



華南城

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



ANNUAL REPORT 年報
2013/14



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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 (Chief Executive Officer)
Professor Xu Yang

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 (appointed on 28 June 2014)

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 Stephen JP ⁽¹⁾
Mr. Yung Wing Ki Samuel SBS, MH, JP ⁽¹⁾

Chief Financial Officer

Mr. Fung Sing Hong Stephen (FCPA)

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(行政總裁)
許揚教授

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(於2014年6月28日獲委任)

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

馮星航先生(FCPA)

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

Corporate Information (Continued)

公司資料(續)

Principal Bankers

Agricultural Bank of China Limited
Bank of China Limited
Bank of Communications Co., Ltd.
China CITIC Bank Corporate Ltd.
China Construction Bank Corporation Limited
Industrial and Commercial Bank of China Limited
Shanghai Pudong Development Bank Co., Ltd.
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 13.5% 5 years senior notes due 2017
The Company's 8.25% 5 years senior notes due 2019
The Singapore Exchange Securities Trading Limited

Convertible Notes Listing

The Group's 6.5% convertible notes due 2018
The Singapore Exchange Securities Trading Limited
(Being fully converted on 9 July 2014)

Website

www.chinasouthcity.com

Investor Relations

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

主要往來銀行

中國農業銀行股份有限公司
中國銀行有限公司
交通銀行股份有限公司
中信銀行股份有限公司
中國建設銀行股份有限公司
中國工商銀行股份有限公司
上海浦東發展銀行股份有限公司
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2017年到期的13.5% 5年期優先票據
本公司於2019年到期的8.25% 5年期優先票據
新加坡證券交易所有限公司

可換股票據上市

本集團於2018年到期的6.5%可換股票據
新加坡證券交易所有限公司
(於2014年7月9日悉數轉換)

網站

www.chinasouthcity.com

投資者關係

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

CHINA SOUTH CITY Shenzhen

深圳 華南城



Marketing campaign at outlet center, CSC Shenzhen
於深圳華南城奧特萊斯中心舉行的宣傳活動



CNY celebration at CSC Shenzhen
於深圳華南城舉行的賀年活動



CSC Shenzhen in operation
營運中的深圳華南城

China South City Shenzhen

Located in Pinghu, Shenzhen, China South City Shenzhen ("CSC Shenzhen") covers a site area of approximately 1.06 million square meters ("sq. m.") with a total planned gross floor area ("GFA") of approximately 2.64 million sq. m.. Phase I, phase II and part of its phase III properties with a total GFA of approximately 1.80 million sq. m. are in operation.

Positioned as a modern large-scale integrated logistics and trading platform to serve the Pearl River Delta Region, CSC Shenzhen covers a wide spectrum of product range, from raw materials to commodities of various industries, themed products and factory outlets, complemented by comprehensive ancillary facilities and services including offices, residential facilities, conference and exhibition facilities, both bonded and common warehousing, hotel and restaurants, banking and financial services, on-site logistics services in couple of quality testing services, property management, E-commerce platform, on-site governmental organization, etc.

深圳華南城

深圳華南城位處深圳市平湖，佔地面積約106萬平方米，總規劃建築面積約264萬平方米。總建築面積約180萬平方米的一期、二期及部分三期物業已投入營運。

作為服務珠三角地區的現代化大型綜合商貿物流及商品交易平台，深圳華南城涵蓋廣泛產品種類，包括多種行業的原材料到製成品、主題商品及奧特萊斯中心，並配以辦公樓、住宅、會議及展覽設施、保稅倉及普通倉儲、酒店及餐廳、銀行及金融服務、駐場物流及質檢服務、物業管理、電子商貿平台，以及駐場政府機構等完備的配套設施。

Total Planned GFA
總規劃建築面積

2.64

million m²
百萬平方米



Birdview – CSC Shenzhen
深圳華南城鳥瞰圖



Birdview – CSC Shenzhen
深圳華南城鳥瞰圖

CHINA SOUTH CITY Nanchang

南昌 華南城



First Jiangxi Provincial Commodities Fair held at CSC Nanchang
於南昌華南城舉行首屆江西省地方特色商品博覽會



CSC Nanchang in operation
營運中的南昌華南城



Record-breaking Ride at CSC Nanchang
於南昌華南城舉行的「千人騎行」活動

China South City Nanchang

Located in Nanchang, the capital of Jiangxi Province, China South City Nanchang (“CSC Nanchang”) covers a site area of approximately 1.54 million sq. m. with a total planned GFA of approximately 4.28 million sq. m. for phased development. Currently, the project is in its phase I construction, and trial operation has commenced.

CSC Nanchang aims to make full use of its advantageous location as a vigorous, integrated logistics trading platform for the Pan Pearl River Delta and Yangtze River Delta regions. The project site is highly accessible with a comprehensive freight and public transportation network, together with Nanchang West Railway Station, a principal high speed rail station located just about 1.2 km from CSC Nanchang commenced operation successively from September 2013.

南昌華南城

南昌華南城位於中國江西省省會城市南昌，佔地面積約154萬平方米，將分期建設成總規劃建築面積約428萬平方米。現正在進行一期建設，並已展開試營運。

南昌華南城將善用其有利位置，打造成為泛珠三角及長三角地區一個繁華的綜合商貿物流及商品交易平台。項目選址交通四通八達，位處完善的貨運及公共交通網絡，距該區高鐵主要車站—南昌西客站只約1.2公里，該車站已於2013年9月逐步投入服務。

Total Planned GFA
總規劃建築面積

4.28 million m²
百萬平方米



Birdview – CSC Nanchang
南昌華南城鳥瞰圖



Birdview – CSC Nanchang
南昌華南城鳥瞰圖

CHINA SOUTH CITY Nanning

南寧 華南城



China – ASEAN Expo Light Industrial Products Fair at CSC Nanning
於南寧華南城舉行中國－東盟博覽會輕工展



Exhibition center in operation
營運中的會展中心



CSC Nanning in operation
營運中的南寧華南城

China South City Nanning

Located in Nanning, the capital city of Guangxi Zhuang Autonomous Region, China South City Nanning (“CSC Nanning”) has a planned net land area of approximately 1.83 million sq. m. with a total planned GFA of approximately 4.88 million sq. m. for phased development. Currently, the project is in its phase I construction, and trial operation has commenced.

Capitalizing on its ideal geographical position with extensive transportation network, CSC Nanning will be developed into a regional large-scale integrated logistics and trading platform to meet the demand in the Northern Bay Region and Southeast Asia. The tariff waiver for crossborder trade since the establishment of the China – Association of Southeast Asian Nations (“ASEAN”) Free Trade Area will help boost business and trade activities for CSC Nanning.

南寧華南城

南寧華南城位於中國廣西壯族自治區首府南寧，規劃建築淨佔地面積約183萬平方米，將分期發展成總規劃建築面積約488萬平方米。現時正進行一期建設，並已展開試營運。

憑藉其地理優勢及通達交通網絡，南寧華南城將針對北部灣及東南亞地區的需求，發展成區域性的大型綜合商貿物流及商品交易平台。自中國－東南亞國協〔東盟〕自由貿易區成立後所豁免的跨境貿易關稅，為南寧華南城的業務及商貿活動締造有利條件。

Total Planned GFA
總規劃建築面積

4.88 million m²
百萬平方米



Birdview – CSC Nanning
南寧華南城鳥瞰圖



Trade center: Plaza 2
交易中心：二號交易廣場

CHINA SOUTH CITY Xi'an

西安 華南城



Phase I Trade centers
一期交易中心

China South City Xi'an

Located in Xi'an, the capital city of Shaanxi Province, China South City Xi'an ("CSC Xi'an") has a total planned land area of approximately 10 million sq. m. with a total planned GFA of approximately 17.5 million sq. m. for phased development. Currently, the project is in its phase I construction, and trial operation has commenced.

With its strategic location at Xi'an International Trade and Logistics Park, which is well equipped with a railway container terminal and the largest bonded area in the Northwest China, CSC Xi'an is amidst an extensive transportation network. It is situated at an exit of the North Third Ring Road, and two subway lines are planned to pass through. Combining its geographical convenience with its modern facilities and services provided, the Group is positioning CSC Xi'an to become a major and integrated logistics and trade center.



Trade center in shopping mall style
商場式設計交易中心

西安華南城

西安華南城位於陝西省省會城市西安，總規劃佔地面積約1,000萬平方米，將分期發展成總規劃建築面積約1,750萬平方米。現時正進行一期建設，並已展開試營運。

西安華南城處於西安國際港務區的策略性位置，內設鐵路集裝箱中心以及中國西北地區最大的保稅區，並受廣泛的交通網絡覆蓋。西安華南城位於北三環路出口處，坐擁兩條已規劃的地下鐵路線。結合其地理優勢及其現代化設施及服務，本集團積極打造西安華南城成為該地區的主要綜合商貿物流及商品交易中心。



Trade center in operation
在營運中的交易中心

Total Planned GFA
總規劃建築面積

17.5

million m²
百萬平方米



Trade center: Plaza 2
交易中心：2號交易廣場



Birdview – CSC Xi'an
西安華南城鳥瞰圖

CHINA SOUTH CITY Harbin

哈爾濱 華南城



Pre-sale at CSC Harbin in May 2014
哈爾濱華南城2014年5月預售盛況

China South City Harbin

Located in Harbin, the capital city of Heilongjiang province, China South City Harbin ("CSC Harbin") has a planned land area of approximately 10.0 million sq. m. with a total planned GFA of approximately 12.0 million sq. m. for phased development. Currently, the project is in its phase I construction.

Capitalizing on its beneficial position in Northeast China, a premier hub for cross-boarded trade with countries in Northeast Asia and its proximity to the China-Russia boarder, CSC Harbin aims to capture opportunities arising from the emerging development potential in the area and develops the project to become a major integrated logistics and trade center in the region.



Pavilion of CSC Harbin at China-Russia Expo
中國—俄羅斯博覽會，哈爾濱華南城展區參觀人流絡繹不絕

哈爾濱華南城

哈爾濱華南城位於中國黑龍江省的省會城市哈爾濱，規劃佔地面積約1,000萬平方米，將分期發展成總規劃建築面積約1,200萬平方米。現時正進行一期建設。

哈爾濱華南城憑藉其位處中國東北部之優勢，是與東北亞國家作跨境貿易的主要樞紐，並毗鄰中俄邊境等優越地位，將可抓緊該區發展潛力湧現而帶來的機遇，發展成為該地區的主要大型綜合商貿物流及商品交易中心。



Sales center
招商中心

Total Planned GFA
總規劃建築面積

12.0 million m²
百萬平方米



CSC Harbin under construction
在建中的哈爾濱華南城



CSC Harbin under construction
在建中的哈爾濱華南城

CHINA SOUTH CITY Zhengzhou

鄭州 華南城



The launch of sales at CSC Zhengzhou
鄭州華南城開盤盛況

China South City Zhengzhou

Located in Zhengzhou, the capital city of Henan Province, China South City Zhengzhou ("CSC Zhengzhou") has a total planned net land area of approximately 7 million sq. m. with a total planned GFA of 12 million sq. m. for phased development. Currently, the project is in its phase I construction.

Leveraging on its strategic location, CSC Zhengzhou has access to extensive transportation networks. It is an important passenger and freight hub in China, together with Zhengzhou Xinzheng International Airport, the Beijing-Guangzhou Railway Freight Station and Beijing-Hong Kong-Macao Highway. Benefitting from its prime location in Zhengzhou City, the project aims to cater to the strong demand for integrated logistics and trade centers in China's interior regions, and will provide a convenient trading platform to promote trade among cities in Central China.



Construction materials market
建材交易中心

鄭州華南城

鄭州華南城位於河南省的省會城市鄭州，規劃淨佔地總面積約700萬平方米，總規劃建築面積為1,200萬平方米，將分階段發展。現時正進行一期建設。

鄭州華南城憑藉其位處河南省省會城市的策略優勢，連接廣泛的運輸網絡，坐擁鄭州新鄭國際機場、京廣鐵路貨運站及京港澳高速公路。位處鄭州市的優質地段，鄭州華南城致力迎合中國內陸地區對綜合商貿物流及商品交易中心的殷切需求，為華中地區提供便捷的交易平台，促進商貿活動。



Operation and sales center
行政及招商中心

Total Planned GFA
總規劃建築面積

12.0 million m²
百萬平方米



CSC Zhengzhou under construction
在建中的鄭州華南城



Trade center: Plaza 1
交易中心：1號交易廣場

CHINA SOUTH CITY Hefei

合肥 華南城



The Ground-breaking ceremony at CSC Hefei in June 2013
於2013年6月舉行的合肥華南城奠基儀式

China South City Hefei

Located in Hefei, the capital city of Anhui Province, China South City Hefei ("CSC Hefei") has a total planned net land area of approximately 10.0 million sq. m. with a total planned GFA of approximately 12.0 million sq. m. for phased development. In May 2013, CSC Hefei successfully bid for the first batch of land with attributable GFA of 3.94 million sq. m. and phase I construction commenced immediately after the groundbreaking ceremony in June 2013.

Capitalizing on its strategic location in Hefei New Industrial Demonstration Park with well-developed infrastructure in adjacent areas, extensive transportation system of railways, highways and river transport across China and a political, economic, cultural and financial center at the heart of East China, CSC Hefei aims to capture opportunities arising from the emerging development potential in the area and develops the project to become a major integrated logistics and trade center in the region.



The launch of sales at CSC Hefei
合肥華南城開盤盛況

合肥華南城

合肥華南城位於安徽省省會城市合肥，規劃淨佔地總面積約為1,000萬平方米，將分期發展成總規劃建築面積約為1,200萬平方米。於2013年5月，合肥華南城成功投得首批可建建築面積共394萬平方米之土地，並隨即於2013年6月舉行奠基儀式後展開一期建設。

項目位於合肥新型工業示範區，盡享鄰近完善基礎建設的策略地利，並充分運用城中廣泛的鐵路、合肥華南城高速公路及河運運輸系統接連全國，是華東心臟地帶的政治、經濟、文化及金融中心，合肥華南城將可抓緊該區發展潛力湧現而帶來的機遇，發展成為該地區的主要大型綜合商貿物流及商品交易中心。



Phase 1 trade center
一期交易中心

Total Planned GFA
總規劃建築面積

12.0 million m²
百萬平方米



CSC Hefei under construction
在建中的合肥華南城



Standalone low-rise trade center shops
單幢低層交易中心商舖

CHINA SOUTH CITY **Chongqing**

重慶 華南城



Rendering
電腦效果圖

China South City Chongqing

Located in Chongqing, one of the four municipalities of China, China South City Chongqing (“CSC Chongqing”) has a total planned net land area of approximately 6.3 million sq. m. with a total planned GFA of 13.5 million sq. m. for phased development. With the framework agreement and cooperative agreement signed on 17 January 2014, CSC Chongqing successfully bid for the first batch of land with attributable GFA of 1.33 million sq. m. in the following months and had the groundbreaking ceremony held by the end of March.

Strategically located in Chongqing Highway Logistics Base, the state-level transportation infrastructure and large highway base in the Western region, CSC Chongqing is highly accessible to city center and other regions in the country given the extensive road network. Capitalizing on its beneficial position, CSC Chongqing aims to develop the project to become a major large-scale integrated logistics and trade center in the region.



Rendering
電腦效果圖

重慶華南城

重慶華南城位於中國四直轄市之一——重慶市，規劃淨佔地總面積約630萬平方米，將分期發展成總規劃建築面積約1,350萬平方米。自2014年1月17日簽訂項目框架協議及合作協議，重慶華南城已於其後幾個月內取得首批可建築面積共133萬平方米之土地，並於2014年3月底舉行奠基儀式。

項目策略性位於重慶公路物流基地，屬國家級交通基建及西部地區大型的公路基地，坐擁貫通市中心及全國其他地區的廣泛公路網絡。憑藉其優越地位，重慶華南城將發展成該地區的主要大型綜合商貿物流及商品交易中心。



The Ground-breaking Ceremony at CSC Chongqing in March 2014
於2014年3月舉行的重慶華南城奠基儀式

Total Planned GFA
總規劃建築面積

13.5

million m²
百萬平方米



Rendering
電腦效果圖



Rendering
電腦效果圖

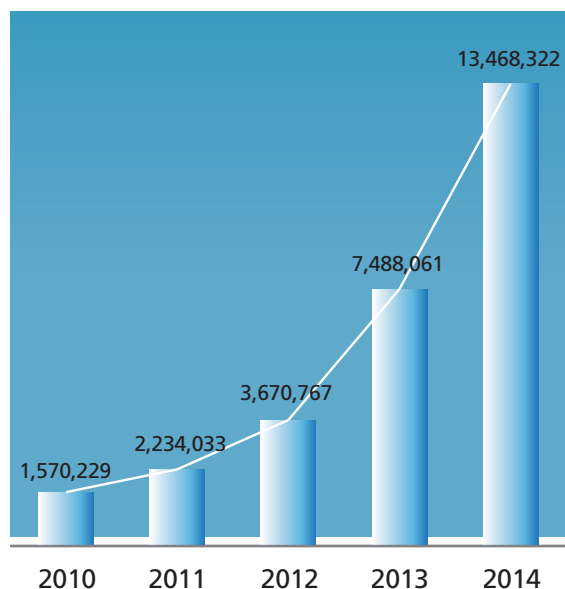
Financial Highlights

財務摘要

(in HK\$'000千港元)

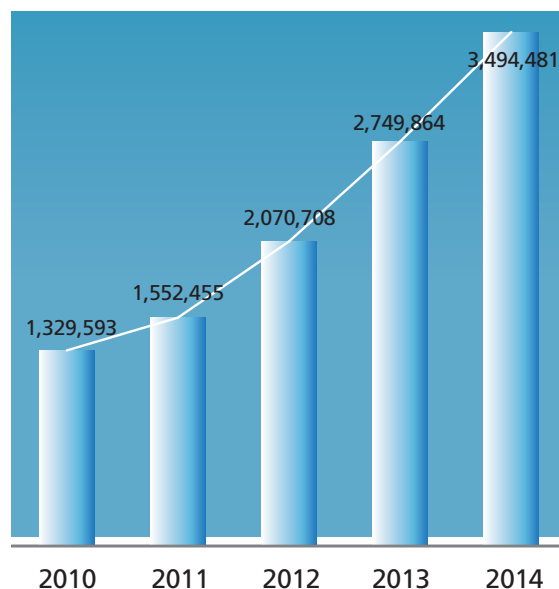
Revenue

收入



Profit attributable to owners of the parent

母公司擁有人應佔淨利潤



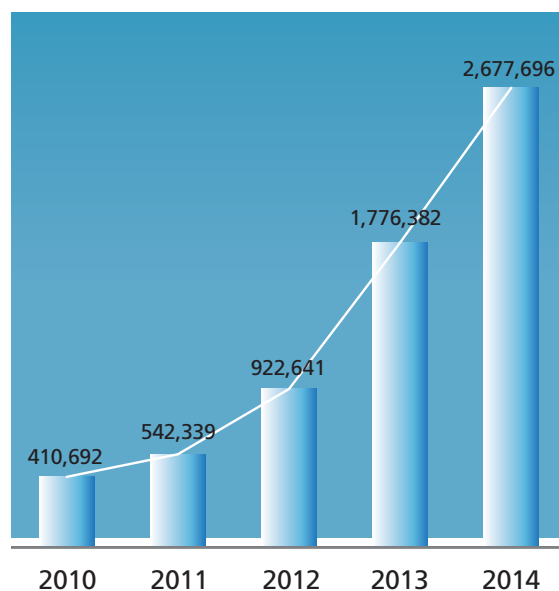
Net assets value

資產淨值



Core net profit attributable to owners of the parent

母公司擁有人應佔核心淨利潤



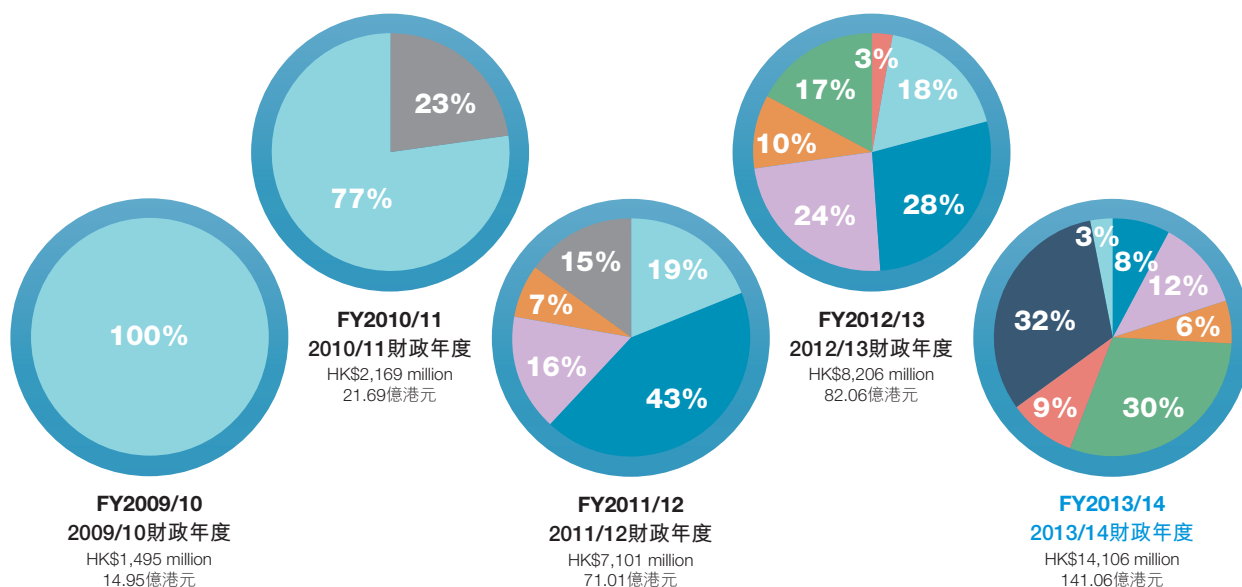
Financial Highlights (Continued)
財務摘要(續)

		For the year ended 31 March 截至3月31日止年度		
		2014 HK\$ 港元	2013 HK\$ 港元	Approximate Change % 概約變幅%
Contracted sales	合約銷售	14,106.0 million百萬	8,205.6 million百萬	71.9
Revenue	收入	13,468.3 million百萬	7,488.1 million百萬	79.9
Gross profit	毛利	6,547.2 million百萬	4,176.7 million百萬	56.8
Gross profit margin	毛利率	49%	56%	
Profit attributable to owners of the parent	母公司擁有人應佔淨利潤	3,494.5 million百萬	2,749.9 million百萬	27.1
Core net profit attributable to owners of the parent*	母公司擁有人應佔核心淨利潤*	2,677.7 million百萬	1,776.4 million百萬	50.7
Earnings per share – Basic	每股盈利 – 基本	HK55.71 cents港仙	HK45.62 cents港仙	22.1
Gearing ratio	資本負債比率	24%	32%	
Proposed final dividend per share	擬派末期股息(每股)	HK14.0 cents港仙	HK10.0 cents港仙	40.0
Dividend payout ratio	派息比率	36%	34%	

* Represents the net profit attributable to owners of the parent excluding fair value gains on investment properties and related tax effects, fair value gain on derivative financial instrument and loss on redemption of the 2011 Notes.

代表未計投資物業公平值收益及相關稅務影響、衍生金融工具公平值收益和贖回2011年票據之虧損的母公司擁有人應佔淨利潤。

Geographical Diversifying Contracted Sales
不斷擴展合約銷售的地域



● Shenzhen 深圳
 ● Heyuan 河源
 ● Nanchang 南昌
 ● Nanning 南寧
● Xi'an 西安
 ● Harbin 哈爾濱
 ● Zhengzhou 鄭州
 ● Hefei 合肥

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 annual results of the Group for the fiscal year ended 31 March 2014 ("FY2013/14" or the "Year").

Results and Dividend

The Group maintained a strong growth momentum in FY2013/14 and continued to deliver its financial targets. During the reporting period, the Group's revenue significantly increased by 79.9% to HK\$13,468.3 million (the fiscal year ended 31 March 2013 ("FY2012/13"): HK\$7,488.1 million). Net profit attributable to equity owners of the parent also rose by 27.1% to HK\$3,494.5 million (FY2012/13: HK\$2,749.9 million). Basic earnings per share were HK55.71 cents (FY2012/13: HK45.62 cents).

The Board proposed a final dividend of HK14 cents per share for FY2013/14 (FY2012/13: HK10 cents per share), subject to shareholders' approval at the Company's forthcoming annual general meeting ("AGM") to be held on 21 August 2014.

Review of the Operation

Rapid Growth Driven by Successful Replication of Business Model

As the leading large-scale integrated logistics and trade center developer and operator in China by gross floor area, the Group continued to benefit from a stable macro environment and the successful replication of China South City's business model. During the Year, the Group continued to implement its development strategy and diversify its revenue source. During the Year, China South City had its Contracted Sales (including property sales in finance lease) reached HK\$14.1 billion (FY2012/13: HK\$8.2 billion), to which CSC Hefei and CSC Zhengzhou, two of the newest China South City projects, are the key contributors. The success of the new China South City projects was a strong reflection of its successful business model and the benefit of its diversified project portfolio.

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」)，欣然呈報本集團截至2014年3月31日止財政年度(「2013/14財政年度」或「本年度」)之年度業績。

業績及股息

本集團於2013/14財政年度維持強勁增長勢頭，持續實現財務目標。回顧年內，本集團收入激增79.9%至134.683億港元(截至2013年3月31日止財政年度(「2012/13財政年度」)：74.881億港元)。母公司權益擁有人應佔淨利潤亦增長27.1%至34.945億港元(2012/13財政年度：27.499億港元)。每股基本盈利為55.71港仙(2012/13財政年度：45.62港仙)。

董事會建議派付2013/14財政年度末期股息每股14港仙(2012/13財政年度：每股10港仙)，惟須待股東於2014年8月21日舉行的本公司應屆股東周年大會(「股東周年大會」)批准後，方可作實。

營運回顧

成功複製商業模式，帶動本集團快速增長

作為中國領先的大型綜合商貿物流及商品交易中心發展商和營運商(按建築面積計)，本集團繼續受惠於穩定的宏觀經濟環境及華南城可成功複製的商業模式。於本年度，本集團持守其發展策略並致力多樣化其項目組合收入來源。於本年度，華南城的合約銷售(包括融資租賃合同的物業銷售)達141億港元(2012/13財政年度：82億港元)，其中兩個最新項目——合肥華南城及鄭州華南城為主要貢獻者。新項目的成功突顯華南城商業模式的優勢及多元化項目組合的效益。

Strong Growth in Recurring Revenue

As a key corporate strategy, the Group will operate the integrated logistics and trade center projects after construction and initial sale, which ensures a prolonged period of stable return through recurring revenue generated, including but not limited to rental, property management, E-commerce, logistics and warehousing service and outlet business.

During the Year, the Group reported recurring revenue of HK\$655.7 million (FY2012/13: HK\$309.3 million), a robust growth of 112.0%. All the different areas of recurring revenue reported significant increase: rental income increased by 42.5%, logistics and warehousing service revenue increased by 176.8%, property management service income increased by 53.9% and outlet business revenue increased by 185.7%. With the initiation of the online membership programme for its physical occupants, E-commerce income recorded HK\$189.1 million (FY2012/13: Nil).

Evolving Strategy

The Group has always understood the opportunities coming with the modernization of Chinese urban wholesale markets. Over the past decade, the Group's success has been built upon providing a professional platform to assist SMEs in modernizing the way they conduct business. The Group will continue to play the role as service provider which is crucial to its SMEs.

E-commerce, the Heart of Future Strategy

Given the increasing demand from the SMEs to conduct more businesses online, the Group believes the next step of Chinese wholesale market revolution will occur around the merger between the far-reaching online tools and tangible offline platforms. In order to capitalize on this opportunity, the Group has put E-commerce at the heart of its future strategy. One part of that strategy is assisting the SMEs operating within China South City in establishing online trading platforms. By the end of March 2014, CSC86.com, the Group's own E-commerce platform, has helped approximately 5,000 occupants set up online shops and over 1.6 million products on display. Furthermore, with the launch of CSC Zhengzhou project, the Group introduced its online service to the physical occupants and received positive response. In CSC Nanchang, the E-commerce services in trial operation help its occupants expand their business on third party online platforms. Starting from March 2014, the Group has the beta launch of its online outlet platform, offering B2C services to both the occupants and customers.

經常性收入增長強勁

作為本集團的主要企業發展策略，項目工程及初步銷售完成後，本集團將長期營運其綜合商貿物流及商品交易中心，透過經常性業務收入，為集團帶來持續及穩定的回報。經常性業務收入包括但不限於租金、物業管理、電子商貿、倉儲物流服務及奧特萊斯業務收入。

於本年度，本集團錄得經常性業務收入達6.557億港元(2012/13財政年度：3.093億港元)，大幅增長112.0%。各項經常性業務收入均錄得大幅增長，包括租金收入增長42.5%、倉儲物流服務收入增長176.8%、物業管理服務收入增長53.9%以及奧特萊斯業務收入增長185.7%。隨著新推行予實體商戶的線上會員計劃，電子商貿收入錄得1.891億港元(2012/13財政年度：無)。

業務策略的演進

本集團一向深諳中國城市批發市場現代化發展所帶來的龐大商機。過去十年裏，本集團的成功建基於為中小企業提供專業平台以協助其業務走向現代化發展。本集團將繼續致力扮演服務供應商的角色，為城內中小企業提供關鍵的服務。

電子商貿－未來的策略核心

隨著中小企業對推進線上業務的需求日益增加，本集團相信中國批發市場下一輪的革命性發展將融合影響深遠的網絡工具及實體線下平台。為充分把握市場機遇，本集團將電子商貿定立為未來的策略核心，其中包括協助在華南城經營業務的中小企業建立線上商貿平台。截至2014年3月底，本集團自營的電子商貿平台－CSC86.com已協助近5,000家華南城商戶成功建立線上商舖，並展示超過160萬件產品。此外，隨著鄭州華南城推出市場，本集團同時為實體商戶引進線上商舖，商戶對此反應正面。在南昌華南城，目前正進行電子商貿服務試營運，以協助華南城商戶於第三方線上平台擴大其業務。自2014年3月起，本集團的奧特萊斯業務推出線上平台測試版，為商戶及客戶提供B2C服務。

Win-Win Cooperation

On 15 January 2014, the Group established strategic cooperation with Tencent Holdings Limited ("Tencent") to provide value-added services to China South City's occupants. As the market leaders in their respective fields, the cooperation is capable of creating an integrated online and offline platform where millions of internet users can come in direct contact with numerous SMEs operating within China South City. The successful cooperation will be a major step towards the development of "Physical + Online" business eco-system.

The Group believes that bringing in Tencent to jointly achieve "Physical + Online" integration will expedite the upgrade of China South City's online services, allowing it to offer its occupants more effective integrated trade services. The successful integration of the "Physical + Online" platform will expand China South City's business eco-system, providing our SMEs with more business opportunities and greater success in a new generation of wholesale business environment powered by E-commerce tools.

Logistics, the Value of the Network

Professional logistics service has long been an important value-added service to the SMEs operating within China South City. For the new generation wholesale markets powered by E-commerce tools, advanced logistics network is more valuable than ever. The Group has not only reserved substantial land bank dedicated to logistics and storage, but also extended its physical presence in eight different provinces and municipality, covering large territories from the most northerly project of CSC Harbin to the most southerly project of CSC Nanning. During the Year, the Group set up trial operation of a logistics information exchange platform in CSC Nanning, through which it wishes to realize the full value of China South City extended network.

HOPA Furnishing, Exploring Opportunities of the Growing Business Eco-system

In July 2013, the Group entered into a subscription agreement to acquire 75% shareholding in HOPA Furnishing, a leading domestic furniture market operator with 8 existing large stores in operation. The Group intends to set up new HOPA stores in different China South City projects, significantly increasing HOPA's business scope. The acquisition will also help the Group extend its industries profile and expand its ancillary services to take advantage of the growing business eco-system. As China South City projects continue to grow, the Group will seek to create more synergy through further acquisitions.

強強合作

本集團於2014年1月15日與騰訊控股有限公司(「騰訊」)建立策略性合作，為華南城的商戶提供增值服務。作為各自所在領域的領先企業，是次合作致力打造一個融合線上及線下的平台，讓數以百萬計的互聯網用戶能夠與華南城項目內經營業務的中小企業直接聯繫。是次成功合作將會是發展「實體+網絡」商貿生態圈的重要一步。

本集團相信，引進騰訊共同發展「實體+網絡」的融合將加快華南城的線上服務升級，為其商戶提供更高效的一體化商貿服務。成功融合「實體+網絡」服務平台將拓展華南城的商貿生態圈，透過融合電子商貿工具的新一代批發市場，為我們的中小企業提供更多商機並取得更大成功。

物流－網絡的價值

專業物流服務一直是華南城中小企業商戶所需的重要增值服務。隨著新一代批發市場透過電子商貿工具強化業務發展，先進的物流網絡更為關鍵。本集團不僅為物流倉儲預留充裕的土地儲備，更已建立覆蓋全國八個不同省份及直轄市的華南城項目物流網絡：跨越最北的哈爾濱華南城至最南的南寧華南城。於本年度，本集團於南寧華南城設立物流信息交易平台試點，期望藉此體現華南城網絡的全面價值。

好百年家居－於不斷擴展的商貿生態圈中尋求機遇

於2013年7月，本集團簽訂認購協議，收購好百年家居75%權益。好百年家居為國內領先家居裝飾市場營運商，目前於國內經營8個大型門店。本集團擬於各華南城項目內增設好百年家居專門店，顯著擴大好百年家居的業務規模。此項收購亦有助本集團充分利用其日益增長的商貿生態圈優勢，豐富城內的業態，擴展配套服務。隨著華南城的項目日趨成熟，本集團擬進一步物色收購機會，以締造更大的協同價值。

Continuing Expansion of Project Portfolio

The Group continued to expand its project portfolio during the Year to maintain a stable growth dynamic. In January 2014, the Group entered into framework agreements with Chongqing Government to build an integrated trade and logistics project with planned GFA of 13.5 million sq. m. in Banan District of Chongqing, through which the Group has its first footing set into China's Municipality.

In February 2014, the Group entered into an agreement to acquire the remaining 35% shareholding in CSC Xi'an project, to increase the Group's holding to 100%. As of the end of March 2014, the Group owns 100% in all 8 projects it operates, maintaining a diversified project portfolio.

In March 2014, the Group also entered into a Letter of Intent with Guangzhou Government to undertake the development of an integrated trade and logistics project with planned GFA of approximately 10 million sq. m. in Guangzhou.

Prudent Financial Management

The Group continues to balance between its expansion strategy and financial sustainability. As at the end of March 2014, the Group has cash and cash equivalents and restricted cash amounted to HK\$12.8 billion. The gearing ratio was 24%. During the Year, the Group received strong support from the financial market both domestically and internationally, demonstrated by the ready access of a range of financing resources including domestic and offshore bank loans, and bond issuance in the PRC and international capital markets.

繼續擴展項目組合

本集團於本年度繼續積極擴展項目組合，以保持穩定的增長勢頭。於2014年1月，本集團與重慶政府簽訂框架協議，於重慶巴南區建設規劃建築面積達1,350萬平方米的綜合商貿及物流項目，標誌著本集團首次進駐中國直轄市。

於2014年2月，本集團訂立收購西安華南城項目餘下35%權益的協議，使本集團對該項目的持股比例增至100%。截至2014年3月底，本集團持有其營運所有8個項目的全部權益，維持多元化的項目組合。

本集團亦於2014年3月與廣州政府簽訂意向書，擬在廣州發展規劃建築面積達約1,000萬平方米的綜合商貿及物流項目。

審慎的財務管理

本集團繼續致力平衡其業務擴張策略及財務的可持續性。截至2014年3月底，本集團持有現金及現金等價物及受限制現金約128億港元，資本負債比率為24%。於本年度，本集團獲得的一系列便利的融資渠道，包括國內及境外銀行貸款，以及於中國及國際資本市場發行票據，充分體現國內外資本市場的有力支持。

Prospects

Looking forward, as China is entering into a new era of economy reform where quality growth outweighs the need for quantity growth, greater emphasis will be placed on the modernization of different aspects of the economy. Outlined in the 12th National Five-Year Plan, the Government will continue to carry out urbanization and industrial upgrade throughout China. The Group believes that the current strategy to develop modern integrated logistics network and relocation of urban wholesale markets will remain a critical component of the Government's new structural reform plan. Leveraging on the Group's unique business model, proven operational capabilities and extensive cooperation experiences with local governments, China South City is poised to capture the enormous market opportunities. Furthermore, the Group will continue to strengthen the "Physical + Online" platform. Leveraging on its cooperation with Tencent and the opening of business in new China South City projects, the Group will seek opportunities in providing more value-added services both online and offline.

