenced trial operations from 8 November 2016. In addition, a new stadium is slated to be built at the International Trade and Logistics Park to host the 14th National Games of the People's Republic of China in 2021, which is expected to greatly boost visitor traffic in the region. The completion of the subway line and the new stadium is expected to generate more business opportunities and visitor traffic for the International Trade and Logistics Park, and further increase the value of CSC Xi'an.

The trial operations of CSC Xi'an cover industries such as hardwares & machinery, textile & clothing, leather & fur and the Central China & ASEAN product exhibition center, etc. Leveraging its geographical advantage in the starting point of the Silk Road Economic Belt, CSC Xi'an is actively poised to capture the immense opportunities arising from the "One Belt, One Road" initiative.

CSC Xi'an has a total planned land area of approximately 10.0 million sq. m. and a total planned GFA of approximately 17.5 million sq. m.. The project is under phase I construction and has a total GFA of approximately 1.36 million sq. m. completed, including approximately 1.28 million sq. m. of trade centers, approximately 55,800 sq. m. of logistics and warehousing facilities and approximately 23,300 sq. m. of ancillary facilities. As at 30 September 2016, construction of a GFA of approximately 601,200 sq. m. is underway, of which approximately 306,600 sq. m. are expected to be completed in FY2016/17.

In 1H FY2016/17, CSC Xi'an recorded total Contracted Sales of HK\$162.3 million (1H FY2015/16: HK\$212.1 million), including a GFA of 300 sq. m. of trade center units (mall style) at an ASP of HK\$15,900/sq. m. (1H FY2015/16: 4,400 sq. m. at an ASP of HK\$13,700/sq. m.) and a GFA of 25,600 sq. m. of trade center units (detached style) at an ASP of HK\$6,200/sq. m. (1H FY2015/16: 23,900 sq. m. at an ASP of HK\$6,300/sq. m.).

西安華南城

西安華南城坐落於陝西省西安市國際港務區內。該港務區是當地政府重點打造的開放型經濟先導區與現代服務業核心功能區，旨在成為絲綢之路經濟帶上最大國際中轉樞紐港與商貿物流集散地，是聯接「一帶一路」倡議的重要平台。其交通便利，區位優勢明顯，通往區內的西安繞城高速公路與京昆高速、連霍高速、陝滬高速、包茂高速等全國高速公路網緊密相連，形成「米」字型高速公路網絡。

西安華南城坐擁西安國際港務區的策略位置，盡享便利交通，接連通往鐵路集裝箱中心及中國西北地區最大保稅區的龐大交通網絡，並處於兩條已規劃地下鐵路項目的沿線。途經西安華南城的地鐵3號線已於2016年11月8日通車試運營。此外，用來舉辦2021年第十四屆中華人民共和國全運會的新體育中心將於國際港務區落成，屆時將為本地區帶來巨大客流。地鐵線路與體育中心的建成將有利於為國際港務區聚集更多客流與商機，並進一步釋放西安華南城項目的價值。

試運營的西安華南城項目經營業態包括五金機電、紡織服裝、皮革皮革及中亞與東盟產品展示中心等。憑藉作為絲綢之路經濟帶起點的地理位置優勢，西安華南城積極蓄勢，以把握「一帶一路」倡議帶來的龐大商機。

西安華南城總規劃佔地面積約1,000萬平方米，總規劃建築面積約1,750萬平方米。項目仍在進行一期的建設，其中總建築面積約136萬平方米已竣工，包括約128萬平方米的商品交易中心、約55,800平方米的物流及倉儲設施及約23,300平方米的配套設施。截至2016年9月30日，建築面積約601,200平方米的工程已展開建設，其中約306,600平方米預期可於2016/17財政年度竣工。

於2016/17財政年度上半年，西安華南城錄得合約銷售總額1.623億港元(2015/16財政年度上半年：2.121億港元)，包括以平均售價15,900港元/平方米售出建築面積300平方米的商品交易中心單位(商場形式)(2015/16財政年度上半年：以13,700港元/平方米售出4,400平方米)，及以平均售價6,200港元/平方米售出建築面積25,600平方米的商品交易中心單位(單幢式)(2015/16財政年度上半年：以6,300港元/平方米售出23,900平方米)。

China South City Harbin

Located at the Daowai District of Harbin, the capital of Heilongjiang Province, CSC Harbin fully taps into its advantageous location in Northeast China, a premier hub for cross-border trade with Northeastern Asian countries. Its proximity to the China-Russia border helps to facilitate economic activities within the region. Tapping into the opportunities arising from the area's development potential, CSC Harbin endeavors to become the largest integrated logistics and trade center in Northeast China. The project has a planned land area of approximately 10.0 million sq. m. and a total planned GFA of approximately 12.0 million sq. m..

Leveraging its own geographical location and local industrial advantages, CSC Harbin actively promotes regional economic and trade development. During the Period, the Northeast Asia green food exhibition center as well as Sino-Russia Trading Building and Petersburg Hotel commenced trial operation progressively. For ancillary facilities, phase I of Qianlong Logistics Park was completed and commenced operation during the Period, further catering to the logistics and warehousing demand from China South City and its surrounding businesses. Currently, CSC Harbin's planned operations cover industries such as hardware & construction materials, green food, small commodities, hotel commodities, leather & fur and outlets, etc.

CSC Harbin is currently under phase I construction and has a total GFA of approximately 1.17 million sq. m. completed, including approximately 773,100 sq. m. of trade centers, approximately 59,200 sq. m. of logistics and warehousing facilities, approximately 22,500 sq. m. of ancillary facilities and approximately 317,700 sq. m. of residential ancillary. As at 30 September 2016, construction of a GFA of approximately 1.02 million sq. m. is underway, of which approximately 358,000 sq. m. are expected to be completed in FY2016/17.

In 1H FY2016/17, CSC Harbin recorded total Contracted Sales of HK\$54.1 million (1H FY2015/16: HK\$146.0 million), including a GFA of 300 sq. m. of trade center units (mall style) at an ASP of HK\$11,300/sq. m. (1H FY2015/16: Nil), a GFA of 1,500/sq. m. of trade center units (detached style) at an ASP of HK\$8,900/sq. m. (1H FY2015/16: 11,500 sq. m. at an ASP of HK\$9,200/sq. m.) and a GFA of 8,000 sq. m. of residential ancillary at an ASP of HK\$4,700/sq. m. (1H FY2015/16: 7,900 sq. m. at an ASP of HK\$5,100/sq. m.).

哈爾濱華南城

哈爾濱華南城位於黑龍江省省會哈爾濱市道外區，盡享中國東北部的地理優勢，是東北亞國家的跨境貿易主要樞紐。加上鄰近中俄邊界，配合該區的經濟活動需要，哈爾濱華南城將充分把握該區發展潛力所帶來的機遇，致力成為中國東北部最大的綜合商貿物流及商品交易中心。項目規劃佔地面積約1,000萬平方米，總規劃建築面積約1,200萬平方米。

哈爾濱華南城利用自身地理位置及當地產業優勢，積極推進區域經濟貿易的發展。於本期間，東北亞綠色食品展示交易中心、中俄貿易大廈及彼得堡大酒店三大對俄貿易項目開始招商試運營。配套設施方面，乾龍物流園一期已於本期間落成並開業，進一步滿足華南城及周邊商戶的物流倉儲的需求。哈爾濱華南城目前規劃經營的業態包括五金建材、綠色食品、小商品、酒店用品、皮革皮草及奧特萊斯等。

哈爾濱華南城正在進行一期建設，其中總建築面積約117萬平方米的建設已竣工，包括約773,100平方米的商品交易中心、約59,200平方米的物流及倉儲設施、約22,500平方米的配套設施及約317,700平方米住宅配套設施。截至2016年9月30日，建築面積約102萬平方米的工程已展開建設，其中約358,000平方米預定期可於2016/17財政年度竣工。

於2016/17財政年度上半年，哈爾濱華南城錄得合約銷售總額5,410萬港元(2015/16財政年度上半年：1.460億港元)，包括以平均售價11,300港元/平方米出售建築面積300平方米的商品交易中心單位(商場形式)(2015/16財政年度上半年：無)，以平均售價8,900港元/平方米售出建築面積1,500平方米的商品交易中心單位(單幢式)(2015/16財政年度上半年：以平均售價9,200港元/平方米售出11,500平方米)，及以平均售價4,700港元/平方米售出建築面積8,000平方米的住宅配套(2015/16財政年度上半年：以5,100港元/平方米售出7,900平方米)。

China South City Zhengzhou

CSC Zhengzhou is located at the AEZ of Zhengzhou, the capital of Henan Province. The experimental zone is the only state-level AEZ with a complete network which includes an international airport, high-speed train, intercity train, metro and highway and acts as an integrated transport hub providing seamless connectivity. The project is highly accessible and enjoys extensive transportation links – it is a mere 16 km away from Zhengzhou Xinzheng International Airport and only a couple of kilometers away from both the Beijing-Guangzhou Railway Freight Station and the Beijing-Hong Kong-Macao Highway. According to Zhengzhou Metro Planning, the extension of subway line 2 which connects the downtown area to the AEZ of Zhengzhou and passes through CSC Zhengzhou with three stops has commenced trial operation recently. Upon completion, this subway line will generate increased business opportunities and visitor traffic for the project.

CSC Zhengzhou has a total planned net land area of approximately 7.0 million sq. m. and a total planned GFA of approximately 12.0 million sq. m.. The project has received overwhelming support from the local government since its establishment. With more occupants moving in, the Group's trial online membership program and E-commerce project saw increasing popularity among SMEs. In response to SMEs' operational demand, the Group continued to increase the supply of logistics and warehousing facilities. Of which, its LIEP, which helps cargo owners match their freight plans more effectively by utilizing otherwise empty truckloads of HGVs on their return journeys, will begin trial operation in the second half of this fiscal year. In addition, the outlet mall in CSC Zhengzhou will also commence operation in the second half of this fiscal year and is expected to enrich the business diversity of the project. The trial operations of CSC Zhengzhou cover industries such as building & decoration materials, small commodities, machinery & hardware, automobile & parts, and non-staple food, etc.

CSC Zhengzhou is currently under phase I development and has a total GFA of approximately 2.64 million sq. m. completed, including approximately 2.43 million sq. m. of trade centers, approximately 188,900 sq. m. of logistics and warehousing facilities and approximately 21,900 sq. m. of ancillary facilities. During the Period, construction of a GFA of approximately 138,600 sq. m. of trade centers, warehouse facilities and other ancillary facilities were completed. As at 30 September 2016, construction of a GFA of approximately 1.54 million sq. m. is underway, of which approximately 410,800 sq. m. are expected to be completed in FY2016/17.

In 1H FY2016/17, CSC Zhengzhou recorded total Contracted Sales of HK\$56.2 million (1H FY2015/16: HK\$1,862.2 million), including a GFA of 1,700 sq. m. of trade center units (mall style) at an ASP of HK\$12,600/sq. m. (1H FY2015/16: 116,000 sq. m. at an ASP of HK\$12,600/sq. m.) and a GFA of 4,400 sq. m. of trade center units (detached style) at an ASP of HK\$7,900/sq. m. (1H FY2015/16: 48,300 sq. m. at an ASP of HK\$8,400/sq. m.).

鄭州華南城

鄭州華南城位於河南省省會鄭州市的航空港經濟綜合實驗區。該實驗區乃目前全國唯一一個國家級航空港經濟綜合實驗區，是集國際航空、高鐵、城際鐵路、地鐵、高速公路於一體，可實現綜合樞紐的無縫銜接。項目享有廣闊的運輸網絡，四通八達，與鄭州新鄭國際機場相距僅16公里，與京廣鐵路貨運站及京港澳高速公路亦只數公里之遙。根據鄭州地鐵規劃，途經鄭州華南城的地鐵2號線延長線已於近期開始試運營，連接鄭州市中心城區及航空港經濟綜合實驗區，並於鄭州華南城設有三個車站，這將進一步為鄭州華南城聚集更多商流及客流。

鄭州華南城總規劃淨佔地面積約700萬平方米，總規劃建築面積約為1,200萬平方米，項目自成立以來，一直獲當地政府的鼎力支持。隨著越來越多商家入駐，本集團於鄭州試運行的電子商貿項目一網上會員計劃，亦日漸獲得中小企業的青睞。為配合中小企業經營的需求，本集團繼續加強物流及倉儲配套建設，其中，協助貨主利用重型卡車回程空載運力更有效對於其貨運計劃的物流信息交易平台亦將於本財政年度下半年投入試運營。此外，本集團的奧特萊斯商城將於本財政年度下半年於鄭州華南城開業運營，屆時將進一步豐富項目商圈。鄭州華南城目前試運營的業態包括建材、小商品、五金機電、汽摩汽配及副食品等。

鄭州華南城正進行一期發展，其中建築面積約264萬平方米的建設已竣工，包括約243萬平方米的商品交易中心、約188,900平方米的物流及倉儲設施及約21,900平方米的配套設施。於本期間，建築面積約138,600平方米的商品交易中心、倉儲設施及其他配套設施已竣工。截至2016年9月30日，建築面積約154萬平方米的工程已展開建設，其中約410,800平方米預期可於2016/17財政年度竣工。

於2016/17財政年度上半年，鄭州華南城錄得合約銷售總額5,620萬港元(2015/16財政年度上半年：18.622億港元)，包括以平均售價12,600港元/平方米售出建築面積1,700平方米的商品交易中心單位(商場形式)(2015/16財政年度上半年：以平均售價12,600港元/平方米售出116,000平方米)及以平均售價7,900港元/平方米售出建築面積4,400平方米的商品交易中心單位(單幢式)(2015/16財政年度上半年：以平均售價8,400港元/平方米售出48,300平方米)。

China South City Hefei

CSC Hefei is located in Hefei, the capital of Anhui Province, a transport and economic hub at the heart of Eastern China. CSC Hefei benefits from its strategic location in the Hefei Taohua Industrial Park, its well-developed infrastructure, as well as a planned transportation system which includes railways, highways and river transportation across China. CSC Hefei has a total planned net land area of approximately 10.0 million sq. m. and a total planned GFA of approximately 12.0 million sq. m.

During the Period, CSC Hefei stepped up the construction of ancillary facilities in response to the growth in the market. The residential ancillary of CSC Hefei were well-received by the market with robust growth in Contracted sales. The construction of logistics and warehousing facilities, outlets and the HOBA Furnishing mall also progressed smoothly. Currently, the planned operations of CSC Hefei cover industries such as automobile & parts, hardware, electric appliances, building & decoration materials, clothing, small commodities, non-staple food and tea, etc.

CSC Hefei is currently under phase I construction and has a total GFA of approximately 1.24 million sq. m. completed, including approximately 1.01 million sq. m. of trade centers, approximately 208,500 sq. m. of residential ancillary and approximately 20,800 sq. m. of ancillary facilities. As at 30 September 2016, construction of a GFA of approximately 2.18 million sq. m. is underway, of which approximately 550,000 sq. m. are expected to be completed in FY2016/17.

In 1H FY2016/17, CSC Hefei recorded total Contracted Sales of HK\$859.2 million (1H FY2015/16: HK\$197.0 million). Nil in trade center units (detached style) (1H FY2015/16: GFA of 13,000 sq. m. at an ASP of HK\$8,000/sq. m.) and a GFA of 132,600 sq. m. of residential ancillary at an ASP of HK\$6,500/sq. m. (1H FY2015/16: 15,800 sq. m. at an ASP of HK\$5,900/sq. m.) during the Period.

合肥華南城

合肥華南城位處安徽省省會合肥市，為華東地區心臟地帶的交通及經濟樞紐。坐落於桃花工業園，合肥華南城盡享完善基礎建設的策略地利，並配備規劃的鐵路、高速公路及河運運輸系統接連全中國。合肥華南城總規劃淨佔地面積約1,000萬平方米，總規劃建築面積約1,200萬平方米。

於本期間，合肥華南城因應市場需求，加快推進興建配套設施。其住宅配套項目受當地追捧，帶動合約銷售錄得強勁增長。物流及倉儲設施、奧特萊斯及好百年家居廣場的建設發展亦穩步進行並取得順利進展。目前合肥華南城規劃經營的業態包括汽摩汽配、五金、電器、家居建材、服裝、小商品、副食品及茶葉等。

合肥華南城正進行一期的建設，其中總建築面積約124萬平方米的建設已竣工，包括約101萬平方米的商品交易中心、約208,500平方米的住宅配套以及約20,800平方米的配套設施。截至2016年9月30日，建築面積約218萬平方米的工程已展開建設，其中約550,000平方米預期可於2016/17財政年度竣工。

於2016/17財政年度上半年，合肥華南城錄得合約銷售總額8.592億港元(2015/16財政年度上半年：1.970億港元)，本期間暫無商品交易中心單位(單幢式)銷售(2015/16財政年度上半年：以平均售價8,000港元/平方米售出建築面積13,000平方米)及以平均售價6,500港元/平方米售出建築面積132,600平方米的住宅配套(2015/16財政年度上半年：以平均售價5,900港元/平方米售出15,800平方米)。

China South City Chongqing (“CSC Chongqing”)

CSC Chongqing is strategically located at the Banan District of Chongqing Municipality, the first of the Group’s municipal projects. The project is highly accessible from the city center and other regions given its strategic location in the Chongqing Highway Logistics Base, a state-level transportation infrastructure and highway base for the western region.

CSC Chongqing is currently under construction. Both the transportation network and Banan District’s business development around the project has been developed rapidly. The project lays a strong foundation for the future transportation convenience and commercial environment in the area. CSC Chongqing plans to cover industries such as small commodities, hardware & machinery, non-staple food & tea, building & decoration materials, textiles & clothing and automobile & parts, etc.

CSC Chongqing has a total planned net land area of approximately 6.3 million sq. m. and a total planned GFA of approximately 13.5 million sq. m.. CSC Chongqing is under phase I development with a total GFA of approximately 1.26 million sq. m. completed, including approximately 1.14 million sq. m. of trade centers, approximately 36,500 sq. m. of ancillary facilities and approximately 79,500 sq. m. of warehouse facilities. During the Period, construction of a GFA of approximately 100,200 sq. m. of ancillary facilities and warehouse facilities were completed. As at 30 September 2016, construction of GFA of approximately 217,200 sq. m. is underway and approximately 65,900 sq. m. is expected to be completed in FY2016/17.

In 1H FY2016/17, CSC Chongqing recorded total Contracted Sales of HK\$98.9 million (1H FY2015/16: HK\$411.6 million), including a GFA of 12,400 sq. m. of trade center units (detached style) at an ASP of HK\$8,000/sq. m. (1H FY2015/16: 53,700 sq. m. at an ASP of HK\$7,700/sq. m.).

重慶華南城

重慶華南城策略性位處重慶市巴南區，為本集團首個落戶直轄市的項目。座落於西部國家級大型交通基建—重慶公路物流基地的策略性地利，項目連接完善的高速公路網絡可連接貫通市中心及全國其他地區。

重慶華南城目前仍處於施工階段。項目周邊的交通網絡建設以及所處的巴南區商業發展迅速，為未來交通的便利及商業氛圍的培養奠定了強大的基礎。重慶華南城目前規劃經營業態包括小商品、五金機電、副食品及茶葉、建材家居、紡織服裝及汽摩汽配等。

重慶華南城總規劃淨佔地面積約630萬平方米，總規劃建築面積約1,350萬平方米。重慶華南城正進行一期發展，其中總建築面積約126萬平方米的建設已竣工，包括約114萬平方米的商品交易中心、約36,500平方米配套設施及約79,500平方米倉儲設施。於本期間，建築面積約100,200平方米的配套設施及倉儲設施已竣工。截至2016年9月30日，建築面積約217,200平方米的工程已開展建設，其中約65,900平方米預期可於2016/17財政年度竣工。

於2016/17財政年度上半年，重慶華南城錄得合約銷售總額9,890萬港元(2015/16財政年度上半年：4.116億港元)，包括以平均售價8,000港元/平方米售出建築面積12,400平方米的商品交易中心單位(單幢式)(2015/16財政年度上半年：以平均售價7,700港元/平方米售出53,700平方米)。

Financial Review

For the Period, when compared to the same period of last year, the revenue of the Group increased 34.4% to HK\$2,892.8 million (six months ended 30 September 2015: HK\$2,152.9 million), and net profit attributable to owners of the parent increased 13.4% to HK\$856.9 million (six months ended 30 September 2015: HK\$755.8 million). Excluding the effects of fair value gains on investment properties and related tax effects and profit or loss on purchase and redemption of senior notes, core net profit attributable to owners of the parent for the Period as adjusted increased by 30.8% to HK\$258.6 million (six months ended 30 September 2015: HK\$197.7 million). Basic earnings per share increased to HK10.70 cents (six months ended 30 September 2015: HK9.45 cents).

Revenue

Revenue for the Period increased by 34.4% to HK\$2,892.8 million (six months ended 30 September 2015: HK\$2,152.9 million) when compared to the same period of last year. The increase was mainly attributable to more properties were sold and delivered in Nanchang, Harbin and Hefei projects during the Period and the growing recurring revenue.

財務回顧

與去年同期比較，本期間，本集團的收入增加34.4%至28.928億港元(截至2015年9月30日止六個月：21.529億港元)；母公司擁有人應佔淨利潤增加13.4%至8.569億港元(截至2015年9月30日止六個月：7.558億港元)。撇除投資物業公平值收益及相關稅款影響和購買及贖回優先票據之損益，調整後的本期間母公司擁有人應佔核心淨利潤增加30.8%至2.586億港元(截至2015年9月30日止六個月：1.977億港元)。每股基本盈利增加至10.70港仙(截至2015年9月30日止六個月：9.45港仙)。

收入

與去年同期比較，本期間的收入增加34.4%至28.928億港元(截至2015年9月30日止六個月：21.529億港元)，增加主要原因是由於本期間位於南昌、哈爾濱及合肥項目有較多的物業銷售及交付，以及持續性收入的增長。

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

		2016 2016年 HK\$'000 千港元	2015 2015年 HK\$'000 千港元	Change 變幅 %
Sales of properties and finance lease income	物業銷售及融資租賃收入	2,156,313	1,549,639	39.1
<i>Sales of trade center units</i>	銷售交易中心商舖	1,209,415	1,119,183	8.1
<i>Sales of residential properties</i>	銷售住宅物業	887,778	311,225	185.3
<i>Finance lease income</i>	融資租賃收入	59,120	119,231	-50.4
Recurring income	持續性收入	736,486	603,215	22.1
<i>Rental income</i>	租金收入	353,457	333,951	5.8
<i>Property management service income</i>	物業管理服務收入	153,168	87,980	74.1
<i>E-commerce income</i>	電子商貿收入	63,438	50,797	24.9
<i>Other revenue</i>	其他收入	166,423	130,487	27.5
		2,892,799	2,152,854	34.4

Sales of Properties and Finance Lease income

Revenue from sales of properties increased by 46.6% to HK\$2,097.2 million (six months ended 30 September 2015: HK\$1,430.4 million). The increase was mainly attributable to the sales and delivery of properties in Nanchang, Harbin and Hefei projects during the Period. Sales for each project are as follows:

銷售物業及融資租賃收入

銷售物業收入增加46.6%至20.972億港元(截至2015年9月30日止六個月：14.304億港元)。增加主要原因是由於本期間位於南昌、哈爾濱及合肥項目有較多的物業銷售及交付。各項目的銷售情況如下：

		Average selling price (before deduction of sales tax*) (HK\$/sq. m.) 平均售價(扣除銷售稅前*) (港元/平方米)		GFA sold (sq. m.) 已售建築面積 (平方米)		Sales revenue (before deduction of sales tax*) HK\$ million 銷售收入(扣除銷售稅前*) (百萬港元)		Sales revenue (net of sales tax*) HK\$ million 銷售收入(扣除銷售稅後*) (百萬港元)	
		2016 2016年	2015 2015年	2016 2016年	2015 2015年	2016 2016年	2015 2015年	2016 2016年	2015 2015年
CSC Shenzhen	深圳華南城	31,000	21,900	300	4,200	8.8	92.6	8.4	87.5
CSC Nanchang	南昌華南城								
-	Trade center units	9,000	21,600	82,800	100	777.7	3.1	736.0	2.9
-	Residential properties	9,000	8,000	20,600	21,800	179.4	174.9	169.7	165.2
CSC Nanning	南寧華南城								
-	Trade center units	18,000	19,900	300	1,800	5.8	36.6	5.6	34.5
-	Residential properties	7,000	7,100	14,100	21,800	93.5	154.9	88.3	146.1
CSC Xi'an	西安華南城	8,000	8,400	10,800	18,300	91.5	153.1	86.6	144.6
CSC Harbin	哈爾濱華南城								
-	Trade center units	11,000	11,100	1,800	2,700	20.0	30.3	18.0	28.6
-	Residential properties	5,000	-	74,900	-	353.2	-	334.5	-
CSC Zhengzhou	鄭州華南城	11,000	9,400	22,700	64,300	248.0	604.6	235.0	571.4
CSC Hefei	合肥華南城								
-	Trade center units	8,000	7,100	4,400	4,300	35.6	30.6	34.0	28.9
-	Residential properties	6,000	-	51,200	-	312.2	-	295.3	-
CSC Chongqing	重慶華南城	8,000	7,500	11,600	31,100	90.7	233.9	85.8	220.7
Total	總計	N/A不適用	N/A不適用	295,500	170,400	2,216.4	1,514.6	2,097.2	1,430.4

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

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

Finance lease income derived from the leasing of office units and residential properties decreased by 50.4% to HK\$59.1 million (six months ended 30 September 2015: HK\$119.2 million). The decrease was primarily attributable to the low inventory level of office units at CSC Shenzhen.

During the Period, the Group entered into finance lease arrangements with tenants for approximately 5,600 sq. m. (six months ended 30 September 2015: 10,400 sq. m.) at an average price of HK\$11,100/sq. m. (six months ended 30 September 2015: HK\$12,300/sq. m.).

Rental Income

In the long run, the Group intends to retain not less than 50% of the trade center units for self-use or rental purposes and rental income will therefore be an important component of the recurrent income. CSC Shenzhen, being the Group's most matured project in its portfolio, contributed substantial part of the rental income. Along with the gradual extension of the trial operations in other projects, these projects will gradually start to contribute rental income. For the HOBA Furnishing megastores planned in CSC Nanning and CSC Shenzhen has now been in its trial operations which helped to enrich the business industries in the projects. During the Period, rental income increased year-on-year by 5.8% to HK\$353.5 million (six months ended 30 September 2015: HK\$334.0 million).

As at 30 September 2016, the total occupancy rate of the launched rentable GFA of phase I, phase II and phase III trade centers and shops of CSC Shenzhen were ranged from 71% to 93% (as at 30 September 2015: 62% to 94%), while the average rental rate ranged from HK\$37/sq. m. to HK\$55/sq. m. (as at 30 September 2015: HK\$38/sq. m. to HK\$56/sq. m.).

Property Management Service Income

Income from property management services rose by 74.1% to HK\$153.2 million (six months ended 30 September 2015: HK\$88.0 million). The increase in income was mainly attributable to the increasing operating trade center areas of CSC Nanchang and CSC Zhengzhou, and the gradual increasing portion of residential properties. The increasing operating areas of these projects bring along the increase in property management service income during the Period.

E-commerce Income

E-commerce income, derived from the E-commerce services provided to the Group's customers, increased by 24.9% to HK\$63.4 million (six months ended 30 September 2015: HK\$50.8 million) during the Period. The online membership programme of the Group were widely appreciated by customers. By joining the programme, the occupants will enjoy the full range of E-commerce service offered by the Group's E-commerce platform – CSC86.com.

來自寫字樓及住宅物業的融資租賃收入減少50.4%至5,910萬港元(截至2015年9月30日止六個月: 1.192億港元)。減少的主因是深圳華南城的寫字樓存量不多所致。

於本期間,本集團與承租人訂立的融資租賃合同約為5,600平方米(截至2015年9月30日止六個月: 10,400平方米),平均單價為11,100港元/平方米(截至2015年9月30日止六個月: 12,300港元/平方米)。

租金收入

長遠而言,本集團規劃保留不少於50%的商品交易中心商舖作為自營和出租用途,租金收入將會是本集團持續性收入的重要組成部分。深圳華南城是本集團項目組合中最成熟的項目,也是租金收入的主要貢獻單位。隨著其他項目陸續進入試運營,這些項目也將逐漸開始提供租金收入的貢獻。規劃設於南寧華南城及深圳華南城的大型好百年家居廣場已投入試運營,並豐富了項目的運營業態。於本期間,租金收入同期比較增加5.8%至3.535億港元(截至2015年9月30日止六個月: 3.340億港元)。

截至2016年9月30日,深圳華南城一期、二期及三期商品交易中心及商舖的總佔用率為已推出之可出租用建築面積之71%至93%(截至2015年9月30日:分別為62%至94%),而其平均租金由37港元/平方米至55港元/平方米(截至2015年9月30日: 38港元/平方米至56港元/平方米)。

物業管理服務收入

物業管理服務收入增加74.1%至1.532億港元(截至2015年9月30日止六個月: 8,800萬港元)。收入增加主要是南昌華南城及鄭州華南城的交易中心經營面積不斷增加,以及逐漸增加比例的住宅項目。該等項目的經營面積不斷增加,以致本期間帶來物業管理服務收入的增長。

電子商貿收入

來自為集團客戶提供電子商貿服務的收入於本期間增加24.9%至6,340萬港元(截至2015年9月30日止六個月: 5,080萬港元)。本集團推出的線上會員計劃現已受到客戶的廣泛認可。參與計劃的商戶可專享本集團電子商貿平台—華南城網所提供的全方位電子商貿服務。

Other Revenue

Other revenue rose by 27.5% to HK\$166.4 million (six months ended 30 September 2015: HK\$130.5 million). The increase was mainly attributable to the continuous growth of the outlet operations and logistics and warehousing services, with revenue from outlet operations increased 39.7% to HK\$83.2 million (six months ended 30 September 2015: HK\$59.6 million) while that of logistic and warehousing services increased 13.8% to HK\$74.9 million (six months ended 30 September 2015: HK\$65.8 million) respectively during the Period.

Increase in income from outlet operations was mainly due to the growth of outlet center business and the increase in operating areas in the established outlets during the Period. The increase in income from logistics and warehousing services was mainly due to the increase in operating areas of warehousing during the Period.

Cost of Sales

The Group's cost of sales mainly includes construction costs of properties sold, construction costs of properties held for finance lease and rental expenses. During the Period, cost of sales increased by 57.4% to HK\$1,650.2 million (six months ended 30 September 2015: HK\$1,048.7 million). The increase in cost of sales was in line with the increase of GFA of properties sold during the Period.

Gross Profit

Gross profit increased by 12.5% to HK\$1,242.6 million (six months ended 30 September 2015: HK\$1,104.2 million). During the Period, gross profit margin decreased to 43% (six months ended 30 September 2015: 51%) which was mainly due to the change in product mix of sales with a higher portion of residential properties which had a relatively lower profit margin.

Other Income and Gains/(Losses)

Other income and gains increased by 35.7% to HK\$684.2 million (six months ended 30 September 2015: HK\$504.1 million), mainly attributable to the government grants of HK\$740.9 million (six months ended 30 September 2015: HK\$542.7 million).

Fair Value Gains on Investment Properties

The fair value gains on investment properties increased by 20.8% to HK\$963.1 million (six months ended 30 September 2015: HK\$797.3 million). The increase was mainly contributed by the addition of new investment properties at the existing projects.

其他收入

其他收入增加27.5%至1.664億港元(截至2015年9月30日止六個月:1.305億港元),增長主要由於本期間奧特萊斯運營和物流及倉儲服務的持續增長所致。奧特萊斯運營的收入增加39.7%至8,320萬港元(截至2015年9月30日止六個月:5,960萬港元),物流及倉儲服務的收入增加13.8%至7,490萬港元(截至2015年9月30日止六個月:6,580萬港元)。

奧特萊斯中心運營收入增加主要是歸因於其業務量增長的奧特萊斯中心運營面積增加所致。另外,於本期間內,物流及倉儲服務收入增加主要是歸因於倉儲的運營面積的增長。

銷售成本

本集團的銷售成本主要包括已售物業建築成本、持作融資租賃物業建築成本及租金支出。在本期間內,銷售成本增加57.4%至16,502億港元(截至2015年9月30日止六個月:10,487億港元)。銷售成本的增加與本期間已售物業的建築面積增加一致。

毛利

毛利增加12.5%至12,426億港元(截至2015年9月30日止六個月:11,042億港元)。於本期間,毛利率下降至43%(截至2015年9月30日止六個月:51%),主要由於銷售產品組合中的住宅物業比例較高而住宅物業的毛利率相對較低。

其他收入及收益/(虧損)

其他收入及收益增加35.7%至6,842億港元(截至2015年9月30日止六個月:5,041億港元),主要為來自於政府的發展資金合共7,409億港元(截至2015年9月30日止六個月:5,427億港元)。

投資物業公平值收益

投資物業公平值收益增加20.8%至9,631億港元(截至2015年9月30日止六個月:7,973億港元),主要是由於現有項目增加新投資物業。

Selling and Distribution Expenses

Selling and distribution expenses decreased by 5.3% to HK\$395.5 million (six months ended 30 September 2015: HK\$417.7 million). The decrease was mainly attributable to the effective cost control measures taken as to marketing activities for promoting the sales of properties during the Period.

Administrative Expenses

Administrative expenses decreased by 6.9% to HK\$563.1 million (six months ended 30 September 2015: HK\$604.5 million). The decrease was primarily due to the Group's optimisation of human resources and the effective control of administrative costs. During the Period, the Group granted 70,500,000 share options to certain employees. Together with share options issued in prior periods, share options expenses of HK\$18.3 million (six months ended 30 September 2015: HK\$11.1 million) were recorded.

Finance Costs

Finance costs increased by 19.9% to HK\$109.9 million (six months ended 30 September 2015: HK\$91.6 million). The increase was mainly attributable to an increase in bank and other borrowings for general business purposes with interest expenses recorded through profit or loss. As at the end of September 2016, the Group's weighted average financing cost was 6.2%, as compared with 6.3% at the end of March 2016.

Tax

Tax expenses recorded an increase of 70.0% to HK\$882.1 million (six months ended 30 September 2015: HK\$518.9 million). The increase in tax expenses was in line with the increase of revenue during the Period.

Prepayments, Deposits and Other Receivables

Prepayments, deposits and other receivables increased by 17.4% to HK\$916.8 million (31 March 2016: HK\$781.3 million), mainly due to the increase in deposits paid for construction of new projects.

Trade and Other Payables

Trade and other payables increased by 18.9% to HK\$15,780.4 million (31 March 2016: HK\$13,269.7 million). The increase was mainly due to the increase in deposits and receipts in advance arising from our contracted sales during the Period. As at 30 September 2016, the balance of construction fees and retention payable and deposits received and receipts in advance were HK\$7,264.1 million and HK\$6,550.6 million, respectively.

銷售及分銷開支

銷售及分銷開支減少5.3%至3.955億港元(截至2015年9月30日止六個月:4.177億港元),主要由於本期間內在物業銷售推廣方面推出的多項的成本管理措施湊效。

行政開支

行政開支減少6.9%至5.631億港元(截至2015年9月30日止六個月:6.045億港元),主要由於本集團優化人力資源結構及有效控制行政成本。於本期間,本集團向若干僱員授出70,500,000份購股權。連同以前期間授出的購股權,購股權開支錄得1,830萬港元(截至2015年9月30日止六個月:1,110萬港元)。

融資成本

融資成本增加19.9%至1.099億港元(截至2015年9月30日止六個月:9,160萬港元),主要歸因於作為一般商業用途的銀行及其他貸款增加而其利息開支計入損益表。於2016年9月底,本集團的加權平均融資成本為6.2%,而2016年3月底的加權平均融資成本則為6.3%。

稅項

稅項開支錄得增加70.0%至8.821億港元(截至2015年9月30日止六個月:5.189億港元)。稅項開支的增加與本期間的收入增加一致。

預付款項、按金及其他應收款項

預付款項、按金及其他應收款項增加17.4%至9.168億港元(2016年3月31日:7.813億港元),主要歸因於新項目的工程按金增加的影響。

貿易及其他應付款項

貿易及其他應付款項增加18.9%至157.804億港元(2016年3月31日:132.697億港元),主要歸因於本期間內按金及由合約銷售的預收款項增加的影響。於2016年9月30日,應付建築費用及保留金以及按金及預收款項分別為72.641億港元及65.506億港元。

Liquidity and Financial Resources

The Group finances its development and operations primarily through internally generated funds, bank and other borrowings, and the issuance of different notes onshore and offshore, which includes but not limited to senior notes, short-term notes, medium-term notes, corporate bonds and domestic company bonds.

Cash and Cash Equivalents and Restricted Cash

As at 30 September 2016, the Group had HK\$8,259.0 million cash and cash equivalents and restricted cash (31 March 2016: HK\$11,686.7 million), among which non-restricted cash and cash equivalents amounted to approximately HK\$6,879.2 million (31 March 2016: HK\$9,327.8 million). The Group's cash and cash equivalents and restricted cash were primarily denominated in Renminbi, HK dollars and US dollars.

Borrowing and Charges on the Group's Assets

As at 30 September 2016, the Group had approximately HK\$31,059.8 million (31 March 2016: HK\$33,808.6 million) which included interest-bearing bank and other borrowings, senior notes, short-term notes, medium-term notes, corporate bonds and domestic company bonds.

Interest-bearing bank and other borrowings

The Group had aggregated interest-bearing bank and other borrowings of approximately HK\$13,479.7 million as at 30 September 2016 (31 March 2016: HK\$16,622.7 million), of which HK\$5,873.8 million will be repayable within one year or on demand, approximately HK\$4,501.1 million will be repayable in the second year, approximately HK\$2,789.6 million will be repayable in the third to fifth years and approximately HK\$315.2 million will be repayable after five years. As at 30 September 2016, the Group's interest-bearing bank and other borrowings of approximately HK\$11,105.7 million were secured by certain buildings, investment properties, properties under development, properties held for sales and bank deposits with a total carrying value of approximately HK\$25,881.8 million.

Except for the bank loan with balance of HK\$300 million denominated in HK dollars and bears interest at floating rates of HIBOR+2.65% (31 March 2016: HIBOR+2.65%), the other interest-bearing bank and other borrowings of the Group were denominated in Renminbi with interest rates range from 4.13% to 7.25% (31 March 2016: 3.3% to 7.5%) per annum. Furthermore, as at 30 September 2016, the Group had unused banking facilities of approximately HK\$5,411.7 million. The Group will deploy these banking facilities as appropriate, depending on project development needs and working capital status.