The Group has its annual Contracted Sales target of HK\$18 billion to HK\$20 billion in the fiscal year ending 31 March 2015 ("FY2014/15"). Furthermore, with an increasing number of projects starts to contribute recurring revenue, steadily becoming an important growth and revenue driver, the Group's 3-year target in annual recurring revenue ranges from HK\$1.5 billion to HK\$2 billion.

Lastly, on behalf of the Board, I would like to take this opportunity to express my sincere gratitude to our valued shareholders, customers and business partners for their trust and unwavering support. I would also like to thank our management and staff for their professionalism and wholehearted commitment.

Cheng Chung Hing

Co-Chairman & Executive Director

Hong Kong, 24 June 2014

前景

展望未來，中國的經濟改革將進入全新階段，對經濟增長的質量追求高於數量的追求，政府將加強推行不同經濟領域現代化之力度。國家十二五規劃中亦提綱政府將持續在國內進行城鎮化發展及產業升級。本集團相信，當前發展現代化綜合物流網絡及拆遷城市中心批發市場的策略將會繼續成為政府推進新結構性改革計劃的重要部分。憑藉本集團獨特的業務模式、卓越的營運能力，加上與地方政府的豐富合作經驗，華南城已蓄勢捕捉此龐大商機。與此同時，本集團將繼續強化「實體+網絡」服務平台，並透過與騰訊的合作，以及華南城新項目陸續開業的機遇，為華南城的商戶提供更多線上線下的增值服務。

本集團於截至2015年3月31日止財政年度（「2014/15財政年度」）的合約銷售目標為180億至200億港元。此外，隨著更多項目開始貢獻經常性業務收入，逐漸穩定成為重要的增長及收入動力，本集團年度經常性收入的3年目標可達15億至20億港元。

最後，本人藉此機會謹代表董事會衷心感謝所有股東、客戶及業務夥伴對本集團一直以來的信任及鼎力支持，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，2014年6月24日

Management Discussion and Analysis

管理層討論及分析

Business Overview

During the Year, the Group continued to enjoy a stable market environment in China. The Central Government continues its path of structural reform with more emphasis on the quality of growth rather than pure pursue of quantity growth. As a result of our prudent investment strategy and successfully replicable business model, China South City has seen strong demands for our new projects. Contracted Sales reached HK\$12.6 billion at the end of December 2013, already beating our annual target of HK\$11 billion. A new Contracted Sales target was revised and increased to HK\$14 billion in the same month.

As the launch of sales on new projects continues to provide strong driver for income, the Group maintained a rapid growth momentum in FY2013/14. Contracted Sales surged by 72% to HK\$14.1 billion (FY2012/13: HK\$8.2 billion). The total revenue reached HK\$13.5 billion, a year-on-year growth of 80% (FY2012/13: HK\$7.5 billion).

Details on Contracted Sales in FY2013/14 are shown in the table below:

業務回顧

於本年度，本集團繼續受惠於中國穩定的市場環境，中央政府持續推進增長上重質於量的結構性改革。通過審慎的投資策略及可成功複製的業務模式，華南城新項目錄得強勁需求。於2013年12月底，本集團的合約銷售額已達126億港元，突破全年110億港元的目標。本集團隨即於同月上調新合約銷售目標至140億港元。

於2013/14財政年度，新項目的銷售繼續成為強勁收入動力，保持本集團的快速增長勢頭。合約銷售額飆升72%至141億港元(2012/13財政年度：82億港元)。總收入達135億港元，同比增長80%(2012/13財政年度：75億港元)。

2013/14財政年度合約銷售詳情載於下表：

		Contracted area (sq. m.) (平方米)	Average selling price ("ASP") (before deduction of business tax) 平均售價 (扣除營業稅前) (HK\$/sq. m.) (港元/平方米)	Contracted amount (before deduction of business tax) 合約金額 (扣除營業稅前) (HK\$ million) (百萬港元)	Project contribution 項目貢獻
CSC Shenzhen	深圳華南城	34,300	14,300	491.3	3.5%
Trade center (Mall) ⁽¹⁾	交易中心(商場) ⁽¹⁾	8,000	24,700	198.5	1.4%
Office	辦公樓	10,700	12,600	135.1	1.0%
Residential property	住宅	15,600	10,200	157.7	1.1%
CSC Nanchang	南昌華南城	69,200	16,100	1,118.2	7.9%
Trade center (Mall)	交易中心(商場)	67,300	16,400	1,103.1	7.8%
Residential property	住宅	1,900	7,800	15.1	0.1%
CSC Nanning	南寧華南城	92,000	8,800	809.4	5.7%
Trade center (Mall)	交易中心(商場)	13,300	17,700	234.2	1.7%
Residential property	住宅	78,700	7,300	575.2	4.0%
CSC Xi'an	西安華南城	169,800	9,900	1,683.3	12.0%
Trade center (Mall)	交易中心(商場)	45,700	14,000	642.3	4.6%
Trade center (Detached) ⁽²⁾	交易中心(單棟) ⁽²⁾	124,100	8,400	1,041.0	7.4%
CSC Zhengzhou	鄭州華南城				
Trade center (Detached)	交易中心(單棟)	568,000	7,400	4,209.0	29.8%
CSC Harbin	哈爾濱華南城				
Trade center (Detached)	交易中心(單棟)	171,600	7,700	1,322.6	9.4%
CSC Hefei	合肥華南城				
Trade center (Detached)	交易中心(單棟)	642,900	7,000	4,472.2	31.7%
Total	總計	1,747,800	N/A 不適用	14,106.0	100.0%

Notes:

(1) Refer to multi-storey trade centers in shopping-mall style.

(2) Refer to standalone low-rise trade center shops.

附註：

(1) 指商場形式建設的多層交易中心。

(2) 指單幢低層的交易中心商舖。

E-commerce

Next Generation Wholesale Markets

Chinese urban wholesale markets have been a critical part of Chinese business establishment. China South City has played a key role in facilitating the successful upgrade of many wholesale markets in numerous major cities across China. With increasing demands from the SMEs to conduct business online, the Group witnessed the revolution for a new generation of wholesale market. The new generation of wholesale market combines the connectivity of the E-commerce tools, including online trading platform, O2O apps, online social network etc., with the tangible offline platform.

To build the next generation wholesale market and benefit from the “Physical + Online” business eco-system, the Group’s short-term goal is to help our SMEs master different E-commerce tools and bring in more business and traffic online, whereas mid-to-long-term goal is to provide further value-added services, including E-commerce database, micro-financing, online payment services, etc.



E-commerce Platform – CSC86.com
電子商貿平台 – CSC86.com

The Solution Provider

The major constraints existing SMEs in reaching their online potential are the technical knowhow and skilled workforce. To facilitate the transformation, the Group will play the role as a solution provider in releasing those constraints.

As at the end of March 2014, the Group has successfully helped approximately 5,000 of our occupants set up their own online shop on CSC86.com, the E-commerce platform owned and operated by the Group, to display over 1.6 million products. In many of the cases, setting up the online shop is just the beginning. The Group provides follow-up support and services, including website management, visual design, data sharing and analysis, online promotion, search engine optimization, third party certification, etc.

電子商貿

新一代批發市場

位處城市中心的批發市場一直是中國商貿活動中的重要一部分。而華南城一直在促進全國多個大城市批發市場成功升級轉型扮演重要角色。隨著中小企業對推進線上業務的需求日益增加，本集團見證新一代批發市場的革命性發展。新一代批發市場融合電子商貿工具—包括線上交易平台、O2O應用程式及社交網絡等，與實體線下平台。

為建設新一代批發市場及受惠於「實體+網絡」商貿生態圈帶來的好處，本集團短期目標是協助中小企業掌握不同的電子商貿工具，並提高其業務及線上流量；中至長期目標則是提供進一步的增值服務，包括電子商貿數據庫、小額融資及網上支付服務等。



E-commerce activity at CSC Shenzhen
深圳華南城電商活動

解決方案提供商

現時中小企業在發展其網絡潛力時主要受技術知識和熟練的勞動力所限。為促進企業轉型，本集團擔當解決方案提供商的角色，致力協助消除這些限制。

截至2014年3月底，本集團自營的電子商貿平台—CSC86.com已成功協助約5,000個華南城商戶成功建立線上商舖，並展示超過160萬件產品。其中許多中小企業只是剛開始建立線上商舖，本集團將提供跟進支援及服務，包括網站管理、視覺設計、數據分享及分析、線上宣傳、搜索引擎優化及第三方認證等。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

Starting from FY2013/14, the Group has initiated an online membership programme in CSC Zhengzhou. By joining the service, the occupants will enjoy the full range of E-commerce service offered by the Group's E-commerce platform, CSC86.com. Currently, approximately 7,000 CSC Zhengzhou's occupants have joined the programme, significantly increased the penetration of the E-commerce services among our occupants.

The Group is working with local universities and colleges to set up E-commerce programme in certain China South City projects to provide E-commerce skill training for the graduates and create a talent pool for our SMEs. The Group believes in helping the SMEs to expand their business with E-commerce tools and in return the enlarged business ecosystem will provide with more business opportunities.

The Group's outlet business is also taking advantage of the E-commerce opportunity. On 8 March 2014, the Group had the beta launch of Aolaigo.com (奧萊購), the Group's B2C outlets platform. At the same time, the Group has set up storage and distribution facilities in CSC Shenzhen for our online outlets platform.

Utilizing Tangible Offline Platform

Leveraging on the offline platform and supporting facilities, including the logistics and warehousing capability, the Group is attracting a new group of occupants from existing online businesses. As at the end of March 2014, the Group homed approximately 250 online businesses, cross-border E-commerce business in particular. By making their offline presence in China South City, these online businesses are able to establish a tangible relationship with their customers in physical showrooms; they are able to source directly from many SMEs on the same project and are able to manage their stocks and logistics more conveniently with readily accessible on-site facilities, all within China South City.

Strengthening the Platform through Strategic Partnership

In order to provide more value-added services to China South City's occupants and customers, the Group established a strategic partnership with Tencent, one of the most successful internet companies in China. As the market leaders in their respective fields, the cooperation is capable of creating an online and offline platform where millions of internet users can come in direct contact with numerous SMEs operating within China South City. The successful cooperation between the two parties will lead to the development of an integrated "Physical + Online" business ecosystem.

自2013/14財政年度起，本集團於鄭州華南城新推行線上會員計劃，參與有關服務後，商戶可專享本集團電子商貿平台CSC86.com所提供的全方位電子商貿服務。現時，已有約7,000個鄭州華南城商戶參與此計劃，大幅提高電子商貿服務在華南城商戶中的滲透率。

本集團正與地方大學及專上院校合作，於部份華南城項目設立電子商貿培訓計劃，為畢業生提供電子商貿技能培訓，並為城內中小企業建立人才庫。本集團相信，通過協助中小企業使用電子商貿工具拓展業務將擴展華南城的業務生態圈，並帶來更多商機。

本集團的奧特萊斯業務亦充分利用電子商貿帶來的機會。於2014年3月8日，本集團推出B2C奧特萊斯平台Aolaigo.com(奧萊購)的測試版。本集團亦於深圳華南城設立物流配送中心，用作奧特萊斯線上平台的倉儲及配送。

充份利用實體線下平台

憑藉線下平台及多項支援設施，包括物流及倉儲，本集團成功吸引不少線上企業，成為嶄新的商戶群。截至2014年3月底，本集團已吸納約250個電商，尤其是跨境電商。透過進駐華南城，這些線上企業可在實體展示平台與客戶建立關係，可於華南城項目內向眾多中小企業商戶直接進行採購，同時可利用既有的設施更方便地管理其庫存和物流。

策略性合作強化平台

本集團與中國最成功的互聯網公司之一——騰訊訂立策略性合作，為華南城的商戶及客戶提供更多增值服務。作為各自所在領域的領先企業，是次合作將打造一個融合線上線下的平台，讓數以百萬計的互聯網用戶能與眾多在華南城項目內經營業務的中小企業直接聯繫。有關合作將促進「實體+網絡」綜合商貿生態圈的發展。

Leveraging on Tencent's internet technology, the Group will connect different China South City platforms, including the physical platform, B2C and B2B online platforms with Weixin platform to create an integrated O2O eco-system, allowing the Group to offer more value-added services to our SMEs and unique O2O experiences to their customers.

Logistics

The Value is in the Network

Logistics and warehousing service is always crucial to our customers, for most of them are SME wholesalers. In general, upon the master plan of each project, approximately 15% of the total planned GFA are allocated to serve logistics and storage function. As at 31 March 2014, a GFA of approximately 82,500 sq. m. were in operation among our projects. In FY2014/15, construction of logistics and warehousing facilities of GFA of 779,300 sq. m. will be underway across our projects.

As at the end of March 2014, the Group had 8 different China South City projects, covering a large part of China's territory, from the northernmost project CSC Harbin to the southernmost project CSC Nanning. Leveraging on the network and their enormous scale, Qianlong Logistics Group Limited, the Group's subsidiary specialized in logistics and warehousing service, is building a logistics information exchange platform targeting long-distance heavy goods vehicles ("HGV") and wholesale businesses across China.

Using this logistics information exchange platform, tens of thousands of SMEs operating within each China South City project in the future can directly source their logistics needs from carriers available on our project sites and track their goods with real time GPS data. In return their demand could help attract HGVs in the region to our platform. Through this platform, the Group could collect freight for HGVs and generate a significant cash pool.

憑藉騰訊的互聯網技術，本集團可將各個華南城平台，包括實體平台，B2C和B2B線上平台與微信平台連接，打造成一個O2O綜合生態圈，使本集團可為城內中小企業提供更多的增值服務和讓其客戶享受獨特的O2O體驗。

物流

發揮網絡價值

華南城的主要商戶為中小企業批發商，倉儲物流服務對他們至關重要。一般而言，根據項目的規劃框架，各項目約15%的規劃總建築面積將撥作物流及倉儲用途。截至2014年3月31日，建築面積約82,500平方米的倉儲物流設施已於華南城項目內營運。於2014/15財政年度，本集團將於多個華南城項目展開779,300平方米的倉儲物流設施的建設。

截至2014年3月底，本集團共有8個覆蓋全國的華南城項目，橫跨最北的哈爾濱華南城至最南的南寧華南城。本集團專門提供倉儲物流服務的附屬公司—乾龍物流集團有限公司，利用華南城的網絡及規模優勢，為全國的長途重型貨車及批發企業構建一個物流信息交易平台。

憑藉這個物流信息交易平台，日後成千上萬在各華南城項目內經營的中小企業，可直接在項目內物色並解決物流及運輸服務的需要，並透過實時全球定位系統追蹤貨物運送狀況。他們對物流及運輸服務的需求亦同時吸引區內的重型貨車使用本集團的信息平台。本集團將通過此平台向重型貨車收取運費，從而建立一個重要的現金收入來源。



Outlets

Strong Driver for Future Growth

Operated under Shenzhen Huasheng Commercial Development Co., Ltd, a wholly-owned subsidiary of the Group, the outlet business achieved 446.5% CAGR growth in revenue since its first opening in Shenzhen in 2011. Revenue from outlet business increased from HK\$24.1 million in FY2012/13 to HK\$68.7 million, an increment of 185.7%.

During the Year, the outlet in CSC Shenzhen had a GFA of approximately 64,800 sq. m., with approximately 170 brands in operation, contributing over 87.8% of overall outlet revenue, HK\$60.4 million.

The other outlet stores in trial operation during FY2013/14 included CSC Nanning, CSC Nanchang and CSC Xi'an, with a total GFA of 14,500 sq. m., 5,900 sq. m. and 7,200 sq. m., respectively. With the existing projects growing in scale and more new outlets starting up their operation, the Group expects stronger growth from outlet business in the coming years.

HOBA Furnishing

Expansion of Ancillary Services

In order to expand our ancillary services to take advantage of the growing business eco-system, the Group will seek to create greater synergy, the increase in traffic and industry coverage on our projects through further acquisitions of different industries. In July 2013, the Group entered into a subscription agreement to acquire 75% shareholding in HOBA Furnishing, a leading domestic furniture market operator with eight existing large stores in operation. The Group intends to set up new HOBA Furnishing stores in our different projects, significantly expanding its business scope.

Property Management

Creating Greater Brand Value

With an aim to allow better management and services on each of our projects, the Group established Shenzhen First Asia Pacific Property Management Company Limited to carry out professional property management service in all China South City projects. The Group endeavors to differentiate its projects from other wholesale markets by stepping up efforts to strengthen standards of fire prevention, security, environmental stewardship, maintenance services as well as the management of transportation and parking lots on each of our project site.

奧特萊斯

未來增長的強大動力

奧特萊斯由本集團的全資附屬公司——深圳華盛商業發展有限公司所經營，自2011年於深圳營運以來，收入複合年增長率達446.5%。奧特萊斯業務的收入由2012/13財政年度的2,410萬港元大幅增長185.7%至6,870萬港元。

於本年度，深圳華南城奧特萊斯在營業的建築面積約64,800平方米，經營約170個品牌商戶，佔奧特萊斯業務總收入逾87.8%，約6,040萬港元。

南寧華南城、南昌華南城及西安華南城奧特萊斯已於2013/14財政年度內開始試營運，總建築面積分別為14,500平方米、5,900平方米及7,200平方米。隨著現有項目的規模不斷擴大及更多新建的奧特萊斯投入營運，本集團預計未來數年奧特萊斯業務的增長將更迅速。

好百年家居

拓展配套服務

為進一步拓展配套服務以充分利用日益擴展的華南城商貿生態圈，本集團將透過收購不同業務，締造更高的協同效益，增加項目人流量及業態覆蓋。於2013年7月，本集團簽訂認購協議，收購好百年家居75%權益。好百年家居為國內領先的家居市場營運商，目前經營八家大型門店。本集團擬於不同的華南城項目內增設好百年家居門店，大幅擴大好百年家居的業務覆蓋範圍。

物業管理

創造更高的品牌價值

為讓本集團各項目實現更佳的管理及服務，本集團成立深圳第一亞太物業管理有限公司為所有華南城項目提供專業的物業管理服務。本集團致力提供較其他批發市場別樹一幟的優質防火、保安、環境管理、設備保養及維修，以至交通秩序及停車場管理服務。

Trade Fairs

Strong Generator of Brand Recognition

Leveraging on our large operational scale and ties with the local governments, the Group continued to attract international and regional exhibitors to our various projects, not only creating large traffic and business flow but also generating brand recognition and promoting the project itself. For the up and coming trial operation at new China South City projects, the Group proactively organized trade fairs and events to draw attention from the market and boost traffic flow.

Trade Fairs At a Glance

China-ASEAN Expo Light Industrial Products Fair

The 10th China-ASEAN Expo Light Industrial Products Fair, co-organized by the Ministry of Commerce of China, its ASEAN counterparts and the China-ASEAN Secretariat and undertaken by the Government of the Guangxi Zhuang Autonomous Region, was held at CSC Nanning in September 2013. The fair, covering an exhibition area of approximately 100,000 sq. m., attracted about 1,200 exhibitors (2012: 980 exhibitors) and approximately 960,000 domestic and international visit counts (2012: 620,000 visit counts). This annual event further enhanced the Group's brand recognition in the region as well as among the ASEAN members.

Guangxi (Nanning) Spring Tea Festival

CSC Nanning organized the 6th Guangxi (Nanning) Spring Tea Festival, held between 28 April and 2 May 2013, which showcased an array of tea and tea wares. This commercial trade fair received an overwhelming response, attracting over 150,000 visit counts.

During the Labor Holidays in May 2014, the 7th Guangxi (Nanning) Spring Tea Festival cum CSC Nanning Auto Expo was held in CSC Nanning, attracting approximately 317,000 visit counts. The event significantly boosted the sales of our tea and tea wares tenants and automobile exhibitors. Our other tenants also benefited from the event with the increased traffic.

Hong Kong, Macau and Taiwan Commodity Fair

Followed by the success of the Hong Kong, Macau and Taiwan Commodity Fair co-organized by the Trade Development Bureau of Ministry of Commerce and the Group at CSC Shenzhen in September 2012, the Trade Development Bureau of Ministry of Commerce, the Group, together with Nanchang Government, held the same event at CSC Nanchang from 28 April to 2 May 2013. The fair, which covered an area of 55,000 sq. m., drew approximately 740,000 visit counts. Accommodating exhibitors from these three places, the fair successfully promoted cross-regional trade and facilitated traffic flow at CSC Nanchang.

貿易博覽會

建立強勁的品牌知名度

本集團運用其龐大的經營規模優勢，以及與當地政府的緊密合作關係，繼續吸引國際及地方參展商至本集團的不同項目，不僅為華南城帶來更多人流及業務流量，同時可為華南城建立品牌認受性，並為項目作宣傳。有見新項目試營運在即，本集團積極籌辦商貿博覽會及活動，以提升市場關注及增加人流。

活動回顧

中國－東盟博覽會輕工展

第十屆中國－東盟博覽會輕工展由中國商務部及其他東盟成員國，以及中國－東盟秘書處合辦，由廣西壯族自治區政府承辦，於2013年9月在南寧華南城舉行。此展覽會佔地約100,000平方米，吸引約1,200家展覽商(2012年：980家)及約960,000名本地及海外參觀人次(2012年：620,000人次)。此年度盛事進一步加強本集團品牌於區內以至東盟成員國間的認受性。

廣西(南寧)春茶節

南寧華南城於2013年4月28日至5月2日舉辦第六屆廣西(南寧)春茶節，展示各式各樣的茶葉及茶具。活動盛況空前，吸引超過150,000人次參觀。

第七屆廣西(南寧)春茶節暨南寧華南城汽車博覽會於2014年5月五一勞動節假期期間在南寧華南城舉行，吸引約317,000參觀人次。是次活動顯著帶動茶葉及茶具租戶及汽車參展商的銷售，城內其他商戶亦同時受惠於是次活動帶來的人流增長。

港澳台商品交易會

繼2012年9月與商務部外貿發展事務局成功於深圳華南城合辦港澳台商品交易會後，本集團再次與商務部外貿發展事務局及南昌市政府攜手於2013年4月28日至5月2日在南昌華南城舉辦此項活動。此交易會佔地55,000平方米，吸引約740,000人次參觀。這個可同時容納該三地參展商參展的交易會，成功推動跨區貿易及增加南昌華南城的人流。

Jiangxi Provincial Commodities Fair & CNY Festive Bargains

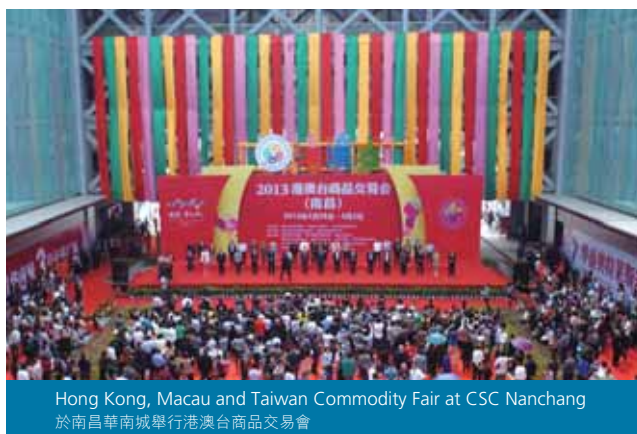
Leveraging on its exhibition platform and experience, the Group also co-organized the first Jiangxi Provincial Commodities Fair (“江西省地方特色商品博覽會”) with the Department of Commerce of Jiangxi Province in October 2013, attracting about 300 exhibitors and approximately 1,106,000 visit counts, which further promoted the brand name of China South City in the regions as well as regional trade activities at Nanchang.

Following the success of Jiangxi Provincial Commodities Fair, CSC Nanchang held a fortnight CNY festive bargains from late December 2013, attracting nearly 1 million visit counts. The success of the two events gave our SMEs a vote of confidence for trial operation.

江西省地方特色商品博覽會及新春年貨特賣會

本集團運用其展示平台及展會經驗，於2013年10月與江西省商務部攜手舉辦首屆江西省地方特色商品博覽會，吸引了約300家企業參展，以及約1,106,000人次參觀，進一步在區內推廣華南城品牌，並促進南昌市的地區業務活動。

繼江西省地方特色商品博覽會成功舉辦後，南昌華南城自2013年12月底開始舉行為期兩周的新春年貨特賣會，吸引將近百萬人次參觀。兩項活動的成功令城內中小企業商戶對試營運中的華南城投入信心一票。



Expanding Financing Channel

To maintain the growth momentum, the Group continued to strengthen our financial position and expand our financing channels. With the confidence placed in the Group's sound business model and outstanding operation capabilities by the capital market and banks, the Group was able to diversify financing channels through international and domestic banks, debt market as well as institutional strategic investors.

During the Year, the Group recorded a lowered financing cost, at a weighted average of 7.2% p.a. as at 31 March 2014, mainly from the favorable funding cost from domestic banks at a weighted average of 6.7% p.a. as at 31 March 2014, whereas that of offshore financing was at 8.4% p.a.. As regards new funding in FY2013/14, the Group drew down a HK\$500 million 2-year unsecured loan in October 2013 at an interest rate of HIBOR +2.75% with HSBC. In January 2014, the Group successfully issued 5-year senior notes of US\$400 million at 8.25% p.a.

擴闊融資渠道

本集團繼續致力鞏固其財務狀況並拓寬融資渠道，以維持發展增長勢頭。透過打通國際及國內銀行、債券市場以及機構策略投資者等多元化的融資渠道，足證資本市場及銀行對本集團健全的商業模式及卓越的營運能力充滿信心。

於本年度，本集團錄得整體融資成本下降，於2014年3月31日，本集團加權平均年利率為7.2厘，其中大部份是從國內銀行取得的優惠融資成本，加權平均年利率為6.7厘，境外貸款則為8.4厘，其中2013/14財政年度的新增融資包括本集團於2013年10月從滙豐銀行提取5億港元2年期無抵押貸款，年利率為香港銀行同業拆息加2.75厘。於2014年1月，本集團成功發行將於2019年到期的5年期4億美元優先票據，年利率為

due 2019 for the early redemption of senior notes at 13.50% p.a. due 2016, lowering the Group's overall financing cost.

During the Year, the Group gained positive credit outlook from rating agencies. In November 2013, Standard & Poor's revised the Company's rating outlook to 'Positive' from 'Stable' and affirmed our 'B+' long-term corporate credit rating. In December 2013, Moody's also revised the Company's outlook to 'Positive' from 'Stable' and affirmed our 'B2' corporate family rating. In January 2014, Fitch Ratings also assigned the first-time 'B+' rating with 'Positive' outlook on the Company.

In April 2014, our wholly-owned subsidiary, China South International Industrial Materials City (Shenzhen) Company Limited, obtained relevant approval to issue 5-year medium-term notes worth up to RMB4 billion in China. The issuance of the first tranche amounted to RMB1 billion at 7.5% p.a. with an AA credit rating assigned by Dagong Global Credit Rating Co., Ltd. (大公國際資信評估有限公司) was completed in the following month.

Following the strategic investment from PAG in April 2013, a leading alternative investment fund management group in Asia, by purchasing convertible notes of HK\$975 million at 6.5% per annum due 2018, Tencent made strategic investment of approximately HK\$1.50 billion in the Group by subscribing an aggregate of 680,300,000 new shares of the Company at HK\$2.2 per share, representing approximately 9.9% of the enlarged capital in January 2014. An option for 244,800,000 shares at HK\$3.50 per share has also been granted to Tencent in the transaction. These strategic investments further strengthen the Group's capital position and ample liquidity.

Land Bank

During the Year, with the strong growth in Contracted Sales and capital position, the Group acquired attributable GFA of 5.39 million sq. m. in CSC Hefei, CSC Chongqing, CSC Xi'an and CSC Harbin at an average cost of RMB303/sq. m., accounting for 6.8% of the total planned GFA, which is a strong guarantee for the Group's future growth and a reflection of our prudent strategy.

8.25厘，以提早贖回於2016年到期票面年利率13.50厘的優先票據，進而降低整體融資成本。

於本年度，本集團獲得多家信貸評級機構給予正面的信貸前景。於2013年11月，標準普爾將本公司的評級展望從「穩定」上調為「正面」，並確認「B+」的長期企業信用評級。於2013年12月，穆迪亦將本公司的評級展望從「穩定」上調為「正面」，並確認「B2」的公司家族評級。於2014年1月，惠譽評級也首予本公司「B+」評級及「正面」信貸前景。

於2014年4月，本集團全資附屬公司—華南國際工業原料城(深圳)有限公司取得於中國發行最多人民幣40億元之5年期中期票據之相關批准，並於翌月完成發行第一期總額人民幣10億元，年利率為7.5厘之票據，並獲大公國際資信評估有限公司給予票據評級「AA」評級。

繼亞洲領先另類投資基金管理集團太盟投資集團於2013年4月對華南城作出策略性投資，以9.75億港元購買於2018年到期，票面年利率6.5厘的可換股票據後，騰訊於2014年1月策略性入股華南城，以每股2.2港元認購合共680,300,000股本公司新股，總作價約15億港元，約佔華南城擴大股本後的9.9%。騰訊亦獲授予購股權，有權以每股3.50港元進一步認購244,800,000股華南城新股。此等策略性投資進一步強化本集團的資金狀況及流動性。

土地儲備

憑藉強勁的合約銷售和資金狀況，本集團於本年度為合肥華南城、重慶華南城、西安華南城及哈爾濱華南城合共購入可建建築面積約539萬平方米的土地，平均成本為人民幣303元/平方米，佔總規劃建築面積6.8%，確保本集團未來增長之餘，亦反映華南城的審慎策略。

Land Bank as at 31 March 2014

截至2014年3月31日之土地儲備

		Completed properties		Properties under development ⁽¹⁾	Properties to be completed by FY2014/15 ⁽²⁾	Properties planned for future development	Total planned GFA	Attributable GFA acquired (% to total planned GFA)	
		Sold	Unsold	發展中物業 ⁽¹⁾	竣工之物業 ⁽²⁾	已規劃作未來發展物業	總規劃建築面積	已購土地可建建築面積	%
(in sq. m.)				物業	物業	物業	建築面積	(佔總規劃建築面積百分比)	
(平方米)		已售	未出售	物業	物業	物業	建築面積	(佔總規劃建築面積百分比)	%
CSC Shenzhen	深圳華南城	670,400	1,141,800	270,000	117,000	561,800	2,644,000	2,644,000	100
CSC Nanchang	南昌華南城	589,600	311,300	853,000	394,100	2,526,100	4,280,000	4,280,000	100
CSC Nanning	南寧華南城	186,300	626,300	765,000	558,500	3,302,400	4,880,000	2,480,000	51
CSC Xi'an	西安華南城	464,000	432,500	737,900	515,200	15,865,600	17,500,000	2,506,000	14
CSC Harbin	哈爾濱華南城	-	-	1,232,600	336,700	10,767,400	12,000,000	2,475,000	21
CSC Zhengzhou	鄭州華南城	534,500	696,100	1,499,200	560,000	9,270,200	12,000,000	4,215,000	35
CSC Hefei	合肥華南城	638,000	170,400	1,209,400	900,600	9,982,200	12,000,000	3,941,000	33
CSC Chongqing	重慶華南城	-	-	500,000	-	13,000,000	13,500,000	749,000	6
Total	總計	3,082,800	3,378,400	7,067,100	3,382,100	65,275,700	78,804,000	23,290,000	30

Notes:

- (1) Including construction underway as at 31 March 2014 and that commencing in FY2014/15.
(2) Properties under development to be completed by FY2014/15.

附註：

- (1) 包括於2014年3月31日在建物業及將於2014/15財政年度內將施工物業。
(2) 預計於2014/15財政年度內竣工之發展中物業。

China South City Shenzhen

CSC Shenzhen, the Group's first-ever project, is strategically located at the heart of the Pearl River Delta region amid an extensive transportation network. Occupying a site area of approximately 1.06 million sq. m., the project comprises a total planned GFA of approximately 2.64 million sq. m.. As at 31 March 2014, the trade center and ancillary facilities at phase I, phase II and part of phase III, with a total GFA of approximately 1.80 million sq. m., were in operation. CSC Shenzhen is currently in its phase III development. In FY2014/15, construction of GFA of 270,000 sq. m. will be underway, among which 117,000 sq. m. are expected to be completed.

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心臟地帶，坐擁完善的交通網絡。項目佔地面積約106萬平方米，總規劃建築面積約264萬平方米。截至2014年3月31日，總建築面積約180萬平方米的一期、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營運。現時，深圳華南城正進行第三期發展，於2014/15財政年度將展開建築面積270,000平方米的建設，其中117,000平方米預期可於年內竣工。

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

In FY2013/14, CSC Shenzhen recorded total Contracted Sales of HK\$491.3 million (FY2012/13: HK\$1,518.7 million), including trade center (mall style) of GFA of 8,000 sq. m. at an ASP of HK\$24,700/sq. m. (FY2012/13: 58,500 sq. m. at HK\$20,900/sq. m.), office units of 10,700 sq. m. at an ASP of HK\$12,600/sq. m. (FY2012/13: 16,600 sq. m. at HK\$10,900/sq. m.) and residential ancillary of 15,600 sq. m. at an ASP of HK\$10,200/sq. m. (FY2012/13: 12,100 sq. m. at HK\$9,400/sq. m.).

For FY2013/14, CSC Shenzhen maintained a stable growth in occupancy rates and rental rates. As at 31 March 2014, the total occupancy rate and rental rate of phase I trade center and shops were 95% and HK\$48/sq. m. (As at 31 March 2013: 96% at HK\$40/sq. m.) respectively. The total occupancy rate and rental rate of the launched rentable GFA of phase II and phase III trade center and shops were 65% at HK\$40/sq. m. (As at 31 March 2013: 55% at HK\$35/sq. m.) and 51% at HK\$52/sq. m. respectively.

China South City Nanchang

Situated in Nanchang, the capital city of Jiangxi Province, CSC Nanchang 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 commenced operation successively from September 2013.

CSC Nanchang has a site area of approximately 1.54 million sq. m. and a total planned GFA of approximately 4.28 million sq. m., CSC Nanchang is in phase I construction and has total GFA of 900,900 sq. m. completed, including trade center (mall style) of 517,900 sq. m. and residential ancillary of 383,000 sq. m.. In FY2014/15, construction of GFA of 853,000 sq. m. will be underway, among which 394,100 sq. m. are expected to be completed in the year. During the Year, CSC Nanchang commenced trial operation with its phase I development close to completion.

In FY2013/14, CSC Nanchang recorded total Contracted Sales of HK\$1,118.2 million (FY2012/13: HK\$2,303.9 million), including trade center (mall style) of GFA of 67,300 sq. m. at an ASP of HK\$16,400/sq. m. (FY2012/13: 108,700 sq. m. at HK\$13,700/sq. m.) and residential ancillary of a GFA of 1,900 sq. m. at an ASP of HK\$7,800/sq. m. (FY2012/13: 110,600 sq. m. at HK\$7,400/sq. m.).