流動資金及財務資源

本集團主要透過內部產生的資金、銀行及其他借貸及境內外不同的票據發行，包括但不限於優先票據、短期融資券、中期票據、企業債券和境內公司債券等融資撥付其業務發展及運營所需資金。

現金及現金等價物及受限制現金

於2016年9月30日，本集團持有現金及現金等價物以及受限制現金82.590億港元(2016年3月31日：116.867億港元)，當中不受限制現金及現金等價物約為68.792億港元(2016年3月31日：93.278億港元)。本集團持有的現金及現金等價物以及受限制現金主要以人民幣、港元及美元為單位。

借貸及本集團資產抵押

於2016年9月30日，本集團持有約310.598億港元(2016年3月31日：338.086億港元)的計息銀行及其他借貸、優先票據、短期融資券、中期票據、企業債券以及境內公司債券。

計息銀行及其他借貸

本集團於2016年9月30日的計息銀行及其他借貸合計約為134.797億港元(2016年3月31日：166.227億港元)，其中58.738億港元須於一年內或應要求償還、約45.011億港元須於第二年償還、約27.896億港元須於第三至第五年償還及約3.152億港元須於五年後償還。於2016年9月30日，本集團的計息銀行及其他借貸中約111.057億港元是以若干樓宇、投資物業、發展中物業、持作銷售物業及銀行存款作抵押，其賬面總值約為258.818億港元。

除按香港銀行同業拆息加2.65%(2016年3月31日：香港銀行同業拆息加2.65%)利率計息的3億港元銀行貸款以港元為單位外，本集團其他計息銀行及其他借貸均以人民幣為單位，並按每年4.13%至7.25%的利率計息(2016年3月31日：3.3%至7.5%)。此外，於2016年9月30日，本集團持有備用銀行融資約54.117億港元。本集團將於適當時候視乎項目發展需要及營運資金狀況調配此等銀行融資。

Issuance of Notes

Senior Notes

In October 2012, the Company issued senior notes due in October 2017 with a nominal value of US\$125 million (equivalent to approximately HK\$975 million) at a coupon rate of 13.5% per annum ("2012 Notes") for the purpose of funding its properties under development and properties planned for future development, and refinancing a portion of its existing debt and for general corporate purposes. In April 2016, the Company has fully early redeemed this senior notes at premium in accordance to the terms and conditions of this notes and resulted in a loss on redemption of HK\$87.0 million.

In January 2014, the Company issued senior notes due in January 2019 with a nominal value of US\$400 million (equivalents to approximately HK\$3,120 million) at a coupon rate of 8.25% per annum ("2014 Notes") for the purpose of redeeming all of the outstanding senior notes due in January 2016, with which the coupon rate was 13.5% per annum, and for general corporate purposes.

In September and October 2016, the Company issued senior notes due in September 2021 with a nominal value of US\$200 million (equivalents to approximately HK\$1,560 million) and US\$150 million (equivalents to approximately HK\$1,170 million) respectively at a coupon rate of 6.75% per annum for the purpose of refinancing existing indebtedness and for general corporate purposes.

Short-Term Notes

In September 2014, China South International obtained the relevant approval for issuing the short-term notes in the national inter-bank market in the PRC with a maximum principal amount of RMB4.3 billion. In September 2015, China South International issued the first tranche of the short-term notes of 2015 ("2015 First Tranche STN") with a total principal amount of RMB2.1 billion with a maturity period of 1 year and at an interest rate of 4.3% per annum. The proceeds thereof were to be used for replacement of bank borrowings of the Group. The 2015 First Tranche STN have been repaid in September 2016. In September 2016, China South International issued the first tranche of the short-term notes of 2016 with a total principal amount of RMB1.2 billion with a maturity period of 1 year and at an interest rate of 4.9% per annum. The proceeds thereof were to be used for general corporate purpose and repaying part of the bank loans of the Group.

票據之發行

優先票據

於2012年10月，本公司發行於2017年10月到期面值1.25億美元(相當於約9.75億港元)年票息率為13.5%的優先票據(「2012年票據」)，以撥付其發展中物業及已規劃作未來發展物業所需資金，並為部分現有債項再融資及作一般公司用途。於2016年4月，本公司根據此優先票據的條款以溢價全數提早贖回此優先票據，並因而產生8,700萬港元贖回優先票據的虧損。

於2014年1月，本公司發行於2019年1月到期面值4億美元(相當於約31.2億港元)年票息率為8.25%的優先票據(「2014年票據」)，主要用作贖回所有於2016年1月到期年票息率為13.5%尚未贖回的優先票據及一般公司用途。

本公司分別於2016年9月及10月，發行於2021年9月到期面值2億美元(相當於約15.6億港元)及1.5億美元(相當於約11.7億港元)年票息率為6.75%的優先票據，主要用作現有債務的再融資及一般公司用途。

短期融資券

於2014年9月，華南國際取得於中國銀行間市場發行本金總額最多為人民幣43億元之短期融資券的相關批准。於2015年9月，華南國際發行2015年第一期短期融資券，本金總額為人民幣21億元，期限為1年，年利率為4.3%，該發行所得款項主要用作置換本集團的銀行貸款。2015年第一期短期融資券已於2016年9月償還。於2016年9月，華南國際發行2016年第一期短期融資券，本金總額為人民幣12億元，期限為1年，年利率為4.9%，該發行所得款項主要用作補充流動資金及償還本集團的部份銀行貸款。

Medium-Term Notes

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

Corporate Bonds

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

Domestic Company Bonds

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

As at 30 September 2016, the carrying value of China South International's short-term notes were HK\$1,394.3 million, medium-term notes were HK\$4,687.4 million, corporate bonds were HK\$1,768.3 million and domestic company bonds were HK\$5,275.8 million respectively.

中期票據

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

企業債券

於2015年3月，華南國際取得於中國發行本金總額最多為人民幣15億元之企業債券的相關批准。於2015年4月，華南國際發行該企業債券，本金總額為人民幣15億元，期限為最長6年，年利率為7.0%，該發行所得款項主要用作興建鄭州華南城項目之發展。

境內公司債券

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

於2016年9月30日，華南國際短期融資券的賬面值為13.943億港元、中期票據的賬面值為46.874億港元、企業債券的賬面值為17.683億港元及境內公司債券的賬面值為52.758億港元。

Gearing Ratio

The Group's gearing ratio (net debt divided by total equity) was 88.1% as at 30 September 2016 and 83.9% as at 31 March 2016. The total liabilities over total assets ratio was 68.7% as at 30 September 2016 (31 March 2016: 68.4%).

Net Current Assets and Current Ratio

As at 30 September 2016, the Group had net current assets of HK\$9,018.5 million (31 March 2016: HK\$10,971.0 million) at a current ratio of 1.33 (31 March 2016: 1.39).

Contingent Liabilities

The Group has provided guarantees with respect to banking facilities granted by certain banks in connection with mortgage loans entered into by purchasers of the Group's trade centers and residential properties and bank loans entered into by lessees of the Group's residential and commercial properties. The guarantees granted to purchasers of trade centers and residential properties will be released when the purchasers obtain building ownership certificates, which will then be pledged to the banks. For leased residential and commercial properties, the guarantees will be released accordingly when the lessees repaid the loan. As at 30 September 2016, the guarantees amounted to HK\$7,871.3 million (31 March 2016: HK\$5,805.4 million).

Commitments

As at 30 September 2016, the Group had future capital expenditure contracted but not yet provided for in the amount of HK\$9,169.0 million (31 March 2016: HK\$7,350.5 million).

Acquisition and Disposal of Subsidiary and Associated Companies

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

資本負債比率

本集團於2016年9月30日和2016年3月31日的資本負債比率(債務淨額除權益總額)分別為88.1%和83.9%。於2016年9月30日,總負債對總資產比率為68.7%(2016年3月31日:68.4%)。

流動資產淨值及流動比率

於2016年9月30日,本集團流動資產淨值為90.185億港元(2016年3月31日:109.710億港元),流動比率為1.33(2016年3月31日:1.39)。

或然負債

本集團為其交易中心及住宅物業買家與銀行訂立的按揭貸款以及其住宅及商業物業承租人與銀行訂立的銀行貸款提供擔保。授予買家的擔保將於買家取得房地產所有權證,並於其後抵押予銀行時解除。就租賃住宅及商業物業而言,擔保將於承租人償還貸款時相應解除。於2016年9月30日,擔保金額為78.713億港元(2016年3月31日:58.054億港元)。

承擔

於2016年9月30日,本集團的已訂約但未計提撥備的未來資本開支金額為91.690億港元(2016年3月31日:73.505億港元)。

收購及出售附屬公司及聯營公司

本集團於本期間並無任何收購及出售附屬公司及聯營公司的重大項目。

Foreign Exchange Risk

The Group conducts its business primarily in Renminbi. The income and bank deposits of the Group were substantially denominated in Renminbi to meet the Group's development and operation needs in the PRC. As at 30 September 2016, among the Group's total interest bearing debts of HK\$31,059.8 million, approximately HK\$4,754.2 million were denominated in US dollars or HK dollars and the rest were in Renminbi. The Group does not have material exposure to foreign exchange risk and no foreign currency hedging was done during the Period. The Group will monitor its foreign currency exposure and consider hedging arrangement if such need arise.

Economic, Commercial and Other Risks

The Group may be exposed to the risk of negative developments in national and regional economies, property and financial markets. It may result in reductions in sales prices of the properties, rent rates and occupancy rates of properties, and demand for ancillary services and facilities it provides. It may also result in recession, inflation, deflation and currency fluctuations as well as restrictions in the availability of credit, increases in financing and other operating costs. The development of the Group's projects may subject to market risks as it usually takes time to complete. Though the Group appoints quality partners for the development of its projects, it may still be subject to associated risk of the quality and safety of the products and services provided by the Group. The Group may also be subject to a number of regulatory environments in the territories in which it operates. Changes in the regulatory approach to such matters as ownership of assets and businesses, regulations related to development and operations, exchange controls, tax rules and employment legislation may impact the business of the Group. Changes in the political environment in such territories may also affect the Group. The management of the Group will keep abreast of the environment and policy changes and make the necessary adjustments in response to such changes, if any. Further steps taken by the Group to manage the financial risk can be read in conjunction with note 47 to the financial statements as set out in the Company's 2015/16 Annual Report.

外匯風險

本集團之業務主要以人民幣進行。本集團之收入及銀行存款大部分為人民幣，以滿足其在國內的發展和運營所需。截至2016年9月30日，在本集團310.598億港元之總計息借貸中，大約47.542億港元之計息借貸為美元或港元借款，餘額為人民幣借款。本集團並沒有重大的外匯風險，在本期間並沒有進行匯率對沖之安排。本集團將留意其匯率風險，並在需要時適時作出匯率對沖之安排。

經濟、商業及其他風險

本集團或會受到來自國家與區域經濟、房地產及金融市場負面發展風險的影響。該等風險或會導致物業銷售價格、物業租金及佔有率下降，以及對其提供的配套服務與設施需求的下降。其亦或會導致經濟衰退、通貨膨脹、通貨緊縮及匯價波動，以及信貸受限、融資及其他運營成本上升。由於本集團的項目開發需時，其或受到市場風險影響。儘管本集團委聘優質合作夥伴進行項目開發，但仍可能受其提供產品與服務之品質及安全性所帶來風險的影響。本集團於其運營的地區亦可能受一系列監管環境影響，包括資產及業務的擁有權、涉及開發及運營的法規、外匯管制、稅收規則及勞動法規等監管方式的變化或會影響本集團的業務。當地政策環境的變化亦可能會影響本集團的業務。本集團管理層將因應該等變化作出適時調整，以與市場環境及政策變化保持一致。本集團進一步管理財務風險的辦法可與載於本公司2015/16年報財務報表附註47一併閱讀。

Land for Projects and Restriction on Sales

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

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

Pursuant to certain project and land related contracts and documents, some of the land acquired by the Group may have sales restrictions on properties built on it. These include the saleable area of trade centers of CSC Shenzhen is limited to 30% of the total buildable GFA of properties built on the relevant parcels of land. The saleable area of trade centers and logistics facilities built on certain parcels of land acquired by CSC Nanchang and CSC Nanning in 2010 are limited to 60% of the relevant total buildable GFA. The saleable area of trade centers built by CSC Hefei and CSC Chongqing are limited to 50% of their relevant total buildable GFA. The saleable area of trade centers of phase I and future phases of CSC Zhengzhou are limited to 60% and 50% respectively of its relevant total buildable GFA. Except for the restrictions mentioned herein, there is no sales restriction on other land acquired by the Group. According to the Group's business model, the Group intends to hold not less than 50% of trade centers and commercial facilities for leasing and self-use, the related sales restrictions will not have significant impact to the Group.

項目土地及銷售限制

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

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

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

General Mandate Issue

Update on Use of Proceeds

On 15 January 2014, the Company entered into the Investment and Cooperation Agreement (the "Agreement") with THL H Limited ("THL"), a wholly-owned subsidiary of Tencent, a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"). Pursuant to such Agreement and the general mandate granted to the Directors at the annual general meeting of the Company held on 21 August 2013, THL has subscribed for 680,300,000 shares of the Company at a price of HK\$2.20 per share ("Subscription Shares") on 23 January 2014 with a total consideration of approximately HK\$1,500 million. In addition, the Company has granted an option to THL to subscribe for a further 244,800,000 shares at the price of HK\$3.50 per share (subject to adjustments (if any)) ("Option"). In September 2014, THL noticed the Company to exercise the Option at the option price of HK\$3.36 per share at the total consideration of approximately HK\$822.5 million (as adjusted by the dividend declared by the Company) and the Company issued and allotted such shares to THL accordingly. Details of the Investment and Cooperation Agreement are set out in the announcements dated 15 January 2014, 23 January 2014, 23 September 2014 and 29 September 2014 respectively. The Company intends to use part of the net proceeds in certain areas of intended cooperation with the Tencent Group and the remaining will be used for general corporate purposes.

The net proceeds from the Subscription Shares and the exercise of Option were in an aggregate of approximately HK\$2,319.2 million. As at 30 September 2016, the net proceeds thereof have been fully utilized on business related to E-commerce, logistics and general corporate purposes.

Human Resources

As at 30 September 2016, the Group had a workforce of approximately 6,590 people, including approximately 6,550 people directly employed by the Group and approximately 40 people employed by our associate. The number of the Group's staff decreased by 4.9% from 6,930 people as at 31 March 2016. The Group aims to recruit, retain and develop competent individuals who are committed to the Group's long-term success and growth. Remunerations and other benefits of employees are reviewed annually in response to both market conditions and trends, and are based on qualifications, experience, responsibilities and performance. In addition to basic salaries and other staff benefits, discretionary bonuses and share options may be awarded to employees who display outstanding performance and contributions to the Group. During the Period, the Company granted 70,500,000 share options to the certain employees of the Group.

一般授權發行

所得款用途的最新情況

於2014年1月15日，本公司與THL H Limited(「THL」)(為騰訊，一家於香港聯合交易所有限公司(「香港聯交所」)主板上市公司之全資附屬公司)訂立投資及合作協議(「協議」)。根據該協議及本公司於2013年8月21日舉行的股東周年大會上授予董事之一般授權，THL於2014年1月23日以每股2.20港元認購合共680,300,000股本公司股份(「認購股份」)，總代價為15億港元。此外，本公司亦以購股權行使價每股3.50港元(可予調整(如有))向THL授出購股權以進一步認購244,800,000股股份(「購股權」)。於2014年9月23日，THL通知本公司以購股權價格每股3.36港元(按本公司宣派之股息已作調整)之總代價約為8.225億港元行使購股權，本公司據此發行及配發相關股份。有關該協議之詳情分別載於2014年1月15日、2014年1月23日、2014年9月23日及2014年9月29日之公告內。本公司擬將部份所得之款項投放於與騰訊的合作範疇，而有關餘數將用作一般企業用途。

有關認購股份及行使購股權所得之款項合共約為23.192億港元。截至2016年9月30日，所得之款項已悉數用於與電子商貿、物流業務有關之業務及一般企業用途。

人力資源

於2016年9月30日，本集團有僱員約6,590人，其中直接隸屬本集團的僱員約有6,550人，另外40人為聯營企業之僱員。本集團僱員人數較2016年3月31日的6,930人減少4.9%。本集團旨在招聘、挽留及培訓該等致力於本集團長遠成功及增長的人員。僱員的薪酬及其他福利乃參考市況及市場趨勢，以及按彼等的資歷、經驗、職責及表現每年進行檢討。除基本薪金及其他員工福利外，表現優秀且為本集團作出貢獻的僱員亦可獲獎勵酌情花紅及購股權。於本期間，本公司向若干僱員授出70,500,000份購股權。

DISCLOSURE OF INTERESTS

權益披露

Directors' and Chief Executive's Interests in Securities

As at 30 September 2016, the interests and short positions of the Directors in the shares of the Company (the "Shares"), underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register maintained by the Company under section 352 of the SFO or as notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

董事及主要行政人員於證券的權益

於2016年9月30日，董事於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的本公司股份（「股份」）、相關股份及債權證中擁有載入本公司根據證券及期貨條例第352條須予存置的登記冊，或根據上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及香港聯交所的權益及淡倉如下：

Long position in the Shares and Underlying Shares of the Company

於本公司股份及相關股份的好倉

Name of Directors 董事姓名	Class of Shares 股份類別	Number of Shares held 所持股份數目				Total 總計	Approximate percentage of the Company's total number of issued Shares ⁽⁸⁾ 佔本公司已發行股份總數概約百分比 ⁽⁸⁾
		Corporate interest 公司權益	Personal interest 個人權益	Family interest 家族權益	Share options 購股權		
Cheng Chung Hing 鄭松興	Ordinary Shares 普通股	1,778,196,831 ⁽¹⁾	79,000,000	-	-	1,857,196,831	23.19%
Cheng Tai Po 鄭大報	Ordinary Shares 普通股	588,984,145 ⁽²⁾	4,936,000	-	-	593,920,145	7.41%
Leung Moon Lam 梁滿林	Ordinary Shares/Share Options 普通股/購股權	463,899,770 ⁽³⁾	-	2,000,000	69,300,000 ⁽⁴⁾	535,199,770	6.68%
Ma Kai Cheung 馬介璋	Ordinary Shares 普通股	138,966,649 ⁽⁵⁾	-	-	-	138,966,649	1.73%
Ma Wai Mo 馬偉武	Ordinary Shares 普通股	126,197,662 ⁽⁶⁾	-	-	-	126,197,662	1.57%
Sun Kai Lit Cliff 孫啟烈	Ordinary Shares 普通股	125,241,662 ⁽⁷⁾	-	-	-	125,241,662	1.56%
Fung Sing Hong Stephen 馮星航	Ordinary Shares/Share Options 普通股/購股權	-	9,200,000	-	155,990,000 ⁽⁴⁾	165,190,000	2.06%
Li Wai Keung 李偉強	Share Options 購股權	-	-	-	2,000,000 ⁽⁴⁾	2,000,000	0.02%
Leung Kwan Yuen Andrew 梁君彥	Share Options 購股權	-	-	-	2,000,000 ⁽⁴⁾	2,000,000	0.02%
Hui Chiu Chung 許照中	Share Options 購股權	-	-	-	2,000,000 ⁽⁴⁾	2,000,000	0.02%
Yung Wing Ki Samuel 容永祺	Share Options 購股權	-	-	-	2,000,000 ⁽⁴⁾	2,000,000	0.02%

Disclosure of Interests (Continued)

權益披露(續)

Notes:

- (1) Mr. Cheng Chung Hing is interested in 100% of the issued share capital of Accurate Gain Developments Limited which in turn holds 1,778,196,831 Shares and is therefore deemed to be interested in the aforesaid 1,778,196,831 Shares. Mr. Cheng is a director of Accurate Gain Developments Limited. Mr. Cheng Chung Hing is the younger brother of Mr. Cheng Tai Po.
- (2) Mr. Cheng Tai Po is interested in 100% of the issued share capital of Proficient Success Limited which in turn holds 588,984,145 Shares and is therefore deemed to be interested in the aforesaid 588,984,145 Shares. Mr. Cheng is a director of Proficient Success Limited. Mr. Cheng Tai Po is the elder brother of Mr. Cheng Chung Hing.
- (3) Mr. Leung Moon Lam owns 100% of the issued share capital of Kings Faith International Limited which in turn holds 463,899,770 Shares and is therefore deemed to be interested in the aforesaid 463,899,770 Shares. Mr. Leung Moon Lam is a director of Kings Faith International Limited.
- (4) The relevant interests are share options granted to Mr. Leung Moon Lam, Mr. Fung Sing Hong Stephen, Mr. Li Wai Keung, Mr. Leung Kwan Yuen Andrew, Mr. Hui Chiu Chung and Mr. Yung Wing Ki Samuel pursuant to the Company's share option scheme adopted on 4 September 2009. Further details of the share option scheme are set out in the section headed "Share Option Scheme" below.
- (5) Dr. Ma Kai Cheung, as beneficial owner and beneficiary of trust and through the interest of his spouse, being interested in 41.45% of the issued share capital of Carrianna Group Holdings Company Limited which through a number of intermediaries, wholly owns Carrianna Development Limited, Dr. Ma Kai Cheung is therefore deemed to be interested and duplicated interested in an aggregate of 138,966,649 Shares held by Carrianna Development Limited via its holding company. Dr. Ma is a director of each of Carrianna Group Holdings Company Limited, Carrianna Development Limited, Sincere United Holdings Limited, Carrianna Holdings Limited, Gartrend Development Limited and Carrianna (BVI) Limited.