於2013/14財政年度，深圳華南城錄得合約銷售總額約4.913億港元(2012/13財政年度：15.187億港元)，包括以平均售價24,700港元/平方米售出建築面積8,000平方米的商品交易中心(商場形式)(2012/13財政年度：以20,900港元/平方米售出58,500平方米)；以平均售價12,600港元/平方米售出10,700平方米的辦公樓單位(2012/13財政年度：以10,900港元/平方米售出16,600平方米)，及以平均售價10,200港元/平方米售出15,600平方米的住宅配套(2012/13財政年度：以9,400港元/平方米售出12,100平方米)。

於2013/14財政年度，深圳華南城在佔用率及租金方面保持穩定增長。截至2014年3月31日，一期商品交易中心及商舖的總佔用率及租金收入分別為95%及48港元/平方米(截至2013年3月31日：96%及40港元/平方米)。至於二期及三期商品交易中心及商舖的已推出可出租建築面積的總佔用率及租金收入分別為65%及40港元/平方米(截至2013年3月31日：55%及35港元/平方米)，以及51%及52港元/平方米。

南昌華南城

坐落於江西省省會南昌市，南昌華南城毗連主要高速公路、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，距主要高鐵車站一已於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。

南昌華南城佔地面積約154萬平方米，總規劃建築面積約428萬平方米。南昌華南城正進行一期發展，其中總建築面積900,900平方米的建設已竣工，包括517,900平方米的商品交易中心(商場形式)及383,000平方米的住宅配套。於2014/15財政年度將展開規劃建築面積約853,000平方米的建設，其中394,100平方米預期可於年內竣工。隨著一期建設接近完成，南昌華南城已於本年度開始試營運。

於2013/14財政年度，南昌華南城錄得合約銷售總額11.182億港元(2012/13財政年度：23.039億港元)，包括以平均售價16,400港元/平方米售出建築面積67,300平方米的商品交易中心(商場形式)(2012/13財政年度：以13,700港元/平方米售出108,700平方米)，及以平均售價7,800港元/平方米售出1,900平方米的住宅配套(2012/13財政年度：以7,400港元/平方米售出110,600平方米)。

China South City Xi'an

CSC Xi'an is strategically situated in the Xi'an International Trade and Logistics Park in Shaanxi Province, and 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.

In February 2014, the Group entered into an equity transfer agreement to acquire the remaining 35% equity interest of CSC Xi'an at a consideration of RMB260 million. The transaction was completed in March 2014 and CSC Xi'an became the Group's wholly-owned subsidiary since then.

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.. CSC Xi'an is in phase I construction and has total GFA of 896,500 sq. m. completed, including trade center (mall style) of 555,900 sq. m. and trade center (detached style) of 340,600 sq. m.. In FY2014/15, construction of GFA of 737,900 sq. m. will be underway, among which 515,200 sq. m. are expected to be completed in the year. During the Year, CSC Xi'an commenced trial operation with its phase I development close to completion.

In FY2013/14, CSC Xi'an recorded total Contracted Sales of HK\$1,683.3 million (FY2012/13: HK\$1,971.5 million), including trade center (mall style) of GFA of 45,700 sq. m. at an ASP of HK\$14,000/sq. m. (FY2012/13: 64,500 sq. m. at HK\$14,100/sq. m.) and trade center (detached style) of a GFA of 124,100 sq. m. at an ASP of HK\$8,400/sq. m. (FY2012/13: 129,900 sq. m. at HK\$8,200/sq. m.).

China South City Nanning

CSC Nanning is situated in Nanning, the capital city of the Guangxi Zhuang Autonomous Region and a critical gateway between China and ASEAN countries, and is easily accessible to railway stations, highways and an international airport. Strategically located in close proximity to Southeast Asia to take 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 to cater 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.. CSC Nanning is in phase I construction and has total GFA of 812,600 sq. m. completed, including trade center (mall style) of 329,000 sq. m.,

西安華南城

西安華南城坐擁陝西省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。

於2014年2月，本集團訂立股權轉讓協議，以人民幣2.6億元收購西安華南城餘下35%的股權，成為本集團之全資附屬公司。該交易已於2014年3月完成。

西安華南城總規劃佔地面積約1,000萬平方米，總規劃建築面積約1,750萬平方米。西安華南城正進行一期發展，其中總建築面積896,500平方米的建設已竣工，包括555,900平方米的商品交易中心(商場形式)及340,600平方米的商品交易中心(單幢式)。於2014/15財政年度將展開建築面積737,900平方米的建設，其中515,200平方米預期可於年內竣工。隨著一期建設接近完成，西安華南城已於本年度開始試營運。

於2013/14財政年度，西安華南城錄得合約銷售總額16.833億港元(2012/13財政年度：19.715億港元)，包括以平均售價14,000港元/平方米售出建築面積45,700平方米的商品交易中心(商場形式)(2012/13財政年度：以14,100港元/平方米售出64,500平方米)，及以平均售價8,400港元/平方米售出建築面積124,100平方米的商品交易中心(單幢式)(2012/13財政年度：以8,200港元/平方米售出129,900平方米)。

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，與火車站、高速公路及國際機場接連，交通便利。坐擁毗鄰東南亞的策略地理優勢，受惠於中國—東盟自由貿易區內跨境貿易活動豁免關稅，南寧華南城致力成為重要的跨境貿易樞紐，以滿足北部灣及東南亞地區的龐大需求。

南寧華南城的規劃建築淨佔地面積約183萬平方米，總規劃建築面積約488萬平方米。南寧華南城正進行一期發展，其中總建築面積812,600平方米的建設已竣工，包括329,000平方米的商品交易中心(商場形

residential ancillary of 456,000 sq. m. and warehousing facilities of 27,600 sq. m.. In FY2014/15, construction of GFA of 765,000 sq. m. will be underway, among which 558,500 sq. m. are expected to be completed in the year. During the Year, CSC Nanning commenced trial operation with its phase I development close to completion.

In FY2013/14, CSC Nanning recorded total Contracted Sales of HK\$809.4 million (FY2012/13: HK\$807.7 million), including trade center (mall style) of GFA of 13,300 sq. m. at an ASP of HK\$17,700/sq. m. (FY2012/13: 37,900 sq. m. at HK\$15,500/sq. m.) and residential ancillary of a GFA of 78,700 sq. m. at an ASP of HK\$7,300/sq. m. (FY2012/13: 33,700 sq. m. at HK\$6,500/sq. m.).

China South City Harbin

Located in the Daowai district of Harbin, the capital city of Heilongjiang Province, CSC Harbin fully leverages its advantageous location in northeast China, a premier hub for cross-border trade with countries in northeast Asia, and its proximity to the China-Russia border to tie in with economic activities within and across the region. Tapping the opportunities arising from the area's emerging development potential, CSC Harbin will endeavor to become the largest integrated logistics trade center in northeast China.

CSC Harbin has a planned land area of approximately 10.0 million sq. m. and a total planned GFA of approximately 12.0 million sq. m.. CSC Harbin is in phase I construction. In FY2014/15, construction of GFA of 1.2 million sq. m. will be underway, among which 336,700 sq. m. are expected to be completed in the year.

In FY2013/14, CSC Harbin recorded total Contracted Sales of HK\$1,322.6 million (FY2012/13: HK\$248.1 million) from trade center (detached style) of GFA of 171,600 sq. m. at an ASP of HK\$7,700/sq. m. (FY2012/13: 33,500 sq. m. at HK\$7,400/sq. m.).

China South City Zhengzhou

CSC Zhengzhou is located in Zhengzhou, the capital city of Henan Province, which is highly accessible and enjoys extensive transportation networks – it is a mere 16 km away from Zhengzhou Xingzheng International Airport and only a couple of kilometers away from the Beijing-Guangzhou Railway Freight Station and Beijing-Hong Kong-Macao Highway.

式)、約456,000平方米的住宅配套及約27,600平方米的倉儲設施。於2014/15財政年度將展開建築面積765,000平方米的建設，其中558,500平方米預期可於年內竣工。隨著一期建設接近完成，南寧華南城已於本年度開始試營運。

於2013/14財政年度，南寧華南城錄得合約銷售總額8.094億港元(2012/13財政年度：8.077億港元)，包括以平均售價17,700港元/平方米售出建築面積13,300平方米的商品交易中心(商場形式)(2012/13財政年度：以15,500港元/平方米售出37,900平方米)，及以平均售價7,300港元/平方米售出78,700平方米的住宅配套(2012/13財政年度：以6,500港元/平方米售出33,700平方米)。

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，加上鄰近中俄邊界的優越地理位置，配合該區的經濟活動需要。哈爾濱華南城將充份把握該區新興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。

哈爾濱華南城規劃佔地面積約1,000萬平方米，總規劃建築面積約1,200萬平方米。哈爾濱華南城正進行一期發展。於2014/15財政年度計劃將展開建築面積120萬平方米的建設，其中336,700平方米預期可於年內竣工。

於2013/14財政年度，哈爾濱華南城錄得合約銷售總額13.226億港元(2012/13財政年度：2.481億港元)，以平均售價7,700港元/平方米出售建築面積171,600平方米的商品交易中心(單幢式)(2012/13財政年度：以7,400港元/平方米售出33,500平方米)。

鄭州華南城

鄭州華南城位於河南省省會鄭州，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離數公里。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

CSC Zhengzhou has a total planned net land area of approximately 7.0 million sq. m. and a total planned GFA of 12.0 million sq. m.. CSC Zhengzhou is in phase I development and has total GFA of 1.23 million sq. m. of trade center completed. In FY2014/15, construction of GFA of 1.5 million sq. m. will be underway, among which 560,000 sq. m. are expected to be completed in the year.

In FY2013/14, CSC Zhengzhou recorded total Contracted Sales of HK\$4,209.0 million from trade center (detached style) of GFA of 568,000 sq. m. at an ASP of HK\$7,400/sq. m. (FY2012/13: Contracted Sales of HK\$1,355.7 million from trade center (mall style) of GFA of 103,000 sq. m. at HK\$13,200/sq. m.).

China South City Hefei

CSC Hefei is located in Hefei, the capital city of Anhui Province, a transportation 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 an extensive transportation system that includes railways, highways and river transport across China.

CSC Hefei has a total planned net land area of approximately 10.0 million sq. m. and a total planned GFA of 12.0 million sq. m.. CSC Hefei is in phase I construction and has total GFA of 808,400 sq. m. of trade center completed. In FY2014/15, construction of GFA of 1.2 million sq. m. will be underway, among which 900,600 sq. m. are expected to be completed in the year.

CSC Hefei was the first project to launch for sales and generate revenue in the first year of project, with exceptional overwhelming response to become the main contributor in sales. In FY2013/14, CSC Hefei recorded total Contracted Sales of HK\$4,472.2 million (FY2012/13: Nil) from trade center (detached style) of GFA of 642,900 sq. m. at an ASP of HK\$7,000/sq. m. (FY2012/13: Nil).

鄭州華南城規劃淨佔地總面積共約700萬平方米，總規劃建築面積為1,200萬平方米。鄭州華南城正進行一期發展，其中總建築面積123萬平方米的商品交易中心已竣工。於2014/15財政年度將展開建築面積150萬平方米的建設，其中560,000平方米預期可於年內竣工。

於2013/14財政年度，鄭州華南城錄得合約銷售總額42.09億港元，以平均售價7,400港元/平方米售出建築面積568,000平方米的商品交易中心(單幢式)(2012/13財政年度：合約銷售總額13.557億港元，以平均售價13,200港元/平方米售出103,000平方米的商品交易中心(商場形式))。

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，並配備廣泛的鐵路、高速公路及河運運輸系統接連全中國。

合肥華南城規劃淨佔地總面積約1,000萬平方米，總規劃建築面積1,200萬平方米。合肥華南城正進行一期發展，其中總建築面積808,400平方米的商品交易中心已竣工。於2014/15財政年度將展開建築面積120萬平方米的建設，其中900,600平方米預期可於年內竣工。

合肥華南城為本集團首個於同年開售並產生收入的項目，該項目推售情況異常熾熱，為本集團的銷售帶來重要的貢獻。於2013/14財政年度，合肥華南城錄得合約銷售總額44.722億港元(2012/13財政年度：無)，以平均售價7,000港元/平方米售出建築面積642,900平方米的商品交易中心(單幢式)(2012/13財政年度：無)。

China South City Chongqing

CSC Chongqing is located in Banan District, Chongqing Municipality, the first municipality the Group stepping into. The project site is highly accessible to city center and other regions given its strategic location in Chongqing Highway Logistics Base, the state-level transportation infrastructure and large highway base in the Western region.

According to the Framework agreement signed with Chongqing Government on 17 January 2014 for the development of a large-scale, integrated logistics and trade center in Chongqing, CSC Chongqing has a total planned net land area of approximately 6.3 million sq. m. and a total planned GFA of 13.5 million sq. m.. Phase I has a total planned GFA of 2.4 million sq. m., including trade center of 1.26 million sq. m., commercial facilities of 500,000 sq. m., warehousing facilities of 100,000 sq. m. and ancillary residential of 500,000 sq. m..

CSC Chongqing acquired the first batch of land of attributable GFA of 749,000 and 581,400 sq. m. in March and May 2014 respectively. On 28 March 2014, the ground-breaking ceremony was held at CSC Chongqing. Construction of GFA of 500,000 sq. m. is scheduled to commence in FY2014/15.

Financial Review

For FY2013/14, the Group reported a strong growth in its financial performance, with revenue growth of 79.9% to HK\$13,468.3 million (FY2012/13: HK\$7,488.1 million), and net profit attributable to owners of the parent for the Year grew 27.1% to HK\$3,494.5 million (FY2012/13: HK\$2,749.9 million). Excluding the effects of fair value gains on investment properties and related tax effects, fair value gain on derivative financial instrument and loss on redemption of the 2011 Notes, core net profit attributable to owners of the parent for the Year as adjusted increased by 50.7% to HK\$2,677.7 million (FY2012/13: HK\$1,776.4 million). Basic earnings per share increased to HK55.71 cents (FY2012/13: HK45.62 cents).

Revenue

Revenue increased by 79.9% to HK\$13,468.3 million (FY2012/13: HK\$7,488.1 million). The increase was mainly due to the delivery of newly completed properties in our Hefei, Zhengzhou, Xi'an and Nanning projects during the fiscal year under review, and the growing demand of our trade center units.

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。座落於國家級交通基建—重慶公路物流基地—的策略性地利，是西部地區大型的公路基地，連接完善的高速公路網絡，可快速到達市中心及其他地區，盡享四通八達的地利優勢。

根據與重慶政府於2014年1月17日就於重慶發展大型綜合商貿物流及商品交易中心簽訂的框架協議，重慶華南城規劃淨佔地總面積約630萬平方米，總規劃建築面積1,350萬平方米。其中，一期總規劃建築面積240萬平方米，包括126萬平方米的商品交易中心、500,000平方米的商業設施、100,000平方米的倉儲設施及500,000平方米的配套住宅。

重慶華南城分別於2014年3月及5月成功購得首批土地，可建建築面積分別約749,000及581,400平方米。於2014年3月28日，重慶華南城舉行了盛大的奠基典禮，預計該項目將於2014/15財政年度展開建築面積500,000平方米的建設。

財務回顧

於2013/14財政年度，本集團財務表現錄得強勁增長，收入增加79.9%至134.683億港元(2012/13財政年度：74.881億港元)，本年度母公司擁有人應佔淨利潤增加27.1%至34.945億港元(2012/13財政年度：27.499億港元)。撇除投資物業公平值收益及相關稅務影響、衍生金融工具公平值收益和贖回2011年票據之虧損，調整後的本年度母公司擁有人應佔核心淨利潤上升50.7%至26.777億港元(2012/13財政年度：17.764億港元)。每股基本盈利增加至55.71港仙(2012/13財政年度：45.62港仙)。

收入

收入增加79.9%至134.683億港元(2012/13財政年度：74.881億港元)，主要是由於在回顧財政年度內交付合肥、鄭州、西安和南寧項目新建成的物業，以及交易中心商舖的需求上升所致。

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

		FY2013/14 2013/14 財政年度 HK\$'000 千港元	FY2012/13 2012/13 財政年度 HK\$'000 千港元	Change 變幅 %
Sales of properties	物業銷售	12,534,980	6,899,068	81.7%
Sales of trade center units	銷售交易中心商舖	11,778,160	5,190,427	126.9%
Sales of residential properties	銷售住宅物業	756,820	1,708,641	(55.7%)
Finance lease income	融資租賃收入	277,603	279,644	(0.7%)
Rental income	租金收入	304,866	213,995	42.5%
Property management service income	物業管理服務收入	67,074	43,589	53.9%
E-commerce income	電商收入	189,128	–	N/A
Other fee income	其他費用收入	94,671	38,474	146.1%
Income from hotel operations	酒店營運收入	–	13,291	(100%)
		13,468,322	7,488,061	79.9%

Revenue from Sales of Properties

Revenue from sales of properties increased by 81.7% to HK\$12,535.0 million (FY2012/13: HK\$6,899.1 million). The increase was mainly due to the delivery of newly completed properties in our Hefei, Zhengzhou, Xi'an and Nanning projects during the fiscal year under review, and the growing demand of our trade center units. Sales for each project are as follows:

銷售物業收入

銷售物業收入增加81.7%至125.35億港元(2012/13財政年度:68.991億港元)，主要是由於在回顧財政年度內交付合肥、鄭州、西安和南寧項目新建成的物業，以及交易中心商舖的需求上升所致。各項目的銷售情況如下：

		Average selling price (before deduction of business tax) (HK\$/sq. m.) 平均售價 (扣除營業稅前) (港元/平方米)		GFA sold (sq. m.) 已售建築面積 (平方米)		Sales revenue (before deduction of business tax) HK\$ million 銷售收入 (扣除營業稅前) (百萬港元)		Sales revenue (net of business tax) HK\$ million 銷售收入 (扣除營業稅後) (百萬港元)	
		FY2013/14 2013/14 財政年度	FY2012/13 2012/13 財政年度	FY2013/14 2013/14 財政年度	FY2012/13 2012/13 財政年度	FY2013/14 2013/14 財政年度	FY2012/13 2012/13 財政年度	FY2013/14 2013/14 財政年度	FY2012/13 2012/13 財政年度
CSC Shenzhen	深圳華南城	24,700	20,900	8,000	58,500	198.5	1,222.9	187.8	1,156.1
CSC Xi'an	西安華南城	9,300	12,400	286,700	177,300	2,654.0	2,196.7	2,512.7	2,073.7
CSC Hefei	合肥華南城	7,000	–	638,000	–	4,440.7	–	4,196.5	–
CSC Zhengzhou	鄭州華南城	8,500	–	534,500	–	4,568.4	–	4,298.5	–
CSC Nanning	南寧華南城								
– Trade center units	– 交易中心商舖	17,700	15,500	13,300	37,900	234.2	586.8	220.9	553.9
– Residential properties	– 住宅物業	7,100	–	110,300	–	786.6	–	742.6	–
CSC Nanchang	南昌華南城								
– Trade center units	– 交易中心商舖	15,900	13,700	24,200	108,700	384.0	1,490.1	361.8	1,406.7
– Residential properties	– 住宅物業	7,800	6,500	2,000	280,400	15.1	1,810.0	14.2	1,708.7
Total	總計	N/A不適用	N/A不適用	1,617,000	662,800	13,281.5	7,306.5	12,535.0	6,899.1

Finance Lease Income

Finance lease income, derived from the leasing of office towers and residential properties, slightly decreased by approximately 0.7% to HK\$277.6 million (FY2012/13: HK\$279.6 million).

During the fiscal year under review, the Group entered into finance lease arrangements with tenants for approximately 26,200 sq. m. (FY2012/13: 28,700 sq. m.) at an average price of HK\$11,200/sq. m. (FY2012/13: HK\$10,300/sq. m.).

Rental Income

Rental income increased by 42.5% to HK\$304.9 million (FY2012/13: HK\$214.0 million). The increase was mainly attributable to the continuous increase in rental income of phase I, II and III trade center units of CSC Shenzhen, and the newly contribution from HOBA Furnishing during the fiscal year under review.

Occupancy at CSC Shenzhen has been driven by the demand for large-scale integrated logistics and trade center facilities and the growing profile of China South City. As at 31 March 2014, the total occupancy rate of phase I trade center and shops remained stable at approximately 95% (31 March 2013: 96%), while the total occupancy rate for phase II trade center and shops gradually increased to 65% (31 March 2013: 55%) of the launched area. For the total occupancy rate of phase III trade center and shops, it represented 51% of the launched area. The average effective monthly rental rate for phase I, phase II and phase III trade centers and shops were approximately HK\$48/sq. m. (31 March 2013: HK\$40/sq. m.), HK\$40/sq. m. (31 March 2013: HK\$35/sq. m.) and HK\$52/sq. m. respectively.

Property Management Service Income

Income from property management services rose by 53.9% to HK\$67.1 million (FY2012/13: HK\$43.6 million). The increase in income was mainly from the contribution of projects other than CSC Shenzhen and the rising contribution of property management fees from CSC Shenzhen phase II and phase III trade centers and supporting facilities with an increase in the total occupancy rate of launched area of up to 65% and 51%, respectively as at 31 March 2014.

融資租賃收入

來自辦公樓及住宅物業租賃的融資租賃收入輕微減少約0.7%至2.776億港元(2012/13財政年度：2.796億港元)。

於回顧財政年度內，本集團與承租人訂立的融資租賃合同約為26,200平方米(2012/13財政年度：28,700平方米)，平均單價為11,200港元/平方米(2012/13財政年度：10,300港元/平方米)。

租金收入

租金收入增加42.5%至3.049億港元(2012/13財政年度：2.14億港元)，主要歸因於深圳華南城一期、二期及三期交易中心的租金收入不斷增長和好百年家居於回顧財政年度內新增的貢獻。

市場對大型綜合商貿物流及商品交易中心設施的殷切需求，加上華南城知名度不斷提高，均有助帶動深圳華南城的出租率。於2014年3月31日，一期交易中心及商舖的總佔用率穩定維持於約95%(2013年3月31日：96%)，而二期交易中心及商舖已推出面積的總佔用率亦增至65%(2013年3月31日：55%)。三期交易中心及商舖已推出面積的總佔用率為51%。一期、二期及三期交易中心及商舖的平均實際月租分別約為48港元/平方米(2013年3月31日：40港元/平方米)、40港元/平方米(2013年3月31日：35港元/平方米)和52港元/平方米。

物業管理服務收入

物業管理服務收入增加53.9%至6,710萬港元(2012/13財政年度：4,360萬港元)。收入增加主要是由於深圳華南城以外的其他項目的貢獻和深圳華南城二期及三期交易中心及配套設施的物業管理費上升的貢獻，加上已推出面積的總佔用率於2014年3月31日分別增加至65%和51%。

E-commerce Income

E-commerce income, derived from the E-commerce services provided to our customers during the fiscal year under review. During the Year, the Group has initiated an online membership programme in CSC Zhengzhou. By joining the service, the occupants will enjoy the full range of E-commerce service offered by the Group's E-commerce platform, CSC86.com.

Other Fee Income

The other fee income rose by 146.1% to HK\$94.7 million (FY2012/13: HK\$38.5 million). The increase was mainly contributed by outlet center operation of HK\$68.7 million (FY2012/13: HK\$24.1 million) and warehousing services of HK\$24.8 million (FY2012/13: HK\$9.0 million) during the fiscal year under review.

Increase in income from outlet center operation was mainly due to the growth of outlet operations and increase in operating area during the fiscal year under review. Increase in warehousing services was mainly due to the growth of logistics and warehousing operations during the fiscal year under review.

Income from Hotel Operations

The Group has leased out its hotel properties to a third party to operate since September 2012. Accordingly, no hotel operating income was generated during the fiscal year under review.

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. Cost of sales increased by 109.0% to HK\$6,921.2 million (FY2012/13: HK\$3,311.4 million).

The increase was in line with the area of properties sold and properties entered into finance lease contracts during the fiscal year under review.

Gross Profit

Gross profit increased by 56.8% to HK\$6,547.2 million (FY2012/13: HK\$4,176.7 million). Gross profit margin dropped to 49% during the fiscal year under review (FY2012/13: 56%) was mainly due to the change in product mix with the addition of new projects generating sales. During the fiscal year under review, a large portion of sales revenue was recognized for trade center units sold in our new projects. At the early stage of sales launched by our new projects, the Group usually set a lower price so as to allow customer to have more room for future price appreciation. Accordingly, gross profit margin is usually lower than those more matured projects.

電商收入

來自於本回顧財政年度內為客戶提供電商服務的收入。於本年度，本集團於鄭州華南城新推行線上會員計劃，參與有關服務後，商戶可專享本集團電子商貿平台CSC86.com所提供的全方位電子商貿服務。

其他費用收入

其他費用收入增加146.1%至9,470萬港元(2012/13財政年度：3,850萬港元)，增加主要由於於回顧財政年度內奧特萊斯中心營運貢獻6,870萬港元(2012/13財政年度：2,410萬港元)和倉儲服務貢獻2,480萬港元(2012/13財政年度：900萬港元)所致。

於回顧財政年度內，奧特萊斯中心營運收入增加主要是歸因於其業務增長和營運面積增加所致。此外，於回顧財政年度內，倉儲服務收入增加主要是歸因於物流及倉儲的營運的增長。

酒店營運收入

本集團自2012年9月後把酒店物業出租予第三方營運。因此，於本回顧財政年度內並沒有任何酒店營運收入產生。

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。銷售成本增加109.0%至69.212億港元(2012/13財政年度：33.114億港元)。

升幅與回顧財政年度內已售物業及已訂立融資租賃合同的物業面積一致。

毛利

毛利增加56.8%至65.472億港元(2012/13財政年度：41.767億港元)。於回顧財政年度內，毛利率降至49%(2012/13財政年度：56%)，主要由於加入更多新項目銷售而令產品組合改變所致。於回顧財政年度內，大部分的銷售收入由確認新項目的交易中心商舖銷售所產生。在推出銷售新項目的早期階段，本集團通常設定較低的價格，讓客戶在未來有更多的價格升值空間。因此，毛利率通常低於那些比較成熟的項目。

Other Income and Gains

Other income and gains increased by 224.0% to HK\$187.8 million (FY2012/13: HK\$58.0 million). The increase was mainly due to the fair value gain of the option granted to Tencent to subscribe the shares of the Company, which was treated as a derivative financial instrument, amounting to HK\$103.3 million during the fiscal year under review; however, there was no such fair value gain in FY2012/13. The increase in bank interest income during the fiscal year under review also led to the increase in other income and gains.

Fair Value Gains on Investment Properties

The fair value gains on investment properties increased by 1.2% to HK\$1,266.3 million (FY2012/13: HK\$1,251.4 million). The increase was mainly contributed by new properties at CSC Harbin and CSC Nanchang, and the stable growth of existing properties at CSC Shenzhen and CSC Nanning.

Selling and Distribution Expenses

Selling and distribution expenses increased by 101.2% to HK\$581.2 million (FY2012/13: HK\$288.8 million). The increase was mainly attributable to marketing and advertising expenses incurred by our projects in Xi'an, Zhengzhou, Harbin and Hefei, which launched more sales activities during the fiscal year under review. In addition, increase in staff costs incurred for the expansion of sales and marketing team also led to the increase in selling and distribution expenses during the fiscal year under review.

Administrative Expenses

Administrative expenses increased by 60.7% to HK\$863.0 million (FY2012/13: HK\$536.9 million). The increase was primarily due to the increase in business activities at new projects, the expansion of the management team and the increase in number of employees. During the fiscal year under review, the Group has granted 234,300,000 share options to certain Directors, independent non-executive Directors and employees, and HK\$63.4 million share option expenses were recorded (FY2012/13: HK\$27.2 million).

Finance Costs

Finance costs were up by 14.7% to HK\$152.9 million (FY2012/13: HK\$133.3 million). The rise was mainly attributable to an increase in new bank and other loans for general business purposes with interest expenses recorded through profit or loss.

其他收入及收益

其他收入及收益增加224.0%至1.878億港元(2012/13財政年度：5,800萬港元)，其主要原因是授予騰訊的購股權被視為衍生金融工具入賬，其公平值收益於本回顧財政年度內增加1.033億港元，但2012/13財政年度並沒有該公平值收益。於回顧財政年度內銀行利息收入增加亦令其他收入及收益增加。

投資物業公平值收益

投資物業公平值收益增加1.2%至12.663億港元(2012/13財政年度：12.514億港元)，主要與哈爾濱華南城和南昌華南城的新物業以及深圳華南城及南寧華南城的現有物業穩定增長有關。

銷售及分銷開支

銷售及分銷開支增加101.2%至5.812億港元(2012/13財政年度：2.888億港元)，主要由於於回顧財政年度內西安、鄭州、哈爾濱和合肥項目舉行較多銷售活動而產生市場推廣和廣告費用所致。另外，擴大銷售及市場推廣團隊而產生的員工成本都引致銷售及分銷開支於回顧財政年度內上升。

行政開支

行政開支增加60.7%至8.63億港元(2012/13財政年度：5.369億港元)，主要由於新項目令業務活動增加，加上管理團隊擴充及員工人數增加所致。於回顧財政年度內，本集團向若干董事、獨立非執行董事及僱員授出234,300,000份購股權，並計及過往購股權於本財政年度錄得的開支為6,340萬港元(2012/13財政年度：2,720萬港元)。

融資成本

融資成本上升14.7%至1.529億港元(2012/13財政年度：1.333億港元)，主要歸因於作為一般商業用途的新造銀行及其他貸款增加而其利息開支計入損益表。

Tax

Tax expenses recorded an increase of 53.9% to HK\$2,472.5 million (FY2012/13: HK\$1,606.5 million). The increase in tax expenses was attributable to the increase in current income tax expenses and land appreciation tax as a result of the income generated from CSC Shenzhen, CSC Nanchang, CSC Nanning, CSC Xi'an, CSC Zhengzhou and CSC Hefei during the fiscal year under review.

Prepayments, Deposits and Other Receivables

Prepayments, deposits and other receivables increased by 13.5% to HK\$729.5 million (31 March 2013: HK\$642.6 million), due to the net effect of i) an increase in prepayment of business taxes of pre-sold properties in CSC Harbin, CSC Zhengzhou and CSC Nanchang, ii) an increase in balance arising from new project, and iii) a decrease in consideration receivables of disposed subsidiaries in the previous year. As at 31 March 2014, the remaining consideration receivable from the disposal was approximately HK\$202.1 million.

Trade and Other Payables

Trade and other payables increased by 69.1% to HK\$13,809.9 million (31 March 2013: HK\$8,165.7 million). The increase was mainly due to the increase in construction fees and retention payables as construction of new projects are underway, the increase in sales and rental deposits received and receipts in advance (including those received for Contracted Sales) arising from new projects, and increase in other tax payables arising from the sales of properties during the fiscal year under review. As at 31 March 2014, the balance of construction fees and retention payable and deposits received and receipts in advance were HK\$5,979.2 million and HK\$5,120.3 million, respectively.

Liquidity and Financial Resources

The Group finances its operations primarily through internally generated funds, bank and other loans, senior notes and convertible notes financing.

Cash and Cash Equivalents and Restricted Cash

As at 31 March 2014, the Group had HK\$12,777.1 million in cash and cash equivalents and restricted cash (31 March 2013: HK\$6,777.8 million), among which non-restricted cash and cash equivalents amounted to approximately HK\$11,303.0 million (31 March 2013: HK\$6,264.7 million). The Group's cash and cash equivalents and restricted cash were primarily denominated in Renminbi, HK dollars and US dollars.

稅項

稅項開支錄得增長53.9%至24.725億港元(2012/13財政年度：16.065億港元)，歸因於深圳華南城、南昌華南城、南寧華南城、西安華南城、鄭州華南城及合肥華南城於回顧財政年度內所產生的收入導致即期所得稅開支和土地增值稅增加所致。

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13.5%至7.295億港元(2013年3月31日：6.426億港元)，歸因於i) 哈爾濱華南城、鄭州華南城和南昌華南城預售物業的預付營業稅金增加；ii) 新項目增加的金額；和iii) 過往年度出售附屬公司的應收代價減少的淨影響。於2014年3月31日，出售的應收代價餘款約為2.021億港元。

貿易及其他應付款項

貿易及其他應付款項增加69.1%至138.099億港元(2013年3月31日：81.657億港元)，主要歸因於回顧財政年度內進行中的新項目建築的應付建築費用及保留金增加，由新項目產生的銷售及租賃按金及預收款項(包括合約銷售)增加，加上由物業銷售產生的其他應付稅項。於2014年3月31日，應付建築費用及保留金以及按金及預收款項分別為59.792億港元及51.203億港元。

流動資金及財務資源

本集團主要透過內部產生的資金、銀行及其他貸款、優先票據和可換股票據融資撥付業務所需資金。

現金及現金等價物及受限制現金

於2014年3月31日，本集團持有現金及現金等價物以及受限制現金127.771億港元(2013年3月31日：67.778億港元)，當中不受限制現金及現金等價物約為113.03億港元(2013年3月31日：62.647億港元)。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。

Borrowing and Charges on the Group's Assets

As at 31 March 2014, the Group had approximately HK\$17,518.7 million in interest-bearing bank and other borrowings, senior notes and convertible notes (31 March 2013: HK\$11,853.4 million). The Group had aggregated interest-bearing bank and other borrowings of approximately HK\$12,452.4 million as at 31 March 2014 (31 March 2013: HK\$9,000.0 million), of which HK\$5,841.7 million will be repayable within one year or on demand, approximately HK\$2,834.2 million will be repayable in the second year, approximately HK\$3,182.1 million will be repayable in the third to fifth years and approximately HK\$594.4 million will be repayable after five years. As at 31 March 2014, the Group's interest-bearing bank and other borrowings of approximately HK\$8,491.2 million were secured by certain buildings, investment properties, properties under development and properties held for sales with a total carrying value of approximately HK\$19,992.7 million.

Except for the bank loan equivalent to HK\$500.0 million, which is denominated in HK dollars and bear interest at floating rates of HIBOR+2.75%, all other interest-bearing bank and other borrowings of the Group are denominated in Renminbi and bear interest at rates that range from 5.40% to 7.87% (31 March 2013: 5.40% to 7.54%) per annum. Furthermore, as at 31 March 2014, the Group had unused banking facilities of approximately HK\$4,171.1 million. The Group will deploy these banking facilities as appropriate, depending on project development needs and working capital status.

In January 2011, the Company issued senior notes due in January 2016 with a nominal value of US\$250 million (equivalent to approximately HK\$1,950 million) at a coupon rate of 13.5% per annum for the purpose of financing existing and new projects and for general corporate use. In the fiscal year ended 31 March 2012 ("FY2011/12"), the Company repurchased from the market a portion of the senior notes with nominal value of US\$9 million. In October 2012, the Company further 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 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 January 2014, the Company issued senior notes due in January 2019 with a nominal value of US\$400 million (equivalents approximately HK\$3,120 million) at a coupon rate of 8.25% per annum for the purpose of redeeming all of the outstanding senior notes due in January 2016 and for general corporate purposes. In February 2014, US\$241 million senior notes due in January 2016 were fully redeemed. As at 31 March 2014, the carrying value of the Group's senior notes was HK\$4,056.8 million.

借貸及本集團資產抵押

於2014年3月31日，本集團持有約175.187億港元(2013年3月31日：118.534億港元)的計息銀行及其他借貸、優先票據以及可換股票據。本集團於2014年3月31日的計息銀行及其他借貸合計約為124.524億港元(2013年3月31日：90億港元)，其中58.417億港元須於一年內或應要求償還、約28.342億港元須於第二年償還、約31.821億港元須於第三至第五年償還及約5.944億港元須於五年後償還。於2014年3月31日，本集團的計息銀行及其他借貸合計約84.912億港元，以若干樓宇、投資物業、發展中物業及持作銷售物業作抵押，其賬面總值約為199.927億港元。

除按香港銀行同業拆息加2.75%浮動利率計息的5億港元銀行貸款以港元為單位外，本集團所有其他計息銀行及其他借貸均以人民幣為單位，並按每年5.40%至7.87%的利率計息(2013年3月31日：5.40%至7.54%)。此外，於2014年3月31日，本集團持有未動用銀行融資約41.711億港元。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。

於2011年1月，本公司發行於2016年1月到期面值2.5億美元(相當於約19.5億港元)及每年票息率為13.5%的優先票據，為現有及新項目提供資金及作一般公司用途。於截至2012年3月31日止財政年度(「2011/12財政年度」)內，本公司從市場購回面值900萬美元的部分優先票據。於2012年10月，本公司進一步發行於2017年10月到期面值1.25億美元(相當於約9.75億港元)及每年票息率為13.5%的優先票據，撥付其發展中物業及已規劃作未來發展物業所需資金、為部分現有債項再融資及作一般公司用途。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)及每年票息率為8.25%的優先票據，主要用作贖回所有於2016年1月到期而尚未贖回的優先票據及一般公司用途。於2014年2月，面值2.41億美元於2016年1月到期的優先票據被全部贖回。於2014年3月31日，本集團優先票據的賬面值為40.568億港元。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

In April 2013, the Group issued convertible notes due in April 2018 with a principal amount of HK\$975 million at a coupon rate of 6.5% per annum for the purpose of funding its properties under development and properties planned for future development, and for refinancing a portion of its existing debt, and for general corporate purposes. As at 31 March 2014, the carrying value of the Group's convertible notes was HK\$1,009.4 million.