附註：

- (1) 由於鄭松興先生擁有 Accurate Gain Developments Limited 已發行股本的100%股份權益，而該公司持有1,778,196,831股股份，故鄭松興先生被視為擁有上述1,778,196,831股股份權益。鄭先生為 Accurate Gain Developments Limited 的董事。鄭松興先生為鄭大報先生之胞弟。
- (2) 由於鄭大報先生擁有 Proficient Success Limited 已發行股本的100%股份權益，而該公司持有588,984,145股股份，故鄭大報先生被視為持有上述588,984,145股股份權益。鄭先生為 Proficient Success Limited 的董事。鄭大報先生為鄭松興先生之胞兄。
- (3) 由於梁滿林先生擁有京暉國際有限公司已發行股本的100%股份權益，而該公司持有463,899,770股股份，故梁滿林先生被視為持有上述463,899,770股股份權益。梁滿林先生為京暉國際有限公司之董事。
- (4) 有關之權益是指根據本公司於2009年9月4日採納之購股權計劃而授予梁滿林先生、馮星航先生、李偉強先生、梁君彥先生、許照中先生及容永祺先生之購股權。購股權計劃之進一步詳情載於下文「購股權計劃」一節內。
- (5) 由於馬介璋博士為實益擁有人及信託受益人，並透過其配偶的權益，持有佳寧娜集團控股有限公司已發行股本中41.45%之股份權益，而佳寧娜集團控股有限公司透過若干中間控股公司全資擁有 Carrianna Development Limited，馬介璋博士故被視為透過其控股公司於 Carrianna Development Limited 持有合共138,966,649股股份中擁有權益及權益重疊。馬博士為佳寧娜集團控股有限公司、Carrianna Development Limited、Sincere United Holdings Limited、佳寧娜集團有限公司、嘉堅發展有限公司及 Carrianna (BVI) Limited 的董事。

Disclosure of Interests (Continued)

權益披露(續)

- | | |
|---|---|
| <p>(6) By virtue of Dr. Ma Wai Mo's 50% shareholding interests in Luk Ka Overseas Investments Limited which is interested in 100% interests in Luk Ka International Limited, Dr. Ma is therefore deemed to be interested and duplicate in the interest in the same 126,197,662 Shares held by Luk Ka International Limited.</p> <p>(7) Mr. Sun Kai Lit Cliff owns the entire interests in Kinox Holdings Limited and is therefore deemed to be interested in the 125,241,662 Shares held by Kinox Holdings Limited.</p> <p>(8) The percentage shareholding is calculated on the basis of 8,006,321,999 Shares issued as at 30 September 2016.</p> | <p>(6) 由於馬偉武博士擁有 Luk Ka Overseas Investments Limited 的 50% 股份權益，而該公司擁有力嘉國際集團有限公司的 100% 權益，故馬博士被視為於力嘉國際集團有限公司所持的 126,197,662 股股份中擁有權益及權益重疊。</p> <p>(7) 由於孫啟烈先生擁有 Kinox Holdings Limited 之全部權益，故被視為於 Kinox Holdings Limited 所持的 125,241,662 股股份中擁有權益。</p> <p>(8) 股本百分比乃根據於 2016 年 9 月 30 日已發行之 8,006,321,999 股股份計算。</p> |
|---|---|

Save as disclosed above, as at 30 September 2016, to the knowledge of the Directors, none of the Directors or chief executive of the Company had any interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be: (i) notified to the Company and the Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive were taken or deemed to have under such provisions of the SFO); (ii) entered in the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code.

除上文披露者外，於 2016 年 9 月 30 日，據董事所知，概無董事或本公司主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第 XV 部)的股份、相關股份或債權證中擁有任何：(i) 根據證券及期貨條例第 XV 部第 7 及 8 分部須知會本公司及香港聯交所的權益或淡倉(包括董事及主要行政人員根據證券及期貨條例相關條文被當作或被視為擁有的權益及淡倉)；(ii) 本公司根據證券及期貨條例第 352 條須記錄於登記冊的權益或淡倉；或(iii) 根據標準守則須知會本公司及香港聯交所的權益或淡倉。

Substantial Shareholders' Interests in Securities

As at 30 September 2016, to the knowledge of the Directors, the following persons (other than a Director or chief executive of the Company) had or were deemed or taken to have interests or short position in the Shares or underlying Shares which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register kept by the Company pursuant to Section 336 of the SFO:

Long Position in the Shares

主要股東於證券的權益

於2016年9月30日，據董事所知，以下人士（董事或本公司主要行政人員除外）於股份或相關股份中擁有或被視為或被當作擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露，或載入本公司根據證券及期貨條例第336條須予存置的登記冊的權益或淡倉：

於股份中的好倉

Name	Nature of interest	Number of Shares or underlying Shares held	Approximate percentage of the Company's total number of issued Shares ⁽⁶⁾
姓名／名稱	權益性質	所持有股份或相關股份數目	佔本公司已發行股份總數概約百分比 ⁽⁶⁾
Accurate Gain Developments Limited	Beneficial owner 實益擁有人	1,778,196,831 ⁽¹⁾	22.20%
Mr. Chen Hong Tian 陳紅天先生	Deemed interest in controlled corporation 被視作受控制法團權益	1,002,524,000 ⁽²⁾	12.52%
Mrs. Chen Li Ni Yao 陳姚麗妮女士	Deemed interest in controlled corporation 被視作受控制法團權益	1,002,524,000 ⁽²⁾	12.52%
Chen Family Assets Management Company Limited	Deemed interest in controlled corporation 被視作受控制法團權益	1,002,524,000 ⁽²⁾	12.52%
Chen's International Investment Limited	Beneficial Owner 實益擁有人	1,002,524,000 ⁽²⁾	12.52%
Naspers Limited	Deemed interest in controlled corporation 被視作受控制法團權益	925,100,000 ⁽³⁾	11.55%
MIH TC Holdings Limited	Deemed interest in controlled corporation 被視作受控制法團權益	925,100,000 ⁽³⁾	11.55%
Tencent Holdings Limited 騰訊控股有限公司	Deemed interest in controlled corporation 被視作受控制法團權益	925,100,000 ⁽³⁾	11.55%
THL H Limited	Beneficial Owner 實益擁有人	925,100,000 ⁽³⁾	11.55%
Proficient Success Limited	Beneficial owner 實益擁有人	588,984,145 ⁽⁴⁾	7.35%
Kings Faith International Limited 京暉國際有限公司	Beneficial owner 實益擁有人	463,899,770 ⁽⁵⁾	5.79%

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

Notes:

- (1) Mr. Cheng Chung Hing owns 100% of the issued share capital of Accurate Gain Developments Limited.
- (2) Chen's International Investment Limited is wholly owned by Chen Family Assets Management Company Limited. Mr. Chen Hong Tian and Mrs. Chen Li Ni Yao each owns 50% of the issued share capital of Chen Family Assets Management Company Limited.
- (3) Pursuant to the Investment and Cooperation Agreement entered into between the Company and THL H Limited ("THL") on 15 January 2014, 680,300,000 Shares were issued and allotted by the Company to THL on 23 January 2014, and 244,800,000 Shares were issued by the Company to THL on 29 September 2014 with respect to the exercise of the options by THL. THL is wholly owned by Tencent Holdings Limited ("Tencent"). Tencent is owned as to 33.29% by MIH TC Holdings Limited which is indirectly controlled by Naspers Limited.
- (4) Mr. Cheng Tai Po owns 100% of the issued share capital of Proficient Success Limited.
- (5) These 463,899,770 Shares are held by Kings Faith International Limited which in turn is 100% owned by Mr. Leung Moon Lam.
- (6) The percentage shareholding is calculated on the basis of 8,006,321,999 Shares issued as at 30 September 2016.

Save as disclosed above, as at 30 September 2016, to the knowledge of the Directors or chief executive of the Company, no other person (other than a Director or chief executive of the Company) had, or were deemed or taken to have interest or short position in the Shares or underlying Shares which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register kept by the Company pursuant to Section 336 of the SFO.

Information on Share Options Share Option Scheme

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

1. The purpose of the Share Option Scheme is to provide incentives to eligible persons for their contribution to the Group and to enable the Group to recruit high-calibre employees and attract human resources that are valuable to the Group.
2. The Board may at its discretion grant options to directors, employees, officers, agents, consultants or representatives of the Group.

附註：

- (1) 鄭松興先生擁有Accurate Gain Developments Limited已發行股本的100%股份權益。
- (2) Chen's International Investment Limited由Chen Family Assets Management Company Limited全資擁有。陳紅天先生及陳姚麗妮女士各擁有Chen Family Assets Management Company Limited已發行股本的50%股份權益。
- (3) 根據本公司於2014年1月15日與THL H Limited (「THL」)訂立投資及合作協議，本公司分別於2014年1月23日向THL發行及配發680,300,000股股份，以及就THL行使購股權而於2014年9月29日向其發行244,800,000股股份。THL由騰訊控股有限公司(「騰訊」)全資擁有。騰訊由MIH TC Holdings Limited擁有33.29%之權益，而MIH TC Holdings Limited則由Naspers Limited間接控制。
- (4) 鄭大報先生擁有Proficient Success Limited已發行股本的100%股份權益。
- (5) 該463,899,770股股份由京暉國際有限公司持有，其100%由梁滿林先生擁有。
- (6) 股本百分比乃根據於2016年9月30日已發行之8,006,321,999股股份計算。

除上文披露者外，於2016年9月30日，據董事或本公司主要行政人員所知，概無其他人士(董事或本公司主要行政人員除外)於股份或相關股份中擁有或被視為或被當作擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露，或根據證券及期貨條例第336條載入本公司存置的登記冊的權益或淡倉。

有關購股權的資料 購股權計劃

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

1. 該購股權計劃旨在獎勵合資格人士對本集團所作貢獻，並使本集團得以招聘優秀員工及吸引人才。
2. 董事會有權酌情向本集團之董事、僱員、高級職員、代理、顧問或代表授出購股權。

Disclosure of Interests (Continued)

權益披露(續)

3. The total number of Shares which may be issued upon exercise of all share options granted and yet to be exercised under the Share Option Scheme must not exceed 30% of the Shares in issue from time to time. The total number of Shares in respect of which options may be granted under the Share Option Scheme is not permitted to exceed 10% in nominal amount of the issued Shares as at the date of commencement of the listing of Shares on the Hong Kong Stock Exchange unless with the prior approval from the shareholders. The Share Option Scheme limit was refreshed at the annual general meeting of the Company held on 21 August 2013, and hence the maximum number of the Shares available for issue upon exercise of all share options which may be granted under the Share Option Scheme is 326,132,400 Shares, representing approximately 4.07% of the total number of issued shares of the Company as at 30 September 2016.
4. The total number of Shares issued and to be issued upon the exercise of share options granted under the Share Option Scheme (including exercised, cancelled and outstanding share options) to each grantee in any 12-month period up to the date of grant shall not exceed 1% of the issued share capital of the Company as at the date of grant. Any further grant of share options in excess of this limit is subject to approval of the shareholders.
5. The period during which a share option may be exercised will be determined by the directors at their absolute discretion, save that no share option may be exercised more than 10 years after grant.
6. The consideration paid by each grantee for each grant of options is HK\$1.
7. The exercise price in relation to each share option will be determined by the directors at their absolute discretion and shall not be less than the highest of: (i) the official closing price of the Shares as stated in the daily quotation sheet of the Hong Kong Stock Exchange on the date of grant; (ii) the average closing prices of the Shares as stated in the daily quotation sheets of the Hong Kong Stock Exchange for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Shares on the date of grant.
8. The Share Option Scheme will expire on 29 September 2019 after which no further options will be granted under the Share Option Scheme. In respect of the options granted and accepted prior to such expiration and not then exercised, they shall continue to be valid and exercisable subject to and in accordance with the Share Option Scheme.
3. 因購股權計劃項下已授出但尚未行使之所有購股權獲行使而可予發行的股份總數，不得超過不時已發行股份的30%。除獲本公司股東預先批准，否則根據購股權計劃可予授出的購股權所涉及股份總數，不得超過股份於香港聯交所上市之日期的已發行股份面值的10%。購股權上限已於2013年8月21日舉行之本公司股東周年大會上更新，因此根據購股權計劃項下可予授出的所有購股權獲行使而可供發行的股份總數為326,132,400股，相當於本公司於2016年9月30日已發行股份總數約4.07%。
4. 因購股權計劃項下已授出購股權(包括已行使、註銷及未行使之購股權)獲行使而於任何12個月期間起至授出日期止向各承授人發行及即將發行的股份總數，不得超過本公司於授出日期已發行股本的1%。如要進一步授出超過此限額的購股權，須獲股東批准。
5. 董事可全權酌情決定購股權的行使期，惟以購股權獲授出後10年為限。
6. 各承授人須支付1港元作為每次獲授購股權的代價。
7. 董事可全權酌情決定各購股權的行使價，惟不得低於下列各項的最高者：(i)股份於授出日期在香港聯交所每日報價表所列官方收市價；(ii)股份於緊接授出日期前五個營業日在香港聯交所每日報價表所列平均收市價；及(iii)股份於授出日期的面值。
8. 購股權計劃將於2019年9月29日終止，其後將不能根據購股權計劃進一步授出購股權。根據購股權計劃並在其規限下，於該終止前已授出並獲接納惟當時尚未行使之購股權將仍然有效及可行使。

Disclosure of Interests (Continued)

權益披露(續)

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

於本期間內根據購股權計劃授出購股權的變動詳情摘錄於下表之內：

Name	Date of Grant	Number of Share Options 購股權數目					As at 30 September 2016 於2016年 9月30日	Exercise Price HK\$ 港元	Exercisable Period
		As at 1 April 2016 於2016年 4月1日	Granted 已授出	Exercise 已行使	Cancelled/ Lapsed 已註銷/失效				
Directors									
董事									
Leung Moon Lam 梁滿林	30/6/2014	34,650,000	-	-	-	34,650,000	4.07	30/6/2014-29/6/2019	
Fung Sing Hong Stephen 馮星航	27/6/2013	8,000,000	-	-	-	8,000,000	1.69	27/6/2014-26/6/2018	
	17/2/2014	19,000,000	-	-	-	19,000,000	4.14	17/2/2014-16/2/2019	
		19,000,000	-	-	-	19,000,000	4.14	17/2/2015-16/2/2019	
	30/6/2014	15,000,000	-	-	-	15,000,000	4.07	30/6/2014-29/6/2019	
		15,000,000	-	-	-	15,000,000	4.07	30/6/2015-29/6/2019	
	13/1/2016	39,995,000	-	-	-	39,995,000	1.528	13/1/2016-12/1/2021	
		39,995,000	-	-	-	39,995,000	1.528	13/1/2017-12/1/2022	
Leung Kwan Yuen Andrew 梁君彥	17/2/2014	1,000,000	-	-	-	1,000,000	4.14	17/2/2014-16/2/2019	
Li Wai Keung 李偉強	17/2/2014	1,000,000	-	-	-	1,000,000	4.14	17/2/2015-16/2/2019	
Hui Chiu Chung 許照中	17/2/2014	1,000,000	-	-	-	1,000,000	4.14	17/2/2015-16/2/2019	
Yung Wing Ki Samuel 容永祺	17/2/2014	1,000,000	-	-	-	1,000,000	4.14	17/2/2015-16/2/2019	
		1,000,000	-	-	-	1,000,000	4.14	17/2/2016-16/2/2019	
Employees 僱員	11/4/2011	7,000,000	-	(7,000,000)	-	-	1.29	11/4/2011-10/4/2016	
	27/6/2013	1,500,000	-	-	-	1,500,000	1.69	27/6/2013-26/6/2018	
		2,500,000	-	-	-	2,500,000	1.69	27/6/2014-26/6/2018	
		1,950,000	-	-	(700,000)	1,250,000	1.69	27/6/2015-26/6/2018	
	17/2/2014	1,000,000	-	-	-	1,000,000	4.14	17/2/2015-16/2/2019	
		1,000,000	-	-	-	1,000,000	4.14	17/2/2016-16/2/2019	
	30/6/2014	1,000,000	-	-	-	1,000,000	4.07	30/6/2015-29/6/2019	
		1,000,000	-	-	-	1,000,000	4.07	30/6/2016-29/6/2019	
	22/8/2016	-	23,500,000	-	-	23,500,000	1.75	22/8/2016-21/8/2021	
		-	35,250,000	-	-	35,250,000	1.75	22/8/2017-21/8/2022	
		-	11,750,000	-	-	11,750,000	1.75	22/8/2018-21/8/2023	
		250,240,000	70,500,000	(7,000,000)	(700,000)	313,040,000			

Disclosure of Interests (Continued)

權益披露(續)

Notes:

1. The closing price of the Shares immediately before the date on which the share options granted on 22 August 2016 was HK\$1.75 per Share.
2. The weighted average closing price of the Shares immediately before the date on which the share options were exercised was approximately HK\$1.57 per Share.
3. Details of the Share Option Scheme is set out in note 26 to the financial statements.

附註：

1. 緊接於2016年8月22日授出購股權日期前本公司股份收市價為每股1.75港元。
2. 緊接購股權行使日期前本公司股份加權平均收市價為每股1.57港元。
3. 購股權計劃的詳情載於財務報表附註26。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

Code on Corporate Governance

The Company recognizes the value and importance of achieving high standard of corporate governance to enhance the corporate performance accountability and is committed to doing so. The Board is committed to the principles of the Corporate Governance Code (the “CG Code”) as contained in Appendix 14 of the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange (the “Listing Rules”).

During the Period, the Company has complied with all the code provisions set out in the CG Code.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as the guidelines for the directors’ dealing in the securities of the Company. Upon specific enquiries of all the Directors, each of them confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended 30 September 2016.

Change in Information of Directors

The change in the information of directors since the publication of the 2015/16 annual report is set out below pursuant to Rule 13.51(B)(1) of the Listing Rules:

- Mr. Leung Kwan Yuen Andrew was elected as the President of the Sixth Legislative Council of Hong Kong on 12 October 2016.
- Mr. Li Wai Keung was appointed as the President of the Hong Kong Business Accountants Association Limited on 13 July 2016.
- Mr. Yung Wing Ki Samuel has resigned as an independent non-executive director of Fittec International Group Limited, a company listed on the Main Board of the Hong Kong Stock Exchange (Stock Code: 2662), with effect from 31 May 2016.

Audit Committee

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

企業管治守則

本公司認同實現高標準的企業管治以提高企業業績的問責制的價值及重要性，並會致力達成此目標。董事會亦承諾遵守香港聯交所證券上市規則（「上市規則」）附錄14所載的企業管治守則（「管治守則」）的原則。

於本期間，本公司一直遵守管治守則載列的所有守則條文。

董事進行證券交易的標準守則

本公司已採納上市規則附錄10所載的標準守則，作為董事進行本公司證券交易的指引。經向全體董事作出具體查詢後，彼等各自確認於截至2016年9月30日止六個月內一直遵守標準守則所載的規定準則。

董事資料變動

根據上市規則第13.51(B)(1)條，於2015/16年報刊發後的董事資料變動載列如下：

- 梁君彥先生於2016年10月12日獲當選為第六屆香港立法會主席。
- 李偉強先生於2016年7月13日獲委任為香港商界會計師協會會長。
- 容永祺先生已辭任奕達國際集團有限公司（一家於香港聯交所主板上市之公司，股份代號：2662）之獨立非執行董事，由2016年5月31日起生效。

審核委員會

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

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

Review of Interim Results

The unaudited interim results of the Company and its subsidiaries for the six months ended 30 September 2016 have been reviewed by the Audit Committee and Ernst & Young, the Company's independent auditors, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

Purchase, Sale or Redemption of Listed Securities

During the Period, the Company has early redeemed in full the 2012 Notes at the redemption price equal to 106.750% of the principal amount thereof, plus accrued and unpaid interest to (but not including) the redemption date. Upon such redemption, the 2012 Notes were cancelled and delisted from the official list of the Singapore Exchange Securities Trading Limited accordingly. In addition, the Group purchased part of the 2014 Notes with principal amount of US\$20 million from the open market, details of which are set out in note 21 to the financial statements in this report.

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

Interim Dividend

The Board resolved not to declare any interim dividend for the six months ended 30 September 2016 (30 September 2015: Nil).

Events after the Reporting Period

The events after the reporting period are set out in note 31 to the financial statements.

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

中期業績的審閱

審核委員會及本公司獨立核數師安永會計師事務所已根據香港會計師公會頒佈的香港審閱委聘準則第2410號「獨立核數師對實體中期財務資料的審閱」，審閱本公司及其附屬公司截至2016年9月30日止六個月的未經審核中期業績。

購買、出售或贖回上市證券

於本期間，本公司提早贖回2012年票據，贖回價按相等於該票據本金額的106.750%，另加截至贖回日期(但不包括該日)的累計及未支付的利息的贖回價全數贖回。於該贖回後，2012年票據已悉數註銷，並自新加坡證券交易所有限公司的官方名單中刪除。此外，本集團於公開市場購買部份本金額為2,000萬美元之2014年票據，相關詳情載於本報告財務報表附註21。

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

中期股息

董事會已議決不宣派任何截至2016年9月30日止六個月中期股息(2015年9月30日：無)。

報告期間結束後事項

本報告期間後事項之詳情載於財務報表附註31。

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

中期簡明綜合財務報表審閱報告



To the members of China South City Holdings Limited
(Incorporated in Hong Kong with limited liability)

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements set out on pages 58 to 100 which comprises the condensed consolidated statement of financial position of China South City Holdings Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30 September 2016 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and explanatory notes. The Main Board Listing Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

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

致華南城控股有限公司各股東
(於香港註冊成立的有限公司)

緒言

吾等已審閱第58至100頁所載的中期簡明綜合財務報表，當中包括華南城控股有限公司（「貴公司」）及其附屬公司（統稱「貴集團」）於2016年9月30日的簡明綜合財務狀況表，與截至該日止六個月期間的相關簡明綜合損益表、全面收益表、權益變動表及現金流量表，以及說明附註。香港聯合交易所有限公司主板證券上市規則規定，就中期財務資料編製報告須符合當中的相關條文，以及由香港會計師公會頒佈的香港會計準則第34號「中期財務報告」（「香港會計準則第34號」）。貴公司董事須負責根據香港會計準則第34號編製及呈報此中期簡明綜合財務報表。吾等的責任是根據吾等的審閱工作，對此中期簡明綜合財務報表作出結論，並按照雙方所協定的委聘書條款僅向閣下（作為整體）報告，除此之外本報告別無其他目的。吾等不會就本報告的內容向任何其他人士負上或承擔任何責任。

審閱範圍

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

Conclusion

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

Ernst & Young

Certified Public Accountants
22/F, CITIC Tower
1 Tim Mei Avenue, Central
Hong Kong

25 November 2016

結論

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

安永會計師事務所

執業會計師
香港
中環添美道1號
中信大廈22樓

2016年11月25日

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

中期簡明綜合損益表

For the six months ended 30 September 2016 截至2016年9月30日止六個月

			For the six months ended 30 September 截至9月30日止六個月	
			2016 2016年 HK\$'000 千港元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 千港元 (Unaudited) (未經審核)
		Notes 附註		
REVENUE	收入	5	2,892,799	2,152,854
Cost of sales	銷售成本		(1,650,249)	(1,048,651)
Gross profit	毛利		1,242,550	1,104,203
Other income and gains/(losses)	其他收入及收益/(虧損)	5	684,177	504,143
Fair value gains on investment properties	投資物業公平值收益	5	963,134	797,322
Selling and distribution expenses	銷售及分銷開支		(395,537)	(417,701)
Administrative expenses	行政開支		(563,131)	(604,543)
Other expenses	其他開支		(85,095)	(23,921)
Finance costs	融資成本	6	(109,855)	(91,642)
PROFIT BEFORE TAX	稅前利潤	7	1,736,243	1,267,861
Income tax expenses	所得稅開支	8	(882,144)	(518,929)
PROFIT FOR THE PERIOD	期內利潤		854,099	748,932
Attributable to:	下列各方應佔：			
Owners of the parent	母公司擁有人		856,883	755,790
Non-controlling interests	非控股權益		(2,784)	(6,858)
			854,099	748,932
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	歸屬於母公司普通股權益持有人之每股盈利	9		
Basic	基本			
– For profit for the period	一期內利潤		HK10.70 cents 港仙	HK9.45 cents 港仙
Diluted	攤薄			
– For profit for the period	一期內利潤		HK10.70 cents 港仙	HK9.44 cents 港仙

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

中期簡明綜合全面收益表

For the six months ended 30 September 2016 截至2016年9月30日止六個月

		For the six months ended 30 September 截至9月30日止六個月	
		2016 2016年 HK\$'000 千港元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 千港元 (Unaudited) (未經審核)
PROFIT FOR THE PERIOD	期內利潤	854,099	748,932
OTHER COMPREHENSIVE INCOME	其他全面收入		
Other comprehensive loss to be reclassified to profit or loss in subsequent periods:	將於期後期間重分類至損益的其他全面虧損：		
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	(971,392)	(658,511)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	期內除稅後其他全面虧損	(971,392)	(658,511)
TOTAL COMPREHENSIVE (LOSS)/ INCOME FOR THE PERIOD	期內總全面(虧損)/收入	(117,293)	90,421
Attributable to:	下列各方應佔：		
Owners of the parent	母公司擁有人	(107,311)	102,882
Non-controlling interests	非控股權益	(9,982)	(12,461)
		(117,293)	90,421

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

中期簡明綜合財務狀況表

As at 30 September 2016 於2016年9月30日

			30 September 2016 2016年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2016 2016年 3月31日 HK\$'000 千港元 (Audited) (經審核)
		Notes 附註		
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	11	1,434,073	1,507,155
Investment properties	投資物業	12	36,576,147	34,814,188
Properties under development	發展中物業	13	4,574,382	4,252,854
Prepaid land lease payments	預付土地出租金		953,918	996,351
Goodwill	商譽		34,128	34,128
Investments in associates	於聯營公司的投資		66,582	60,310
Available-for-sale investments	可供出售金融投資		175,512	175,512
Other long-term receivables	其他長期應收款項		5,986	4,179
Deposits paid for purchase of land use rights	購買土地使用權支付的按金		142,054	403,144
Deferred tax assets	遞延稅項資產		2,148,248	2,145,347
Total non-current assets	非流動資產總值		46,111,030	44,393,168
CURRENT ASSETS	流動資產			
Properties held for finance lease	持作融資租賃物業		495,817	168,524
Properties held for sale	持作銷售物業	14	25,724,144	25,179,046
Trade receivables	應收貿易賬款	15	1,086,729	1,149,273
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		916,842	781,260
Held-for-trading investments at fair value through profit or loss	透過損益以公平值列賬之持作買賣投資	16	31,200	27,365
Cash and cash equivalents and restricted cash	現金及現金等價物及受限制現金	17	8,259,021	11,686,695
Total current assets	流動資產總值		36,513,753	38,992,163
CURRENT LIABILITIES	流動負債			
Trade and other payables	貿易及其他應付款項	18	15,780,402	13,269,724
Interest-bearing bank and other borrowings	計息銀行及其他借貸	19	5,873,819	7,656,878
Short-term notes	短期融資券	20	1,394,280	2,525,460
Tax payables	應付稅項		4,446,743	4,569,111
Total current liabilities	流動負債總額		27,495,244	28,021,173
NET CURRENT ASSETS	流動資產淨值		9,018,509	10,970,990
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		55,129,539	55,364,158

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

As at 30 September 2016 於2016年9月30日

			30 September 2016 2016年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2016 2016年 3月31日 HK\$'000 千港元 (Audited) (經審核)
		Notes 附註		
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank and other borrowings	計息銀行及其他借貸	19	7,605,897	8,965,863
Senior notes	優先票據	21	4,454,209	4,113,363
Medium-term notes	中期票據	22	4,687,421	5,026,696
Corporate bonds	企業債券	23	1,768,348	1,891,219
Domestic company bonds	境內公司債券	24	5,275,813	3,629,086
Deferred tax liabilities	遞延稅項負債		5,459,682	5,369,466
Total non-current liabilities	非流動負債總額		29,251,370	28,995,693
Net assets	資產淨值		25,878,169	26,368,465
EQUITY	權益			
Equity attributable to owners of the parent	母公司擁有人應佔權益			
Share capital	股本	25	7,054,362	7,043,784
Other reserves	其他儲備		18,641,922	19,134,733
			25,696,284	26,178,517
Non-controlling interests	非控股權益		181,885	189,948
Total equity	權益總額		25,878,169	26,368,465

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

中期簡明綜合權益變動表

For the six months ended 30 September 2016 截至2016年9月30日止六個月

		Attributable to owners of the parent 母公司擁有人應佔									
		Share capital	Statutory surplus reserve	Share option reserve	Exchange fluctuation reserve	Capital reserve	Revaluation reserve	Retained profits	Total	Non-controlling interests	Total equity
		股本	法定盈餘儲備	購股權儲備	匯兌波動儲備	資本儲備	重估儲備	保留利潤	總計	非控股權益	權益總額
Note		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
附註		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2015 (audited)	於2015年4月1日(經審核)	7,034,761	1,081,080	112,767	1,458,025	(227,479)	286,456	15,121,359	24,866,969	154,847	25,021,816
Profit for the period	期內利潤	-	-	-	-	-	-	755,790	755,790	(6,858)	748,932
Other comprehensive income for the period:	期內其他全面收入：										
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	-	-	-	(652,908)	-	-	-	(652,908)	(5,603)	(658,511)
Total comprehensive income	全面收入總額	-	-	-	(652,908)	-	-	755,790	102,882	(12,461)	90,421
Capital contribution from non-controlling shareholders	非控股股東的資本出資	-	-	-	-	(47,169)	-	-	(47,169)	47,169	-
Exercise of share options	行使購股權	8,441	-	(1,089)	-	-	-	-	7,352	-	7,352
Equity-settled share option arrangement	以權益結算的購股權安排	26	-	11,114	-	-	-	-	11,114	-	11,114
Shares repurchase	股份回購	-	-	-	-	-	-	(11,602)	(11,602)	-	(11,602)
Final 2014/15 dividend paid	已付2014/15末期股息	-	-	-	-	-	-	(1,120,675)	(1,120,675)	-	(1,120,675)
Transfer from retained profits	轉撥自保留利潤	-	199,729	-	-	-	-	(199,729)	-	-	-
At 30 September 2015 (unaudited)	於2015年9月30日(未經審核)	7,043,202	1,280,809*	122,792*	805,117*	(274,648)*	286,456*	14,545,143*	23,808,871	189,555	23,998,426

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

For the six months ended 30 September 2016 截至2016年9月30日止六個月

		Attributable to owners of the parent 母公司擁有人應佔								Non-controlling interests 非控股權益	Total equity 權益總額
		Share capital 股本	Statutory surplus reserve 法定盈餘儲備	Share option reserve 購股權儲備	Exchange fluctuation reserve 匯兌波動儲備	Capital reserve 資本儲備	Revaluation reserve 重估儲備	Retained profits 保留利潤	Total 總計		
Notes 附註		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
At 1 April 2016 (audited)	於2016年4月1日(經審核)	7,043,784	1,344,766	140,818	374,180	(274,021)	286,456	17,262,534	26,178,517	189,948	26,368,465
Profit for the period	期內利潤	-	-	-	-	-	-	856,883	856,883	(2,784)	854,099
Other comprehensive income for the period:	期內其他全面收入:										
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	-	-	-	(964,194)	-	-	-	(964,194)	(7,198)	(971,392)
Total comprehensive income	全面收入總額	-	-	-	(964,194)	-	-	856,883	(107,311)	(9,982)	(117,293)
Capital contribution from a non-controlling shareholder	非控股股東的出資	-	-	-	-	-	-	-	-	34,953	34,953
Acquisition of non-controlling interests	收購非控股權益	-	-	-	-	(1,919)	-	-	(1,919)	(33,034)	(34,953)
Exercise of share options	行使購股權	26	10,578	-	(1,548)	-	-	-	9,030	-	9,030
Equity-settled share option arrangement	以權益結算的購股權安排	26	-	-	18,283	-	-	-	18,283	-	18,283
Lapse of share options	購股權失效	-	-	-	(176)	-	-	176	-	-	-
Final 2015/16 dividend paid	已付2015/16末期股息	-	-	-	-	-	-	(400,316)	(400,316)	-	(400,316)
Transfer from retained profits	轉撥自保留利潤	-	32,163	-	-	-	-	(32,163)	-	-	-
At 30 September 2016 (unaudited)	於2016年9月30日(未經審核)	7,054,362	1,376,929*	157,377*	(590,014)*	(275,940)*	286,456*	17,687,114*	25,696,284	181,885	25,878,169

* These reserve accounts comprise the consolidated other reserves of HK\$18,641,922,000 (31 March 2016: HK\$19,134,733,000) in the interim condensed consolidated statement of financial position.

* 該等其他儲備賬包括中期簡明綜合財務狀況表所載的綜合其他儲備18,641,922,000港元(2016年3月31日: 19,134,733,000港元)。

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

中期簡明綜合現金流量表

For the six months ended 30 September 2016 截至2016年9月30日止六個月

		For the six months ended 30 September 截至9月30日止六個月	
		2016 2016年 HK\$'000 千港元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 千港元 (Unaudited) (未經審核)
		Notes 附註	
CASH FLOWS FROM OPERATING ACTIVITIES 經營活動現金流量			
Profit before tax	稅前利潤		1,736,243
Adjustments for:	調整：		1,267,861
Finance costs	融資成本	6	109,855
Interest income	利息收入	5	(41,800)
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目虧損		110
Depreciation	折舊	7	61,832
Amortisation of prepaid land lease payments	預付土地出租金攤銷	7	9,451
Changes in fair value of investment properties	投資物業公平值變動	5	(963,134)
Provision for impairment of trade receivables	應收貿易賬款減值撥備	7	46,240
Loss on disposal of a joint venture	處置一家合營公司虧損	7	-
Loss on disposal of subsidiaries	處置附屬公司虧損	7	-
Loss on redemption of the 2012 Notes	贖回2012年票據之虧損	7	87,049
Gain on purchase of the 2014 Notes	購買2014年票據之收益	7	(597)
Fair value (gain)/loss, net:	公平值(收益)/虧損，淨額：		
Held-for-trading investments at fair value through profit or loss, net	透過損益以公平值列賬之持作買賣投資	5	(3,835)
Dividend income from held-for-trading investments at fair value through profit or loss	透過損益以公平值列賬之持作買賣投資的股息收入		4,810
Equity-settled share option expense	以權益結算的購股權開支	7	(208)
			11,114
			1,059,489
Increase in properties held for sale	持作銷售物業增加		664,178
Increase in properties held for finance lease	持作融資租賃物業增加		(656,489)
(Increase)/decrease in other long-term receivables	其他長期應收款項(增加)/減少		(50,695)
(Increase)/decrease in trade receivables	應收貿易賬款(增加)/減少		(1,948)
Increase in prepayments, deposits and other receivables	預付款項、按金及其他應收款項增加		3,482
Decrease/(increase) in restricted cash	受限制現金減少/(增加)		(22,592)
Increase in trade and other payables	貿易及其他應付款項增加		248,252
			(162,022)
Cash generated from operations	經營所得的現金		(137,263)
Mainland China taxes paid	已付中國大陸稅項		899,251
			(417,141)
			2,107,965
			1,600,186
			3,172,959
			(653,448)
			2,519,511
Net cash flows from/(used in) operating activities	經營活動現金流入/(流出)淨額		(136,226)

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

For the six months ended 30 September 2016 截至2016年9月30日止六個月

		For the six months ended 30 September 截至9月30日止六個月	
		2016 2016年 HK\$'000 千港元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 千港元 (Unaudited) (未經審核)
	Notes 附註		
CASH FLOWS FROM INVESTING ACTIVITIES 投資活動現金流量			
Purchases of items of property, plant and equipment 購買物業、廠房及設備項目	11	(24,979)	(12,864)
Dividends received from held-for-trading investments at fair value through profit or loss 透過損益以公平值列賬之持作買賣投資已收股息		208	234
Proceeds from disposal of items of property, plant and equipment 出售物業、廠房及設備項目所得款項		6,856	5,571
Additions to deposits paid for purchase of land use rights 購買土地使用權按金添置		–	(81,515)
Increase in amounts due from associates 應收聯營公司增加		(8,391)	(7,378)
Acquisition of non-controlling interests 收購非控股權益		(34,953)	–
Proceeds received from disposal of subsidiaries 出售附屬公司所得款項		–	10,384
Additions to investment properties 投資物業添置		(188,833)	(690,956)
Additions to properties under development 發展中物業添置		(1,118,326)	(2,142,973)
Interest received 已收利息		41,800	36,571
Net cash flows used in investing activities 投資活動現金流出淨額		(1,326,618)	(2,882,926)
CASH FLOWS FROM FINANCING ACTIVITIES 融資活動現金流量			
Issue of short-term notes 發行短期融資券	20	1,395,187	2,559,480
Issue of senior notes 發行優先票據	21	1,513,137	–
Issue of medium-term notes 發行中期票據	22	–	2,415,662
Issue of corporate bonds 發行企業債券	23	–	1,787,980
Issue of domestic company bonds 發行境內公司債券	24	1,615,390	–
Capital contribution from a non-controlling shareholder 非控股股東的出資		34,953	–
Payment for interest on short-term notes 短期融資券利息付款		(111,524)	–
Payment for interest on senior notes 優先票據利息付款	21	(128,700)	(194,512)
Payment for interest on medium-term notes 中期票據利息付款	22	(350,637)	(196,953)
Payment for interest on corporate bonds 企業債券利息付款	23	(123,134)	–
Repayment of short-term notes 償還短期融資券	20	(2,446,897)	–
Payment of consent fee for the 2014 Notes 支付2014年票據同意費	21	(23,193)	–
Redemption of the 2012 Notes 贖回2012年票據	21	(1,105,894)	–
Purchase of the 2014 Notes 購買2014年票據	21	(154,128)	–
New bank and other borrowings 新借銀行及其他貸款		2,052,397	6,535,652
Repayment of bank and other borrowings 償還銀行及其他貸款		(4,632,853)	(5,558,014)
Repurchase of shares 購回股份		–	(11,602)
Exercise of share options 行使購股權		9,030	7,352
Dividends paid 分派股息		(400,316)	(1,120,675)
Payment of interest on bank and other borrowings 已付銀行及其他貸款利息		(517,380)	(471,120)
Net cash flows (used in)/from financing activities 融資活動現金(流出)/流入淨額		(3,374,562)	5,753,250
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS 現金及現金等價物(減少)/增加淨額		(2,181,669)	2,734,098
Cash and cash equivalents at beginning of period 期初的現金及現金等價物		9,327,805	7,253,469
Effect of foreign exchange rate changes, net 匯率變動影響淨額		(266,919)	(240,329)
CASH AND CASH EQUIVALENTS AT END OF PERIOD 期終的現金及現金等價物	17	6,879,217	9,747,238
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS 現金及現金等價物結餘分析			
Cash and cash equivalents 現金及現金等價物	17	6,879,217	9,747,238

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

中期簡明綜合財務報表附註

For the six months ended 30 September 2016 截至2016年9月30日止六個月

1. Corporate Information

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

2. Basis of Preparation and Other Information

Basis of Preparation

The interim condensed consolidated financial statements for the six months ended 30 September 2016 have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

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

Other Information

The financial information relating to the year ended 31 March 2016 that is included in the interim condensed consolidated financial statements for the six months ended 30 September 2016 as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the financial statements for the year ended 31 March 2016 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap. 622).