In May 2014, the Group completed the issuance of the first tranche of the PRC medium-term notes in the national inter-bank market in the PRC with 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 are intended to be used for repaying existing short-term bank loans of the Group.

Gearing Ratio

The Group's gearing ratio (net debt divided by total equity) was 24% as at 31 March 2014 and 32% as at 31 March 2013.

Net Current Assets and Current Ratio

As at 31 March 2014, the Group had net current assets of HK\$5,798.7 million (31 March 2013: HK\$3,053.1 million) at a current ratio of 1.24 (31 March 2013: 1.20).

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. As at 31 March 2014, the guarantees amounted to HK\$3,741.0 million (31 March 2013: HK\$1,366.4 million). The guarantees granted to purchasers 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 along with the repayment of loan principals by the lessees.

Commitments

As at 31 March 2014, the Group had future capital expenditure contracted but not yet provided in the amount of HK\$5,763.6 million (31 March 2013: HK\$3,636.4 million).

於2013年4月，本集團發行於2018年4月到期本金額為9.75億港元及每年票息率為6.5%的可換股票據，撥付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2014年3月31日，本集團可換股票據的賬面值為10.094億港元。

於2014年5月，本集團完成於中國銀行間市場發行第一期中期票據，本金總額為人民幣10億元，期限為5年，年利率為7.5%。票據發行所得款項主要用作償還本集團的現有短期銀行貸款。

資本負債比率

本集團於2014年3月31日和2013年3月31日的資本負債比率(債務淨額除權益總額)分別為24%和32%。

流動資產淨值及流動比率

於2014年3月31日，本集團流動資產淨值為57.987億港元(2013年3月31日：30.531億港元)。流動比率為1.24(2013年3月31日：1.20)。

或然負債

本集團為其交易中心及住宅物業買家訂立的按揭貸款以及其住宅及商業物業承租人訂立的銀行貸款取得若干銀行所授出的銀行融資提供擔保。於2014年3月31日，擔保金額為37.41億港元(2013年3月31日：13.664億港元)。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本金時相應解除。

承擔

於2014年3月31日，本集團的已訂約但未計提撥備的未來資本開支金額為57.636億港元(2013年3月31日：36.364億港元)。

Foreign Exchange Risk

The Group conducts its business mainly in Renminbi; this includes our income and expenses, assets and liabilities. During the fiscal year under review, the exchange rate of Renminbi to HK dollars and US dollars remained stable. The Group's management believes that the fluctuation of the Renminbi will not have a significant impact on the Group's operations. The Group has not issued any financial instruments for hedging purposes.

Acquisition and Disposal of Subsidiary and Associated Company

Except for the acquisition of HOBA Furnishing in December 2013 and the acquisition of the remaining equity capital of CSC Xi'an from non-controlling interests in March 2014, the Group had no material acquisitions and disposals of subsidiaries and associated companies during the fiscal year under review.

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 blueprints of relevant projects in the area. These agreements generally set out the intended size and use of land. However, the acquisition of land, actual land area and other land restrictions are subject to the relevant regulations and local government procedures involving public tender, auction and listing. The actual area of the land acquired and other relevant conditions are subject to these procedures.

The progress of the land acquisition and project development depends on the progress of the Group's planning and construction of the relevant projects, as well as the procedures and time required for each of these procedural formalities as determined by the different local government departments, including the approval for land use quotas, the requisition and planning of land, changes in land use, and the evaluation and valuation process prior to the procedures of public tender, auction and listing. As the time taken and requirements for such procedures vary in different places, as do the formalities and time that the Group requires to apply for certificates for different projects, the Group adjusts the development of each project accordingly. In view of its substantial land bank and greater flexibility in project planning, the Group believes such circumstances have little impact on its development as a whole.

外匯風險

本集團主要以人民幣進行業務，包括收入及開支、資產及負債。於回顧財政年度內，人民幣兌港元及美元的匯率維持平穩。本集團管理層相信，人民幣波動不會對本集團業務構成重大影響。本集團並無為對沖目的發行任何金融工具。

收購及出售附屬公司及聯營公司

除於2013年12月收購好百年家居和於2014年3月從非控股權益收購餘下西安華南城股權外，本集團於回顧財政年度內並無任何收購及出售附屬公司及聯營公司的重大項目。

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，以勾劃當地政府與本集團對在當地發展相關項目的概要藍圖，這些項目協議一般均約定雙方的意向土地規模及用地性質，但相關土地的取得、實質土地面積及有關土地的其他限制將按當地政府的相關規定及招拍掛程序進行。實質取得之土地面積及相關情況以該等程序為準。

本集團項目土地的取得及項目建設的進度，除視乎相關項目之規劃及建設進度外，亦視乎相關項目當地政府不同部門各項程序所需之手續及各環節的時間，包括用地指標的審批、徵地、用地規劃、土地用途的修訂及變更手續、土地招拍掛前的評估等，這些程序所需的時間及要求因各地而異，本集團不同項目辦理所需證照的手續及所需時間亦各異。因此，本集團對各項目的發展需視乎有關情況而作相應的調整和配合，但由於本集團的項目用地充裕，規劃上具較強的彈性，本集團認為有關情況對本集團的整體發展影響不大。

Pursuant to certain land grant contracts signed by CSC Shenzhen, the saleable GFA of CSC Shenzhen properties built on these parcels of land is limited to 30% of the total buildable GFA. Pursuant to certain land grant contracts signed by CSC Nanchang and CSC Nanning in 2010, the saleable GFA of trade centers and storage facilities built on these parcels of land are limited to 60% of the total buildable GFA. This restriction does not apply to the properties built for residential, commercial and other uses. Pursuant to certain land grant contracts signed by CSC Hefei in May 2013, June 2013 and April 2014, the saleable GFA of trade centers built on these parcels of land are limited to 50% of the total buildable GFA. This restriction does not apply to the properties built for residential, commercial and other uses. Except for the conditions mentioned above, there is no restriction on sales of the land acquired by the Group. The Group holds and builds the properties with restrictions for leasing and self-use.

Human Resources

As at 31 March 2014, the Group had a workforce of approximately 6,440 people, including approximately 6,280 people directly employed by the Group and approximately 160 people employed by our joint venture. The number of the Group's staff increased by 72.7% from 3,730 as at 31 March 2013. 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 fiscal year under review, the Company granted 234,300,000 share options to certain Directors, independent non-executive Directors and employees.

就各項目土地的限制，根據深圳華南城簽訂的若干土地出讓合同，建在該等地塊上的深圳華南城物業的可銷售建築面積限於總可建築面積的30%。根據南昌華南城和南寧華南城於2010年分別簽訂的若干土地出讓合同，建在該等地塊上的交易中心及倉儲設施的可銷售建築面積限於該等物業總可建築面積的60%。此限制不適用於南昌華南城和南寧華南城的住宅、商業及其他用途的物業。根據合肥華南城於2013年5月、2013年6月及2014年4月簽訂的若干土地出讓合同，建在該等地塊上的交易中心的可銷售建築面積限於該等物業總可建築面積的50%。此限制不適用於合肥華南城的住宅、商業及其他用途的物業。除了上述情況之外，本集團所獲得的土地並沒有銷售限制。本集團興建及持有此等有限制的物業作租賃及自用。

人力資源

於2014年3月31日，本集團有僱員約6,440人，其中直接隸屬本集團的僱員約有6,280人，我們合營企業的僱員約有160人。本集團僱員人數較2013年3月31日的3,730人增長72.7%。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。於回顧財政年度內，本公司已向若干董事、獨立非執行董事和僱員授出234,300,000份購股權。

PROJECT PORTFOLIO

項目組合

Properties held for sale/finance lease 持作銷售/融資租賃物業

Project	Location	Group's Interest	Project site		Approx. GFA (sq. m.)	Completion Year
			Project site area (sq. m.)	Description		
項目	地點	本集團權益	項目佔地面積 (平方米)	內容	概約建築面積 (平方米)	竣工年份
China South City Shenzhen 深圳華南城	No. 1 Hua Nan Main Road, Pinghu, Longgang District, Shenzhen, China 中國深圳市龍崗區平湖華南大道一號	100%	1,060,000	Phase I trade centers 一期交易中心	5,900	2004
				Phase II residential facilities 二期住宅配套設施	9,500	2008
				Phase II commercial and other supporting facilities 二期商業及其他配套設施	43,900	2008
				— Warehouse — 倉儲		
				— Office tower — 辦公樓	3,500	2010
				Phase II trade centers 二期交易中心	1,300	2009
				Phase III commercial and other supporting facilities 三期商業及其他配套設施	17,000	2012-2013
				— Office tower — 辦公樓		
Phase III trade centers 三期交易中心	4,900	2013				
Phase III residential facilities 三期住宅配套設施	17,900	2013				

Project Portfolio (Continued)
項目組合(續)

Properties held for sale/finance lease
持作銷售/融資租賃物業

Project	Location	Group's Interest	Project site		Approx. GFA (sq. m.)	Completion Year
			Project site area (sq. m.)	Description		
項目	地點	本集團權益	項目佔地面積 (平方米)	內容	概約建築面積 (平方米)	竣工年份
China South City Nanchang 南昌華南城	No. 1, Huannan Avenue, Honggutan New District, Nanchang City, Jiangxi Province, China 中國江西省南昌市紅谷灘新區華南大道一號	100%	1,534,000	Phase I trade centers 一期交易中心	30,100	2012, 2014
				Phase I residential facilities 一期住宅配套設施	2,200	2012
China South City Nanning 南寧華南城	No. 56, Shajing Avenue, Jiangnan District, Nanning City, Guangxi Zhuang Autonomous Region, China 中國廣西壯族自治區南寧市江南區沙井大道56號	100%	890,000	Phase I trade centers 一期交易中心	249,400	2012
				Phase I residential facilities 一期住宅配套設施	225,200	2013
China South City Xi'an 西安華南城	No. 8, Port Avenue, Xi'an International Trade & Logistics Park, Xi'an City, Shaanxi Province, China 中國陝西省西安市西安國際港務區港務大道8號	100%	947,000	Phase I trade centers 一期交易中心	321,800	2013
China South City Zhengzhou 鄭州華南城	Longhu Town, Xinzheng City, Zhengzhou City, Henan Province, China 中國河南省鄭州市新鄭市龍湖鎮	100%	1,686,000	Phase I trade centers 一期交易中心	477,400	2014
China South City Hefei 合肥華南城	Fanhua Avenue, Taohua Industrial Park, Feixi County of Hefei City, Anhui Province, China 中國安徽省合肥市肥西桃花工業園繁華大道	100%	1,356,000	Phase I trade centers 一期交易中心	130,300	2014

Properties for Investment
投資物業

Project	Location	Group's Interest	Description	Approx. GFA ⁽¹⁾ (sq. m.) 概約建築面積 ⁽¹⁾ (平方米)	Lease Term
項目	地點	本集團權益	內容		契約年期
China South City Shenzhen 深圳華南城	No. 1 Hua Nan Main Road, Pinghu, Longgang District, Shenzhen, China 中國深圳市龍崗區 平湖華南大道一號	100%	Phase I trade centers 一期交易中心	167,100	Medium Term Lease 中期契約
			Phase I commercial and other supporting facilities 一期商業及其他配套設施		
			— Business centers — 商務中心	22,400	Medium Term Lease 中期契約
			— Hotel properties — 酒店物業	32,100	Medium Term Lease 中期契約
			Phase II trade centers 二期交易中心	352,800	Medium Term Lease 中期契約
			Phase II commercial and other supporting facilities 二期商業及其他配套設施		
			— Office tower — 辦公樓	15,100	Medium Term Lease 中期契約
			— Shopping plaza — 商場	15,200	Medium Term Lease 中期契約
			Phase III trade centers 三期交易中心	95,100	Medium Term Lease 中期契約
			Phase III commercial and other supporting facilities 三期商業及其他配套設施		
— Office tower — 辦公樓	4,400	Medium Term Lease 中期契約			
— Residential properties — 住宅物業	32,100	Medium Term Lease 中期契約			

Project Portfolio (Continued)
項目組合(續)

Properties for Investment
投資物業

Project	Location	Group's Interest	Description	Approx. GFA ⁽¹⁾ (sq. m.) 概約建築面積 ⁽¹⁾ (平方米)	Lease Term
項目	地點	本集團權益	內容		契約年期
China South City Nanning 南寧華南城	No. 56 Shajing Avenue, Jiangnan District, Nanning City, Guangxi Zhuang Autonomous Region, China 中國廣西壯族自治區南寧市 江南區沙井大道56號	100%	Phase I trade centers 一期交易中心	492,100	Medium Term Lease 中期契約
China South City Nanchang 南昌華南城	No. 1 Huannan Avenue, Honggutan New District, Nanchang City, Jiangxi Province, China 中國江西省南昌市紅谷灘新區 華南大道一號	100%	Phase I trade centers 一期交易中心	46,000	Medium Term Lease 中期契約
China South City Harbin 哈爾濱華南城	Tuan Jie Town, Daowei District, Harbin City, Heilongjiang Province, China 中國黑龍江省哈爾濱市道外區 團結鎮	100%	Phase I trade centers 一期交易中心	349,000	Medium Term Lease 中期契約

Note 1: The approximate GFA does not include the area of underground facilities.

附註1：概約建築面積不包括地底設施面積。

Project Portfolio (Continued)
項目組合(續)

Properties under Development – with Land use Rights Certificates
發展中物業 – 具備土地使用權證書

Project/Location	Group's Interest	Approx. Project site area ⁽¹⁾ (sq. m.) 概約項目佔地面積 ⁽¹⁾ (平方米)	Approx. GFA ⁽²⁾ (sq. m.) 概約建築面積 ⁽²⁾ (平方米)	Description	GFA under construction ⁽³⁾ (sq. m.)	Stage of completion	Estimated completion calendar year
項目/地點	本集團權益			內容	在建建築面積 ⁽³⁾ (平方米)	完成階段	預計竣工曆年
1. China South City Shenzhen 深圳華南城 No. 1 Hua Nan Main Road, Pinghu, Longgang District, Shenzhen, China 中國深圳市龍崗區平湖 華南大道一號	100%	1,060,000	2,133,000	a. Warehouse and other supporting facilities 倉儲及其他配套 b. Remaining portions 餘下部分	270,000	Foundation work and superstructure in progress 地基工程及上蓋工程進行中 – Planning 規劃中	2014-2015
2. China South City Nanning 南寧華南城 No. 56, Shajing Avenue, Jiangnan District, Nanning City, Guangxi Zhuang Autonomous Region, China 中國廣西壯族自治區南寧市 江南區沙井大道56號	100%	890,000	2,480,000	a. Trade centers, residential, commercial, warehouse and supporting facilities 交易中心·住宅·商業·倉儲及其他配套設施 b. Remaining portions 餘下部分	765,000	Foundation work and superstructure in progress 地基工程及上蓋工程進行中 – Planning 規劃中	2014-2015
3. China South City Nanchang 南昌華南城 No. 1, Huannan Avenue, Honggutan New District, Nanchang City, Jiangxi Province, China 中國江西省南昌市紅谷灘新區 華南大道一號	100%	1,534,000	3,529,000	a. Trade centers, residential, commercial, warehouse and supporting facilities 交易中心·住宅·商業·倉儲及其他配套設施 b. Remaining portions 餘下部分	853,000	Foundation work and superstructure in progress 地基工程及上蓋工程進行中 – Planning 規劃中	2014-2015
4. China South City Xi'an 西安華南城 No.8, Port Avenue, Xi'an International Trade & Logistics Park, Xi'an City, Shaanxi Province, China 中國陝西省西安市西安國際港務區 港務大道8號	100%	947,000	2,506,000	a. Trade centers, commercial, warehouse and other supporting facilities 交易中心·商業·倉儲及其他配套設施 b. Remaining portions 餘下部分	737,900	Foundation work and superstructure in progress 地基工程及上蓋工程進行中 – Planning 規劃中	2014-2015
5. China South City Harbin 哈爾濱華南城 Tuan Jie Town, Daowei District, Harbin City, Heilongjiang Province, China 中國黑龍江省哈爾濱市道外區團結鎮	100%	821,000	2,475,000	a. Trade centers, residential, commercial, warehouse and other supporting facilities 交易中心·住宅·商業·倉儲及其他配套設施 b. Remaining portions 餘下部分	1,232,600	Foundation work and superstructure in progress 地基工程及上蓋工程進行中 – Planning 規劃中	2014-2015

Project Portfolio (Continued)
項目組合(續)

Properties under Development – with Land use Rights Certificates
發展中物業 – 具備土地使用權證書

Project/Location	Group's Interest	Approx. Project site area ⁽¹⁾ (sq. m.) 概約項目佔地面積 ⁽¹⁾ (平方米)	Approx. GFA ⁽²⁾ (sq. m.) 概約建築面積 ⁽²⁾ (平方米)	Description	GFA under construction ⁽³⁾ (sq. m.) 在建建築面積 ⁽³⁾ (平方米)	Stage of completion	Estimated completion calendar year
項目/地點	本集團權益			內容		完成階段	預計竣工曆年
6. China South City Zhengzhou 鄭州華南城 Longhu Town, Xinzheng City, Zhengzhou City, Henan Province, China 中國河南省鄭州市新鄭市 龍湖鎮	100%	1,686,000	4,215,000	a. Trade centers, residential, commercial, warehouse and other supporting facilities 交易中心·住宅·商業·倉儲及其他配套設施	1,499,200	Foundation work and superstructure in progress 地基工程及上蓋工程進行中	2014-2015
				b. Remaining portions 餘下部分	-	Planning 規劃中	-
7. China South City Hefei 合肥華南城 Fanhua Avenue, Taohua Industrial Park, Feixi County of Hefei City, Anhui Province, China 中國安徽省合肥市肥西 桃花工業園繁華大道	100%	1,356,000	3,941,000	a. Trade centers, residential, commercial, warehouse and other supporting facilities 交易中心·住宅·商業·倉儲及其他配套設施	1,209,400	Foundation work and superstructure in progress 地基工程及上蓋工程進行中	2014-2015
				b. Remaining portions 餘下部分	-	Planning 規劃中	-
8. China South City Chongqing 重慶華南城 No. 1 Dongcheng Avenue, Nanpeng, Banan District, Chongqing Municipality, China 中國重慶市巴南區南彭東城大道1號	100%	375,000	749,000	a. Trade centers and other supporting facilities 交易中心及其他配套設施	500,000	Foundation work 地基工程	2015-2016
				b. Remaining portions 餘下部分	-	Planning 規劃中	-

Note 1: The Group has acquired these parcels of land as at 31 March 2014.

Note 2: The approximate GFA does not include the area of underground facilities.

Note 3: The approximate GFA under construction includes the area of underground facilities.

附註1：本集團於2014年3月31日已收購該等地塊。

附註2：概約建築面積不包括地底設施面積。

附註3：概約在建工程建築面積包括地底設施面積。

Financial Summary

財務概要

		Year ended 31 March 截至3月31日止年度				
		2014 HK\$'000 千港元	2013 HK\$'000 千港元	2012 HK\$'000 千港元	2011 HK\$'000 千港元	2010 HK\$'000 千港元
RESULTS						
Revenue	業績 收入	13,468,322	7,488,061	3,670,767	2,234,033	1,570,229
Gross Profit	毛利	6,547,164	4,176,695	2,236,096	1,333,048	982,707
Profit before tax	稅前利潤	6,168,828	4,473,136	3,305,515	2,452,776	2,112,991
Income tax expenses	所得稅開支	(2,472,478)	(1,606,468)	(1,257,953)	(908,658)	(785,345)
Profit for the year	本年度利潤	3,696,350	2,866,668	2,047,562	1,544,118	1,327,646
Attributable to:	下列各方應佔：					
Owners of the parent	母公司擁有人	3,494,481	2,749,864	2,070,708	1,552,455	1,329,593
Non-controlling interests	非控股權益	201,869	116,804	(23,146)	(8,337)	(1,947)
Core net profit attributable to owners of the parent*	母公司擁有人應佔核心淨利潤*	2,677,696	1,776,382	922,641	542,339	410,692
ASSETS AND LIABILITIES						
Non-current assets	資產及負債 非流動資產	29,918,774	23,917,451	17,421,439	15,398,215	11,379,165
Current assets	流動資產	30,042,168	18,427,574	13,244,904	5,985,682	4,920,603
Total assets	資產總值	59,960,942	42,345,025	30,666,343	21,383,897	16,299,768
Current liabilities	流動負債	24,243,429	15,374,448	10,894,500	3,920,948	2,853,708
Non-current liabilities	非流動負債	15,573,368	10,927,816	6,776,552	6,844,913	4,419,375
Total liabilities	負債總額	39,816,797	26,302,264	17,671,052	10,765,861	7,273,083
Equity attributable to owners of parent	母公司擁有人應佔權益	19,969,505	15,853,253	12,938,680	10,540,914	8,913,024
Non-controlling interests	非控股權益	174,640	189,508	56,611	77,122	113,661
Total equity	權益總額	20,144,145	16,042,761	12,995,291	10,618,036	9,026,685
Earnings per share attributable to ordinary equity holders of the parent						
Basic	歸屬於母公司普通股權益持有人之每股盈利 基本	HK55.71 cents 港仙	HK45.62 cents 港仙	HK34.58 cents 港仙	HK25.95 cents 港仙	HK25.32 cents 港仙
Diluted	攤薄	HK47.93 cents 港仙	HK45.60 cents 港仙	HK34.51 cents 港仙	HK25.80 cents 港仙	HK25.10 cents 港仙

* Represents the net profit attributable to owners of the parent excluding fair value gains on investment properties, gain on disposal of subsidiaries and their respective related tax effects, fair value gain on derivative financial instrument and loss on redemption of the 2011 Notes.

* 代表未計投資物業公平值收益、出售附屬公司收益及該等收益的相關稅務影響、衍生金融工具公平值收益和贖回2011年票據之虧損的母公司擁有人應佔淨利潤。

Biographical Details of Directors and Key Management

董事及主要管理層履歷

Executive Directors

Mr. CHENG Chung Hing, aged 53, is our Co-Chairman and an executive Director. He is a co-founder of our Group and has been a Director since 2 August 2002. He is primarily responsible for formulating the overall strategies and assessing the performance of the Group as well as providing leadership for the Board. He has more than 31 years of management experience in the manufacturing, wholesale and distribution businesses. Mr. Cheng has been awarded the “Young Industrialist Awards of Hong Kong 1997” from the Federation of Hong Kong Industries, the Distinguished International Entrepreneur of the Year Award 1997 from San Francisco State University and the Chinese Outstanding Entrepreneur Award 2008 from the China Enterprise Confederation and the China Enterprise Directors Association. Mr. Cheng is the vice chairman of the China Chamber of International Commerce, a standing member of the Guangxi Zhuang Autonomous Region Committee of the Chinese People’s Political Consultative Conference and a member of the 3rd, the 4th and the 5th Shenzhen Committee of the Chinese People’s Political Consultative Conference. Mr. Cheng is also presently the foundation honorary chairman of Gem and Jewelry Committee of China General Chamber of Commerce, a standing member of the China Enterprise Confederation and the China Enterprise Directors Association, vice president of the China Federation of Logistics and Purchasing, vice president of the Guangxi Zhuang Autonomous Region Federation of Industry and Commerce, vice president of the Guangxi Overseas Friendship Association, vice president of the China Chamber of International Commerce Shenzhen, chairman of the Shenzhen Logistics and Supply Chain Management Association, vice chairman of the Federation of Shenzhen Industries, honorary life president of the Hong Kong Gemstone Manufacturers’ Association Limited, honorary chairman of Zhejiang Pearl Trade Association and member of the Shenzhen Overseas Friendship Association. Mr. Cheng is the chairman and non-executive director of Man Sang International Limited, a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”) (stock code: 938). He was also the director of China Metro-Rural Holdings Limited (formerly known as Man Sang International (B.V.I.) Limited), a company listed on the New York Stock Exchange MKT (ticker symbol: CNR) until his resignation effective from 5 December 2013. Mr. Cheng is a younger brother of Mr. Cheng Tai Po, a non-executive Director.

執行董事

鄭松興先生，53歲，聯席主席兼執行董事。彼為本集團的創辦人之一，自2002年8月2日獲委任為董事，主要負責制定本集團的整體策略及評估本集團的業績，並領導董事會。彼在製造及批發分銷業務方面擁有逾31年管理經驗。鄭先生獲香港工業總會頒發1997年香港青年工業家獎、獲三藩市州立大學頒發Distinguished International Entrepreneur of the Year Award 1997，以及獲中國企業聯合會及中國企業家協會頒發2008年中國優秀企業家獎。鄭先生為中國國際商會副會長、中國人民政治協商會議廣西壯族自治區委員會常委以及中國人民政治協商會議廣東省深圳市第三屆、第四屆及第五屆委員會委員。彼現時亦為中國商業聯合會珠寶首飾委員會名譽創會會長、中國企業聯合會及中國企業家協會常務委員、中國物流與採購聯合會副會長、廣西壯族自治區工商聯副主席、廣西海外聯誼會副會長、深圳國際商會副會長、深圳市物流與供應鏈管理協會會長、深圳工業總會副會長、香港寶石廠商會永遠名譽會長、浙江省珍珠行業協會名譽會長及深圳海外聯誼會會員。鄭先生為民生國際有限公司（一家於香港聯合交易所有限公司（「香港聯交所」）主板上市的公司，股份代號：938）的主席兼非執行董事。他亦為China Metro-Rural Holdings Limited（前稱Man Sang International (B.V.I.) Limited）（一家於紐約交易所MKT上市的公司，股份代號：CNR）的董事至2013年12月5日辭任為止。鄭先生為非執行董事鄭大報先生之胞弟。

Biographical Details of Directors and Key Management (Continued)

董事及主要管理層履歷(續)

Mr. LEUNG Moon Lam, aged 58, is the Chief Executive Officer and an executive Director. He is a co-founder of our Group and has been a Director since 1 June 2002. He is primarily responsible for the execution of the Board's decision and the overall management of the Group. He has more than 31 years of management experience in the garment manufacturing, wholesale and distribution businesses. Mr. Leung received the Chinese Outstanding Entrepreneur Award 2008 from the China Enterprise Confederation and the China Enterprise Directors Association. Mr. Leung was a member of the 2nd, 3rd and the 4th Shenzhen Committee of the Chinese People's Political Consultative Conference and a member of the Liaoning Committee of the Chinese People's Political Consultative Conference. He was also the chairman of the 7th Shenzhen Textile Industry Association Committee. Mr. Leung was appointed as a member of the National Committee of the Chinese People's Political Consultative Conference in February 2013. Mr. Leung is also presently a member of the Consultative Committee on Economic and Trade Cooperation between Hong Kong and the Mainland, the vice chairman of the Jiangxi Chinese Overseas Friendship Association, an honorary chairman of the Shenzhen Longgang Charity Association, the honorary professor of Business of Hang Seng School of Commerce and the president of the Federation of Hong Kong Shenzhen Associations. Mr Leung is the chairman of Wetter (China) Limited and Kings Faith International Limited.

Professor XU Yang, aged 75, is an executive Director. Professor Xu joined our Group as a senior consultant in September 2002, and has been a Director since 4 February 2008. He is primarily responsible for the general development direction, operational strategy, market promotion, and governmental relations of the Group. Professor Xu has over 24 years of experience in capital operations management, focusing on optimizing allocation and managing the use of capital in business operations. From 1992 to 2000, Professor Xu was the chairman of Shenzhen Investment Limited (previously known as Shum Yip Investment Limited, which is listed on the Main Board of the Hong Kong Stock Exchange, stock code: 604). He was the vice chairman of the 2nd Shenzhen Committee of the Chinese People's Political Consultative Conference, deputy chief secretary of the Shenzhen Municipal Government and director of the Shenzhen Economic Development Bureau. Professor Xu is currently the permanent honorary chairman of the Federation of Shenzhen Industries and the honorary chairman of Shenzhen Enterprise Confederation and Shenzhen Entrepreneur Association. Professor Xu graduated from Harbin Institute of Technology in 1964. He completed the Stanford executive program at Stanford University in 1988. He also holds the qualification of senior engineer.

梁滿林先生，58歲，行政總裁兼執行董事。彼為本集團的創辦人之一，自2002年6月1日獲委任為董事，主要負責執行本公司董事會的決定及本集團的整體管理。彼於服裝製造及批發分銷業務方面擁有逾31年管理經驗。梁先生獲中國企業聯合會及中國企業家協會頒發2008年中國優秀企業家獎。梁先生曾為中國人民政治協商會議廣東省深圳市第二屆、第三屆及第四屆委員會委員及遼寧省委員會委員及深圳市紡織行業協會第七屆委員會會長。梁先生於2013年2月獲委任為中國人民政治協商會議全國委員會委員，並現為香港與內地經貿合作諮詢委員會成員、江西海外聯誼會副理事長、深圳市龍崗區慈善會名譽會長、香港恒生商學書院榮譽商學教授以及香港深圳社團總會之會長。梁先生亦為香港匯達(中國)有限公司及京暉國際有限公司的董事長。

許揚教授，75歲，執行董事。許教授於2002年9月加入本集團出任高級顧問一職，自2008年2月4日獲委任為董事。彼主要負責本集團整體發展方向、運營策略、市場推廣及與政府的關係。許教授擁有超過24年資本運營管理經驗，專注於優化分配及管理業務運營的資本運用。許教授於1992年至2000年期間曾出任深圳控股有限公司(前稱深業控股有限公司，為香港聯交所主板上市的公司，股份代號：604)董事長，彼曾任中國人民政治協商會議廣東省深圳市第二屆委員會副主席、深圳市人民政府副秘書長，以及深圳市經濟發展局局長。許教授現時為深圳工業總會永遠榮譽會長、深圳市企業聯合會及深圳市企業家協會榮譽會長。許教授於1964年畢業於哈爾濱工業大學，並於1988年於史丹福大學完成史丹福行政人員課程。彼亦持有高級工程師資格。

Biographical Details of Directors and Key Management (Continued)

董事及主要管理層履歷(續)

Non-Executive Directors

Dr. MA Kai Cheung, SBS, BBS, aged 72, is our Co-Chairman and a non-executive Director. He is a co-founder of our Group and has been a Director since 2 August 2002. He is primarily responsible for advising on the formulation of the Group's general business models and development strategies and the resolution of major issues. Dr. Ma has more than 42 years of management experience in garment distribution and manufacturing businesses. Dr. Ma was awarded a Bronze Bauhinia Star (BBS) and a Silver Bauhinia Star (SBS) by the Government of Hong Kong Special Administrative Region in 2003 and 2009 respectively. He was also a member of the 9th, 10th and 11th National Committee of the Chinese People's Political Consultative Conference. Dr. Ma is currently the permanent honorary president of Shenzhen Overseas Chinese International Association, the permanent honorary president of Hong Kong Chiu Chow Chamber of Commerce Limited, the chairman of Federation of Hong Kong Guangdong Community Organizations, the permanent honorary president of Hong Kong & Kowloon Chiu Chow Public Association and the permanent honorary chairman of Federation of Hong Kong Chiu Chow Community Organizations. Dr. Ma received an honorary doctoral degree in philosophy from the Morrison University in the United States in 2004. He received a fellowship from the Asian Knowledge Management Association in 2008. Dr. Ma is also the Honorary Chairman of Carrianna Group Holdings Company Limited (formerly known as Tak Sing Alliance Holdings Limited), a company listed on the Main Board of the Hong Kong Stock Exchange (stock code: 00126).

Mr. SUN Kai Lit Cliff, BBS, JP, aged 60, is a non-executive Director. He is a co-founder of our Group and has been a Director since 2 August 2002. He is primarily responsible for advising on the formulation of the Group's general business models, development strategies and the resolution of major issues. Mr. Sun is an associate of the Institute of Industrial Engineers of Ohio and has over 34 years of management experience in the businesses of wholesale distribution and manufacturing of kitchenware and other metal and plastic products. He was appointed as Justice of the Peace (JP) and was awarded a Bronze Bauhinia Star (BBS) by the Government of Hong Kong Special Administrative Region in 2003 and 2006 respectively. At present, Mr. Sun is a member of the 11th Zhejiang Committee of Chinese People's Political Consultative Conference. He is also the honorary chairman of the Federation of Hong Kong Industries, the honorary chairman of The Hong Kong Exporters' Association, the honorary chairman of the Hong Kong Q Mark Council, the president of the Hong Kong Plastics Manufacturers Association Limited and the honorary founding president and the executive president of Shenzhen Overseas Chinese International Association. Mr. Sun is the executive director of Kinox Enterprises Limited and Kin Hip Metal and Plastic Factory Limited. He is currently an independent non-executive director of Ming Fai International Holdings Limited (stock code: 3828) and Ka Shui International Holdings Ltd., (stock code: 822), both of which are listed on the Main Board of the Hong Kong Stock Exchange.

非執行董事

馬介璋博士，銀紫荊星章、銅紫荊星章，72歲，聯席主席兼非執行董事。彼為本集團的創辦人之一，自2002年8月2日獲委任為董事，主要負責就制定本集團的整體業務模式、發展策略及重大事項提供意見。馬博士在成衣分銷及製造業方面擁有逾42年管理經驗。馬博士分別於2003年及2009年獲香港特別行政區政府頒授銅紫荊星章及銀紫荊星章，並為中國人民政治協商會議全國委員會第九屆至第十一屆委員。馬博士現為深圳市僑商國際聯合會永遠名譽會長、香港潮州商會永遠名譽會長、香港廣東社團總會會長、香港九龍潮州公會永遠榮譽主席及香港潮屬社團總會永遠名譽主席。馬博士於2004年獲美國莫里森大學頒授榮譽哲學博士學位。彼於2008年獲亞洲知識管理協會頒授院士名銜。馬博士亦為佳寧娜集團控股有限公司(前稱達成集團)(一家於香港聯交所主板上市的公司，股份代號：00126)名譽主席。

孫啟烈先生，銅紫荊星章、太平紳士，60歲，非執行董事。彼為本集團的創辦人之一，自2002年8月2日獲委任為董事，主要負責就制定本集團的整體業務模式、發展策略及重大事項提供意見。孫先生為俄亥俄州工業工程學會會員，於廚具及其他金屬及塑膠產品批發分銷及製造業方面擁有逾34年的管理經驗。彼分別於2003年及2006年獲香港特別行政區政府委任為太平紳士及頒授銅紫荊星章。孫先生現時為中國人民政治協商會議第十一屆浙江省委員會委員。彼同時亦為香港工業總會名譽會長、香港出口商會名譽主席、香港優質產品標誌局名譽主席、香港塑膠業廠商會有限公司會長、深圳市僑商國際聯合會創會名譽會長及常務會長。孫先生為建樂士企業有限公司及建業五金塑膠廠有限公司的執行董事。彼現為香港聯交所主板上市的明輝國際控股有限公司(股份代號：3828)及嘉瑞國際控股有限公司(股份代號：822)的獨立非執行董事。

Biographical Details of Directors and Key Management (Continued)

董事及主要管理層履歷(續)

Dr. MA Wai Mo, aged 69, is a non-executive Director. He is a co-founder of our Group and has been a Director of the Company since 2 August 2002. He is primarily responsible for advising on the formulation of the Group's general business models, development strategies and the resolution of major issues. He has more than 35 years of management experience in the printing and packaging, manufacturing, wholesale and distribution businesses. Dr. Ma was a member of the 3rd and the 4th Shenzhen Committee of the Chinese People's Political Consultative Conference, the chairman of the 13th, 14th, 16th and 17th Hong Kong Corrugated Paper Manufacturers' Association. Currently, he is a member of the Committee of Foreign and Overseas Chinese Affairs, the Standing Committee of Shenzhen Municipal People's Congress, the honorary chairman of the 2nd and 3rd Chaoyang District Shantou City Committee of the Chinese People's Political Consultative Conference, the vice chairman of the 7th general committee of the China Packaging Federation, the honorary chairman of the 7th and 8th Shenzhen Packaging Association, the vice president of the 7th and the 8th Guangdong Printing Association, the executive vice president of the Guangdong Overseas Chinese Enterprises Association, the honorary founding president and the executive vice president of Shenzhen Overseas Chinese International Association, and the chairman of the Shenzhen Graphic Society and Shenzhen Longgang Cultural Industry Association. Dr. Ma is also the chairman of Luk Ka International Limited, a wholly owned subsidiary of Luk Ka Overseas Investments Limited. Dr. Ma was awarded the World's Outstanding Chinese in 2005 and received an honorary doctor of science degree from Armstrong University in the same year. Dr. Ma was awarded the Bisheng Printing Outstanding Achievement Award by the Printing Technology Association of China in 2013 and the Global Outstanding Chinese Award by the Global Outstanding Chinese Association in 2014.

Mr. CHENG Tai Po, aged 62, is a non-executive Director. He has been a Director since 30 April 2010 and is primarily responsible for advising on the formulation of the Group's general business models, development strategies and the resolution of major issues. Mr. Cheng has over 31 years' experience in manufacturing, wholesale and distribution businesses. He is a board member of the Zhanjiang Ocean University, China, a general committee member of the Hong Kong Jewelry Manufacturers' Association and the chairman of Hong Kong Overseas Puning Sheshan Clansmen Association. Mr. Cheng is also the executive director and deputy chairman of Man Sang International Limited, a company listed on the Main Board of the Hong Kong Stock Exchange (stock code: 938) and the director and vice-chairman of China Metro-Rural Holdings Limited (formerly known as Man Sang International (B.V.I.) Limited), a company listed on the New York Stock Exchange MKT (ticker symbol: CNR). Mr. Cheng is an elder brother of Mr. Cheng Chung Hing, the Co-Chairman and executive Director and the controlling shareholder of the Company.

馬偉武博士，69歲，非執行董事。彼為本集團的創辦人之一，自2002年8月2日獲委任為本公司董事，主要負責就制定本集團的整體業務模式、發展策略及重大事項提供意見。馬博士在印刷及包裝、製造及批發分銷業務方面擁有逾35年的管理經驗。馬博士曾為中國人民政治協商會議廣東省深圳市第三屆及第四屆委員會委員、香港瓦通紙業廠商會第十三、十四、十六及十七屆會長。現時，馬博士為深圳市人大常委會外事僑務工作委員會委員、中國人民政治協商會議汕頭市潮陽區第二屆及第三屆政協名譽主席、中國包裝聯合會第七屆理事會副會長、深圳市包裝行業協會第七、八屆榮譽會長、第七屆及第八屆廣東省印刷複製業協會副會長、廣東省僑商投資企業協會常務副會長、深圳市僑商國際聯合會創會名譽會長及常務副會長、深圳市印刷學會會長、深圳市龍崗區文化產業協會會長。馬博士同時亦為Luk Ka Overseas Investments Limited的全資附屬公司力嘉國際集團有限公司董事長。於2005年，馬博士獲選為世界傑出華人。同年，馬博士獲Armstrong University頒授榮譽科學博士學位。馬博士另於2013年獲中國印刷技術協會頒授畢昇印刷傑出成就獎，並於2014年獲全球傑出華人總會頒授第二屆全球傑出華人獎。

鄭大報先生，62歲，非執行董事。自2010年4月30日獲委任為董事，主要負責就制定本集團的整體業務模式、發展策略及重大事項提供意見。鄭先生於製造及批發分銷業務方面擁有逾31年的經驗。彼為中國湛江海洋大學校董、香港珠寶製造業廠商會之理事及香港海外普寧社山同鄉聯會會長。鄭先生亦為民生國際有限公司(一家於香港聯交所主板上市的公司，股份代號：938)之執行董事及副主席，以及China Metro-Rural Holdings Limited(前稱Man Sang International (B.V.I.) Limited)(一家於紐約交易所MKT上市的公司，股份代號：CNR)之董事及副主席。鄭先生為本公司之聯席主席兼執行董事及控股股東鄭松興先生之胞兄。

Biographical Details of Directors and Key Management (Continued)

董事及主要管理層履歷(續)

Mr. LIN Ching Hua, aged 41, has been a non-executive Director since 28 June 2014. He is primarily responsible for advising on the formulation of the Group's general business models, development strategies and the resolution of major issues. He joined Tencent Group ("Tencent Group" includes Tencent, shares of which are listed on the Main Board of the Hong Kong Stock Exchange with stock code no. 700, and its subsidiaries) as the General Manager of Strategic Development Department since April 2013, with responsibilities mainly to establish the strategic platform of Tencent, to formulate the business development strategies of the Tencent Group, and to lead the research and development of various business models in the Tencent Group and the business cooperation with external strategic partners who the Tencent Group has equity investments. Mr. Lin has taken a crucial and leading role in promoting Tencent's recent strategic initiatives, including Weixin commercialization, important strategic investments and cooperations, and the business planning and development in internet finance. Before joining Tencent, Mr. Lin was a partner at McKinsey & Company, Inc and General Manager of its branch in Taiwan. He mainly served clients and performed research in technology sector, including hi-tech manufacturing, internet service, telecommunication and media during his 12 years with McKinsey & Company, Inc. His various research received wide coverage in a number of Business and Financial media in China. Before joining McKinsey, Mr. Lin worked at Deloitte Consulting Inc., Taiwan Office, as a consultant. He received his MBA degree from Harvard Business School in 2001.

Independent Non-Executive Directors

Mr. LEUNG Kwan Yuen Andrew, *GBS, SBS, JP*, aged 63, has been an independent non-executive Director since 4 September 2009. He has more than 34 years of management experience in the textile manufacturing, wholesale and distribution businesses. Mr. Leung is a member of the Industrial (First) Functional Constituency of the Legislative Council of Hong Kong, also a member of the National Committee of the Chinese People's Political Consultative Conference. Mr. Leung is currently the honorary chairman of Textile Council of Hong Kong, a council member of the Hong Kong Trade Development Council, the honorary president of the Federation of Hong Kong Industries, a fellow of The Textiles Institute as well as The Clothing and Footwear Institute in the United Kingdom. In addition, Mr. Leung is the chairman of Sun Hing Knitting Factory Limited. He is also an independent non-executive director of Dah Sing Banking Group Limited (stock code: 2356) and Harbour Centre Development Limited (stock code: 51), both are companies listed on the Main Board of the Hong Kong Stock Exchange. Mr. Leung was an independent non-executive director of Meadville Holdings (BVI) Limited (formerly known as "Meadville Holdings Limited"), a company withdrawing the listing of its shares from the Hong Kong Stock Exchange effective 19 April 2010 (stock code: 3313), until his resignation effective from 1 June 2010.

林璟驊先生，41歲，自2014年6月28日獲委任為非執行董事，主要負責就制定本集團的整體業務模式、發展策略及重大事項提供意見。彼於2013年4月加入騰訊集團（「騰訊集團」包括其股份於香港聯交所主板上市，股份代號為700之騰訊及其附屬公司）擔任企業發展事業群戰略發展部總經理，主要負責騰訊戰略平台的構建、業務發展戰略的擬定，主導騰訊集團各項商業模式的創新以及對外投資的業務合作等工作。林先生在近期的騰訊微信商業化、重要的戰略投資合作、以及互聯網金融業務規劃與推進等重要項目中承擔主要推動領導職責。在加入騰訊前，林先生為麥肯錫全球合夥人及台灣分公司的總經理。在麥肯錫的12年間，林先生主要服務和研究的領域包括高科技產品、互聯網、通信和媒體等行業，其領導的多項研究成果在國內的多家財經與商業經營權威媒體發表。在加入麥肯錫前，林先生曾在台灣的勤業管理顧問公司擔任諮詢師，並於2001年取得哈佛大學商學院的MBA學位。

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*，63歲，自2009年9月4日獲委任為獨立非執行董事。彼於紡織品製造、批發及分銷業務方面擁有逾34年管理經驗。梁先生現為香港立法會工業界（第一）功能界別成員，亦為中國人民政治協商會議全國委員會委員。梁先生同時亦為香港紡織業聯會理事委員會名譽會長、香港貿易發展局理事會成員、香港工業總會名譽會長、英國的紡織學會以及製衣業及鞋類學會資深會員。此外，梁先生為新興織造廠有限公司主席。他亦是大新銀行集團有限公司（一家在香港聯交所主板上市的公司，股份代號：2356）及海港企業有限公司（一家在香港聯交所主板上市的公司，股份代號：51）的獨立非執行董事。梁先生為Meadville Holdings (BVI) Limited（前稱「美維控股有限公司」）（一家於2010年4月19日起在香港聯交所除牌的公司，股份代號：3313）的獨立非執行董事至2010年6月1日辭去獨立非執行董事一職為止。

Biographical Details of Directors and Key Management (Continued)

董事及主要管理層履歷(續)

Mr. Li Wai Keung, aged 57, has been an independent non-executive Director since 4 September 2009. Mr. Li has more than 36 years of experience in financial management. Mr. Li graduated from the Hong Kong Polytechnic and holds a master degree in Business Administration from the University of East Asia, Macau, currently known as the University of Macau. He is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. Li is the executive director and chief financial officer of GDH Limited, executive director of Guangdong Land Holdings Limited (formerly known as Kingway Brewery Holdings Limited) (“GDL”), non-executive director of Guangdong Investment Limited (“GDI”) and an independent non-executive director of Shenzhen Investment Limited (“SZ Investment”) and Hans Energy Company Limited (“Hans”). GDL, GDI, SZ Investment and Hans are companies listed on the Main Board of the Hong Kong Stock Exchange (stock codes: 124, 270, 604 and 554 respectively). He is a director of Shenzhen City Airport (Group) Company Limited, the vice chairman of the Council of the Hong Kong Chinese Orchestra Limited, a member of China Overseas Friendship Association and the vice chairman and secretary of the Financial and Accounting Affairs Steering Committee of the Hong Kong Chinese Enterprises Association. Mr. Li had worked for Henderson Land Development Company Limited (stock code: 12) and was an independent non-executive director of Sun Century Group Limited (formerly known as Hong Long Holdings Limited) (stock code: 1383) until 27 May 2011.

Mr. HUI Chiu Chung Stephen, JP, aged 67, has been an independent non-executive Director since 11 April 2011. Mr. Hui has over 43 years of experience in the securities and investment industry. He has served as a council member and vice chairman of the Hong Kong Stock Exchange, a member of the Advisory Committee of the Hong Kong Securities and Futures Commission, a director of the Hong Kong Securities Clearing Company Limited, a member of the Listing Committee of the Hong Kong Exchanges and Clearing Limited, an appointed member of the Securities and Futures Appeal Tribunal, a member of the Standing Committee on Company Law Reform and an appointed member of the Hong Kong Institute of Certified Public Accountants Investigation Panel A for a number of years. He was also a member of the Committee on Real Estate Investment Trusts of the Hong Kong Securities and Futures Commission and a member of Government “Appointees” (independent member) of Appeal Panel of the Travel Industry Council of Hong Kong. Mr. Hui was appointed by the Government of the Hong Kong Special Administrative Region a Justice of the Peace (JP) in 2004 and was also appointed as a member of the Zhuhai Municipal Committee of the Chinese People’s Political Consultative Conference in 2006. He also serves as a non-executive director of Luk Fook Holdings (International) Limited (stock code: 590) and an independent non-executive director of Hong Kong Exchanges and Clearing Limited (stock code: 388), Zhuhai Holdings Investment Group Limited (formerly known as Jiuzhou Development Company Limited) (stock code: 908), Lifestyle International Holdings Limited (stock code: 1212), Chun Wo Development Holdings Limited (stock code: 711), Gemdale Properties and Investment Corporation Limited (formerly known as Frasers Property (China) Limited) (stock code: 535) and SINOPEC Engineering (Group) Co., Limited (stock code: 2386), whose shares are listed on the Hong Kong Stock Exchange.

李偉強先生，57歲，自2009年9月4日獲委任為獨立非執行董事。李先生擁有逾36年財務管理經驗。李先生畢業於香港理工學院，並持有澳門東亞大學(現稱為澳門大學)工商管理碩士學位。彼為英國特許公認會計師公會及香港會計師公會資深會員。李先生現為粵海控股集團有限公司的執行董事兼財務總監，粵海置地控股有限公司(前稱金威啤酒集團有限公司)(「粵海置地」)執行董事，同時亦為粵海投資有限公司(「粵海投資」)之非執行董事、深圳控股有限公司(「深圳控股」)及漢思能源有限公司(「漢思」)之獨立非執行董事。粵海置地、粵海投資、深圳控股及漢思均為在香港聯交所主板上市的公司(股份代號分別為124, 270, 604及554)。彼為深圳市機場(集團)有限公司董事、香港中樂團理事會副主席、中華海外聯誼會理事及香港中國企業協會財會專業委員會副主任委員兼副秘書長。李先生曾任職於恆基兆業地產公司(股份代號：12)，並於2011年5月27日前為太陽世紀集團有限公司(前稱鴻隆控股有限公司)(股份代號：1383)之獨立非執行董事。

許照中先生，太平紳士，67歲，自2011年4月11日獲委任為獨立非執行董事。許先生具備逾43年之證券及投資經驗。多年來曾出任香港聯交所理事會理事及副主席、香港證券及期貨事務監察委員會諮詢委員會委員、香港中央結算有限公司董事、香港交易及結算所有限公司上市委員會委員、證券及期貨事務上訴審裁處委員、公司法改革常務委員會委員及香港會計師公會調查小組A組委員。彼曾為香港證券及期貨事務監察委員會房地產投資信託基金委員會委員及香港旅遊業議會上訴委員會獨立委員。許先生於2004年獲香港特區政府頒授太平紳士榮銜，並於2006年獲中國珠海市人民政治協商會議委任為政協委員。許先生亦為股份於香港聯交所上市之六福集團(國際)有限公司(股份代號：590)之非執行董事和香港交易及結算所有限公司(股份代號：388)、珠海控股投資集團有限公司(前稱九洲發展有限公司)(股份代號：908)、利福國際集團有限公司(股份代號：1212)、俊和發展集團有限公司(股份代號：711)、金地商置集團有限公司(前稱星獅地產(中國)有限公司)(股份代號：535)及中石化煉化工程(集團)股份有限公司(股份代號：2386)之獨立非執行董事。

Biographical Details of Directors and Key Management (Continued)

董事及主要管理層履歷(續)

Mr. YUNG Wing Ki Samuel, SBS, MH, JP, aged 55, has been an independent non-executive Director since 1 March 2013. Mr. Yung has over 32 years of experience in insurance sector. He was awarded an EMBA from the Hong Kong University of Science and Technology and has attained certain professional qualifications, including Certified Financial Planner, Registered Financial Consultant, fellow Chartered Financial Practitioner, Certified Manager of Financial Advisor and Chartered Insurance Agency Manager. Mr. Yung is currently an executive district director of AIA International Limited. He was also an independent non-executive director of Group Sense (International) Limited, a company the shares of which are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 601) until his retirement as independent non-executive director effective from 11 September 2013. Mr. Yung is also presently a member of the National Committee of the Chinese People's Political Consultative Conference, the founding president of Hong Kong Professionals and Senior Executives Association, the chairman of Betting and Lotteries Commission and the chairman or committee member of several Government committees and non-governmental organizations.

Mr. Yung was elected the "Ten Outstanding Young Persons Award" in 1994. He was also a Municipal Commission Standing member of the Chinese People's Political Consultative Conference of Jilin, Standing Committee member of All-China Youth Federation, member of Commission on Strategic Development of the HKSAR, member of Central Policy Unit, chairman of Hong Kong United Youth Association, chairman of The Outstanding Young Persons' Association, director & chairman of International Committee of General Agents & Managers Association International, co-chairman of the Asia Pacific Financial Services Association and president of The Life Underwriters Association of Hong Kong and president of General Agents and Managers Association of Hong Kong.

Key Management

Mr. FUNG Sing Hong Stephen, aged 49, is our Group's chief financial officer. Mr. Fung joined our Group in July 2006, and is responsible for the overall financial management of the Group, formulating corporate financing and merger and acquisition strategy, and actuated the strategic cooperation with Tencent. Mr. Fung graduated from the University of Wales, United Kingdom with a master degree in business administration. He is a fellow member of the Hong Kong Institute of Certified Public Accountants, a member of the American Institute of Certified Public Accountants and the Chartered Global Management Accountants. He is also a fellow member of the Hong Kong Institute of Directors. Mr. Fung has more than 21 years of experience in financial management, mergers and acquisitions, capital markets financing and corporate restructuring. Prior to joining our Group, Mr. Fung was an executive director and the chief financial officer of Guangdong Investment Limited ("GDI"). From December 2002 to November 2004, Mr. Fung served as an executive director and the chief financial officer of Guangdong Land Holdings Limited (formerly known as Kingway Brewery Holdings Limited) ("GDL"). Both GDI and GDL are companies listed on the Main Board of the Hong Kong Stock Exchange (stock codes: 270 and 124, respectively). Mr. Fung was also a key member of the Guangdong Enterprises (Holdings) Limited ("GDE") restructuring team and has been extensively involved in the US\$5.3 billion debt restructuring of GDE.

容永祺先生，銀紫荊星章、榮譽勳章、太平紳士，55歲，自2013年3月1日獲委任為獨立非執行董事。彼於保險業方面擁有逾32年經驗，獲香港科技大學頒授高層管理人員工商管理碩士，並取得若干專業資格，包括認可財務策劃師、認證財務顧問、註冊特許財務策劃師、認可財務經理顧問及特許壽險營業經理等。容先生現為友邦保險(國際)有限公司區域執行總監。彼亦為一家於香港聯交所之主板上市公司—權智(國際)有限公司(股份代號：601)之獨立非執行董事至2013年9月11日退任獨立非執行董事一職為止。此外，容先生亦現為全國政協委員、香港專業及資深行政人員協會創會會長、博彩及獎券事務委員會主席及其他多個政府委員會及社會服務團體的主席或委員。

容先生曾於1994年獲選為香港「十大傑出青年」，亦曾任吉林省政協常委、全國青聯常委、特區政府策略發展委員會委員、中央政策組成員、香港青年聯會主席、傑出青年協會主席、國際人壽保險經理協會董事兼國際委員會主席、亞太財務策劃聯會聯席主席、香港人壽保險從業員協會會長及香港人壽保險經理協會會長等。

主要管理層

馮星航先生，49歲，集團首席財務總監。馮先生於2006年7月加入本集團，負責本集團的整體財務管理，制定企業融資和收購合併策略，並促成與騰訊的策略性合作。馮先生畢業於英國威爾斯大學，持有工商管理碩士學位。彼為香港會計師公會資深會員、美國執業會計師公會會員及全球特許管理會計師公會會員，彼亦為香港董事學會資深會員。馮先生於財務管理、合併及收購、資本市場融資及企業重組方面擁有超過21年經驗。加入本集團之前，馮先生為粵海投資有限公司(「粵海投資」)執行董事及財務總監。自2002年12月至2004年11月，馮先生擔任粵海置地控股有限公司(前稱金威啤酒集團有限公司)(「粵海置地」)執行董事及財務總監。粵海投資及粵海置地均為香港聯交所主板上市的公司(股份代號分別為270及124)。馮先生亦曾為粵海企業(集團)有限公司(「粵海企業」)重組隊伍的主要成員，廣泛地參與粵海企業涉及53億美元的債務重組。

Biographical Details of Directors and Key Management (Continued)

董事及主要管理層履歷(續)

Ms. TSE Man Yu, aged 43, is the company secretary and the Group's deputy chief financial officer. Ms. Tse joined our Group in February 2008. She assists the chief financial officer in the overall financial management of the Group and is responsible for merger and acquisition, investor relations and the company secretarial duties. Ms. Tse graduated from the City University of Hong Kong with a bachelor of science (honours) degree in finance. She is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Ms. Tse has more than 18 years of experience in financial management, mergers and acquisitions, corporate finance and asset management. Prior to joining our Group, Ms. Tse was the assistant chief financial officer of GDI which is a company listed on the Main Board of the Hong Kong Stock Exchange (stock code: 270). Ms. Tse was an alternate director of Guangdong Development Fund Limited ("GDF"), which is a company listed on the London Stock Exchange (code: gdf), and a director of Guangdong Investment Management Limited, which is the fund manager of GDF. Ms. Tse had also been a senior corporate finance executive of Tung Fong Hung (Holdings) Limited (now known as Freeman Financial Corporation Limited) and Sing Pao Media Group Limited (now known as China Gamma Group Limited), which were companies listed on the Main Board of the Hong Kong Stock Exchange (stock codes: 279 and 164, respectively).

Mr. JIANG Kai, aged 61, is the Group's vice president. He joined our Group in January 2007, and is responsible for managing construction projects of the Group, including coordinating the planning and designs, managing tenders and bids, budgeting, costing and construction management. Mr. Jiang graduated from the Underground Construction Faculty of Tongji University in 1982 with a bachelor degree in underground construction, and holds a qualification of senior engineer. Mr. Jiang has over 19 years of management experience in the construction industry. Mr. Jiang had been working for the 1st branch of the Shenzhen Architectural Design Institute as the chief engineer, Shenzhen Construction Investment Holdings Ltd. as the manager of the construction department, and Shenzhen New World Group Co., Ltd. as the group deputy general manager.

謝文瑜女士，43歲，公司秘書及集團副財務總監。謝女士於2008年2月加入本集團。彼協助集團首席財務總監進行本集團的整體財務管理及收購合併項目，負責投資者關係和公司秘書事務。謝女士畢業於香港城市大學，取得財務學榮譽理學士學位。彼為英國特許公認會計師公會及香港會計師公會資深會員。謝女士於財務管理、合併及收購、企業財務及資產管理方面擁有超過18年經驗。加入本集團之前，謝女士為粵海投資有限公司(一家於香港聯交所主板上市的公司，股份代號：270)的助理財務總監。謝女士曾為Guangdong Development Fund Limited(「GDF」)(一家於倫敦證券交易所上市的公司，代號：gdf)替任董事及Guangdong Investment Management Limited(GDF的基金經理)董事。謝女士亦曾任東方紅集團有限公司(現稱民豐企業控股有限公司)及成報傳媒集團有限公司(現稱中國伽瑪集團有限公司)(均為香港聯交所主板上市的公司，股份代號分別為279及164)的高級企業融資人員。

江凱先生，61歲，集團副總裁。彼於2007年1月加入本集團，負責本集團各項目的工程管理，包括協調規劃及設計、投標管理、預算及成本、建設管理等。江先生於1982年畢業於同濟大學地下工程學系，取得地下建築學士學位，並持有高級工程師資格。江先生於建築行業擁有逾19年管理經驗。江先生曾為深圳市建築設計第一分院總工程師、深圳市建設投資控股公司工程管理部經理及深圳市新世界集團有限公司的集團副總經理。

Biographical Details of Directors and Key Management (Continued)

董事及主要管理層履歷(續)

Ms. JIANG Ling, aged 41, is the Group's vice president. She joined our Group in November 2003, and is responsible for the Group's strategic development, including market research, project planning and public relations. Ms. Jiang graduated from the Department of Journalism, Huazhong University of Science and Technology in 1994. She later completed Advanced Business Management Course at HSBC Business School, Peking University in 2009 and the postgraduate course in fashion buying at Hong Kong Institute of Fashion Buying in 2011. She has also attained the qualification of senior planner from the Ministry of Labor and Social Security of the People's Republic of China (which has been renamed as the Ministry of Human Resources and Social Security of the People's Republic of China). Ms. Jiang has over 13 years of management experience in the property industry and 3 years of experience in the media industry. She was the manager of the development department of Shanghai Chenghuang Temple Fuyoumen Small-Commodities Market Corporation Limited, the director of Shenzhen Column Editorial Department, Hong Kong Ta Kung Pao and the general manager of Shenzhen Tongyuan Nanling Cultural and Creative Park Corporation Limited.

Mr. Li Sen, aged 41, is the Group's Vice President. He joined our group in August 2010, and is responsible for the Group's operations and human resources management. He graduated from Wuhan University of Technology with a degree in engineering and motors in School of Automotive Engineering. He later completed courses like business administration, CEO training and study of enterprise strategic management at the Graduate School at Shenzhen, Tsinghua University. Mr. Li is expertized in group control, operations management, consultation and training. Mr. Li was the Human Resources Director of Shenzhen Good Family Enterprise Co., Ltd and Shenzhen Galaxy Real Estate Development Co., Ltd.

Ms. LIU Qiang, aged 44, is the Group's vice president. Ms Liu joined our Group in December 2007, and is responsible for the Group's construction project management, including cost management, tender management and construction management. Ms. Liu graduated from Wuhan University of Technology in 1992 with a bachelor degree in science and holds a qualification of senior engineer. Ms. Liu later passed accounting professional examination held by Ministry of Personnel of the People's Republic of China and became a qualified certified public accountant in 1998. She hence attained the qualification of cost engineer from Ministry of Personnel and Ministry of Construction of the People's Republic of China, certified public valuer from Ministry of Personnel and Ministry of Finance of the People's Republic of China and registered consulting engineer from Ministry of Personnel and National Development and Reform Commission of the People's Republic of China in 2000, 2001 and 2004 respectively. Ms. Liu has over 11 years of management experience in the construction industry. She had worked for Shenzhen Chengxinhang Engineering Consultation Company Limited.

姜玲女士，41歲，集團副總裁。姜女士於2003年11月加入本集團。彼負責本集團的戰略發展工作，包括市場調研、項目策劃、公共關係等事務。姜女士於1994年畢業於華中理工大學(現為華中科技大學)新聞系，並於2009年於北京大學匯豐商學院完成高級工商管理課程，其後於2011年於香港時尚買手學院修畢時尚買手研究生課程，並持有中華人民共和國勞動和社會保障部(現稱中華人民共和國人力資源和社會保障部)頒發的高級策劃師資格。姜女士於產業地產行業擁有愈13年管理經驗，亦於傳媒行業擁有3年經驗。姜女士曾擔任上海市城隍廟福佑門小商品批發市場有限公司開發部經理、香港大公報深圳專欄採編部主任及深圳市同源南嶺文化創意園有限公司總經理。

李森先生，41歲，集團副總裁。李先生於2010年8月加入本集團。彼負責本集團的運營管理及人力資源等工作。李先生畢業於武漢理工大學汽車工程學院發動機及摩托車本科，並其後於清華大學深圳研究生院完成工商管理、CEO高級研修班、企業戰略管理等課程。李先生擅長於企業集團管控、運營管理諮詢和培訓領域。彼曾任深圳市好家庭實業有限公司人力資源總監及深圳市星河房地產開發有限公司人力資源總監。

劉強女士，44歲，集團副總裁。劉女士於2007年12月加入本集團。彼負責本集團工程建設管理，包括成本管理、招標管理、施工管理等事務。劉女士於1992年畢業於武漢工業大學(現名武漢理工大學)建築工程系，取得工學學士學位，並持有高級工程師資格。劉女士其後通過全國專業技術統一考試，於1998年取得會計師資格。彼並分別於2000年、2001年及2004年取得中華人民共和國人事部和建設部頒發的造價工程師註冊資格、中華人民共和國人事部和財政部頒發的資產評估師註冊資格及中華人民共和國人事部和國家發展和改革委員會頒發的諮詢工程師(投資)執業資格。劉女士於建築行業擁有逾11年管理經驗。彼曾任職深圳市誠信行工程諮詢有限公司。

Report of the Directors

董事會報告

The Board has pleasure in presenting this annual report and the audited consolidated financial statements of the Group for the fiscal year ended 31 March 2014.

Principal Activities

The principal activities of the Group is developing and operating large-scale integrated logistics and trade centers in China, providing a comprehensive trading platform of raw materials and finished products for domestic and international wholesale suppliers, buyers, manufacturers and distributors. With its unique business model, the Group not only sells and leases well-designed, high quality trade center units for businesses to display and sell their products, but also provides trade center occupants and their customers with a full range of facilities and services such as E-commerce services, logistics and warehousing services, property management, offices, residential facilities, convention and exhibition facilities, hotels, restaurants, banking services, on-site government services in a bid to offer one-stop convenient supply chain solutions. The successful business model was first pioneered by CSC Shenzhen and has been replicated across China such as Nanchang, Nanning, Xi'an, Harbin, Zhengzhou, Hefei and Chongqing, initially forming a strategic network covering the Chinese North-South and East-West logistics corridors. At the same time, through the cooperation with Tencent, the Group is actively building an O2O business eco-system to facilitate the industrial upgrade of the occupants. Details of the principal activities of the principal subsidiaries, joint venture and associates are set out in notes 19 to 21 to the financial statements respectively.

Results and Dividends

The Group's results for the fiscal year ended 31 March 2014 and the state of affairs of the Company and the Group at that date are set out in the consolidated financial statements on pages 95 to 214 of this annual report.

The Board recommends the payment of a final dividend of HK14.0 cents per share in respect of FY2013/14 (FY2012/13: HK10.0 cents). Subject to the approval of the shareholders of the Company (the "Shareholders") at the AGM to be held on 21 August 2014, the proposed final dividend will be distributed on or about 11 September 2014 to Shareholders whose names appear on the register of members of the Company on 29 August 2014.

The register of members of the Company will be closed from 28 August 2014 to 29 August 2014, both days inclusive. In order to be qualified for the proposed final dividend, all transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 27 August 2014.

董事會欣然呈列本集團截至2014年3月31日止財政年度的年報及經審核綜合財務報表。

主要業務

本集團的主要業務為在中國開發及經營大型綜合商貿物流及商品交易中心，為內地和國際批發供應商、買家、製造商及分銷商提供原材料和製成品的全面交易平台。憑藉其獨特的業務模式，本集團不僅銷售及出租設計優良、高質的交易中心商舖，供企業展示和出售其產品，亦為交易中心商戶與其客戶提供完善的設施及服務，包括電子商貿服務、倉儲物流服務、物業管理、辦公樓、住宅設施、會議展覽設施、酒店、餐廳、銀行服務、駐場政府服務，藉此提供一站式便捷供應鏈解決方案。這源自深圳華南城的成功業務模式已複製至南昌、南寧、西安、哈爾濱、鄭州、合肥及重慶等中國城市，初步形成一個覆蓋中國南北和西東兩大物流通道的戰略網路。與此同時，通過與騰訊的合作，本集團正在積極打造O2O商貿生態圈，從而促進商戶的產業升級。主要附屬公司、合營企業及聯營公司的主要業務之詳情分別載於財務報表附註19至21。

業績及股息

本集團截至2014年3月31日止財政年度的業績及本公司與本集團於該日的事務狀況載於本年報第95至214頁之綜合財務報表。

董事會建議派付2013/14財政年度的末期股息每股14.0港仙(2012/13財政年度：10.0港仙)。待本公司股東(「股東」)於2014年8月21日舉行的股東週年大會上批准後，建議末期股息將於2014年9月11日或其前後派付予於2014年8月29日名列本公司股東名冊之股東。

本公司將由2014年8月28日至2014年8月29日(包括首尾兩天)期間暫停辦理股份過戶登記。為符合資格獲派付建議末期股息，全部轉讓文件連同相關股票證書最遲須於2014年8月27日下午4時30分前遞交本公司之股份過戶登記處香港中央證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716室。

Reserves

Details of movements in the reserves of the Group and the Company during the Year are set out in the section headed “Consolidated Statement of Changes in Equity” and in note 37 to the financial statements, respectively.

Distributable Reserves

Details of the Company’s reserves available for distribution as at 31 March 2014, calculated in accordance with the provision of Section 79B of the old Companies Ordinance (previous Chapter 32 of the Laws of Hong Kong, which was rewritten and superseded with effect from 3 March 2014), amounted to HK\$1,277.77 million (31 March 2013: HK\$645.34 million), of which HK\$967.00 million (31 March 2013: HK\$605.36 million), subject to the adjustment with the number of shares which may be allotted after the date of this report but before the date of book close, has been proposed as final dividend for the fiscal year under review, are disclosed in note 12 to the financial statements.

Senior Notes

On 14 January 2011, the Company issued senior notes due January 2016 with a nominal value of US\$250 million (equivalent to approximately HK\$1,950 million) at a coupon rate of 13.5% per annum (“2011 Notes”) for the purpose of financing the development of the existing and new projects and for general corporate use. In FY2011/12, the Company cancelled a portion of the 2011 Notes with a nominal value of US\$9 million after it was repurchased from the market. On 20 February 2014, the Company has redeemed all the outstanding 2011 Notes in an aggregate amount of US\$241 million at a redemption price equal to 106.750% of the principal amount thereof, plus accrued and unpaid interest to (but not including) the redemption date. All 2011 Notes were cancelled and delisted from the official list of the Singapore Exchange Securities Trading Limited then.

On 17 October 2012, the Company issued senior notes due 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 for the purpose of, amongst others, funding its properties under development and planned for future development (including land grant fees) and for general corporate purposes.

On 29 January 2014, the Company issued senior notes due January 2019 with a nominal value of US\$400 million (equivalent to approximately HK\$3,120 million) at a coupon rate of 8.25% per annum (“2014 Notes”) for the main purpose of, amongst others, to redeem all of the outstanding 2011 Notes of the time, and for general corporate purposes.

Further details of the senior notes are set out in note 32 to the financial statements.

儲備

本集團及本公司於本年度內的儲備變動詳情分別載於「綜合權益變動表」及財務報表附註37。

可分派儲備

本公司按照舊公司條例(於2014年3月3日經重寫及取代之前香港法例第32章)第79B條條文計算於2014年3月31日的可分派儲備為12.7777億港元(2013年3月31日: 6.4534億港元), 並建議動用當中9.67億港元(2013年3月31日: 6.0536億港元)作本回顧財政年度末期股息(股票數目可能會於本報告發佈後並在股份暫停辦理股份過戶登記前因應配發股份而有所調整), 有關詳情載於財務報表附註12披露。

優先票據

於2011年1月14日, 本公司發行將於2016年1月到期、本金額為2.5億美元(相當於約19.5億港元)、年票息率13.5%的優先票據(「2011年票據」), 用作撥付發展其現有及新項目以及一般商業用途。於2011/12財政年度, 本公司從市場回購並註銷了本金額為900萬美元之2011年票據。於2014年2月20日, 本公司贖回所有尚未贖回、餘額本金總額為2.41億美元的2011年票據, 贖回價為該本金額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。期後, 2011年票據已悉數被註銷, 並自新加坡證券交易所有限公司的官方名單中刪除。

於2012年10月17日, 本公司發行將於2017年10月到期、本金額為1.25億美元(相當於約9.75億港元)、年票息率13.5%的優先票據, 用作(其中包括)撥付其正在興建的物業及已規劃的未來發展(包括土地出讓金)以及一般商業用途。

於2014年1月29日, 本公司發行將於2019年1月到期、本金額為4億美元(相當於約31.2億港元)、年票息率8.25%的優先票據(「2014年票據」), 主要用作(其中包括)贖回所有當時尚未贖回之2011年票據及作一般商業用途。

優先票據的進一步詳情載於財務報表附註32。

Convertible Notes

On 9 April 2013, ASEAN City (BVI) Limited, a wholly-owned subsidiary of the Company, issued convertible notes due April 2018 with a nominal value of HK\$975 million at a coupon rate of 6.5% per annum ("Convertible Notes") for the purpose of, amongst others, funding its properties under development and planned for future development (including land grant fees) and for general corporate purposes. The terms of the Convertible Notes were amended on 6 March 2014 to synchronize with the improved terms in 2014 Notes.

Further details of the Convertible Notes are set out in note 34 to the financial statements.

Property, Plant and Equipment

Details of property, plant and equipment of the Group are set out in note 14 to the financial statements.