The Company’s auditor has reported on those financial statements. The auditor’s report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Cap. 622).

1. 公司資料

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

2. 編製基準及其他資料

編製基準

截至2016年9月30日止六個月的中期簡明綜合財務報表乃根據香港會計師公會頒佈的香港會計準則(「香港會計準則」)第34號「中期財務報告」編製。

中期簡明綜合財務報表不包括年度財務報表規定的所有資料及披露，並應與本集團截至2016年3月31日止年度的年度財務報表一併閱讀。

其他資料

與截至2016年3月31日止年度有關並包括在截至2016年9月30日止六個月的中期簡明綜合財務報表內作為比較資料的財務資料，並不構成本公司該年度的法定年度合併財務報表，但摘錄自該等財務報表。根據香港《公司條例》(第622章)第436條須披露與此等法定財務報表有關的進一步資料如下：

本公司已根據香港《公司條例》(第622章)第662(3)條及附表6第3部分的規定，向公司註冊處呈交截至2016年3月31日止年度的財務報表。

本公司核數師已就該財務報表作出報告。核數師報告為無保留意見，不包括對某些事項的參照而核數師透過強調事項籲請關注而無對其報告作出保留意見；以及不包含香港《公司條例》(第622章)第406(2)條、407(2)或(3)條規定的聲明。

For the six months ended 30 September 2016 截至2016年9月30日止六個月

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

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 March 2016.

The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

4. Segment Information

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

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

3. 新訂及經修訂香港財務報告準則的影響

編製此等中期簡明綜合財務報表採納的會計政策與編製本集團截至2016年3月31日止年度的年度財務報表沿用者相符一致。

本集團並無提早採納已頒佈但尚未生效的任何其他準則、詮釋或修訂。

4. 分部資料

就管理而言，本集團按其產品及服務劃分不同的業務單位，並具備以下五個可呈報分部：

- (a) 物業發展分部從事發展綜合商貿物流中心及住宅及商業配套設施；
- (b) 物業投資分部投資綜合商貿物流中心及住宅及商業配套設施；
- (c) 物業管理分部從事管理本集團的已建成物業；
- (d) 電子商貿分部從事發展、經營及維持電子商貿平台；及
- (e) 「其他」分部主要包括提供廣告、展覽、倉儲及物流服務、奧特萊斯運營及其他服務。

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

For the six months ended 30 September 2016 截至2016年9月30日止六個月

4. Segment Information (Continued)

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) before tax. The adjusted profit/(loss) before tax is measured consistently with the Group's profit before tax except that interest income, finance costs, fair value gains from the Group's financial instruments, head office and corporate expenses are excluded from this measurement.

Segment assets exclude cash and cash equivalents and restricted cash, held-for-trading investments at fair value through profit or loss and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank and other borrowings, senior notes, medium-term notes, corporate bonds, domestic company bonds, short-term notes, tax payables and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

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

There was no single customer to the revenue derived from which amounted to 10% or more of the Group's revenue during the six months ended 30 September 2016 (six months ended 30 September 2015: Nil).

4. 分部資料(續)

管理層會獨立監察本集團的營運分部之業績而作出資源分配決定及評定其表現。分部表現乃根據可呈報分部利潤／(虧損)(即經調整稅前利潤／(虧損)的計量方法)評估。經調整稅前利潤／(虧損)與本集團的稅前利潤計量方式一致，惟利息收入、融資成本、本集團金融工具公平值收益、總辦事處及公司開支均無計算在內。

分部資產不包括現金及現金等價物及受限制現金、透過損益以公平值列賬之持作買賣投資及其他未分配總辦事處及公司資產，原因為該等資產按集團層面作整體管理。

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

分部間銷售及轉讓乃參考當時向第三方按市價作出銷售的售價進行。

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

截至2016年9月30日止六個月，並無單一客戶為本集團收入貢獻10%或以上(截至2015年9月30日止六個月：無)。

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

For the six months ended 30 September 2016 截至2016年9月30日止六個月

4. Segment Information (Continued)

4. 分部資料(續)

Six months ended 30 September 2016	截至2016年9月30日 止六個月	Property development 物業發展 HK\$'000 千港元 (Unaudited) (未經審核)	Property investment 物業投資 HK\$'000 千港元 (Unaudited) (未經審核)	Property management 物業管理 HK\$'000 千港元 (Unaudited) (未經審核)	E-commerce 電子商貿 HK\$'000 千港元 (Unaudited) (未經審核)	Others 其他 HK\$'000 千港元 (Unaudited) (未經審核)	Total 總計 HK\$'000 千港元 (Unaudited) (未經審核)
Segment revenue:	分部收入：						
Sales to external customers	對外部客戶銷售	2,156,313	353,457	153,168	63,438	166,423	2,892,799
Intersegment sales	分部間銷售	–	20,728	19,051	47,517	342	87,638
		2,156,313	374,185	172,219	110,955	166,765	2,980,437
Elimination of intersegment sales	分部間銷售對銷						(87,638)
Revenue	收入						2,892,799
Segment results before increase in fair value of investment properties	投資物業公平值增加前 分部業績	1,019,354	253,774	15,797	63,438	91,447	1,443,810
Increase in fair value of investment properties	投資物業公平值增加	–	963,134	–	–	–	963,134
Segment results after increase in fair value of investment properties	投資物業公平值增加後 分部業績	1,019,354	1,216,908	15,797	63,438	91,447	2,406,944
Unallocated cost of sales	未分配銷售成本						(201,260)
Interest income	利息收入						41,800
Gain on held-for-trading investments at fair value through profit or loss, net	透過損益以公平值列賬之 持作買賣投資收益，淨額						3,835
Unallocated income	未分配收入						638,542
Unallocated expenses	未分配開支						(1,043,763)
Finance costs	融資成本						(109,855)
Profit before tax	稅前利潤						1,736,243
As at 30 September 2016	於2016年9月30日						
Segment assets	分部資產	34,482,008	36,858,276	88,671	98,131	1,156,093	72,683,179
Reconciliation:	對賬：						
Investments in associates	於聯營公司的投資						66,582
Unallocated assets	未分配資產						9,875,022
Total assets	資產總值						82,624,783
Segment liabilities	分部負債	8,492,989	4,651,548	62,403	364,169	302,512	13,873,621
Reconciliation:	對賬：						
Unallocated liabilities	未分配負債						42,872,993
Total liabilities	負債總額						56,746,614

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

For the six months ended 30 September 2016 截至2016年9月30日止六個月

4. Segment Information (Continued)

4. 分部資料(續)

Six months ended 30 September 2015	截至2015年9月30日 止六個月	Property development 物業發展 HK\$'000 千港元 (Unaudited) (未經審核)	Property investment 物業投資 HK\$'000 千港元 (Unaudited) (未經審核)	Property management 物業管理 HK\$'000 千港元 (Unaudited) (未經審核)	E-commerce 電子商貿 HK\$'000 千港元 (Unaudited) (未經審核)	Others 其他 HK\$'000 千港元 (Unaudited) (未經審核)	Total 總計 HK\$'000 千港元 (Unaudited) (未經審核)
Segment revenue:	分部收入:						
Sales to external customers	對外部客戶銷售	1,549,639	333,951	87,980	50,797	130,487	2,152,854
Intersegment sales	分部間銷售	-	14,726	-	57,810	6,848	79,384
		1,549,639	348,677	87,980	108,607	137,335	2,232,238
Elimination of intersegment sales	分部間銷售對銷						(79,384)
Revenue	收入						2,152,854
Segment results before increase in fair value of investment properties	投資物業公平值增加前 分部業績	914,115	238,923	(27,203)	50,790	88,468	1,265,093
Increase in fair value of investment properties	投資物業公平值增加	-	797,322	-	-	-	797,322
Segment results after increase in fair value of investment properties	投資物業公平值增加後 分部業績	914,115	1,036,245	(27,203)	50,790	88,468	2,062,415
Unallocated cost of sales	未分配銷售成本						(160,890)
Interest income	利息收入						36,571
Loss on held-for-trading investments at fair value through profit or loss, net	透過損益以公平值列賬之 持作買賣投資虧損, 淨額						(4,810)
Unallocated income	未分配收入						472,382
Unallocated expenses	未分配開支						(1,046,165)
Finance costs	融資成本						(91,642)
Profit before tax	稅前利潤						1,267,861
As at 31 March 2016 (Audited)	於2016年3月31日(經審核)						
Segment assets	分部資產	36,370,396	32,286,528	45,800	100,455	1,338,433	70,141,612
Reconciliation:	對賬:						
Investments in associates	於聯營公司的投資						60,310
Unallocated assets	未分配資產						13,183,409
Total assets	資產總值						83,385,331
Segment liabilities	分部負債	5,610,040	5,164,724	56,657	544,419	288,382	11,664,222
Reconciliation:	對賬:						
Unallocated liabilities	未分配負債						45,352,644
Total liabilities	負債總額						57,016,866

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

		For the six months ended 30 September 截至9月30日止六個月	
		2016 2016年 HK\$'000 千港元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 千港元 (Unaudited) (未經審核)
Revenue	收入		
Sale of properties	物業銷售	2,097,193	1,430,408
Finance lease income	融資租賃收入	59,120	119,231
Rental income	租金收入	353,457	333,951
Property management service income	物業管理服務收入	153,168	87,980
E-commerce income	電子商貿收入	63,438	50,797
Other revenue*	其他收入*	166,423	130,487
		2,892,799	2,152,854
Other income	其他收入		
Interest income	利息收入	41,800	36,571
Government grants**	政府補貼**	740,909	542,719
Others	其他	16,262	14,796
		798,971	594,086
Gains/(losses)	收益/(虧損)		
Gains/(losses) on held-for-trading investments at fair value through profit or loss, net	透過損益以公平值列賬之持作買賣投資收益/(虧損)，淨額	3,835	(4,810)
Loss on redemption of the 2012 Notes	贖回2012年票據的虧損	(87,049)	-
Gain on purchase of the 2014 Notes	購買2014年票據的收益	597	-
Exchange losses	匯兌虧損	(32,177)	(85,133)
		(114,794)	(89,943)
		684,177	504,143
Fair value gains on investment properties	投資物業公平值收益	963,134	797,322

* Other revenue includes an amount of HK\$83,243,000 (six months ended 30 September 2015: HK\$59,606,000) related to income from outlet operations and HK\$74,894,000 (six months ended 30 September 2015: HK\$65,824,000) related to income from logistics and warehousing services.

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

* 其他收入已包括奧特萊斯運營收入83,243,000港元(截至2015年9月30日止六個月: 59,606,000港元)及物流及倉儲服務收入74,894,000港元(截至2015年9月30日止六個月: 65,824,000港元)。

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

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6. Finance Costs

An analysis of finance costs is as follows:

		For the six months ended 30 September 截至9月30日止六個月	
		2016 2016年 HK\$'000 千港元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 千港元 (Unaudited) (未經審核)
Interest on bank and other borrowings (including senior notes, medium-term notes, corporate bonds, domestic company bonds and short-term notes)	銀行及其他借貸的利息(包括優先票據、 中期票據、企業債券、 境內公司債券及短期融資券)	1,185,115	952,058
Less: Interest capitalised	減: 資本化利息	(1,075,260)	(860,416)
Total	總計	109,855	91,642

6. 融資成本

融資成本之分析如下:

7. Profit Before Tax

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

		For the six months ended 30 September 截至9月30日止六個月	
		2016 2016年 HK\$'000 千港元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 千港元 (Unaudited) (未經審核)
Cost of properties sold	已售物業成本	1,121,504	584,242
Cost of properties held for finance lease	融資租賃物業成本	15,455	51,282
Depreciation	折舊	62,673	97,948
Less: Depreciation capitalised in respect of properties under development	減: 就發展中物業資本化折舊	(841)	(602)
		61,832	97,346
Amortisation of prepaid land lease payments	預付土地出租金攤銷	9,451	11,562
Loss on disposal of subsidiaries and a joint venture*	處置附屬公司及 一家合營企業的虧損*	–	5,480
Loss on redemption of the 2012 Notes	贖回2012年票據之虧損	87,049	–
Gain on purchase of the 2014 Notes	購買2014年票據之收益	(597)	–
Provision for impairment of trade receivables*	應收貿易賬款減值撥備*	46,240	8,490
Equity-settled share option expense	權益結算的購股權開支	18,283	11,114

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

* 計入簡明綜合損益表「其他開支」項內。

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8. Income Tax Expenses

No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in Hong Kong during the period (six months ended 30 September 2015: Nil).

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

Under the relevant income tax law, the PRC subsidiaries are subject to corporate income tax ("CIT") at the statutory rate of 25% on their respective taxable income during the period.

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

8. 所得稅開支

期內，由於本集團概無源自香港的應課稅利潤，故並無計提香港利得稅撥備(截至2015年9月30日止六個月：無)。

中國大陸的應課稅溢利稅項乃按本集團營運所在省份的現行稅率計提。

根據相關所得稅法，期內，中國附屬公司須就各自應課稅收入按法定稅率25%繳納企業所得稅。

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

		For the six months ended 30 September 截至9月30日止六個月	
		2016 2016年 HK\$'000 千港元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 千港元 (Unaudited) (未經審核)
Current:	即期：		
Mainland China corporate income tax	中國大陸企業所得稅	163,068	209,595
LAT in Mainland China	中國大陸土地增值稅	447,469	276,302
Deferred:	遞延：		
Mainland China corporate income tax	中國大陸企業所得稅	372,832	98,445
LAT in Mainland China	中國大陸土地增值稅	(111,867)	(69,075)
Withholding tax on dividend	股息預扣稅	10,642	3,662
Total tax charged for the period	期內稅項支出總額	882,144	518,929

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For the six months ended 30 September 2016 截至2016年9月30日止六個月

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

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

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

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

9. 歸屬於母公司普通股權益持有人的每股盈利

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

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

每股基本及攤薄盈利的計算乃基於：

		For the six months ended 30 September 截至9月30日止六個月	
		2016 2016年 HK\$'000 千港元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 千港元 (Unaudited) (未經審核)
Earnings	盈利		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculation	用於計算每股基本及攤薄盈利之母公司普通股權益持有人應佔利潤	856,883	755,790

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For the six months ended 30 September 2016 截至2016年9月30日止六個月

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

9. 歸屬於母公司普通股權益持有人之每股盈利(續)

		Number of shares 股數	
		2016 2016年	2015 2015年
Shares	股份		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	用於計算每股基本盈利之期內已發行普通股的加權平均數	8,006,092,491	8,000,895,283
Effect of dilution – weighted average number of ordinary shares:	攤薄影響 – 普通股加權平均數：		
Share options	購股權	2,794,804	9,495,719
		8,008,887,295	8,010,391,002

10. Dividends

At a meeting of the board of directors held on 25 November 2016, the directors resolved not to pay an interim dividend to shareholders (six months ended 30 September 2015: Nil).

10. 股息

本公司於2016年11月25日舉行的董事會會議上，董事議決不向股東派付中期股息(截至2015年9月30日止六個月：無)。

11. Property, Plant and Equipment

During the six months ended 30 September 2016, the Group acquired items of property, plant and equipment with an aggregate cost of approximately HK\$24,979,000 (six months ended 30 September 2015: HK\$12,864,000).

11. 物業、廠房及設備

截至2016年9月30日止六個月，本集團購入物業、廠房及設備項目，總成本約為24,979,000港元(截至2015年9月30日止六個月：12,864,000港元)。

Certain of the Group's buildings with an aggregate carrying value of approximately HK\$428,923,000 as at 30 September 2016 (31 March 2016: HK\$469,182,000) were pledged to secure general banking facilities granted to the Group (note 19).

於2016年9月30日，本集團賬面總值約428,923,000港元的若干樓宇(2016年3月31日：469,182,000港元)已抵押作為本集團獲授一般銀行融資的擔保(附註19)。

At 30 September 2016, certificates of ownership in respect of certain buildings of the Group in the PRC with an aggregate carrying value of approximately HK\$981,129,000 had not been issued by the relevant PRC authorities (31 March 2016: HK\$1,045,731,000). The Group is in the process of obtaining the relevant certificates of ownership.

於2016年9月30日，本集團於中國賬面總值合共約981,129,000港元的若干樓宇未獲相關中國機關發出所有權證(2016年3月31日：1,045,731,000港元)。本集團現正辦理領取相關所有權證的手續。

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12. Investment Properties

12. 投資物業

		30 September 2016 2016年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2016 2016年 3月31日 HK\$'000 千港元 (Audited) (經審核)
	Note 附註		
Carrying amount at the beginning of period/year	期/年初的賬面值	34,814,188	30,217,792
Additions	添置	285,919	928,586
Transfer from properties under development	轉撥自發展中物業	335,116	424,934
Transfer from properties held for sale	轉撥自持作銷售物業	1,364,889	1,843,953
Transfer to properties held for sale	轉撥至持作銷售物業	–	(632,773)
Net gain from a fair value adjustment	公平值調整淨收益	963,134	3,232,699
Exchange realignment	匯兌調整	(1,187,099)	(1,201,003)
	5		
Carrying amount at the end of period/year	期/年終的賬面值	36,576,147	34,814,188

The Group's investment properties with aggregate carrying values of approximately HK\$21,249,578,000 and HK\$21,237,246,000 as at 30 September 2016 and 31 March 2016, respectively, were pledged to secure general banking facilities granted to the Group (note 19).

於2016年9月30日及2016年3月31日，本集團賬面總值分別約為21,249,578,000港元及21,237,246,000港元的投資物業已抵押作為本集團獲授一般銀行融資的擔保(附註19)。

The Group's investment properties with aggregate carrying values of approximately HK\$32,385,639,000 and HK\$30,598,954,000 as at 30 September 2016 and 31 March 2016, respectively, are subject to sales restrictions.