Donations

During the fiscal year under review, to care about the society where the Group operates its business, the Group made charitable donations totaling HK\$22.5 million (FY2012/13: HK\$2.71 million) to various charitable organizations.

Subsidiaries

Details of the Company's principal subsidiaries as at 31 March 2014 are set out in note 19 to the financial statements.

Directors

The Directors during the fiscal year and up to the date of this report are:

Executive Directors

Mr. Cheng Chung Hing (*Co-Chairman*)
Mr. Leung Moon Lam (*Chief Executive Officer*)
Professor Xu Yang

Non-Executive Directors

Dr. Ma Kai Cheung (*Co-Chairman*)
Mr. Sun Kai Lit Cliff
Dr. Ma Wai Mo
Mr. Cheng Tai Po

Independent Non-Executive Directors

Mr. Leung Kwan Yuen Andrew
Mr. Li Wai Keung
Mr. Hui Chiu Chung Stephen
Mr. Yung Wing Ki Samuel

可換股票據

於2013年4月9日，本公司全資附屬公司東盟城(BVI)有限公司發行將於2018年4月到期、本金額為9.75億港元、年票息率為6.5%的可換股票據(「可換股票據」)，用作(其中包括)撥付其正在興建的物業及已規範的未來發展(包括土地出讓金)以及一般商業用途。可換股票據的條款於2014年3月6日作出修訂，使之與2014年票據較優化的條款一致。

可換股票據的進一步詳情載於財務報表附註34。

物業、廠房及設備

本集團的物業、廠房及設備詳情載於財務報表附註14。

捐款

於回顧財政年度內，本集團向各慈善機構合共捐出2,250萬港元(2012/13財政年度：271萬港元)的慈善捐款，以關顧本集團有業務營運的社區。

附屬公司

本公司於2014年3月31日的主要附屬公司詳情載於財務報表附註19。

董事

於本財政年度內及截至本報告日期之董事包括：

執行董事

鄭松興先生(*聯席主席*)
梁滿林先生(*行政總裁*)
許揚教授

非執行董事

馬介璋博士(*聯席主席*)
孫啟烈先生
馬偉武博士
鄭大報先生

獨立非執行董事

梁君彥先生
李偉強先生
許照中先生
容永祺先生

Report of the Directors (Continued) 董事會報告(續)

In accordance with the Company's Memorandum of Association and New Articles of Association (the "Articles"), Mr. Leung Moon Lam, Dr. Ma Kai Cheung, Mr. Sun Kai Lit Cliff and Mr. Hui Chiu Chung Stephen shall retire from office and, being eligible, will offer themselves for re-election at the forthcoming AGM. Should there be any Director appointed after the date of this report but before the date of the forthcoming AGM, according to the Articles, such Director shall retire from office and be eligible for re-election at the said AGM.

The Board has received an annual confirmation of independence from each of the independent non-executive Directors pursuant to Rule 3.13 of the Rules governing the Listing of Securities on the Hong Kong Stock Exchange (the "Listing Rules"). The Board considers all independent non-executive Directors to be independent.

Directors' Service Contracts

Each of the executive Directors has entered into service contract with the Company while each of the non-executive Directors and independent non-executive Directors has entered into letter of appointment with the Company for a term of three years. The service contract and the letter of appointment may be terminated by either party thereto by giving not less than one month's prior written notice.

None of the Directors has entered into any service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

Directors' Interests in Contracts of Significance

None of the Directors had a material beneficial interest, whether directly or indirectly, in any significant contract to which the Company or any of its subsidiaries, its holding companies or a subsidiary of its holding companies was a party during the fiscal year or as at 31 March 2014.

Biographical Information of Directors and Key Management

The biographical information of the Directors and key management of the Company is set out in the section headed "Biographical Details of Directors and Key Management" on pages 57 to 65 of this annual report.

根據本公司之組織章程大綱及新訂組織章程細則(「章程」)，梁滿林先生、馬介璋博士、孫啟烈先生及許照中先生將退任，並合資格於應屆股東週年大會膺選連任。若有董事於本報告發佈後並在應屆股東週年大會之前獲委任，根據章程，該董事應退任，並合資格於上述股東週年大會膺選連任。

本公司已接獲各獨立非執行董事根據香港聯交所證券上市規則(「上市規則」)第3.13條編製的年度獨立確認書。董事會認為全體獨立非執行董事均屬獨立。

董事服務合約

各執行董事已與本公司訂立服務合約，而本公司亦與各非執行董事及獨立非執行董事訂立委任函，該服務合約及委任函為期三年。任何一方可向對方事先發出不少於一個月書面通知終止該合約或委任函。

董事與本公司概無訂立任何本公司於一年內不作賠償(法定賠償除外)而不可終止的服務合約。

董事於重大合約的權益

於本財政年度內或於2014年3月31日，概無董事於本公司或其任何附屬公司、其控股公司或其控股公司的附屬公司訂立的任何重大合約中直接或間接擁有重大實際權益。

董事及主要管理層履歷

本公司董事及主要管理層的履歷資料載於本年報第57至65頁「董事及主要管理層履歷」一節。

Enforcement of the Deed of Non-Competition

Pursuant to the deed of non-competition dated 4 September 2009 (“Non-Competition Undertaking”) entered into by each of Mr. Cheng Chung Hing, Mr. Leung Moon Lam and Mr. Cheng Tai Po, each of them has undertaken with the Company (for itself and on behalf of each other member of the Group) that so long as the Company is listed on the Main Board of the Hong Kong Stock Exchange and so long as any of:

- (i) in respect of Mr. Cheng Chung Hing, he remains as the controlling shareholder or a director of the Company;
- (ii) in respect of Mr. Leung Moon Lam, he remains as a director of the Company;
- (iii) in respect of Mr. Cheng Tai Po, he remains as the controlling shareholder of the Company,

that he shall not, and shall procure his associates not to, either alone or jointly with any other person or entity, or for any other person, firm or company, or as principal, partner, director, employee, consultant or agent through any body corporate, partnership, joint venture or other contractual arrangement, be engaged, invested, or otherwise involved, whether as a shareholder, director, employee, partner, agent or otherwise, directly or indirectly, in the carrying on of any business in any form or manner in China that is in competition or is likely to be in the competition, directly or indirectly, with the business of the Group, unless those business opportunities have been first offered to the Group upon terms which are fair and reasonable and the Board has declined such opportunities, in accordance with the provisions of the Non-Competition Undertaking, Mr. Cheng Chung Hing, Mr. Leung Moon Lam and Mr. Cheng Tai Po or any of them or their respective associates may pursue such opportunities.

The Company has received an annual confirmation from Mr. Cheng Chung Hing, Mr. Cheng Tai Po and Mr. Leung Moon Lam confirming their compliance with the Non-Competition Undertaking for the fiscal year ended 31 March 2014. The independent non-executive Directors have reviewed their compliance with the Non-Competition Undertaking during the fiscal year under review.

Directors’ Emoluments

Particulars of the Directors’ emoluments for the fiscal year ended 31 March 2014 are set out in note 8 to the financial statements.

Directors’ Interests in Competing Business

Save as disclosed above, the Company has received confirmations from all Directors that none of them have engaged or were interested in any business which were in competition or were likely to compete, either directly or indirectly, with the business of the Group during the fiscal year under review.

履行不競爭契據

根據鄭松興先生、梁滿林先生及鄭大報先生各自於2009年9月4日訂立的不競爭契據(「不競爭承諾」)，彼等各自向本公司(就其本身及代表本集團各其他成員公司)承諾，只要本公司仍於香港聯交所主板上市，且以下其中一項仍生效：

- (i) 有關鄭松興先生，當他仍為本公司之控股股東或董事；
- (ii) 有關梁滿林先生，當他仍為本公司之董事；
- (iii) 有關鄭大報先生，當他仍為本公司之控股股東，

彼等各自將不會及促使其聯繫人不會就其本身或聯同任何其他人士或實體或代任何人士、企業或公司，或以其主事人、合夥人、董事、僱員、顧問或代理身分透過任何法人團體、合作夥伴、合營企業或其他合約安排，以股東、董事、僱員、合夥人、代理或其他身份直接或間接於中國以任何形式或方式經營、投資或以其他方式涉足與本集團業務直接或間接構成競爭或可能構成競爭的任何業務，除非該等商機按公平合理的條款首先向本集團提出及由董事會拒絕該等商機後，根據不競爭承諾的條文，鄭松興先生、梁滿林先生及鄭大報先生或彼等任何一方或彼等各自的聯繫人才可尋求該等商機。

本公司已接獲鄭松興先生、鄭大報先生及梁滿林先生確認有關彼等於截至2014年3月31日止財政年度已遵守不競爭承諾。獨立非執行董事已檢討彼等於回顧財政年度已遵守不競爭承諾。

董事酬金

截至2014年3月31日止財政年度之董事酬金詳情載於財務報表附註8。

董事於競爭業務之權益

除上文披露者外，本公司已接獲所有董事確認彼等於回顧財政年度內，並無從事與本集團業務直接或間接競爭之業務或於可能存在競爭之業務中擁有權益。

Directors' and Chief Executive's Interests in Securities

As at 31 March 2014, 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:

Long position in the shares and underlying shares of the Company

董事及主要行政人員於證券的權益

於2014年3月31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：

於本公司股份及相關股份的好倉

Name of Directors	Class of Shares	Number of Shares				Total	Approximate percentage of the Company's total number of issued shares ⁽⁸⁾
		Corporate interest	Personal interest	Family interest	Share options		
董事姓名	股份類別	公司權益	個人權益	家族權益	購股權	總計	佔本公司已發行股份總數概約百分比 ⁽⁸⁾
Cheng Chung Hing 鄭松興	Ordinary Shares 普通股	2,367,180,976 ⁽¹⁾	76,000,000	-	-	2,443,180,976	35.37%
Cheng Tai Po 鄭大報	Ordinary Shares 普通股	2,367,180,976 ⁽²⁾	4,936,000	-	-	2,372,116,976	34.34%
Leung Moon Lam 梁滿林	Ordinary Shares/Share options 普通股 / 購股權	523,899,770 ⁽³⁾	57,389,977	2,000,000	120,670,000 ⁽⁴⁾	703,959,747	10.19%
Ma Kai Cheung 馬介璋	Ordinary Shares 普通股	138,966,649 ⁽⁵⁾	-	-	-	138,966,649	2.01%
Ma Wai Mo 馬偉武	Ordinary Shares 普通股	126,197,662 ⁽⁶⁾	-	-	-	126,197,662	1.82%
Sun Kai Lit Cliff 孫啟烈	Ordinary Shares 普通股	125,241,662 ⁽⁷⁾	-	-	-	125,241,662	1.81%
Xu Yang 許揚	Ordinary Shares/Share options 普通股 / 購股權	-	15,996,000	-	10,000,000 ⁽⁴⁾	25,996,000	0.37%
Li Wai Keung 李偉強	Ordinary Shares/Share options 普通股 / 購股權	-	7,500,000	-	2,000,000 ⁽⁴⁾	9,500,000	0.13%
Mr. Leung Kwan Yuen Andrew 梁君彥	Share options 購股權	-	-	-	2,000,000 ⁽⁴⁾	2,000,000	0.02%
Mr. Hui Chiu Chung Stephen 許照中	Share options 購股權	-	-	-	2,000,000 ⁽⁴⁾	2,000,000	0.02%
Mr. Yung Wing Ki Samuel 容永祺	Share options 購股權	-	-	-	2,000,000 ⁽⁴⁾	2,000,000	0.02%

Notes:

- (1) Mr. Cheng Chung Hing is interested in 50% and 58.7% of the respective issued share capital of Accurate Gain Developments Limited and Proficient Success Limited which in turn holds 1,339,913,759 and 1,027,267,217 Shares respectively and is therefore deemed to be interested in an aggregate of 2,367,180,976 Shares of the aforesaid. Mr. Cheng is a director of each of Accurate Gain Developments Limited and Proficient Success Limited. Mr. Cheng Chung Hing is the younger brother of Mr. Cheng Tai Po.
- (2) Mr. Cheng Tai Po is interested in 50% and 41.3% in the respective issued share capital of Accurate Gain Developments Limited and Proficient Success Limited which in turn holds 1,339,913,759 and 1,027,267,217 Shares respectively and is therefore deemed to be interested in an aggregate of 2,367,180,976 Shares of the aforesaid. Mr. Cheng is a director of each of Accurate Gain Developments Limited and 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 523,899,770 Shares and is therefore deemed to be interested in the aforesaid 523,899,770 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, Professor Xu Yang, Mr. Leung Kwan Yuen Andrew, Mr. Li Wai Keung, Mr. Hui Chiu Chung Stephen 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" in this report.
- (5) Dr. Ma Kai Cheung, as beneficial owner and beneficiary of trust and through the interest of his spouse, being interested in 40.76% 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) 由於鄭松興先生分別擁有Accurate Gain Developments Limited及Proficient Success Limited已發行股本50%及58.7%，而該兩家公司分別持有1,339,913,759股及1,027,267,217股股份，故鄭松興先生被視為於上述合共2,367,180,976股股份中擁有權益。鄭先生分別為Accurate Gain Developments Limited及Proficient Success Limited的董事。鄭松興先生為鄭大報先生之胞弟。
- (2) 由於鄭大報先生分別擁有Accurate Gain Developments Limited及Proficient Success Limited已發行股本的50%及41.3%股份權益，而該兩家公司分別持有1,339,913,759股及1,027,267,217股股份，故鄭大報先生被視為於上述合共2,367,180,976股股份中擁有權益。鄭先生分別為Accurate Gain Developments Limited及Proficient Success Limited的董事。鄭大報先生為鄭松興先生之兄長。
- (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%權益，而該公司持有523,899,770股股份，故梁滿林先生被視為持有上述523,899,770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、許揚教授、梁君彥先生、李偉強先生、許照中先生及容永祺先生之購股權。購股權計劃之進一步詳情載於本報告之「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40.76%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。馬介璋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。

Report of the Directors (Continued)

董事會報告(續)

- (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 deemed to be interested and duplicate in the interest in the same 126,197,662 Shares held by Luk Ka International Limited.
- (7) Mr. Sun Kai Lit Cliff owns the entire interests in Kinox Holdings Limited and is therefore deemed to be interested in an aggregate of 125,241,662 Shares held by Kinox Holdings Limited.
- (8) The percentage shareholding is calculated on the basis of 6,907,114,000 Shares issued as at 31 March 2014.
- (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。
- (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 所持合共 125,241,662 股股份中擁有權益。
- (8) 股本百分比乃根據於 2014 年 3 月 31 日已發行之 6,907,114,000 股股份計算。

Save as disclosed above, as at 31 March 2014, to the knowledge of the Board, 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.

除上文所披露者外，據董事會所知，於 2014 年 3 月 31 日，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 及第 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之權益及淡倉)；(ii) 本公司根據證券及期貨條例第 352 條須記錄於登記冊之任何權益或淡倉；或(iii) 根據標準守則須知會本公司及香港聯交所之任何權益或淡倉。

Interests of Substantial Shareholders

As at 31 March 2014, 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:

主要股東權益

於2014年3月31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：

Long/Short Position in the Shares

於股份中的好倉/淡倉

Name	Nature of interest	Number of Shares or underlying Shares held	Long/short position	Approximate percentage of the Company's total number of issued shares ⁽⁷⁾
姓名/名稱	權益性質	所持股份或相關股份數目	好倉/淡倉	佔本公司已發行股份總數概約百分比 ⁽⁷⁾
Accurate Gain Developments Limited	Beneficial owner 實益擁有人	1,339,913,759 ⁽¹⁾	long position 好倉	19.39%
Proficient Success Limited	Beneficial owner 實益擁有人	1,027,267,217 ⁽²⁾	long position 好倉	14.87%
Mr. Chen Hong Tian 陳紅天先生	Deemed interest in controlled corporation 被視作受控制法團權益	967,986,000 ⁽³⁾	long position 好倉	14.01%
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	967,986,000 ⁽³⁾	long position 好倉	14.01%
Chen Family Assets Management Company Limited	Deemed interest in controlled corporation 被視作受控制法團權益	967,986,000 ⁽³⁾	long position 好倉	14.01%
Chen's International Investment Limited	Beneficial owner 實益擁有人	967,986,000 ⁽³⁾	long position 好倉	14.01%
Naspers Limited	Deemed interest in controlled corporation 被視作受控制法團權益	925,100,000 ⁽⁴⁾	long position 好倉	13.39%
MIH TC Holdings Limited	Deemed interest in controlled corporation 被視作受控制法團權益	925,100,000 ⁽⁴⁾	long position 好倉	13.39%
Tencent 騰訊	Deemed interest in controlled corporation 被視作受控制法團權益	925,100,000 ⁽⁴⁾	long position 好倉	13.39%
THL H Limited	Beneficial owner 實益擁有人	925,100,000 ⁽⁴⁾	long position 好倉	13.39%
PAG Holdings Limited	Deemed interest in controlled corporation 被視作受控制法團權益	706,136,000 ⁽⁵⁾	long position 好倉	10.22%
		404,458,974 ⁽⁵⁾	short position 淡倉	5.85%
Pacific Alliance Group Limited	Deemed interest in controlled corporation 被視作受控制法團權益	706,136,000 ⁽⁵⁾	long position 好倉	10.22%
		404,458,974 ⁽⁵⁾	short position 淡倉	5.85%
Pacific Alliance Investment Management Limited	Deemed interest in controlled corporation 被視作受控制法團權益	706,136,000 ⁽⁵⁾	long position 好倉	10.22%
		404,458,974 ⁽⁵⁾	short position 淡倉	5.85%

Report of the Directors (Continued)
董事會報告(續)

Name	Nature of interest	Number of Shares or underlying Shares held 所持股份或相關股份數目	Long/short position 好倉/淡倉	Approximate percentage of the Company's total number of issued shares ⁽⁷⁾ 佔本公司已發行股份總數概約百分比 ⁽⁷⁾
姓名/名稱	權益性質			
Pacific Alliance Group Asset Management Limited	Deemed interest in controlled corporation 被視作受控制法團權益	706,136,000 ⁽⁵⁾	long position 好倉	10.22%
		404,458,974 ⁽⁵⁾	short position 淡倉	5.85%
Pacific Alliance Asia Opportunity Fund L.P.	Beneficial owner 實益擁有人	706,136,000 ⁽⁵⁾	long position 好倉	10.22%
		404,458,974 ⁽⁵⁾	short position 淡倉	5.85%
Kings Faith International Limited 京暉國際有限公司	Beneficial owner 實益擁有人	523,899,770 ⁽⁶⁾	long position 好倉	7.58%

Notes:

附註：

- Mr. Cheng Chung Hing and Mr. Cheng Tai Po each own 50% of the issued share capital of Accurate Gain Developments Limited.
- Mr. Cheng Chung Hing and Mr. Cheng Tai Po own 58.7% and 41.3% respectively of the issued share capital of Proficient Success Limited.
- Chen's International Investment Limited is wholly owned by Chen Family Assets Management Company Limited. Mr. Chen Hong Tian and Mrs. Chen Li Ni Nao each owns 50% of the issued share capital of Chen Family Assets Management Company Limited.
- Pursuant to the Investment and Cooperation Agreement entered into between the Company and THL H Limited on 15 January 2014, 680,300,000 Shares were issued and allotted by the Company to THL H Limited on 23 January 2014. The Company has also granted an option to THL H Limited to subscribe for 244,800,000 Shares. THL H Limited is wholly owned by Tencent. Tencent is owned as to 33.81% by MIH TC Holdings Limited which is indirectly owned by Naspers Limited.
- Pacific Alliance Group Asset Management Limited is the general partner of Pacific Alliance Asia Opportunity Fund L.P.. Pacific Alliance Group Asset Management Limited is wholly owned by Pacific Alliance Investment Management Limited. PAG Holdings Limited owns 99.17% of the issued share capital of Pacific Alliance Group Limited which owns 90% of the issued share capital of Pacific Alliance Investment Management Limited. Thus, all of the above mentioned entities are deemed to be interested in an aggregate of 706,136,000 Shares held by Pacific Alliance Asia Opportunity Fund L.P., amongst which 625,000,000 Shares are the shares of the Company which may be issued upon full exercise by Pacific Alliance Asia Opportunity Fund L.P. of the conversion rights attached to the Convertible Notes held by Pacific Alliance Asia Opportunity Fund L.P.

- 鄭松興先生及鄭大報先生各擁有 Accurate Gain Developments Limited 已發行股本的 50%。
- 鄭松興先生及鄭大報先生分別擁有 Proficient Success Limited 已發行股本的 58.7% 及 41.3%。
- 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% 權益。
- 根據本公司於 2014 年 1 月 15 日與 THL H Limited 訂立的投資及合作協議，本公司已於 2014 年 1 月 23 日向 THL H Limited 發行及配發 680,300,000 股股份。本公司亦向 THL H Limited 授出購股權，以認購 244,800,000 股股份。THL H Limited 由騰訊全資擁有。騰訊由 MIH TC Holdings Limited 擁有其 33.81% 之權益，而 MIH TC Holdings Limited 則由 Naspers Limited 間接全資擁有。
- Pacific Alliance Group Asset Management Limited 為 Pacific Alliance Asia Opportunity Fund L.P. 的普通合夥人。Pacific Alliance Group Asset Management Limited 由 Pacific Alliance Investment Management Limited 全資擁有。Pacific Alliance Group Limited 擁有 Pacific Alliance Investment Management Limited 已發行股本的 90% 權益，而 PAG Holdings Limited 擁有 Pacific Alliance Group Limited 已發行股本的 99.17% 權益，故上列各主體均被視為於 Pacific Alliance Asia Opportunity Fund L.P. 所持的 706,136,000 股股份中擁有權益，其中 625,000,000 股股份為 Pacific Alliance Asia Opportunity Fund L.P. 所持有的可換股票據如獲悉數轉換而獲發行之本公司股份。

- (6) These 523,899,770 Shares are held by Kings Faith International Limited which in turn is 100% owned by Mr. Leung Moon Lam.
- (7) The percentage shareholding is calculated on the basis of 6,907,114,000 Shares issued as at 31 March 2014.

Save as disclosed above, as at 31 March 2014, 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.

Share Capital

Details of the movements in the share capital of the Company during the fiscal year under review are set out in note 35 to the financial statements.

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 is to provide incentives to eligible persons for their contribution to the Group and to enable the Group to recruit high-calibre employees and attract human resources that are valuable to the Group.
2. The Board may at its discretion grant options to directors, employees, officers, agents, consultants or representatives of the Group.
3. The total number of Shares which may be issued upon exercise of all share options granted and yet to be exercised under the Share Option Scheme must not exceed 30% of the Shares in issue from time to time. The total number of Shares in respect of which options may be granted under the Share Option Scheme is not permitted to exceed 10% in nominal amount of the issued Shares as at the date of commencement of the listing of Shares on the Hong Kong Stock Exchange unless with the prior approval from the Shareholders. The Share Option Scheme limit was refreshed at the annual general meeting of the Company held on 21 August 2013, and hence the maximum number of the Shares available for issue upon exercise of all share options which may be granted under the Share Option Scheme is 564,522,400 Shares, representing approximately 8.17% of the total number of issued shares of the Company as at 31 March 2014.

- (6) 該523,899,770股股份由京暉國際有限公司持有，其100%由梁滿林先生擁有。
- (7) 股本百分比乃根據於2014年3月31日已發行之6,907,114,000股股份計算。

除上文所披露者外，於2014年3月31日，據董事或本公司主要行政人員所知，概無其他人士（董事或本公司主要行政人員除外）於股份或相關股份中擁有或被視為或被當作擁有根據證券及期貨條例第XV部第2及3分部之條文須向本公司披露，或根據證券及期貨條例第336條載入本公司存置的登記冊之權益或淡倉。

股本

本公司於回顧財政年度內的股本變動詳情載於財務報表附註35。

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. 該計劃旨在獎勵合資格人士對本集團所作貢獻，並使本集團得以招聘優秀員工及吸引人才。
2. 董事會有權酌情向本集團之董事、僱員、高級職員、代理、顧問或代表授出購股權。
3. 因購股權計劃項下已授出但尚未行使之所有購股權獲行使而可予發行的股份總數，不得超過不時已發行股份的30%。除獲本公司股東預先批准，否則根據購股權計劃可予授出的購股權所涉及之股份總數，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%。購股權計劃上限已於2013年8月21日舉行之本公司股東週年大會上更新，故因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564,522,400股，相當於本公司於2014年3月31日已發行股份總數約8.17%。

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.
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之最高者：(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並未行使之購股權將仍然有效及可行使。

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

於本年度內根據購股權計劃授出購股權的變動詳情摘錄於下表之內：

Name	Date of Grant	Number of Share Options					Exercise Price	Exercisable Period
		As at 1 April 2013 於 2013 年 4 月 1 日	Granted	Exercised	Cancelled/ Lapsed	As at 31 March 2014 於 2014 年 3 月 31 日		
名稱	授出日期		已授出	已行使	已註銷 / 失效		行使價 HK\$ 港元	行使期
Directors								
董事								
Leung Moon Lam	27/6/2012	29,935,000	-	-	-	29,935,000	1.15	27/6/2012-26/6/2017
梁滿林		29,935,000	-	-	-	29,935,000	1.15	27/6/2013-26/6/2017
	27/6/2013	-	30,400,000	-	-	30,400,000	1.69	27/6/2013-26/6/2018
		-	30,400,000	-	-	30,400,000	1.69	27/6/2014-26/6/2018
Xu Yang	11/4/2011	5,000,000	-	(5,000,000)	-	-	1.29	11/4/2011-10/4/2016
許揚		5,000,000	-	(5,000,000)	-	-	1.29	11/4/2012-10/4/2016
		5,000,000	-	(5,000,000)	-	-	1.29	11/4/2013-10/4/2016
	27/6/2012	5,000,000	-	(5,000,000)	-	-	1.15	27/6/2012-26/6/2017
		5,000,000	-	(5,000,000)	-	-	1.15	27/6/2013-26/6/2017
	27/6/2013	-	5,000,000	-	-	5,000,000	1.69	27/6/2013-26/6/2018
		-	5,000,000	-	-	5,000,000	1.69	27/6/2014-26/6/2018
Leung Kwan Yuen Andrew	17/2/2014	-	1,000,000	-	-	1,000,000	4.14	17/2/2014-16/2/2019
梁君彥		-	1,000,000	-	-	1,000,000	4.14	17/2/2015-16/2/2019
Li Wai Keung	17/2/2014	-	1,000,000	-	-	1,000,000	4.14	17/2/2014-16/2/2019
李偉強		-	1,000,000	-	-	1,000,000	4.14	17/2/2015-16/2/2019
Hui Chiu Chung Stephen	17/2/2014	-	1,000,000	-	-	1,000,000	4.14	17/2/2014-16/2/2019
許照中		-	1,000,000	-	-	1,000,000	4.14	17/2/2015-16/2/2019
Yung Wing Ki Samuel	17/2/2014	-	1,000,000	-	-	1,000,000	4.14	17/2/2015-16/2/2019
容永祺		-	1,000,000	-	-	1,000,000	4.14	17/2/2016-16/2/2019
Employees								
僱員								
	11/4/2011	71,200,000	-	(57,900,000)	(900,000)	12,400,000	1.29	11/4/2011-10/4/2016
		42,700,000	-	(38,100,000)	(2,000,000)	2,600,000	1.29	11/4/2012-10/4/2016
		42,700,000	-	(32,750,000)	(2,000,000)	7,950,000	1.29	11/4/2013-10/4/2016
		11,500,000	-	-	(2,700,000)	8,800,000	1.29	11/4/2014-10/4/2016
	27/6/2012	20,500,000	-	(3,000,000)	-	17,500,000	1.15	27/6/2012-26/6/2017
		23,500,000	-	(5,000,000)	-	18,500,000	1.15	27/6/2013-26/6/2017
		3,000,000	-	-	-	3,000,000	1.15	27/6/2014-26/6/2017
	27/6/2013	-	46,000,000	(11,500,000)	-	34,500,000	1.69	27/6/2013-26/6/2018
		-	57,750,000	-	(5,000,000)	52,750,000	1.69	27/6/2014-26/6/2018
		-	11,750,000	-	(3,500,000)	8,250,000	1.69	27/6/2015-26/6/2018
	17/2/2014	-	19,000,000	-	-	19,000,000	4.14	17/2/2014-16/2/2019
		-	20,000,000	-	-	20,000,000	4.14	17/2/2015-16/2/2019
		-	1,000,000	-	-	1,000,000	4.14	17/2/2016-16/2/2019
		299,970,000	234,300,000	(173,250,000)	(16,100,000)	344,920,000		

Report of the Directors (Continued) 董事會報告(續)

Notes:

1. The closing prices of the Shares immediately before the date on which the share options granted on 27 June 2013 and 17 February 2014 was HK\$1.71 and HK\$4.18 per share respectively.
2. The weighted average closing price of the Shares immediately before the date on which the share options were exercised was approximately HK\$2.44 per share.
3. Details of the Share Option Scheme is set out in note 36 to the financial statements.

Directors' Rights to Acquire Shares or Debt Securities

Save as disclosed in the sections headed "Directors' and Chief Executive's Interests in Securities" and "Information on Share Options" in this report and in note 36 to the financial statements, at no time during the fiscal year under review was the Company or any of its subsidiaries a party to any arrangement to enable the Directors or chief executives of the Company (including their spouses or children under 18 years of age) to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate.

Issuance and Allotment of New Shares and Grant of Option under the General Mandate

On 15 January 2014, the Company entered into the Investment and Cooperation Agreement with THL H Limited, a wholly owned subsidiary of Tencent, a company whose shares are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 700). Pursuant to the Investment and Cooperation Agreement and the general mandate granted by the Shareholders to the Directors at the Company's annual general meeting held on 21 August 2013, THL H Limited has subscribed for an aggregate of 680,300,000 Shares at the subscription price of HK\$2.20 per share and the Company has also granted an option to THL H Limited to subscribe for 244,800,000 Shares at the option price of HK\$3.50 per share (subject to adjustments (if any)). The issuance and allotment of the said 680,300,000 Shares were completed on 23 January 2014.

The net proceeds from the subscription of Shares under the Investment and Cooperation Agreement are approximately HK\$1.50 billion and an addition of approximately HK\$856.8 million if the option is exercised, which the Company intends to use part of the proceeds for intended cooperation with Tencent and the remaining will be for general corporate purposes.

Details of the Investment and Cooperation Agreement were disclosed in the respective announcements of the Company dated 15 January 2014 and 23 January 2014.

附註：

1. 緊接於2013年6月27日及2014年2月17日授出購股權日期前本公司股份的收市價分別為每股1.71港元及4.18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約為每股2.44港元。
3. 購股權計劃的詳情載於財務報表附註36。

董事認購股份或債務證券的權利

除本報告「董事及主要行政人員於證券的權益」及「有關購股權的資料」章節及財務報表附註36所披露者外，本公司或其任何附屬公司於回顧財政年度內任何時候概無進行任何安排，致使董事或本公司主要行政人員(包括彼等的配偶或18歲以下的子女)透過收購本公司或任何其他法人團體的股份或債權證獲取利益。

根據一般授權發行及配發新股份及授出購股權

於2014年1月15日，本公司與THL H Limited(騰訊(一家於香港聯交所主板上市，股份代號為700的公司)的全資附屬公司)訂立投資及合作協議。根據投資及合作協議和股東於2013年8月21日本公司股東週年大會上授予董事之一般授權，THL H Limited以每股2.20港元認購合共680,300,000股股份，本公司亦向THL H Limited授出購股權，以購股權行使價每股3.50港元(可予調整(如有))進一步認購244,800,000股股份。上述680,300,000股股份的發行及配發已於2014年1月23日完成。

投資及合作協議項下認購股份之所得款項淨額約為15.0億港元及額外的約8.568億港元(倘購股權獲行使)，本公司擬將部份有關款項投放於擬與騰訊的合作範疇及餘數將用作一般企業用途。

有關投資及合作協議的詳情已分別在本公司於2014年1月15日及2014年1月23日的公告上披露。

Connected Transaction

On 10 February 2014, China South City Group Limited (華南城集團有限公司), an indirect wholly-owned subsidiary of the Company, entered into an equity transfer agreement with Mr. Huang Wenjie (黃文杰) to acquire 35% equity interest in Xi'an China South City Company Limited (西安華南城有限公司) ("Xi'an China South City"), a subsidiary of the Company indirectly owned as to 65% by the Company at the time, for a consideration of RMB260 million which was paid within five business days from the completion of the acquisition (the "Equity Transfer"). The Company is of the view that the development and operation of large-scale integrated logistics and trade centers by Xi'an China South City (the "Xi'an Project") represents the Group's strategic expansion in northwest of the PRC, and gaining complete control of Xi'an China South City would enhance management and operation efficiency in carrying out the Group's business decisions and development strategies in respect of the Xi'an Project. The Equity Transfer will also enhance the Group's return on its investment in the Xi'an Project.

As at the date of the Equity Transfer, Mr. Huang Wenjie was a substantial shareholder of Xi'an China South City, an indirect non wholly owned subsidiary of the Company, and therefore a connected person of the Company. Accordingly, the Equity Transfer constituted a connected transaction of the Company under Chapter 14A of the Listing Rules, subject to the reporting, announcement and the independent Shareholders' approval requirements under the Listing Rules. The Equity Transfer was approved by independent Shareholders at the Company's extraordinary general meeting held on 13 March 2014. As at 26 March 2014, the Equity Transfer has been completed.

Details of the Equity Transfer were disclosed in the announcement of the Company dated 10 February 2014 and the circular of the Company dated 25 February 2014, respectively.

關連交易

於2014年2月10日，華南城集團有限公司(一家由本公司間接全資擁有的附屬公司)與黃文杰先生簽訂股權轉讓協議。據此，華南城集團有限公司以代價人民幣2.6億元收購西安華南城有限公司(一家由本公司於當時間接擁有65%權益的附屬公司)35%股權(「該股權轉讓」)，該股權轉讓之代價已於股權轉讓完成後五個營業日內支付。本公司認為西安華南城有限公司發展及營運大型綜合物流及商品交易中心(「西安項目」)是本集團於中國西北地區進行策略性擴張的舉措，取得西安華南城有限公司的全部控制權將於執行本集團有關西安項目的商業決定及發展策略時增強管理及營運效率。該股權轉讓亦將提升本集團對西安項目投資的回報。

於該股權轉讓日，黃文杰先生為本公司間接非全資公司西安華南城有限公司的主要股東，因而為本公司的關連人士。因此根據上市規則第14A章，該股權轉讓構成本公司的關連交易，並須遵守上市規則項下申報、公告及獨立股東批准之規定。該股權轉讓已於本公司於2014年3月13日舉行之股東特別大會上經獨立股東批准。截至2014年3月26日，該股權轉讓已經完成。

有關該股權轉讓的詳情已分別在本公司於2014年2月10日作出的公告及於2014年2月25日發出的通函內披露。

Continuing Connected Transaction

On 23 February 2011, the Company entered into a sharing of office agreement with Man Sang Jewellery Company Limited (the “Man Sang Jewellery”) in relation to the sharing of an office premises situated at Suite 2205, 22nd Floor, Sun Life Tower, The Gateway, 15 Canton Road, Tsimshatsui, Kowloon, Hong Kong (“Sharing of Office Agreement”). The estimated annual caps (the maximum aggregate value of the transactions contemplated under the Sharing of Office Agreement) set for each of the four fiscal years ended 16 March 2014 are as follows:

Party A	Party B	From 17 March 2011 to 31 March 2011	For the fiscal year ended 31 March 2012 截至 2012年3月31日 止財政年度	For the fiscal year ended 31 March 2013 截至 2013年3月31日 止財政年度	From 1 April 2013 to 16 March 2014
		自 2011 年 3 月 17 日 至 2011 年 3 月 31 日	2012 年 3 月 31 日 止財政年度	2013 年 3 月 31 日 止財政年度	自 2013 年 4 月 1 日 至 2014 年 3 月 16 日
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
Man Sang Jewellery 民生珠寶	The Company 本公司	80,000	1,900,000	1,900,000	1,800,000

As at the date of the Sharing of Office Agreement, Man Sang Jewellery was wholly owned by Man Sang International Limited (“Man Sang”) which was held as to approximately 19.21% by Mr. Cheng Chung Hing directly, approximately 8.48% by Mr. Cheng Tai Po directly and 38.2% by a private company which was owned as to 60% by Mr. Cheng Chung Hing and 40% by Mr. Cheng Tai Po respectively. Both of Mr. Cheng Chung Hing and Mr. Cheng Tai Po are Directors and deemed to be the substantial Shareholders of the Company. Therefore, Man Sang Jewellery was an associate of Mr. Cheng Chung Hing and Mr. Cheng Tai Po, connected persons of the Company. Accordingly, the transactions contemplated under the Sharing of Office Agreement constituted continuing connected transactions of the Company under chapter 14A of the Listing Rules and were subject to reporting and announcement requirements. The premises is used as the office of the Company. The Sharing of Office Agreement was entered in the ordinary and usual course of business of the Group and the terms of which were determined after arm’s length negotiations by reference to the prevailing market rent for comparable properties and rent charged by the landlord to Man Sang Jewellery. Details of the transactions were disclosed in the announcement of the Company dated 24 February 2011.