於2016年9月30日及2016年3月31日，本集團賬面總值分別約為32,385,639,000港元及30,598,954,000港元的投資物業受到銷售限制。

The Group's investment properties consist of trade centers, commercial and other ancillary facilities in Mainland China. The Group's investment properties were revalued on 30 September 2016 based on valuations performed by Savills Valuation and Professional Services Limited, an independent professional qualified valuer, at HK\$36,576,147,000 on an open market, existing use basis. Each year, the Group's management decides to appoint which external valuer to be responsible for the external valuations of the Group's properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Group's finance department has discussions with the valuer on the valuation assumptions and valuation results twice a year when the valuation is performed for interim and annual financial reporting.

本集團的投資物業包括在中國大陸的交易中心、商業及其他配套設施。根據一家獨立專業合資格估值師第一太平戴維斯進行的估值，本集團的投資物業於2016年9月30日按公開市場現有用途基準的重估價值達36,576,147,000港元。本集團的管理層每年決定委任負責對本集團物業進行外部估值的外聘估值師人選。篩選準則包括市場知識、聲譽、獨立性，以及是否維持專業水平。就中期及年度財務報告進行估值時，本集團的財務部與估值師就估值假設及估值結果每年進行兩次討論。

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12. Investment Properties (Continued)
Fair value hierarchy

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

12. 投資物業(續)
公平值層級

下表說明本集團投資物業的公平值計量層級：

		Fair value measurement as at 30 September 2016 using significant unobservable inputs (Level 3) 於2016年9月30日 使用重大不可觀察 元素的公平值計量 (第3級) HK\$'000 千港元 (Unaudited) (未經審核)
Recurring fair value measurement for: Trade centers, commercial and other ancillary facilities	就以下各項的經常性公平值計量： 交易中心、商業及其他配套設施	36,576,147

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3.

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

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

以下為投資物業估值所用的估值技術及主要元素的概要：

	Valuation technique 估值技術	Significant unobservable inputs 重大不可觀察元素	Range 範圍
			As at 30 September 2016 於2016年9月30日
Trade centers, commercial and other ancillary facilities 交易中心、商業及其他配套設施	Income capitalisation method 收入資本化法	Market unit rental rate (RMB/sq. m./month) 市場單位租金 (人民幣/平方米/月)	42-144
		Capitalisation rate 資本化率	3.00%-8.25%

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

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

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13. Properties under Development

Certain of the Group's properties under development with an aggregate carrying value of approximately HK\$449,413,000 as at 30 September 2016 (31 March 2016: HK\$779,665,000) were pledged to secure general banking facilities granted to the Group (note 19).

During the current period, the Group has received government grants with a total amount of RMB374,946,000 (equivalent to HK\$435,650,000), which were provided by the local government authorities to support infrastructure construction and development activities in connection with the Group's property development projects. The amount was deducted from the additions of properties under development for the period. An aggregate amount of RMB337,103,000 (equivalent to HK\$395,321,000) (six months ended 30 September 2015: RMB116,501,000 (equivalent to HK\$144,309,000)) which related to properties sold, has been credited to the cost of properties sold during the period.

14. Properties Held for Sale

		30 September 2016 2016年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2016 2016年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Completed properties held for sale	持作銷售竣工物業	11,919,401	12,283,168
Properties under development expected to complete within normal operating cycle	預期於正常營運週期內竣工的發展中物業	13,804,743	12,895,878
Total	總計	25,724,144	25,179,046

		30 September 2016 2016年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2016 2016年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Properties under development expected to complete and ready for sale	預期竣工及可作銷售的發展中物業		
Within one year	一年內	8,576,017	8,055,546
Beyond one year	一年後	5,228,726	4,840,332
Total	總計	13,804,743	12,895,878

Certain of the Group's properties held for sale with an aggregate carrying value of HK\$3,722,485,000 (31 March 2016: HK\$3,644,590,000) at the end of the reporting period were pledged to secure the general banking loans granted to the Group (note 19).

13. 發展中物業

於2016年9月30日，本集團賬面總值約449,413,000港元(2016年3月31日：779,665,000港元)的若干發展中物業已抵押作為本集團獲授一般銀行融資的擔保(附註19)。

期內，本集團取得總數為約人民幣374,946,000元(相等於435,650,000港元)由地方府機關提供，旨在為集團物業發展項目中有關於基礎建設工程及發展活動提供支持的政府補助。此金額已在添置發展中物業中扣除。其中關於已售出物業累計金額約人民幣337,103,000元(相等於395,321,000港元)(截至2015年9月30日止六個月：人民幣116,501,000元(相等於144,309,000港元))在期內於已售物業成本扣除。

14. 持作銷售物業

於報告期末，本集團賬面總值3,722,485,000港元(2016年3月31日：3,644,590,000港元)的若干持作銷售物業已抵押作為本集團獲授銀行貸款的擔保(附註19)。

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

For the six months ended 30 September 2016 截至2016年9月30日止六個月

15. Trade Receivables

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

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

		30 September 2016 2016年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2016 2016年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Within 1 month	1個月以內	477,014	550,292
1 to 2 months	1至2個月	72,132	108,926
2 to 3 months	2至3個月	27,663	39,340
Over 3 months	逾3個月	509,920	450,715
Total	總計	1,086,729	1,149,273

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

15. 應收貿易賬款

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

於報告期末，根據付款到期日，應收貿易賬款扣除撥備後的賬齡分析如下：

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

Notes to Interim Condensed Consolidated Financial Statements (Continued)
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For the six months ended 30 September 2016 截至2016年9月30日止六個月

16. Held-for-Trading Investments at Fair Value Through Profit or Loss **16. 透過損益以公平值列賬之持作買賣投資**

		30 September 2016 2016年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2016 2016年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Listed investment funds at market value	按市值計算的上市投資基金	31,200	27,365

The above listed investment funds at 30 September 2016 and 31 March 2016 were classified as held-for-trading upon initial recognition, and designated by the Group as financial assets at fair value through profit or loss since they were acquired or incurred principally for the purpose of selling or repurchasing in the near term.

於2016年9月30日及2016年3月31日，上述上市投資基金於初步確認時分類為持作買賣，由於收購或產生目的主要為於短期內銷售或購回，故本集團將其指定為透過損益以公平值列賬的金融資產。

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

		30 September 2016 2016年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2016 2016年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Cash and bank balances	現金及銀行結餘	8,259,021	11,686,695
Less: Restricted cash*	減：受限制現金*	(1,379,804)	(2,358,888)
Cash and cash equivalents	現金及現金等價物	6,879,217	9,327,807

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

* 受限制現金主要包括：(i)就購買本集團物業之買家獲銀行授予的按揭貸款融資所提供保證按金；(ii)根據當地機關要求繳納的建設項目保證金；(iii)物業預售的若干所得款項金額，以作為相關物業建設的保證按金；及(iv)租賃物業的若干出租所得款項金額以作為借貸保證的保證按金。

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17. Cash and Cash Equivalents and Restricted Cash
 (Continued)

At the end of the reporting period, the cash and cash equivalents of the Group denominated in Renminbi (“RMB”) amounted to HK\$4,797,317,000 (31 March 2016: HK\$7,709,882,000). RMB is not freely convertible into other currencies, however, under Mainland China’s Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The cash and bank balances and restricted cash are deposited with creditworthy banks with no recent history of default.

Certain of the Group’s bank deposits with a carrying amounts of HK\$31,370,000 as at 30 September 2016 (31 March 2016: HK\$245,330,000), were pledged to secure general banking facilities granted to the Group (note 19).

18. Trade and Other Payables

Other payables and accruals	其他應付款項及應計項目		
Notes payables	應付票據		
Deposits received and receipts in advance	按金及預收款項		
Construction fee and retention payables	應付的建設費用及保留金	(i)	
Total	總計		

17. 現金及現金等價物及受限制現金(續)

於報告期末，本集團以人民幣為單位的現金及現金等價物為4,797,317,000港元(2016年3月31日：7,709,882,000港元)。人民幣並不可自由兌換為其他貨幣，然而，根據中國大陸的外匯管制條例及結匯、付匯及售匯規定，本集團可透過獲准進行外匯業務的銀行將人民幣兌換為其他貨幣。

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

於2016年9月30日，本集團賬面總值為31,370,000港元(2016年3月31日：245,330,000港元)的若干存款已抵押作為本集團獲授一般銀行融資的擔保(附註19)。

18. 貿易及其他應付款項

		30 September 2016 2016年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2016 2016年 3月31日 HK\$'000 千港元 (Audited) (經審核)
	Note 附註		
Other payables and accruals		1,828,857	2,514,025
Notes payables		136,870	203,708
Deposits received and receipts in advance		6,550,562	4,184,827
Construction fee and retention payables	(i)	7,264,113	6,367,164
Total		15,780,402	13,269,724

Notes to Interim Condensed Consolidated Financial Statements (Continued)
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18. Trade and Other Payables (Continued)

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

		30 September 2016 於2016年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2016 於2016年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Within 1 year	1年內	7,254,030	6,152,501
Over 1 year	超過1年	10,083	214,663
Total	總計	7,264,113	6,367,164

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

18. 貿易及其他應付款項(續)

- (i) 於報告期末建設費用及保留金應付款項的賬齡分析如下：

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

19. Interest-Bearing Bank and Other Borrowings

19. 計息銀行及其他借貸

		30 September 2016 (Unaudited) 2016年9月30日(未經審核)			31 March 2016 (Audited) 2016年3月31日(經審核)		
		Effective interest rate (%) 實際利率 (%)	Maturity 到期	HK\$'000 千港元	Effective interest rate (%) 實際利率 (%)	Maturity 到期	HK\$'000 千港元
Current	即期						
Bank loans – unsecured	銀行貸款 – 無抵押	4.13%-5.66%	2016-2017	1,132,853	3.30%-6.00%	2016-2017	1,712,502
Bank loans – secured	銀行貸款 – 有抵押	4.57%-5.22%	2017	1,089,456	3.97%-5.34%	2016-2017	1,691,277
Current portion of long term bank and other borrowings:	長期銀行及其他借貸的即期部分：						
Bank loans – unsecured	銀行貸款 – 無抵押	4.55%-7.25%, HIBOR+2.65%	2016-2017	613,713	5.15%-7.50%, HIBOR+2.65%	2016-2017	654,767
Bank loans – secured	銀行貸款 – 有抵押	4.41%-6.18%	2016-2017	3,037,797	4.41%-7.48%	2016-2017	3,598,332
				5,873,819			7,656,878
Non-current	非即期						
Bank loans – unsecured	銀行貸款 – 無抵押	4.55%-5.46%	2017-2020	627,426	5.15%-5.46%	2017-2020	601,300
Bank loans – secured	銀行貸款 – 有抵押	4.90%-6.18%	2018-2025	6,978,471	4.41%-7.48%	2017-2022	8,364,563
				7,605,897			8,965,863
				13,479,716			16,622,741

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

		30 September 2016 2016年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2016 2016年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Analysed into:	分析列為：		
Bank loans repayable:	須於以下期間償還的銀行貸款：		
Within one year or on demand	一年內或應要求	5,873,819	7,656,878
In the second year	第二年	4,501,122	4,368,426
In the third to fifth years, inclusive	第三至第五年(包括首尾兩年在內)	2,789,621	4,291,375
Beyond five years	五年後	315,154	306,062
		13,479,716	16,622,741

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

As at 30 September 2016, except for the bank loans equivalent to HK\$300,000,000 (31 March 2016: HK\$300,000,000), which is denominated in Hong Kong dollars, all other interest-bearing borrowings of the Group are denominated in RMB.

如附註11、12、13、14及17所載，本集團若干銀行貸款由本集團樓宇、投資物業、發展中物業、持作銷售物業及銀行存款作擔保。

於2016年9月30日，除了300,000,000港元(2016年3月31日：300,000,000港元)銀行貸款以港元為單位外，本集團所有其他計息借貸均以人民幣為單位。

20. Short-Term Notes

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

- (i) On 9 September 2015, China South International Industrial Materials City (Shenzhen) Company Limited ("China South International") completed the issuance of the first tranche of short-term notes of 2015 (the "2015 First tranche STN") with a total principal amount of RMB2,100,000,000 (equivalent to HK\$2,559,480,000) in the national inter-bank market of the PRC. The 2015 First tranche STN carry interest at the rate of 4.3% per annum, payable on 9 September in arrears and will mature on 9 September 2016. The amount has been fully settled in September 2016.

20. 短期融資券

本集團於本期間及以前期間發行以下短期融資券：

- (i) 華南國際工業原料城(深圳)有限公司(「華南國際」)於2015年9月9日完成在中國銀行間市場發行2015年第一期短期融資券，本金總額為人民幣2,100,000,000元(相等於2,559,480,000港元)。2015年第一期短期融資券年利率為4.3%，每年於9月9日後支付，並將於2016年9月9日到期。其金額已於2016年9月全數支付。

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20. Short-Term Notes (Continued)

- (ii) On 13 September 2016, China South International completed the issuance of the first tranche of short-term notes of 2016 (the "2016 First tranche STN") with a total principal amount of RMB1,200,000,000 (equivalent to HK\$1,395,187,000) in the national inter-bank market of the PRC. The 2016 First tranche STN carry interest at the rate of 4.9% per annum, payable on 13 September in arrears and will mature on 13 September 2017.

The fair value of the short-term notes at 30 September 2016 amounted to HK\$1,396,873,000 (31 March 2016: HK\$2,588,000,000). The fair value is calculated using the market price of the short-term notes on 30 September 2016.

21. Senior Notes

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

On 17 October 2012, the Company issued senior notes with an aggregate principal amount of US\$125,000,000 (the "2012 Notes"). The 2012 Notes are listed on the Singapore Exchange Securities Trading Limited. The 2012 Notes carry interest at the rate of 13.5% per annum, payable semi-annually on 17 October and 17 April in arrears, and will mature on 17 October 2017, unless redeemed earlier. The offering price was at 97.381% of the principal amount of the 2012 Notes.

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

On 13 September 2016, the Company issued senior notes with an aggregate principal amount of US\$200,000,000 (the "2016 Notes I"). The 2016 Notes I are listed on the Singapore Exchange Securities Trading Limited. The 2016 Notes I carry interest at the rate of 6.75% per annum, payable semi-annually on 13 September and 13 March in arrears, and will mature on 13 September 2021, unless redeemed earlier. The offering price was at 98.960% of the principal amount of the 2016 Notes I.

20. 短期融資券(續)

- (ii) 華南國際於2016年9月13日完成在中國銀行間市場發行2016年第一期短期融資券，本金總額為人民幣1,200,000,000元（相等於1,395,187,000港元）。2016年第一期短期融資券年利率為4.9%，每年於9月13日後支付，並將於2017年9月13日到期。

於2016年9月30日，短期融資券的公平值達約1,396,873,000港元（2016年3月31日：2,588,000,000港元）。公平值乃使用短期融資券於2016年9月30日的市場價格計算。

21. 優先票據

本集團於本期間及以前期間發行以下優先票據：

於2012年10月17日，本公司發行本金總額125,000,000美元的優先票據（「2012年票據」）。2012年票據於新加坡證券交易所有限公司上市。2012年票據按年利率13.5%計息，每半年於4月17日及10月17日期後支付，並將於2017年10月17日到期（除非提早贖回）。發售價為2012年票據本金總額的97.381%。

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

於2016年9月13日，本公司發行本金總額200,000,000美元的優先票據（「2016年票據I」）。2016年票據I於新加坡證券交易所有限公司上市。2016年票據I按年利率6.75%計息，每半年於9月13日及3月13日期後支付，並將於2016年9月13日到期（除非提早贖回）。發售價為2016年票據I本金總額的98.960%。

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21. Senior Notes (Continued)

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

		30 September 2016 2016年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2016 2016年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Carrying amount at the beginning of period/year	期/年初的賬面值	4,113,363	4,082,811
Additions	新增	1,513,137	-
Interest expenses	利息開支	153,172	419,576
Payment of interest	支付利息	(128,700)	(389,024)
Redemption of the 2012 Notes	贖回2012年票據	(1,018,845)	-
Purchase of the 2014 Notes	購買2014年票據	(154,725)	-
Consent fee for the 2014 Notes	2014年票據同意費	(23,193)	-
Carrying amount at the end of period/year	期/年終的賬面值	4,454,209	4,113,363

- (i) On 15 April 2016, the Company fully redeemed the outstanding 2012 Notes with a principal amount of US\$125,000,000. The total consideration of the redemption was US\$141,781,000 (equivalent to HK\$1,105,894,000), which includes redemption price at 106.750% of the principal amount and pro-rata accrued and unpaid interest. The carrying amount of the redeemed 2012 Notes was US\$130,621,000 (equivalent to HK\$1,018,845,000), resulting in a loss on redemption of the 2012 Notes amounting to HK\$87,049,000 in the current period.
- (ii) On 3 May 2016, a subsidiary of the Company purchased part of the 2014 Notes with principal amount of US\$20,000,000 from the open market. The total consideration of the purchase was US\$19,760,000 (equivalent to HK\$154,128,000), which includes purchase price at 96.55% of principal amount and pro-rata accrued and unpaid interest. The carrying amount of the 2014 Notes purchased was US\$19,869,000 (equivalent to HK\$154,725,000), resulting in a gain on purchase of the 2014 Notes amounting to HK\$597,000 in the current period.

The fair value of the senior notes at 30 September 2016 amounted to HK\$4,656,467,000 (31 March 2016: HK\$4,155,497,000). The fair value is calculated using the market price of the senior notes on 30 September 2016.

21. 優先票據(續)

已於財務狀況表確認的優先票據計算如下：

		30 September 2016 2016年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2016 2016年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Carrying amount at the beginning of period/year	期/年初的賬面值	4,113,363	4,082,811
Additions	新增	1,513,137	-
Interest expenses	利息開支	153,172	419,576
Payment of interest	支付利息	(128,700)	(389,024)
Redemption of the 2012 Notes	贖回2012年票據	(1,018,845)	-
Purchase of the 2014 Notes	購買2014年票據	(154,725)	-
Consent fee for the 2014 Notes	2014年票據同意費	(23,193)	-
Carrying amount at the end of period/year	期/年終的賬面值	4,454,209	4,113,363

- (i) 於2016年4月15日，本公司已全數贖回未償還本金總額為125,000,000美元之2012年票據。總贖回代價為141,781,000美元(相等於1,105,894,000港元)，包括以本金金額106.750%計算的贖回價及按比例計算的累計及未付利息。所贖回2012年票據的賬面值為130,621,000美元(相等於1,018,845,000港元)，導致於本期間錄得87,049,000港元虧損。
- (ii) 於2016年5月3日，本公司之附屬公司於市場購買部分本金金額為20,000,000美元之2014年票據。總購買代價為19,760,000美元(相等於154,128,000港元)，包括以本金金額96.55%計算的購買價及按比例計算的累計及未付利息。所購買2014年票據的賬面值為19,869,000美元(相等於154,725,000港元)，導致於本期間錄得597,000港元收益。

於2016年9月30日，優先票據的公平值達4,656,467,000港元(2016年3月31日：4,155,497,000港元)。公平值乃使用優先票據於2016年9月30日的市場價格計算。

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

For the six months ended 30 September 2016 截至2016年9月30日止六個月

22. Medium-Term Notes

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

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

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

		30 September 2016 2016年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2016 2016年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Carrying amount at the beginning of period/year	期/年初的賬面值	5,026,696	2,704,226
Additions	新增	–	2,415,662
Interest expenses	利息開支	183,730	327,161
Payment of interest	支付利息	(350,637)	(196,953)
Exchange realignment	匯兌調整	(172,368)	(223,400)
Carrying amount at the end of period/year	期/年終的賬面值	4,687,421	5,026,696

22. 中期票據

本集團於報告期末尚有以下中期票據在發行：

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

已於財務狀況表確認的中期票據計算如下：

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

For the six months ended 30 September 2016 截至2016年9月30日止六個月

22. Medium-Term Notes (Continued)

The fair value of the medium-term notes at 30 September 2016 amounted to HK\$4,958,276,000 (31 March 2016: HK\$5,273,563,000). The fair value is calculated using the market price of the medium-term notes on 30 September 2016.