持續關連交易

於2011年2月23日，本公司與民生珠寶有限公司(「民生珠寶」)訂立共用辦公室協議(「共用辦公室協議」)，內容有關共用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室的辦公室物業。截至2014年3月16日止之四個財政年度，共用辦公室交易之各年度的估計上限金額如下：

於共用辦公室協議日期，民生珠寶由民生國際有限公司(「民生」)全資擁有，民生由鄭松興先生直接持有約19.21%、鄭大報先生直接持有約8.48%，並一間私人公司持有約38.2%，該私人公司則分別由鄭松興先生持有60%及鄭大報先生持有40%。鄭松興先生及鄭大報先生均為本公司之董事及被視為本公司之主要股東。據此，民生珠寶為鄭松興先生及鄭大報先生(本公司之關連人士)的聯繫人。因此，共用辦公室協議項下擬進行的交易根據上市規則第14A章之規定構成本公司的持續關連交易，並須遵守上市規則之規定作出相關的申報及公告。該物業用作本公司之辦公室。共用辦公室協議乃於本集團日常及一般業務過程中訂立，其條款於參考可比較物業普遍市場租金及業主向民生珠寶收取的租金後經公平磋商釐訂。該交易的詳情已披露於本公司2011年2月24日刊發的公告。

The actual rentals and related fees paid by the Company to Man Sang Jewellery in respect of the Sharing of Office Agreement for the period from 17 March 2011 to 31 March 2011, FY2011/12, FY2012/13 and from 1 April 2013 to 16 March 2014 were amounted to approximately HK\$79,380, HK\$1,822,000, HK\$1,828,000 and HK\$1,782,000 respectively.

Pursuant to Rule 14A.37 of the Listing Rules, the independent non-executive Directors of the Company have conducted an annual review and confirmed to the Board that the above continuing connected transactions were entered into (i) in the ordinary and usual course of business of the Company; (ii) on normal commercial terms; and (iii) in accordance with the Sharing of Office Agreement on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

The Company's independent auditor was engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued its unqualified letter containing the findings and conclusions in respect of the Group's continuing connected transactions as disclosed above in accordance with Rule 14A.38 of the Listing Rules. The independent auditor's letter has been provided by the Company to the Hong Kong Stock Exchange.

The Sharing of Office Agreement has been renewed on 13 March 2014 in respect of the sharing of the office premises for a term commencing from 17 March 2014 and expiring on 16 March 2017, and the transactions contemplated under which also constituted continuing connected transactions of the Company under chapter 14A of the Listing Rules, but such transactions were exempt from reporting, annual review, announcement and independent Shareholders' approval requirements pursuant to Rule 14A.31(2)(a) of the Listing Rules.

As far as the transactions set out in note 43 to the financial statements under the heading of "Related Party Transactions" are concerned, in the fiscal year under review, the transactions relating to the amount of HK\$398,000 set out in note 43(a)(ii), the amount of HK\$1,121,000 set out in note 43(a)(iii) and the amount of HK\$367,000 set out in note 43(a)(iv) were connected transactions which were exempt from reporting, annual review, announcement and independent Shareholders' approval

於2011年3月17日至2011年3月31日期間、於2011/12財政年度、於2012/13財政年度及2013年4月1日至2014年3月16日期間就共用辦公室協議項下所付予民生珠寶之實際租金及有關費用分別約為79,380港元、1,822,000港元、1,828,000港元及1,782,000港元。

根據上市規則第14A.37條之規定，獨立非執行董事已年度檢討並確定上述持續關連交易(i)乃按本公司日常及一般業務過程中訂立；(ii)乃為一般商業條款；及(iii)根據共用辦公室協議釐訂的條款乃屬公平合理，並符合股東之整體利益。

本公司獨立核數師已獲聘根據香港會計師公會頒佈的香港核證工作準則第3000號「審核或審閱歷史財務資料以外的核證工作」及參照實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」報告本集團的持續關連交易。核數師已根據上市規則第14A.38條發出其無保留意見函件，而該函件載有核數師對有關如上披露的本集團持續關連交易的發現及結論。本公司已將獨立核數師函件送呈香港聯交所。

共用辦公室協議於2014年3月13日獲更新，內容有關從2014年3月17日起至2017年3月16日止共用辦公室物業，而其項下擬進行的交易根據上市規則第14A章之規定構成本公司的持續關連交易，但根據上市規則第14A.31(2)(a)條之規定獲豁免申報、年度審核、公告及獨立股東批准的規定。

就載於財務報表中「關連人士交易」一節附註43有關於本回顧財政年度的交易而言，載於附註43(a)(ii)金額為398,000港元、附註43(a)(iii)金額為1,121,000港元和附註43(a)(iv)金額為367,000港元的交易為關連交易，並根據上市規則獲豁免申報、年度審核、公告及獨立股東批准的規定。載於附註43(a)(i)的交易為持續關連交易，有關詳情已於上文披露。就載於附註43(d)

Report of the Directors (Continued) 董事會報告(續)

requirements under the Listing Rules. The transactions set out in note 43(a)(i) were continuing connected transactions, details of which are disclosed above. As far as the transactions set out in note 43(d) are concerned, the remuneration of the Directors as determined pursuant to the service contracts or letters of appointment entered into between the Directors and the Group constitute connected transactions which were exempt from reporting, annual review, announcement and independent Shareholders' approval requirements under the Listing Rules.

Purchase, Sale or Redemption of Listed Securities

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during the fiscal year under review.

The Company repurchased a total of 31,336,000 shares of the Company at prices ranging from HK\$3.27 to HK\$3.64 per share on the Hong Kong Stock Exchange from 11 April 2014 to 5 May 2014. Details of the repurchases of such Shares were as follows:

的交易而言，根據董事及本集團訂立的服務合同及委任函而釐訂的董事薪酬為關連交易，並根據上市規則獲豁免任何申報、年度審核、公告及獨立股東批准的規定。

購買、出售或贖回上市證券

於回顧財政年度內，本公司及其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

於2014年4月11日至2014年5月5日期間，本公司以每股港幣3.27元至港幣3.64元的價格於香港聯交所購回本公司31,336,000股股份。購回該等股份之詳情概要如下：

Date of the repurchase	購回日期	Number of Shares repurchased	Highest price paid per share	Lowest price paid per share	Aggregate consideration paid (excluding expenses)
		購回的股份數目	每股最高價	每股最低價	(不包括開支)
			HK\$	HK\$	HK\$
			港幣	港幣	港幣
11 April 2014	2014年4月11日	8,230,000	3.64	3.50	29,463,660
14 April 2014	2014年4月14日	7,800,000	3.56	3.48	27,351,400
15 April 2014	2014年4月15日	5,808,000	3.59	3.52	20,679,860
2 May 2014	2014年5月2日	5,212,000	3.37	3.27	17,349,380
5 May 2014	2014年5月5日	4,286,000	3.46	3.38	14,781,260
		<u>31,336,000</u>			<u>109,625,560</u>

All 31,336,000 Shares repurchased will be cancelled but not yet cancelled as at the date of this report. The Directors believe that the repurchases of Shares will lead to an enhancement of the net value of the Group and its assets and its earnings per Share.

Bank Borrowings

Details of the Group's bank borrowings as at 31 March 2014 are set out in note 30 to the financial statements.

全數31,336,000股購回股份將會被註銷但截至本報告日期尚未註銷。本公司相信購回股份將提升本集團及其資產及其每股盈利淨值。

銀行借貸

於2014年3月31日，本集團銀行借貸詳情載於財務報表附註30。

Major Customers and Suppliers

The aggregate sales to the Group's five largest customers were less than 3% of the Group's total revenue. The aggregate purchases from the five largest suppliers of the Group accounted for approximately 33% (FY2012/13: 42%) of the Group's total purchases and purchases from the largest supplier accounted for approximately 14% (FY2012/13: 20%) of the Group's total purchases for the fiscal year ended 31 March 2014.

None of the Directors, their associates, or any Shareholders which to the knowledge of the Directors own more than 5% of the Company's total number of issued Shares has any interests in the Group's five largest suppliers or customers.

Corporate Governance

Principal corporate governance adopted by the Company is set out in the Corporate Governance Report contained in this annual report.

Public Float

Based on the information that is publicly available to the Company and within the knowledge of the Directors at the latest practicable date prior to the issue of this report, the Company has maintained the public float of the issued shares of the Company as required under the Listing Rules.

Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five fiscal years is set out on page 56 of the annual report.

Management Contract

During the fiscal year, no contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the Year.

Subsequent Events

The subsequent events are set out in note 47 to the financial statements.

Auditors

The financial statements have been audited by Messrs. Ernst & Young who will retire and being eligible, offer themselves for reappointment at the forthcoming AGM. A resolution for the reappointment of Messrs. Ernst & Young as auditors of the Company is to be proposed at the forthcoming AGM.

For and on behalf of the Board
CHENG CHUNG HING
Co-Chairman & Executive Director

Hong Kong, 24 June 2014

主要客戶及供應商

本集團五大客戶總銷售額佔本集團總收入少於3%。截至2014年3月31日止財政年度，本集團五大供應商總採購額約佔本集團總採購額約33% (2012/13財政年度：42%)，而最大供應商採購額約佔本集團總採購額14% (2012/13財政年度：20%)。

據董事知悉，概無擁有本公司已發行股份總數超過5%的董事、其聯繫人或任何股東於本集團五大供應商或客戶中擁有任何權益。

企業管治

本公司所採納的主要企業管治守則載於本年報的企業管治報告。

公眾持股量

根據本公司的公開資料及據董事於本報告刊發前之最後實際可行日期所知，本公司已根據上市規則維持本公司股份所需的公眾持股量。

財務概要

本集團過去五個財政年度的業績及資產與負債摘要載於年報第56頁。

管理合約

本財政年度內，本公司並無就全盤業務或其中任何重要部分簽訂或存有任何管理及行政合約。

本報告日期後事項

本報告日期後事項詳情載於財務報表附註47。

核數師

財務報表由安永會計師事務所審核，其將退任並符合資格於應屆股東週年大會重選連任。續聘安永會計師事務所為本公司獨立核數師之決議案將於應屆股東週年大會提呈。

代表董事會
鄭松興
聯席主席兼執行董事

香港，2014年6月24日

Corporate Governance Report

企業管治報告

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 also committed to the principles of the Corporate Governance Code (the “CG Code”) contained in the Appendix 14 of the Listing Rules.

In the opinion of the Directors, the Company has complied with the provisions set out in the CG Code throughout the fiscal year ended 31 March 2014, save and except for the following deviations:

Code Provisions A.6.7 & E.1.2

Under Code Provisions A.6.7 & E.1.2, the Chairman of the Board, independent non-executive Directors and other non-executive Directors, as equal Board members, should attend general meetings of the Company. During the Year, due to other prior business engagements, two non-executive Directors were unable to attend the last annual general meeting of the Company held on 21 August 2013, and one executive Director, one non-executive Director and one independent non-executive Director were unable to attend the extraordinary general meeting of the Company held on 13 March 2014. Attendance of the Directors at the general meetings is set out in this report.

The Board of Directors

Board Composition

As at 31 March 2014, the Board comprises eleven Directors, including three executive Directors, four non-executive Directors and four independent non-executive Directors. On 28 June 2014, Mr. Lin Ching Hua was appointed as a non-executive Director of the Company. A Board Diversity Policy was adopted by the Board during the fiscal year under review and the implementation of which will be monitored and reviewed by the Nomination Committee as appropriate. The brief biographical details of the Directors are set out in the section headed “Biographical Details of the Directors and Key Management” on pages 57 to 65 of this annual report.

During the fiscal year under review, the Board has at all times met the requirements of Rules 3.10(1), 3.10(2) and 3.10(A) of the Listing Rules relating to the appointment of at least three independent non-executive directors and representing at least one-third of the board with at least one independent non-executive director possessing appropriate professional qualifications, or accounting or related financial management expertise.

For the fiscal year under review, all existing independent non-executive Directors have confirmed their independence to the Company in accordance with Rule 3.13 of the Listing Rules. The Company considers that each of the independent non-executive Directors to be independent.

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。董事會亦承諾遵守上市規則附錄14所載的企業管治守則（「管治守則」）的原則。

董事認為，本公司於截至2014年3月31日止財政年度內一直遵守管治守則載列的條文，惟以下守則條文除外：

守則條文第A.6.7條及E.1.2條

根據守則條文第A.6.7條及E.1.2條，董事會主席、獨立非執行董事及其他非執行董事作為與其他董事擁有同等地位的董事會成員，應出席本公司的股東大會。年內，因有其他先前的事務在身，兩名非執行董事未能出席本公司於2013年8月21日舉行之股東週年大會，另有一名執行董事、一名非執行董事及一名獨立非執行董事未能出席本公司於2014年3月13日舉行之股東特別大會。股東大會的董事出席情況載於本報告內。

董事會

董事會組成

於2014年3月31日，董事會由十一名董事組成，包括三名執行董事、四名非執行董事及四名獨立非執行董事。於2014年6月28日，林璟驊先生獲委任為本公司之非執行董事。於回顧財政年度內，董事會採納了董事會成員多元化政策，並由提名委員會監察該政策之執行及在適當時候檢討該政策。董事履歷詳情載於本年報第57至65頁「董事及主要管理層履歷」一節。

於回顧財政年度內，董事會於任何時間一直符合上市規則第3.10(1)、3.10(2)及3.10(A)條的要求，委任最少三名獨立非執行董事並佔董事會成員人數至少三分之一，而最少一名獨立非執行董事須具備適當專業資格，或會計或相關財務管理專業知識。

於回顧財政年度內，全體獨立非執行董事已向本公司確認彼等符合上市規則第3.13條規定的獨立性。本公司認為各獨立非執行董事均屬獨立。

Role and Function

The Board is responsible for overall strategic formulation and performance monitoring of the Group. It delegates day-to-day operations of the Group to the executive Directors and senior management within the control and authority framework set by the Board. In addition, the Board has also delegated various responsibilities to the Audit Committee, the Remuneration Committee and the Nomination Committee. Further details of these committees are set out in this report.

Relationship between Directors

Mr. Cheng Tai Po is the brother of Mr. Cheng Chung Hing.

Change in Information of Directors

The change in the information of Directors since the publication of the 2013/14 interim report is set out below pursuant to Rule 13.51(B)(1) of the Listing Rules:

Directors' Experience

Mr. Cheng Chung Hing was a director of China Metro-Rural Holdings Limited, a company listed on the New York Stock Exchange MKT (ticker symbol: CNR) until his resignation with effective from 5 December 2013.

Compliance with the Model Code for Securities Transactions

The Company has adopted the Model Code of the Listing Rules as a code of conduct of the Company for Directors' securities transactions. Having made specific enquiry of all Directors, the Directors have complied with the required standard set out in the Model Code throughout the fiscal year ended 31 March 2014. Employees who are, or likely to be, in possession of unpublished price sensitive information in relation to the Company or its Shares are required to prohibit from dealing in shares of the Company during the black-out period.

角色及職能

董事會負責制定本集團的整體策略及監察其表現，並委派執行董事及高級管理人員在董事會設定的控制範圍及職權框架內處理本集團的日常運作。此外，董事會亦將若干責任委派予審核委員會、薪酬委員會及提名委員會。此等委員會的進一步詳情載於本報告內。

與董事的關係

鄭大報先生為鄭松興先生的胞兄。

董事資料變動

於2013/14中期報告刊發後的董事資料變動根據上市規則第13.51(B)(1)條載列如下：

董事經驗

鄭松興先生為China Metro-Rural Holdings Limited(一家於紐約交易所MKT上市的公司，股份代號：CNR)的董事至2013年12月5日辭任為止。

遵守董事進行證券交易之標準守則

本公司已採納上市規則所載的標準守則，作為本公司董事進行證券交易的標準。本公司已向全體董事作出特定查詢，董事於截至2014年3月31日止財政年度內一直遵守標準守則所載的必守標準。擁有或可能擁有有關本公司或其股份的未公佈股價敏感資料的僱員不得於禁制期內買賣本公司股份。

Board Meetings

During the fiscal year under review, four Board meetings were convened by the Company. The attendance of the Directors at the Board meetings was as follows:

董事會會議

於回顧財政年度內，本公司共召開四次董事會會議，董事會會議的董事出席情況如下：

Directors	董事	Number of attendance 出席次數
Executive Directors	執行董事	
Mr. Cheng Chung Hing (Co-Chairman)	鄭松興先生(聯席主席)	4/4
Mr. Leung Moon Lam (Chief Executive Officer)	梁滿林先生(行政總裁)	4/4
Professor Xu Yang	許揚教授	3/4
Non-Executive Directors	非執行董事	
Dr. Ma Kai Cheung (Co-Chairman)	馬介璋博士(聯席主席)	1/4
Mr. Sun Kai Lit Cliff	孫啟烈先生	4/4
Dr. Ma Wai Mo	馬偉武博士	4/4
Mr. Cheng Tai Po	鄭大報先生	4/4
Independent Non-Executive Directors	獨立非執行董事	
Mr. Leung Kwan Yuen Andrew	梁君彥先生	3/4
Mr. Li Wai Keung	李偉強先生	4/4
Mr. Hui Chiu Chung Stephen	許照中先生	3/4
Mr. Yung Wing Ki Samuel	容永祺先生	4/4

The Directors are provided with agenda and relevant information related to the agenda in advance before the meeting. They can access to the senior management and the company secretary of the Company at all time and, upon reasonable request, seek independent professional advice at the Company's expense.

董事於會議舉行前預先獲提供議程及與議程相關的資料。彼等可隨時與本公司高級管理人員及公司秘書接洽，並可提出合理要求諮詢獨立專業意見，費用由本公司承擔。

Appointment and Re-election of Directors

Each of the executive Directors has entered into service contract with the Company while each of the non-executive Directors and independent non-executive Directors has entered into a letter of appointment with the Company for a term of three years.

The Company's Articles provide rotation and re-election for all Directors. As provided by the Articles, at each annual general meeting of the Company, one-third of the Directors for the time being, or if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation. The Articles also provide that any Director appointed by the Board to fill a casual vacancy on the Board shall hold office only until the next following general meeting of the Company and shall then be eligible to offer for re-election, and any Director appointed by the Board as an addition to the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible to offer for re-election. Accordingly, five Directors, namely, Mr. Leung Moon Lam, Dr. Ma Kai Cheung, Mr. Sun Kai Lit Cliff, Mr. Lin Ching Hua and Mr. Hui Chiu Chung Stephen shall retire and stand for re-election at the forthcoming AGM of the Company.

Chairman and Chief Executive Officer

To ensure a balance of power and authority, the roles of the Chairman and the Chief Executive Officer are segregated. Mr. Cheng Chung Hing and Dr. Ma Kai Cheung are Co-Chairman of the Company and they provide leadership for the Board and ensure the proper and effective functioning of the Board in the discharge of its responsibilities. Mr. Leung Moon Lam, the Chief Executive Officer, is accountable to the Board for the overall implementation of the Company's strategies and the coordination of overall business operations.

Board Committees

The Board has established three committees, namely, the Audit Committee, the Remuneration Committee and the Nomination Committee, to handle particular responsibilities of the Board and the Company's affairs. All board committees of the Company are established with defined written terms of reference which have been uploaded to the website of the Hong Kong Stock Exchange and that of the Company. The board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expense.

委任及重選董事

各執行董事已與本公司訂立服務合約，而非執行董事及獨立非執行董事已與本公司訂立委任函，為期三年。

本公司章程規定全體董事須輪席退任及重選連任。章程規定，於本公司各屆股東週年大會上，當時三分之一的董事(或倘人數並非三或三的倍數，則為最接近但不少於三分之一的人數)須輪席退任。章程亦規定任何由董事會委任的董事若是為填補董事會臨時空缺，其任期僅直至本公司下次股東大會，屆時將符合資格重選連任；而任何由董事會委任的董事以作為董事會新增成員，其任期僅直至本公司下次股東週年大會，屆時將符合資格重選連任。因此，梁滿林先生、馬介璋博士、孫啟烈先生、林璟驊先生及許照中先生等五名董事須退任，並於本公司應屆股東週年大會上膺選連任。

主席及行政總裁

為確保權力及職權平衡，主席及行政總裁的職責有所區分。鄭松興先生及馬介璋博士為本公司的聯席主席，彼等領導董事會，並確保董事會於履行其職責時能正確有效地運作。行政總裁梁滿林先生就履行本公司整體策略及協調整體業務運作向董事會負責。

董事委員會

董事會成立三個委員會，包括審核委員會、薪酬委員會及提名委員會，負責處理董事會及本公司的特定事務。本公司所有董事委員會均訂有明確界定的書面職權範圍，相關職權範圍書已上載至香港聯交所及本公司網站。董事委員會獲提供足夠資源以履行其職責，並可提出合理要求於適當情況下諮詢獨立專業意見，費用由本公司承擔。

Audit Committee

The Audit Committee is responsible for the review and supervision of the Group's financial reporting process, internal controls 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 the responsibilities delegated to the Audit Committee by the Board, which include to determine the appropriate corporate governance practices applicable to the Group's circumstances and to ensure processes and procedures are in place to achieve the Group's corporate governance objectives.

During the fiscal year under review, the Audit Committee consists of Mr. Li Wai Keung as chairman, Mr. Leung Kwan Yuen Andrew, Mr. Hui Chiu Chung Stephen and Mr. Yung Wing Ki Samuel. All the Audit Committee members are independent non-executive Directors. During the fiscal year under review, two meetings of Audit Committee were held to review the FY2012/13 annual results and the FY2013/14 interim results of the Group before submission to the Board.

During FY2013/14, the Audit Committee had reviewed the internal control system, connected transactions, interim results and annual results of the Group and the accounting principles and practices adopted by the Group. The attendance of the Directors at the Audit Committee meetings was as follows:

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、內部監控及審閱本公司的財務報表。其書面職權範圍與管治守則項下規定及董事會指派審核委員會的職責及職務相符，其中包括負責釐定適用於本集團情況的恰當企業管治常規、並確保現時流程及程序可達致本集團企業管治的目的。

於回顧財政年度內，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。審核委員會所有成員均為獨立非執行董事。於回顧財政年度內曾舉行兩次審核委員會會議，以於提交董事會前審閱本集團2012/13財政年度業績及2013/14財政年度中期業績。

於2013/14財政年度，審核委員會已審閱本集團的內部監控制度、關連交易、中期業績及全年業績以及本集團採納的會計原則及慣例。審核委員會會議的董事出席情況如下：

Directors	董事	Number of attendance 出席次數
Mr. Li Wai Keung (<i>chairman</i>)	李偉強先生(主席)	2/2
Mr. Leung Kwan Yuen Andrew	梁君彥先生	1/2
Mr. Hui Chiu Chung Stephen	許照中先生	2/2
Mr. Yung Wing Ki Samuel	容永祺先生	1/2

During the fiscal year under review, a meeting of Independent Board Committee, which comprises of the independent non-executive Directors, was held to consider the discloseable and connected transaction for the acquisition of the 35% equity capital of Xi'an China South City. All the independent non-executive Directors attended the meeting.

於回顧財政年度內，由獨立非執行董事組成的獨立董事委員會舉行了一次會議，以於考慮有關收購西安華南城有限公司35%股權之關連交易的披露事宜。所有獨立非執行董事均出席了該次會議。

Remuneration Committee

The Remuneration Committee is responsible for making recommendations on the Directors' and senior management's remuneration and other benefits. The remuneration of all Directors and senior management is subject to regular monitoring by the Remuneration Committee so as to ensure that the level of their remuneration and compensation are reasonable. The written terms of reference are in line with the provisions of the CG Code.

The Remuneration Committee comprises two independent non-executive Directors and one executive Director, including Mr. Li Wai Keung as chairman, Mr. Leung Kwan Yuen Andrew and Mr. Cheng Chung Hing.

The primary goal of the Group's remuneration policy for executive Directors is to enable the Company to retain and motivate executive Directors by linking their compensation with their individual performance as measured against the Group's corporate objectives and operating results, taking into account also the comparable market conditions. The principal elements of the remuneration package of an executive Director include basic salary, performance and/or discretionary bonus, participation in the Share Option Scheme and other benefits. Remuneration of non-executive Directors (including independent non-executive Directors) includes mainly the director's fee and participation in the Share Option Scheme which is a matter for the Board to decide by reference to the duties and responsibilities of non-executive Directors (including independent non-executive Directors) and the comparable market conditions.

During the fiscal year under review, one Remuneration Committee meeting was held to review the structure of the remunerations for Directors and senior management of the Company and the granting of share options under the Share Option Scheme to two Directors and certain employees of the Company. The attendance of the Directors at the Remuneration Committee meeting was as follows:

薪酬委員會

薪酬委員會負責就董事及高級管理人員薪酬及其他福利提出建議。薪酬委員會定期監察全體董事及高級管理人員的薪酬，確保彼等的薪酬水平及補償屬合理。其書面職權範圍符合管治守則規定。

薪酬委員會由兩名獨立非執行董事及一名執行董事組成，包括李偉強先生(主席)、梁君彥先生及鄭松興先生。

本集團的執行董事薪酬政策主要目的為讓本公司執行董事的酬金與彼等的個人表現及本集團的企業目標和經營業績掛鉤，同時考慮可資比較市場情況，藉以挽留及激勵執行董事。執行董事的薪酬待遇主要包括基本薪金、績效及/或酌定花紅，參與購股權計劃及其他福利。非執行董事(包括獨立非執行董事)的薪酬主要包括董事袍金及參與購股權計劃，並由董事會經參照非執行董事(包括獨立非執行董事)的職責及可資比較市場情況後釐定。

於回顧財政年度內，曾召開一次薪酬委員會會議，以審閱了董事及高級管理層的薪酬架構以及根據購股權計劃授予兩名董事及若干僱員購股權事宜。薪酬委員會會議的董事出席情況如下：

Directors	董事	Number of attendance 出席次數
Mr. Li Wai Keung (<i>chairman</i>)	李偉強先生(主席)	1/1
Mr. Leung Kwan Yuen Andrew	梁君彥先生	0/1
Mr. Cheng Chung Hing	鄭松興先生	1/1

Nomination Committee

The Nomination Committee is responsible for making recommendation to the nomination of Directors with a view to appointing suitable individuals with relevant expertise and experience to enhance the constitution of the Board and to contribute to the Board. The written terms of reference were revised during the Year and are in line with the provisions of the CG Code.

The Nomination Committee comprises two independent non-executive Directors and one executive Director, including Mr. Leung Kwan Yuen Andrew as chairman, Mr. Li Wai Keung and Mr. Cheng Chung Hing. For FY2013/14, no physical meeting was convened by the Nomination Committee but it has reviewed the structure, size and composition of the Board, including the skill, knowledge, experience and diversity of background of its members.

Board Diversity Policy

The Company seeks to achieve Board diversity by adopting a board diversity policy which stipulates that when identifying individuals suitably qualified to become Directors, the Nomination Committee will consider the benefits of all aspects of diversity including, but not limited to, a number of factors, such as age, race, cultural and educational background, professional and business-related experience, reputation of candidates for integrity and his/her accomplishment, skills, knowledge and length of service, in order to maintain an appropriate range of balance of skills, experience and background on the Board. The appointments of Directors will base on meritocracy and take into account the aforesaid factors as a whole for the benefits of the Company, as well as taking into consideration its own business model and specific needs from time to time.

Internal Controls

The Board is responsible for the internal control of the Group and for reviewing its effectiveness. A defined management structure with specified limits of authority and responsibilities is developed for safeguarding assets against unauthorized use or disposition, the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publications and the compliance of applicable laws, rules and regulations.

An internal audit department has been established to perform regular financial and operational reviews and recommend necessary actions to the relevant management. The works carried out by the internal audit department ensure the internal controls are in place and function properly as intended. The results of the internal audit and reviews are reported to the executive Directors and Audit Committee of the Company. The Directors have reviewed the effectiveness of the Group's internal control system and are satisfied with the adequacy of the system of internal control of the Group for the fiscal year under review.

提名委員會

提名委員會負責就董事提名提供建議，以委任具備相關專業知識及經驗的適當人選，以強化董事會成員架構，為董事會作出貢獻。其書面職權範圍於本年度內作出修訂並符合管治守則規定。

提名委員會由兩名獨立非執行董事及一名執行董事組成，包括梁君彥先生(主席)、李偉強先生及鄭松興先生。於2013/14財政年度，提名委員會並無召開會議，但其有檢討董事會結構、人數及構成，包括董事會成員的技能、知識、經驗及背景的多樣性。

董事會成員多元化政策

為達致董事會成員多元化，本公司採納董事會成員多元化政策，規定提名委員會物色具備合適資格擔任董事之人士時，將考慮多元化在各方面的裨益，包括但不限於一些因素例如年齡、種族、文化及教育背景、專業及業務相關經驗、候選人的誠信度及彼之成就、技能、知識及服務任期，以使董事會具備合適且比例均稱的專門技術、經驗及背景。董事之委任將以有能者居之為原則，並就本公司的利益整體考慮上述因素，及不時考慮本公司本身的業務模式及具體需要。

內部監控

董事會負責本集團之內部監控，並檢討其有效性。本公司已制定明確界定的管理架構，並訂明職權範圍及職責，以防止未經授權使用或處置資產、確保維持妥善會計記錄，以提供可靠財務資料供內部使用或刊發，並遵守適用法例、規則及法規。

內部審核部門已經成立，以定期進行財務及運營檢討，並向有關管理人員建議所需行動。內部審核部門所進行的工作乃為確保內部監控合適地進行，並按擬定功能有效運作。內部審核及審閱的結果會向本公司執行董事及審核委員會報告。董事已審閱本集團內部監控系統的有效性，並信納本集團於回顧財政年度內的內部監控系統屬足夠。

For the annual review on the internal controls, the Audit Committee considered the internal control report was satisfied as to effectiveness of the Group's internal control system. There were no matters of material concerns relating to financial, operational or compliance controls. The Board is satisfied with the adequacy of the system of the internal control of the Group during the fiscal year under review.

就內部監控的年度審閱而言，審核委員會審議內部監控報告，並信納本集團內部監控系統屬有效，且並無有關財務、運營或合規監控而須高度關注的事宜。董事會信納本集團於回顧財政年度的內部監控系統屬足夠。

Independent Auditors' Remuneration

The Group's independent auditors are Messrs. Ernst & Young. For FY2013/14, the remuneration paid and payable by the Group to the independent auditors in respect of audit and non-audit services provided by them were as follows:

獨立核數師酬金

本集團的獨立核數師為安永會計師事務所。截至2013/14財政年度，本集團向獨立核數師就彼等所提供審核及非審核服務已付及應付的酬金如下：

		HK\$'000 千港元
Audit and review services	審核及審查服務	3,600
Other services related to senior notes offering	有關發行優先票據的其他服務	400

Directors' Responsibility

The Directors are aware that they should give sufficient time and attention to the affairs of the Company. The Directors are continually adapted with regulatory developments and business development of the Group to discharge their responsibilities.

董事責任

董事知悉彼等須付出足夠時間及注意力以處理本公司事務。董事獲持續提供最新的上市規則發展及本集團的業務發展，以助彼等履行職務。

According to the records of the Company, during the fiscal year under review, the Directors participated in the following trainings:

根據本公司所存記錄，於回顧財政年度內，董事已參與以下培訓：

Directors	董事	Seminar/course attended 出席講座/課程	Reading materials 閱讀材料
Executive Directors			
Mr. Cheng Chung Hing (Co-Chairman)	鄭松興先生(聯席主席)	✓	
Mr. Leung Moon Lam (Chief Executive Officer)	梁滿林先生(行政總裁)	✓	
Professor Xu Yang	許揚教授	✓	
Non-Executive Directors			
Dr. Ma Kai Cheung (Co-Chairman)	馬介璋博士(聯席主席)		✓
Mr. Sun Kai Lit Cliff	孫啟烈先生	✓	
Dr. Ma Wai Mo	馬偉武博士	✓	
Mr. Cheng Tai Po	鄭大報先生	✓	
Independent Non-Executive Directors			
Mr. Leung Kwan Yuen Andrew	梁君彥先生	✓	
Mr. Li Wai Keung	李偉強先生	✓	
Mr. Hui Chiu Chung Stephen	許照中先生	✓	
Mr. Yung Wing Ki Samuel	容永祺先生	✓	

The Directors acknowledge their responsibility for preparing the consolidated financial statements for FY2013/14 which were prepared in accordance with statutory requirements and applicable accounting standards.

The reporting responsibility of the independent auditors of the Company on the consolidated financial statements of the Group is set out in the independent auditors' report on pages 95 to 96.

Company Secretary

Ms. Tse Man Yu has been the Company Secretary of the Company since 2008. She is a full time employee of the Company and has adequate working knowledge on the Company to discharge her duty as the Company Secretary. For the fiscal year under review, Ms. Tse has confirmed that she has taken no less than 15 hours of relevant professional training.

Communication with Shareholders and Noteholders

The Company believes that effective communication with Shareholders, noteholders and other investment community is essential. During the fiscal year under review, the executive Directors, chief financial officer and head of investor relations of the Group held regular briefings, press conferences and analysts meetings of interim and annual results, attended investor forums and participated in roadshows, conducted meetings and visits to projects of the Group with the institutional investors and financial analysts in China, Hong Kong and overseas countries to keep them abreast of the Group's business and development. Investors can also communicate with the Company through email at ir@chinasouthcity.com.

The Shareholders' meeting provides a useful forum for the Shareholders to exchange views with the Board. The Directors and chief financial officer of the Group will attend the Shareholders' meetings to answer the questions raised by the Shareholders. Shareholders can also direct their enquiries and proposals to the Company. The contact details of the Company are set out in the "Contact Us" section of the Company's website at www.chinasouthcity.com.

Pursuant to the new Companies Ordinance (Chapter 622 of the Laws of Hong Kong), shareholders of the Company holding not less than 5% of the total voting rights of all the members having a right to vote at general meeting may request the Directors to call a general meeting. The request may be sent to the Company in hard copy form or in electronic form and must be authenticated by the person or persons making it in accordance with the provisions under sections 566 to 568 of the New Companies Ordinance and the Company's Articles.