23. Corporate Bonds

On 13 April 2015, China South International completed the issuance of the corporate bonds with a total principal amount of RMB1,500,000,000 on the Shanghai Stock Exchange of the PRC. The corporate bonds carry interest at the rate of 7.0% per annum, payable annually on 13 April in arrears, and will mature on 13 April 2021.

The corporate bonds recognised in the statement of financial position was calculated as follows:

22. 中期票據(續)

於2016年9月30日，中期票據的公平值達4,958,276,000港元(2016年3月31日：5,273,563,000港元)。公平值乃使用中期票據於2016年9月30日的市場價格計算。

23. 企業債券

華南國際於2015年4月13日完成於中國上海證券交易所發行本金總額為人民幣1,500,000,000元的企業債券。企業債券年利率為7.0%，於4月13日後支付，到期日為2021年4月13日。

已於財務狀況表確認的企業債券計算如下：

		30 September 2016 2016年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2016 2016年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Carrying amount at the beginning of period/year	期/年初的賬面值	1,891,219	-
Additions	新增	-	1,787,980
Interest expenses	利息開支	63,720	128,832
Payment of interest	支付利息	(123,134)	-
Exchange realignment	匯兌調整	(63,457)	(25,593)
Carrying amount at the end of period/year	期/年末的賬面值	1,768,348	1,891,219

The fair value of the corporate bonds at 30 September 2016 amounted to HK\$1,777,707,000 (31 March 2016: HK\$1,867,037,000). The fair value is calculated using the market price of the corporate bonds on 30 September 2016.

於2016年9月30日，企業債券的公平值達1,777,707,000港元(2016年3月31日：1,867,037,000港元)。公平值乃使用企業債券於2016年9月30日的市場價格計算。

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

For the six months ended 30 September 2016 截至2016年9月30日止六個月

24. Domestic Company Bonds

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

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

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

		30 September 2016 2016年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2016 2016年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Carrying amount at the beginning of period/year	期/年初的賬面值	3,629,086	-
Additions	新增	1,615,390	3,582,545
Interest expenses	利息開支	155,590	47,210
Exchange realignment	匯兌調整	(124,253)	(669)
Carrying amount at the end of period/year	期/年終的賬面值	5,275,813	3,629,086

The fair value of the domestic company bonds as at 30 September 2016 amounted to HK\$5,194,339,000 (31 March 2016: HK\$3,662,374,000). The fair value is calculated using the market price of the domestic company bonds on 30 September 2016.

24. 境內公司債券

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

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

已於財務狀況表確認的境內公司債券計算如下：

於2016年9月30日，境內公司債券的公平值達5,194,339,000港元(2016年3月31日：3,662,374,000港元)。公平值乃使用境內公司債券於2016年9月30日的市場價格計算。

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

For the six months ended 30 September 2016 截至2016年9月30日止六個月

25. Share Capital

25. 股本

		30 September 2016 2016年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2016 2016年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Issued and fully paid	已發行及繳足：		
8,006,321,999 (31 March 2016: 7,999,321,999) ordinary shares	8,006,321,999股(2016年3月31日： 7,999,321,999股)普通股	7,054,362	7,043,784

During the six months ended 30 September 2016, the movements in share capital were as follows:

截至2016年9月30日止六個月，股本變動如下：

		Note 附註	Number of shares in issue 已發行股份數目	Share capital 股本 HK\$'000 千港元
At 31 March 2016	於2016年3月31日		7,999,321,999	7,043,784
Exercise of share options	行使購股權	26	7,000,000	10,578
At 30 September 2016	於2016年9月30日		8,006,321,999	7,054,362

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

For the six months ended 30 September 2016 截至2016年9月30日止六個月

26. Share Options

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

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

26. 購股權

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

下列購股權於期內根據購股權計劃尚未行使：

		30 September 2016 2016年9月30日		31 March 2016 2016年3月31日	
		Weighted average price per share 每股加權 平均行使價 HK\$ 港元	Number of options 購股權數目 '000 千份	Weighted average price per share 每股加權 平均行使價 HK\$ 港元	Number of options 購股權數目 '000 千份
At beginning of period/year	於期/年初	3.0604	250,240	3.7190	175,400
Granted during the period/year	期/年內授出	1.7500	70,500	1.5280	79,990
Exercised during the period/year	期/年內行使	1.2900	(7,000)	1.6900	(4,650)
Lapsed during the period/year	期/年內失效	1.6900	(700)	1.6900	(500)
At end of period/year	於期/年終	2.8080	313,040	3.0604	250,240

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

For the six months ended 30 September 2016 截至2016年9月30日止六個月

26. Share Options (Continued)

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

26. 購股權(續)

於報告期末，未行使購股權的行使價及行使期如下：

Number of options 購股權數目	Exercise price 行使價 HK\$ per share 每股港元	Exercise period 行使期
1,500,000	1.69	27-06-2013 to 26-06-2018 2013年6月27日至2018年6月26日
10,500,000	1.69	27-06-2014 to 26-06-2018 2014年6月27日至2018年6月26日
1,250,000	1.69	27-06-2015 to 26-06-2018 2015年6月27日至2018年6月26日
22,000,000	4.14	17-02-2014 to 16-02-2019 2014年2月17日至2019年2月16日
24,000,000	4.14	17-02-2015 to 16-02-2019 2015年2月17日至2019年2月16日
2,000,000	4.14	17-02-2016 to 16-02-2019 2016年2月17日至2019年2月16日
49,650,000	4.07	30-06-2014 to 29-06-2019 2014年6月30日至2019年6月29日
50,650,000	4.07	30-06-2015 to 29-06-2019 2015年6月30日至2019年6月29日
1,000,000	4.07	30-06-2016 to 29-06-2019 2016年6月30日至2019年6月29日
39,995,000	1.528	13-01-2016 to 12-01-2021 2016年1月13日至2021年1月12日
39,995,000	1.528	13-01-2017 to 12-01-2022 2017年1月13日至2022年1月12日
23,500,000	1.75	22-08-2016 to 21-08-2021 2016年8月22日至2021年8月21日
35,250,000	1.75	22-08-2017 to 21-08-2022 2017年8月22日至2022年8月21日
11,750,000	1.75	22-08-2018 to 21-08-2023 2018年8月22日至2023年8月21日
313,040,000		

Notes to Interim Condensed Consolidated Financial Statements (Continued)
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For the six months ended 30 September 2016 截至2016年9月30日止六個月

26. Share Options (Continued)

The Group recognised a share option expense of HK\$18,283,000 (six months ended 30 September 2015: HK\$11,114,000) during the six months ended 30 September 2016.

The 7,000,000 share options exercised during the period resulted in the issue of 7,000,000 ordinary shares of the Company and new share capital of HK\$9,030,000 (before expenses). An amount of HK\$1,548,000 was transferred from the share option reserve to the share capital upon the exercise of the share options (note 25).

At the end of the reporting period, the Company had 313,040,000 share options outstanding under the Share Option Scheme, which represented approximately 3.91% of the Company's shares in issue as at that date. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 313,040,000 additional ordinary shares of the Company and additional share capital of HK\$879,003,000 (before expenses).

27. Contingent Liabilities

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

26. 購股權(續)

截至2016年9月30日止六個月，本集團確認購股權開支合共18,283,000港元(截至2015年9月30日止六個月：11,114,000港元)。

於本期間行使的7,000,000份購股權，導致本公司發行7,000,000股普通股及價值9,030,000港元的股本(扣除發行開支前)。當購股權行使，1,548,000港元由購股權儲備轉撥到股本(附註25)。

於報告期末，根據購股權計劃，本公司有313,040,000份未行使購股權，相當於本公司當日已發行股份約3.91%。根據本公司現時的資本結構而言，全數行使未行使購股權將會導致本公司發行313,040,000股額外普通股及額外股本879,003,000港元(扣除發行開支前)。

27. 或然負債

於報告期末，財務報表內未有撥備的或然負債如下：

		30 September 2016 2016年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2016 2016年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Guarantees given to banks in connection with facilities granted to third parties*	就第三方獲授的融資而向銀行作出擔保*	7,871,270	5,805,356

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

For the six months ended 30 September 2016 截至2016年9月30日止六個月

27. Contingent Liabilities (Continued)

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

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

28. Commitments

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

27. 或然負債(續)

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

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

28. 承擔

於報告期末，本集團有以下承擔：

		30 September 2016 2016年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2016 2016年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Contracted, but not provided for:	已訂約但未撥備：		
Properties under development	發展中物業	9,168,971	7,350,506

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

For the six months ended 30 September 2016 截至2016年9月30日止六個月

29. Related Party Transactions

- (a) The Group had the following material transactions with related parties during the six months ended 30 September 2016 and 2015:

29. 關連人士交易

- (a) 截至2016年及2015年9月30日止六個月，本集團曾與關連人士有如下列重大交易：

		For the six months ended 30 September 截至9月30日止六個月	
		2016 2016年 HK\$'000 千港元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 千港元 (Unaudited) (未經審核)
		Notes 附註	
Rental expense and related service fees for an office property paid to: A company of which a director of the Company is a controlling shareholder	辦公樓的租金開支及相關服務費用支付予： 本公司董事擔任一間公司的控股股東	(i)	1,407 1,392
Rental income for certain office units received from: A company of which a director of the Company is a controlling shareholder	數個辦公樓的租金收入收取： 本公司董事擔任一間公司的控股股東	(ii)	— 544

Notes:

- (i) The Group leased the office property of a company of which a director of the Company is a controlling shareholder. The rental and related service fees were based on terms mutually agreed between both parties.
- (ii) The Group leased certain office units to a related party of which a director of the Company is a controlling shareholder. The rental was based on the rental charged to the other tenants of the Group.

附註：

- (i) 本集團向本公司董事擔任控股股東的一家公司租入辦公樓。租金及有關費用根據雙方協定條款計算。
- (ii) 本集團向本公司董事任控股股東的關聯公司出租辦公樓。租金根據本集團與其他方的租金確定。

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

For the six months ended 30 September 2016 截至2016年9月30日止六個月

29. Related Party Transactions (Continued)

(b) Outstanding balances with related parties:

		Note	30 September 2016 2016年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2016 2016年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Due from associates	應收聯營公司款項	(i)	66,582	63,626
Due to an associate	應付一家聯營公司款項	(i)	–	(3,316)

Note:

- (i) The amounts due from associates and due to an associate are unsecured, interest-free and have no fixed terms of repayment.

附註：

- (i) 應收及應付聯營公司款項為無抵押、免息及無固定還款期。

(c) Compensation of key management personnel of the Group:

		For the six months ended 30 September 截至9月30日止六個月	
		2016 2016年 HK\$'000 千港元 (Unaudited) (未經審核)	2015 2015年 HK\$'000 千港元 (Unaudited) (未經審核)
Short term employee benefits	短期僱員福利	11,395	11,080
Post-employment benefits	離職後福利	27	27
Share-based payments	以權益結算的購股權開支	7,716	10,311
Total compensation paid to key management personnel	支付予主要管理人員的薪酬總額	19,138	21,418

29. 關連人士交易(續)

(b) 關連人士的未償還結餘：

(c) 本集團主要管理人員薪酬：

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

For the six months ended 30 September 2016 截至2016年9月30日止六個月

30. Fair Value and Fair Value Hierarchy of Financial Instruments

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

30. 金融工具之公平值及公平值等級架構

本集團及本公司之金融工具之賬面值及公平值(賬面值與公平值極其相近者除外)如下:

		Carrying amounts 賬面值		Fair values 公平值	
		30 September 2016 2016年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2016 2016年 3月31日 HK\$'000 千港元 (Audited) (經審核)	30 September 2016 2016年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2016 2016年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Short-term notes	短期融資券	1,394,280	2,525,460	1,396,873	2,588,000
Senior notes	優先票據	4,454,209	4,113,363	4,656,467	4,155,497
Medium-term notes	中期票據	4,687,421	5,026,696	4,958,276	5,273,563
Corporate bonds	企業債券	1,768,348	1,891,219	1,777,707	1,867,037
Domestic company bonds	境內公司債券	5,275,813	3,629,086	5,194,339	3,662,374
		17,580,071	17,185,824	17,983,662	17,546,471

Management has assessed that the fair values of cash and cash equivalents, trade receivables, financial assets included in prepayments, deposits and other receivables, financial liabilities included in trade and other payables, current portion of interest-bearing bank and other borrowings and amounts due from associates, approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's management is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The management reports directly to the directors and the audit committee. At each reporting date, the management analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the directors. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

管理層已評估，現金及現金等價物、應收賬款、金融資產包括預付款、訂金及其他應收款項、金融負債包括應付及其他應付款項、計息銀行及其他借貸的即期部分及應收聯營公司款項之公平值與其各自之賬面值相若，主要因為該等工具於短期內到期。

本集團管理層負責釐定金融工具公平值計量之政策及程序。管理層直接向董事及審核委員會報告。於各報告日期，管理層分析金融工具之價值變動並釐定估值中適用的主要元素。估值由董事審核及批准。估值過程及結果由審核委員會進行每年兩次，即中期及年度財務申報時討論。

For the six months ended 30 September 2016 截至2016年9月30日止六個月

30. Fair Value and Fair Value Hierarchy of Financial Instruments (Continued)

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

The fair values of the non-current portion of other long-term receivables and interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk in interest-bearing bank and other borrowings as at 30 September 2016 was assessed to be insignificant. The fair values of the non-current portion of other long-term receivables and interest-bearing bank and other borrowings are not materially different from their carrying amounts.

The fair value of short-term notes, senior notes, medium-term notes, corporate bonds and domestic company bonds are calculated using the market price on 30 September 2016.

As at 30 September 2016 and 31 March 2016, the Group's financial instruments which comprised held-for-trading investments at fair value through profit or loss were measured at fair value. The fair values of held-for-trading investments at fair value through profit or loss are based on quoted market prices.

30. 金融工具之公平值及公平值等級架構(續)

金融資產及負債的公平值按可在有意雙方(強迫或清盤銷售除外)之間的現時交易中進行交換的工具的金額入賬。已採用下列方法及假設對公平值進行估計：

其他長期應收款項、計息銀行及其他借貸非即期部分之公平值採用與該等工具相似條款、信貸風險及剩餘到期時間之現行利率對預期未來現金流量進行貼現計算得出。於2016年9月30日，本集團自身計息銀行及其他借貸之不履約風險被評定為並不重大。其他長期應收款項及計息銀行及其他借貸的非即期部分的公平值與賬面值相差不大。

短期融資券、優先票據、中期票據、企業債券及境內公司債券之公平值乃根據2016年9月30日的市場報價釐定。

於2016年9月30日及2016年3月31日，本集團之金融工具包含透過損益以公平值列賬之持作負債投資以公平值計算。透過損益以公平值列賬之持作買賣投資之公平值乃根據市場報價釐定。

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

For the six months ended 30 September 2016 截至2016年9月30日止六個月

30. Fair Value and Fair Value Hierarchy of Financial Instruments (Continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

As at 30 September 2016
 於2016年9月30日

		Fair value measurement using quoted prices in active markets (Level 1) 使用於活躍市場之報價的公平值計量 (第1級) HK\$'000 千港元 (Unaudited) (未經審核)
Held-for-trading investments at fair value through profit or loss	透過損益以公平值列賬之持作買賣投資	31,200

As at 31 March 2016
 於2016年3月31日

		Fair value measurement using quoted prices in active markets (Level 1) 使用於活躍市場之報價的公平值計量 (第1級) HK\$'000 千港元 (Audited) (經審核)
Held-for-trading investments at fair value through profit or loss	透過損益以公平值列賬之持作買賣投資	27,365

Liabilities measured at fair value:

The Group did not have any financial liabilities measured at fair value as at 30 September 2016 and 31 March 2016.

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfer into or out of Level 3 (six months ended 30 September 2015: nil).

30. 金融工具之公平值及公平值等級架構(續)

公平值等級

本集團運用下列等級，以取決及披露金融工具之公平值：

按公平值計量之資產：

按公平值計量之負債：

於2016年9月30日及2016年3月31日，本集團並無以公平值計量的金融負債。

期內，公平值計量於第1級別與第2級別之間並無轉換及無轉入或轉出至第3級別(截至2015年9月30日六個月止：無)。

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

For the six months ended 30 September 2016 截至2016年9月30日止六個月

30. Fair Value and Fair Value Hierarchy of Financial Instruments (Continued)

Fair value hierarchy (Continued)

Liabilities for which fair values are disclosed:

As at 30 September 2016

於2016年9月30日

		Fair value measurement using 使用以下各項進行公平值計量		
		Quoted prices in active markets (Level 1) 於活躍市場 之報價 (第1級) HK\$'000 千港元 (Unaudited) (未經審核)	Significant observable input (Level 2) 重大可觀察 元素 (第2級) HK\$'000 千港元 (Unaudited) (未經審核)	Total 總計 HK\$'000 千港元 (Unaudited) (未經審核)
Short-term notes	短期融資券	1,396,873	–	1,396,873
Senior notes	優先票據	4,656,467	–	4,656,467
Medium-term notes	中期票據	4,958,276	–	4,958,276
Corporate bonds	企業債券	1,777,707	–	1,777,707
Domestic company bonds	境內公司債券	5,194,339	–	5,194,339
		17,983,662	–	17,983,662

As at 31 March 2016

於2016年3月31日

		Fair value measurement using 使用以下各項進行公平值計量		
		Quoted prices in active markets (Level 1) 於活躍市場 之報價 (第1級) HK\$'000 千港元 (Audited) (經審核)	Significant observable input (Level 2) 重大可觀察 元素 (第2級) HK\$'000 千港元 (Audited) (經審核)	Total 總計 HK\$'000 千港元 (Audited) (經審核)
Short-term notes	短期融資券	2,588,000	–	2,588,000
Senior notes	優先票據	4,155,497	–	4,155,497
Medium-term notes	中期票據	5,273,563	–	5,273,563
Corporate bonds	企業債券	1,867,037	–	1,867,037
Domestic company bonds	境內公司債券	–	3,662,374	3,662,374
		13,884,097	3,662,374	17,546,471

30. 金融工具之公平值及公平值等級架構(續)

公平值等級(續)

已披露公平值之金融負債：

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

For the six months ended 30 September 2016 截至2016年9月30日止六個月

31. Events After the Reporting Period

On 3 October 2016, the Company further issued senior notes in an aggregate principal amount of US\$150,000,000 (the "2016 Notes II"). The 2016 Notes II were consolidated and form a single series with the 2016 Notes I issued by the Company on 13 September 2016 (note 21) are listed on the Singapore Exchange Securities Trading Limited. The 2016 Notes II carry interest at the rate of 6.75% per annum, payable semi-annually on 13 September and 13 March in arrears, and will mature on 13 September 2021, unless redeemed earlier. The offering price was at 98.964% of the principal amount of the 2016 Notes II.

32. Approval of Interim Condensed Consolidated Financial Statements

These interim condensed consolidated financial statements were approved and authorised for issue by the board of directors of the Company on 25 November 2016.

31. 報告期間結束後事項

於2016年10月3日，本公司進一步發行本金總額150,000,000美元的優先票據(「2016年票據II」)。2016年票據II與本公司於2016年9月13日發行之2016年票據I合併並組成為單一系列(附註21)並於新加坡證券交易所有限公司上市。2016年票據II按年利率6.75%計息，每半年於9月13日及3月13日期後支付，並將於2016年9月13日到期(除非提早贖回)。發售價為2016年票據II本金總額的98.964%。

32. 批准中期簡明綜合財務報表

本公司董事會已於2016年11月25日批准並授權刊發此等中期簡明綜合財務報表。



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