董事確認其對編製2013/14財政年度綜合財務報表的責任，並已按照法定規定及適用會計準則編製。

本公司獨立核數師對本集團綜合財務報表的申報責任載於第95至96頁的獨立核數師報告內。

公司秘書

謝文瑜女士自2008年起出任本公司之公司秘書。彼為本公司全職僱員，具有足夠的工作經驗，能履行公司秘書的職責。於回顧財政年度內，謝女士確認彼已接受不少於15小時之相關專業培訓。

與股東及票據持有人溝通

本公司認為，與股東、票據持有人及其他投資團體作出有效溝通乃至關重要。於本回顧財政年度內，執行董事、集團首席財務總監及投資者關係主管定期舉行簡報會、新聞發佈會以及中期及年度業績分析會議、於中國、香港及海外國家出席投資者論壇，與機構投資者及財務分析員參與路演、舉行會議及參觀本集團之項目，讓彼等能了解本集團的業務及最新發展。投資者亦可透過電郵 ir@chinasouthcity.com 與本公司聯絡。

股東會議提供具裨益的論壇，供股東與董事會互相交流意見。董事及集團首席財務總監將出席股東大會解答股東提出的提問。股東亦可以向本公司提出諮詢及建議。本公司的聯絡詳情載於本公司網站 www.chinasouthcity.com「聯絡我們」一節。

根據新《公司條例》(香港法例第622章)，持有本公司有權於股東會議上投票之本公司所有股東總投票權不少於5%的股東可要求董事召開股東會議。有關請求在獲該提出要求的人士認證後，可採用書面或電子形式送交予本公司，並須根據新《公司條例》第566至568條的規定以及本公司章程進行。

Attendance of the Directors at the last annual general meeting of the Company which was held on 21 August 2013 and the extraordinary general meeting of the Company which was held on 13 March 2014 was as follows:

董事於2013年8月21日舉行之本公司上次股東週年大會及於2014年3月13日舉行之本公司股東特別大會的出席情況如下：

Directors	董事	Number of attendance 出席次數
Executive Directors		
Mr. Cheng Chung Hing (Co-Chairman)	鄭松興先生(聯席主席)	2/2
Mr. Leung Moon Lam (Chief Executive Officer)	梁滿林先生(行政總裁)	2/2
Professor Xu Yang	許揚教授	1/2
Non-Executive Directors		
Dr. Ma Kai Cheung (Co-Chairman)	馬介璋博士(聯席主席)	0/2
Mr. Sun Kai Lit Cliff	孫啟烈先生	1/2
Dr. Ma Wai Mo	馬偉武博士	2/2
Mr. Cheng Tai Po	鄭大報先生	2/2
Independent Non-Executive Directors		
Mr. Leung Kwan Yuen Andrew	梁君彥先生	2/2
Mr. Li Wai Keung	李偉強先生	2/2
Mr. Hui Chiu Chung Stephen	許照中先生	1/2
Mr. Yung Wing Ki Samuel	容永祺先生	2/2

Due to other prior business engagements, Dr. Ma Kai Cheung and Mr. Sun Kai Lit Cliff were unable to attend the last annual general meeting of the Company; and Professor Xu Yang, Dr. Ma Kai Cheung and Mr. Hui Chiu Chung Stephen were unable to attend the last extraordinary general meeting of the Company.

由於其他先前的事務安排，馬介璋博士及孫啟烈先生未能出席本公司上次股東週年大會；以及許揚教授、馬介璋博士及許照中先生未能出席本公司上次股東特別大會。

Published documents together with the latest corporate information and news are available on the Company's website at www.chinasouthcity.com.

有關發佈文件連同最新的公司資料及新聞，可瀏覽本公司網站www.chinasouthcity.com。

Independent Auditors' Report

獨立核數師報告



To the shareholders of China South City Holdings Limited

(Incorporated in Hong Kong with limited liability)

We have audited the consolidated financial statements of China South City Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 97 to 214, which comprise the consolidated and company statements of financial position as at 31 March 2014, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the consolidated financial statements

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. Our report is made solely to you, as a body, in accordance with Section 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

致華南城控股有限公司各股東

(於香港註冊成立之有限公司)

我們已審核列載於第97至214頁的華南城控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的財務報表，其中包括於2014年3月31日的綜合及公司財務狀況表，及截止該日止年度的綜合損益表、綜合全面收益表、綜合權益變動表和綜合現金流量表以及主要會計政策概要及其他說明資料。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會刊發的香港財務報告準則及香港公司條例規定編制綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實其認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師的責任

我們的責任是根據我們的審核對該等綜合財務報表發表意見。本報告根據香港公司條例第141條僅向閣下(作為團體)報告，除此之外，別無其他目的。本核數師不會就本報告內容向任何其他人士負上或承擔任何責任。

我們已根據香港會計師公會刊發的香港審計準則進行審核。這些準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等綜合財務報表是否不存有任何重大錯誤陳述。

Auditors' responsibility (Continued)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2014, and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

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

24 June 2014

核數師的責任(續)

審核涉及執行情序以獲取有關綜合財務報表所載金額和披露資料的審核證據。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製綜合財務報表以作出真實且反映相關的內部監控，以設計適當的審核程序，但並非對公司的內部監控的有效性發表意見。審核亦包括評估董事所採用的會計政策的恰當性及作出的會計估計的合理性，以及評估綜合財務報表的整體列報方式。

我們相信，我們所獲得的審核證據充足且適當地為我們的審核意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映貴公司和貴集團於2014年3月31日的財務狀況及截至該日止年度貴集團的利潤和現金流量，並已按照香港公司條例妥為編製。

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

2014年6月24日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

Year ended 31 March 2014 截至2014年3月31日止年度

		For the year ended 31 March		
		截至3月31日止年度		
		Notes	2014	2013
		附註	HK\$'000	HK\$'000
			千港元	千港元
REVENUE	收入	5	13,468,322	7,488,061
Cost of sales	銷售成本		(6,921,158)	(3,311,366)
Gross profit	毛利		6,547,164	4,176,695
Other income and gains	其他收入及收益	5	187,823	57,971
Fair value gains on investment properties	投資物業公平值收益	5	1,266,287	1,251,445
Selling and distribution expenses	銷售及分銷開支		(581,229)	(288,828)
Administrative expenses	行政開支		(862,968)	(536,899)
Other expenses	其他開支		(234,779)	(54,606)
Finance costs	融資成本	6	(152,852)	(133,314)
Share of profits and losses of:	應佔下列各方的利潤及虧損：			
A joint venture	一家合營企業	20	244	1,023
Associates	聯營公司		(862)	(351)
PROFIT BEFORE TAX	稅前利潤	7	6,168,828	4,473,136
Income tax expenses	所得稅開支	10	(2,472,478)	(1,606,468)
PROFIT FOR THE YEAR	本年度利潤		3,696,350	2,866,668
Attributable to:	下列各方應佔：			
Owners of the parent	母公司擁有人	11	3,494,481	2,749,864
Non-controlling interests	非控股權益		201,869	116,804
			3,696,350	2,866,668
EARNINGS PER SHARE	歸屬於母公司普通股			
ATTRIBUTABLE TO ORDINARY	權益持有人之			
EQUITY HOLDERS OF THE PARENT	每股盈利	13		
Basic	基本			
– for profit for the year	– 本年度利潤		HK55.71 cents港仙	HK45.62 cents港仙
Diluted	攤薄			
– for profit for the year	– 本年度利潤		HK47.93 cents港仙	HK45.60 cents港仙

Details of the dividends proposed for the year are disclosed in note 12 to the financial statements. 本年度擬派股息詳情於財務報表附註12披露。

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

Year ended 31 March 2014 截至2014年3月31日止年度

		For the year ended 31 March	
		截至3月31日止年度	
		2014	2013
		HK\$'000	HK\$'000
		千港元	千港元
PROFIT FOR THE YEAR	本年度利潤	3,696,350	2,866,668
OTHER COMPREHENSIVE INCOME	其他全面收入		
Other comprehensive income to be reclassified to profit or loss in subsequent periods:	將於期後期間重分類至損益的		
Exchange differences on translation of foreign operations	其他全面收入： 換算海外業務的 匯兌差額	(71,903)	238,418
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:	將於期後期間不會重分類至損益的		
Revaluation gain upon transfer from owner-occupied properties to investment properties, net of tax	其他全面收入： 重估物主自用物業轉至 投資物業的 除稅後收益	—	286,456
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	本年度除稅後 其他全面收入	(71,903)	524,874
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	本年度總全面收入	3,624,447	3,391,542
Attributable to:	下列各方應佔：		
Owners of the parent	母公司擁有人	3,426,492	3,272,114
Non-controlling interests	非控股權益	197,955	119,428
		3,624,447	3,391,542

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

31 March 2014 2014年3月31日

			31 March 2014 2014年3月31日	31 March 2013 2013年3月31日
	Notes 附註	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
NON-CURRENT ASSETS		非流動資產		
Property, plant and equipment	物業、廠房及設備	14	658,923	601,146
Investment properties	投資物業	15	24,033,905	19,425,946
Properties under development	發展中物業	16	2,933,492	2,381,710
Prepaid land lease payments	預付土地出租金	17	142,895	105,440
Goodwill	商譽	18	34,128	–
Investment in a joint venture	於一家合營企業的投資	20	8,919	8,936
Investments in associates	於聯營公司的投資	21	4,141	(2,542)
Finance lease receivables	融資租賃應收款項	22	17,975	29,561
Deposits paid for purchase of land use rights	購買土地使用權支付的按金	23	1,051,593	781,022
Deferred tax assets	遞延稅項資產	33	1,032,803	586,232
Total non-current assets	非流動資產總值		<u>29,918,774</u>	<u>23,917,451</u>
CURRENT ASSETS		流動資產		
Properties held for finance lease	持作融資租賃物業		245,928	571,403
Properties held for sale	持作銷售物業	24	13,454,700	9,381,178
Trade receivables	應收貿易賬款	25	2,805,839	936,927
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	26	729,473	642,581
Held for trading investments	透過損益以公平值列賬之			
at fair value through profit or loss	持作買賣投資	27	29,120	117,643
Cash and cash equivalents and restricted cash	現金及現金等價物及受限制現金	28	12,777,108	6,777,842
Total current assets	流動資產總值		<u>30,042,168</u>	<u>18,427,574</u>
CURRENT LIABILITIES		流動負債		
Trade and other payables	貿易及其他應付款項	29	13,809,916	8,165,727
Interest-bearing bank and other borrowings	計息銀行及其他借貸	30	5,841,720	4,418,254
Tax payables	應付稅項		4,410,502	2,790,467
Derivative financial instrument	衍生金融工具	31	181,291	–
Total current liabilities	流動負債總額		<u>24,243,429</u>	<u>15,374,448</u>
NET CURRENT ASSETS	流動資產淨值		<u>5,798,739</u>	<u>3,053,126</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		<u>35,717,513</u>	<u>26,970,577</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

綜合財務狀況表(續)

31 March 2014 2014年3月31日

			31 March 2014	31 March 2013
		Notes	2014年3月31日	2013年3月31日
		附註	HK\$'000	HK\$'000
			千港元	千港元
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank and other borrowings	計息銀行及其他借貸	30	6,610,675	4,581,741
Senior notes	優先票據	32	4,056,838	2,853,402
Convertible notes	可換股票據	34	1,009,446	–
Deferred tax liabilities	遞延稅項負債	33	3,896,409	3,492,673
			<hr/>	<hr/>
Total non-current liabilities	非流動負債總額		15,573,368	10,927,816
			<hr/>	<hr/>
Net assets	資產淨值		20,144,145	16,042,761
			<hr/>	<hr/>
EQUITY	權益			
Equity attributable to owners of the parent	母公司擁有人應佔權益			
Issued capital	已發行股本	35	4,684,476	60,536
Reserves	儲備	37(a)	14,318,033	15,187,361
Proposed final dividends	擬派末期股息	12	966,996	605,356
			<hr/>	<hr/>
Non-controlling interests	非控股權益		19,969,505	15,853,253
			174,640	189,508
			<hr/>	<hr/>
Total equity	權益總額		20,144,145	16,042,761
			<hr/>	<hr/>

CHENG CHUNG HING 鄭松興
Director 董事

LEUNG MOON LAM 梁滿林
Director 董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

Year ended 31 March 2014 截至2014年3月31日止年度

		Attributable to owners of the parent 母公司擁有人應佔											
		Capital Issued capital 已發行 股本	Capital redemption reserve 贖回儲備	Statutory surplus reserve 法定 盈餘儲備	Share premium account 溢價賬	Share option reserve 儲備	Exchange fluctuation reserve 匯兌 波動儲備	Revaluation reserve 儲備	Retained profits 保留利潤	Proposed final dividends 擬派 末期股息	Total	Non- controlling interests 非控股 權益	Total equity 權益總額
Notes 附註		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2012	於2012年4月1日	59,876	204	204,218	3,050,723	92,225	1,229,696	-	7,852,671	449,067	12,938,680	56,611	12,995,291
Profit for the year	本年度利潤	-	-	-	-	-	-	-	2,749,864	-	2,749,864	116,804	2,866,668
Other comprehensive income for the year:	本年度其他全面 收入：												
Revaluation gain upon transfer from owner-occupied properties to investment properties, net of tax	重估物主自用物業 轉至投資物業的 除稅後收益	-	-	-	-	-	286,456	-	-	-	286,456	-	286,456
Exchange differences on translation of foreign operations	換算海外業務的 匯兌差額	-	-	-	-	-	235,794	-	-	-	235,794	2,624	238,418
Total comprehensive income for the year	本年度總全面收入	-	-	-	-	-	235,794	286,456	2,749,864	-	3,272,114	119,428	3,391,542
Step acquisition of a subsidiary 公司	逐步收購一家附屬 公司	-	-	-	-	-	-	-	-	-	-	7,352	7,352
Establishment of a subsidiary	成立一家附屬公司	-	-	-	-	-	-	-	-	-	-	6,117	6,117
Exercise of share options	行使購股權	36	660	-	93,398	(24,758)	-	-	-	-	69,300	-	69,300
Lapse of share options	購股權失效	36	-	-	-	(28,360)	-	-	28,360	-	-	-	-
Equity-settled share option arrangement	以權益結算的購股權 安排	36	-	-	-	27,176	-	-	-	-	27,176	-	27,176
Final 2012 dividend paid	已付2012年末期股息	-	-	-	-	-	-	(4,950)	(449,067)	(454,017)	-	-	(454,017)
Proposed final 2013 dividend	擬派2013年末期股息	12	-	-	-	-	-	(605,356)	605,356	-	-	-	-
Transfer from retained profits	轉撥自保留利潤	-	-	198,677	-	-	-	(198,677)	-	-	-	-	-
At 31 March 2013	於2013年3月31日	60,536	204*	402,895*	3,144,121*	66,283*	1,465,490*	286,456*	9,821,912*	605,356	15,853,253	189,508	16,042,761

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

Year ended 31 March 2014 截至2014年3月31日止年度

		For the year ended 31 March	
		截至3月31日止年度	
		2014	2013
		HK\$'000	HK\$'000
		千港元	千港元
		Notes	
		附註	
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動現金流量		
Profit before tax	稅前利潤		4,473,136
Adjustments for:	調整：		
Finance costs	融資成本	6	133,314
Share of profits and losses of a joint venture and associates	應佔一家合營企業及聯營公司利潤及虧損		(672)
Bank interest income	銀行利息收入	5	(28,531)
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目虧損	7	955
Depreciation	折舊	7	27,126
Amortisation of prepaid land lease payments	預付土地出租金攤銷	7	190
Changes in fair value of investment properties	投資物業公平值變動	5	(1,251,445)
Provision for impairment of trade receivables	應收貿易賬款減值撥備	7	34,540
Provision for impairment of goodwill	商譽減值撥備	7	20,066
Loss on redemption of senior notes	贖回優先票據之虧損	7	-
Fair value (gain)/loss, net:	公平值(收益)/虧損，淨額：		
Derivative financial instrument	衍生金融工具	5	-
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	(5,657)
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		(857)
Gains on disposals of 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	5	-
Equity-settled share option expense	以權益結算的購股權開支	7	27,176
			3,429,341
Increase in properties held for sale	持作銷售物業增加		(1,214,299)
Decrease/(increase) in properties held for finance lease	持作融資租賃物業減少/(增加)		(423,451)
Decrease in finance lease receivables	融資租賃應收款項減少		9,414
Increase in trade receivables	應收貿易賬款增加		(438,589)
(Increase)/decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收款項(增加)/減少		153,144
(Increase)/decrease in restricted cash	受限制現金(增加)/減少		10,277
Increase in trade and other payables	貿易及其他應付款項增加		825,823
			2,351,660
Cash generated from operations	經營所得的現金		(237,552)
Overseas taxes paid	已付海外稅項		
Net cash flows from operating activities	經營活動現金流入淨額		2,114,108

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
綜合現金流量表(續)

Year ended 31 March 2014 截至2014年3月31日止年度

		For the year ended 31 March	
		截至3月31日止年度	
		2014	2013
		HK\$'000	HK\$'000
		千港元	千港元
	Notes 附註		
Net cash flows from operating activities	經營活動現金流入淨額	2,702,900	2,114,108
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	(76,206)	(51,565)
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	949	857
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	9,645	9,963
Proceeds from disposal of held for trading investments at fair value through profit or loss	出售透過損益以公平值列賬之持作買賣投資所得款項	90,013	–
Investment in an associate	於一家聯營公司的投資	(7,484)	–
Acquisition of non-controlling interests of subsidiaries	收購子公司的非控股權益	(3,896)	–
Acquisition of subsidiaries	收購附屬公司	221,160	(575,781)
Proceeds received from disposal of subsidiaries	出售附屬公司所得款項	249,480	312,475
Net advances from/(to) a joint venture	一家合營企業(所得)/所付墊款淨額	244	(5,024)
Additions to properties under development	發展中物業添置	(3,255,401)	(3,031,308)
Interest received	已收利息	42,935	28,531
Net cash flows used in investing activities	投資活動現金流出淨額	(2,728,561)	(3,311,852)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動現金流量		
Issue of 2014 Notes	發行2014票據	3,012,607	927,527
Issue of convertible notes	發行可換股票據	972,064	–
Proceeds from issue of shares	股份發行所得款	1,496,660	–
Capital contribution from non-controlling shareholders	非控股股東出資	5,054	13,469
Payment for redemption of 2011 Notes	購回2011票據付款	(2,032,064)	–
Payment for interest on senior notes	優先票據利息付款	(378,330)	(253,773)
Payment for interest on convertible notes	可換股票據利息付款	(31,688)	–
New bank and other borrowings	新借銀行及其他貸款	8,025,934	7,402,892
Repayment of bank and other borrowings	償還銀行及其他貸款	(4,512,231)	(3,291,344)
Exercise of share options	行使購股權	225,572	69,300
Dividends paid	分派股息	(615,860)	(454,017)
Dividends paid to a non-controlling shareholder	分派股息至一位非控股股東	(286,902)	–
Interest paid	已付利息	(698,635)	(317,860)
Net cash flows from financing activities	融資活動現金流入淨額	5,182,181	4,096,194
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加淨額		
Cash and cash equivalents at beginning of year	年初的現金及現金等價物	5,156,520	2,898,450
Effect of foreign exchange rate changes, net	匯率變動影響淨額	6,264,714	3,315,657
		(118,190)	50,607
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終的現金及現金等價物	11,303,044	6,264,714
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	11,303,044	6,264,714

STATEMENT OF FINANCIAL POSITION

財務狀況表

31 March 2014 2014年3月31日

		Notes 附註	31 March 2014 2014年 3月31日 HK\$'000 千港元	31 March 2013 2013年 3月31日 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備		1,437	1,265
Investments in subsidiaries	於附屬公司的投資	19	2,772,635	2,735,275
Total non-current assets	非流動資產總額		2,774,072	2,736,540
CURRENT ASSETS	流動資產			
Due from subsidiaries	應收附屬公司款項	19	4,928,814	2,869,404
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		513	7,586
Cash and cash equivalents	現金及現金等價物	28	2,774,381	1,264,811
Total current assets	流動資產總額		7,703,708	4,141,801
CURRENT LIABILITIES	流動負債			
Due to subsidiaries	應付附屬公司款項	19	28,812	35,924
Other payables, accruals and deposits received	其他應付款項、應計項目及已收按金		126,073	72,534
Derivative financial instrument	衍生金融工具		181,291	–
Total current liabilities	流動負債總額		336,176	108,458
NET CURRENT ASSETS	流動資產淨值		7,367,532	4,033,343
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總額減流動負債		10,141,604	6,769,883
NON-CURRENT LIABILITIES	非流動負債			
Senior notes	優先票據	32	4,056,838	2,853,402
Net assets	資產淨值		6,084,766	3,916,481
EQUITY	權益			
Issued capital	已發行股本	35	4,684,476	60,536
Reserves	儲備	37(b)	433,294	3,250,589
Proposed final dividends	擬派末期股息	12	966,996	605,356
Total equity	權益總額		6,084,766	3,916,481

CHENG CHUNG HING 鄭松興
Director 董事

LEUNG MOON LAM 梁滿林
Director 董事

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 March 2014 2014年3月31日

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.

During the year, the Group was principally engaged in the development and operation of large-scale integrated logistics and trade centers, development of supporting residential and commercial facilities, property management and provision of E-commerce, logistics and warehousing services.

2.1 Basis of Preparation

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, a derivative financial instrument and held for trading investments at fair value through profit or loss, which have been measured at fair value. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 March 2014. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

1. 公司資料

華南城控股有限公司(「本公司」)在香港註冊成立為有限公司。本公司註冊辦事處位於香港九龍尖沙咀廣東道15號港威大廈永明金融大樓22樓2205室。

年內，本集團主要從事發展及經營大型綜合物流及商貿中心、開發商住配套設施、物業管理，電子商貿及倉儲物流服務。

2.1 編製基準

該等財務報表乃根據香港會計師公會頒佈之香港財務報告準則(「香港財務報告準則」)(當中包括所有香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)、香港公認會計原則及香港公司條例之規定而編製，並按歷史成本法編製，惟投資物業、衍生金融工具及透過損益以公平值列帳之持作買賣投資按公平值計量則除外。除另有說明外，此等財務報表以港元呈列，所有數值均已四捨五入至最接近千位數。

綜合基準

合併財務報表包括本公司及其附屬公司(統稱「本集團」)截至2014年3月31日止年度的財務報表。附屬公司的財務報表乃就與本公司相同的報告期間採納一致的會計政策編製。附屬公司的業績由本集團取得控制權當日起綜合計算，並會繼續綜合，直至該等控制權終止。

2.1 Basis of Preparation (Continued)

Basis of consolidation (Continued)

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

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described in the accounting policy for subsidiaries below. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

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

2.1 編製基準(續)

綜合基準(續)

即使會導致非控股權益出現虧蝕結餘，損益及其他全面收入的各個組成部分仍會歸屬於本集團母公司擁有人及非控股權益。所有集團內公司間資產、負債、權益、收入及開支以及與本集團成員公司間交易有關的現金流，將於綜合時悉數對銷。

倘事實或情況顯示三項關於控制權的元素中有一項或以上元素發生變動，則本集團將重新評估其是否仍控制該投資對象。於附屬公司擁有權權益的變動(並無喪失控制權)於入賬時列作權益交易。

倘本集團失去附屬公司的控制權，則會終止確認(i)該附屬公司的資產(包括商譽)及負債；(ii)任何非控股權益的賬面值；及(iii)計入權益的累計匯兌差額；並確認(i)已收代價的公允值；(ii)任何獲保留投資的公允值；及(iii)其因而產生計入損益的盈餘或虧蝕。先前已於其他全面收入確認的本集團應佔部分，乃按照本集團直接出售相關資產及負債時所規定的相同基準，在適當的情況下重新分類至損益或保留利潤。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

31 March 2014 2014年3月31日

2.2 Changes in Accounting Policies and Disclosures

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

HKFRS 1 Amendments	Amendments to HKFRS 1 <i>First-time Adoption of Hong Kong Financial Reporting Standards – Government Loans</i>
HKFRS 7 Amendments	Amendments to HKFRS 7 <i>Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities</i>
HKFRS 10	<i>Consolidated Financial Statements</i>
HKFRS 11	<i>Joint Arrangements</i>
HKFRS 12	<i>Disclosure of Interests in Other Entities</i>
HKFRS 10, HKFRS 11 and HKFRS 12 Amendments	Amendments to HKFRS 10, HKFRS 11 and HKFRS 12 – <i>Transition Guidance</i>
HKFRS 13	<i>Fair Value Measurement</i>
HKAS 1 Amendments	Amendments to HKAS 1 <i>Presentation of Financial Statements – Presentation of Items of Other Comprehensive Income</i>
HKAS 19 (2011)	<i>Employee Benefits</i>
HKAS 27 (2011)	<i>Separate Financial Statements</i>
HKAS 28 (2011)	<i>Investments in Associates and Joint Ventures</i>
HKAS 36 Amendments	Amendments to HKAS 36 <i>Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets (early adopted)</i>
HK(IFRIC)-Int 20	<i>Stripping Costs in the Production Phase of a Surface Mine</i>
Annual Improvements 2009-2011 Cycle	Amendments to a number of HKFRSs issued in June 2012

Other than as further explained below regarding the impact of HKFRS 10, HKFRS 11, HKFRS 12, HKFRS 13, HKAS 19 (2011), amendments to HKFRS 10, HKFRS 11, HKFRS 12, HKAS 1 and HKAS 36, and certain amendments included in Annual Improvements 2009-2011 Cycle, the adoption of the new and revised HKFRSs has had no significant financial effect on these financial statements.

2.2 會計政策的變更及披露

本集團於本年度財務報表內首次採納以下新訂及經修訂香港財務報告準則。

香港財務報告準則第1號修訂本	香港財務報告準則第1號首次採納香港財務報告準則—政府貸款之修訂
香港財務報告準則第7號修訂本	香港財務報告準則第7號金融工具：披露—抵銷金融資產及金融負債之修訂
香港財務報告準則第10號	綜合財務報表
香港財務報告準則第11號	共同安排
香港財務報告準則第12號	披露於其他實體之利益
香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號修訂本	對香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號一過渡性指引之修訂
香港財務報告準則第13號	公平值計量
香港會計準則第1號修訂本	香港會計準則第1號財務報表之呈列—其他全面收益項目之呈列之修訂
香港會計準則第19號(2011年)	僱員福利
香港會計準則第27號(2011年)	獨立財務報表
香港會計準則第28號(2011年)	於聯營公司及合營企業之投資
香港會計準則第36號修訂本	香港會計準則第36號資產減值—非金融資產可收回金額披露之修訂(提前採納)
香港(國際財務申報詮釋委員會)—詮釋第20號	露天礦場生產階段的剝除成本
2009年至2011年週期之年度改進	對於2012年6月頒佈之香港財務報告準則之修訂

除下文進一步所闡述之有關香港財務報告準則第10號、香港財務報告準則第11號、香港財務報告準則第12號、香港財務報告準則第13號、香港會計準則第19號(2011年)、香港財務報告準則第10號、香港財務報告準則第11號、香港財務報告準則第12號、香港會計準則第1號及香港會計準則第36號之修訂以及列入2009年至2011年週期之年度改進的若干修訂之影響以外，採納新訂及經修訂香港財務報告準則對該等財務報表並無重大財務影響。

31 March 2014 2014年3月31日

2.2 Changes in Accounting Policies and Disclosures

(Continued)

The principal effects of adopting these new and revised HKFRSs are as follows:

- (a) HKFRS 10 replaces the portion of HKAS 27 *Consolidated and Separate Financial Statements* that addresses the accounting for consolidated financial statements that addresses the issues in HK(SIC)-Int 12 *Consolidation – Special Purpose Entities*. It establishes a single control model used for determining which entities are consolidated. To meet the definition of control in HKFRS 10, an investor must have (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. The changes introduced by HKFRS 10 require management of the Group to exercise significant judgement to determine which entities are controlled.

As a result of the application of HKFRS 10, the Group has changed the accounting policy with respect to determining which investees are controlled by the Group.

The application of HKFRS 10 does not change any of the consolidation conclusions of the Group in respect of its involvement with investees as at 1 April 2013.

- (b) HKFRS 11 replaces HKAS 31 *Interests in Joint Ventures* and HK(SIC)-Int 13 *Jointly Controlled Entities – Non-Monetary Contributions by Venturers*. It describes the accounting for joint arrangements with joint control. It addresses only two forms of joint arrangements, i.e., joint operations and joint ventures, and removes the option to account for joint ventures using proportionate consolidation. The classification of joint arrangements under HKFRS 11 depends on the parties' rights and obligations arising from the arrangements. A joint operation is a joint arrangement whereby the joint operators have rights to the assets and obligations for the liabilities of the arrangement and is accounted for on a line-by-line basis to the extent of the joint operators' rights and obligations in the joint operation. A joint venture is a joint arrangement whereby the joint ventures have rights to the net assets of the arrangement and is required to be accounted for using the equity method in accordance with HKAS 28 (2011).

2.2 會計政策的變更及披露(續)

採納該等新訂及經修訂香港財務報告準則之主要影響如下：

- (a) 香港財務報告準則第10號取代香港會計準則第27號綜合及獨立財務報表指明綜合財務報表入賬的部分及香港(常務詮釋委員會)－詮釋第12號綜合－特殊目的實體提出的事項。香港財務報告準則第10號建立一項用於確定須合併實體的單一控制模式。為符合香港財務報告準則第10號關於控制權的定義，投資者須：(a)擁有對投資對象之權力；(b)就參與投資對象營運所得之浮動回報承受風險或享有權利；及(c)能夠運用其對投資對象之權力影響投資者回報金額。香港財務報告準則第10號引入的變動規定本集團管理層須作出重大判斷，以確定受其控制的實體。

由於採納香港財務報告準則第10號，本集團已更改判斷本集團控制之投資對象的會計政策。

採納香港財務報告準則第10號不會更改任何於2013年4月1日的有關本集團涉及投資對象的合併決定。

- (b) 香港財務報告準則第11號取代香港會計準則第31號於合營企業之權益及香港(常務詮釋委員會)－詮釋第13號共同控制實體－合營方作出之非貨幣出資。其說明共同控制之合營安排之會計方式。該準則僅指明兩種形式之合營安排(即共同經營及合營企業)之會計方式，且取消合營企業採用按比例綜合的入賬選擇。香港財務報告準則第11號項下合營安排的分類取決於該等安排所產生的各方權利及責任。共同經營乃共同經營者對該項安排的資產擁有權利及對該項安排的負債承擔責任的合營安排，且以共同經營者於共同經營中的權利及責任為限按逐項對應基準入賬。合營企業乃合營方對該項安排的資產淨值擁有權利及根據香港會計準則第28號(2011年)須使用權益法入賬的合營安排。

2.2 Changes in Accounting Policies and Disclosures

(Continued)

(b) (Continued)

The directors of the Company reviewed and assessed the classification of the Group's investments in joint arrangements in accordance with the requirements of HKFRS 11, and concluded that the adoption of HKFRS 11 has had no impact on the currently held investments of the Group.

(c) HKFRS 12 sets out the disclosure requirements for subsidiaries, joint arrangements, associates and structured entities previously included in HKAS 27 *Consolidated and Separate Financial Statements*, HKAS 31 *Interests in Joint Ventures* and HKAS 28 *Investments in Associates*. It also introduces a number of new disclosure requirements for these entities. Details of the disclosures for subsidiaries, joint ventures and associates are included in notes 19, 20 and 21 to the financial statements.

(d) The HKFRS 10, HKFRS 11 and HKFRS 12 Amendments clarify the transition guidance in HKFRS 10 and provide further relief from full retrospective application of these standards, limiting the requirement to provide adjusted comparative information to only the preceding comparative period. The amendments clarify that retrospective adjustments are only required if the consolidation conclusion as to which entities are controlled by the Group is different between HKFRS 10 and HKAS 27 or HK(SIC)-Int 12 at the beginning of the annual period in which HKFRS 10 is applied for the first time.

(e) HKFRS 13 provides a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across HKFRSs. The standard does not change the circumstances in which the Group is required to use fair value, but rather provides guidance on how fair value should be applied where its use is already required or permitted under other HKFRSs. HKFRS 13 is applied prospectively and the adoption has had no material impact on the Group's fair value measurements. As a result of the guidance in HKFRS 13, the policies for measuring fair value have been amended. Additional disclosures required by HKFRS 13 for the fair value measurements of investment properties and financial instruments are included in notes 15 and 45 to the financial statements.

2.2 會計政策的變更及披露(續)

(b) (續)

本公司董事根據香港財務報告準則第11號之規定審核及評估本集團於合營安排之投資的分類，並斷定採納香港財務報告準則第11號並不會對本集團當前持有之投資造成影響。

(c) 香港財務報告準則第12號載有就附屬公司、合營安排、聯營公司及結構性實體的披露規定，該等規定以往載於香港會計準則第27號綜合及獨立財務報表、香港會計準則第31號於合營企業之權益及香港會計準則第28號於聯營公司之投資內。該準則亦引入該等實體之多項新披露規定。附屬公司、合營企業及聯營公司之披露詳情載於財務報表之附註19、20及21。

(d) 香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號修訂本澄清香港財務報告準則第10號之過渡性指引，提供進一步寬免，免除該等準則之完全追溯應用，以及限定僅就上個比較期間提供經調整比較資料。該等修訂澄清，倘於香港財務報告準則第10號首次獲應用之年度期間開始時，香港財務報告準則第10號與香港會計準則第27號或香港（常務詮釋委員會）— 詮釋第12號有關本集團所控制實體之合併結論有所不同，方須作出追溯調整。

(e) 香港財務報告準則第13號提供公允值的精確定義、公允值計量的單一來源及在香港財務報告準則範圍內使用的披露規定。該準則不會改變本集團須使用公允值的情況，但為在其他香港財務報告準則已規定或允許使用公允值的情況下應如何應用公允值提供指引。香港財務報告準則第13號採用預期適用法，且採納該準則對本集團之公允值計量並無重大影響。由於香港財務報告準則第13號當中之指引，計量公允值之政策已獲修訂。香港財務報告準則第13號要求對投資物業及金融工具之公允值計量的額外披露載於財務報表之附註15及45。

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2.2 Changes in Accounting Policies and Disclosures

(Continued)

- (f) The HKAS 1 Amendments change the grouping of items presented in other comprehensive income (“OCI”). Items that could be reclassified (or recycled) to profit or loss at a future point in time (for example, exchange differences on translation of foreign operations, net movement on cash flow hedges and net loss or gain on available-for-sale financial assets) are presented separately from items which will never be reclassified (for example, the revaluation of land and buildings). The amendments have affected the presentation only and have had no impact on the financial position or performance of the Group. The consolidated statement of comprehensive income has been restated to reflect the changes. In addition, the Group has chosen to use the new title “statement of profit or loss” as introduced by the amendments in these financial statements.
- (g) HKAS 19 (2011) includes a number of amendments that range from fundamental changes to simple clarifications and rewording. The revised standard introduces significant changes in the accounting for defined benefit pension plans including removing the choice to defer the recognition of actuarial gains and losses. Other changes include modifications to the timing of recognition for termination benefits, the classification of short-term employee benefits and disclosures of defined benefit plans. As the Group does not have any defined benefit plan or employee termination plan and the Group does not have any significant employee benefits that are expected to be settled for more than twelve months after the reporting period, the adoption of the revised standard has had no effect on the financial position or performance of the Group.
- (h) The HKAS 36 Amendments remove the unintended disclosure requirement made by HKFRS 13 on the recoverable amount of a cash-generating unit which is not impaired. In addition, the amendments require the disclosure of the recoverable amounts for the assets or cash-generating units for which an impairment loss has been recognised or reversed during the reporting period, and expand the disclosure requirements regarding the fair value measurement for these assets or units if their recoverable amounts are based on fair value less costs of disposal. The amendments are effective retrospectively for annual periods beginning on or after 1 January 2014 with earlier application permitted, provided HKFRS 13 is also applied. The Group has early adopted the amendments in these financial statements. The amendments have had no impact on the financial position or performance of the Group. Disclosures about the Group’s impaired non-financial assets are included in note 18 to the financial statements.

2.2 會計政策的變更及披露(續)

- (f) 香港會計準則第1號修訂本改變在其他全面收益(「其他全面收益」)呈列的項目分組。在未來某個時間可重新分類至損益(或於損益重新使用)之項目(例如換算境外業務之匯兌差額、現金流量對沖之變動淨值及可出售金融資產之淨虧損或收益)將與不可重新分類之項目(例如重估土地及樓宇)分開呈列。該等修訂僅影響呈列,並不會對本集團財務狀況或表現構成影響。綜合全面收益表已重列,以反映該等變動。此外,本集團已選擇在該等財務報表中採用修訂本引入之新標題「損益表」。
- (g) 香港會計準則第19號(2011年)包括從基本變更至簡單澄清及重新措辭之多項修訂。經修訂準則就定額退休福利計劃之入賬引入重大變動,包括取消遞延確認精算收益及虧損之選擇。其他變動包括離職福利確認時間之修改、短期僱員福利之分類及定額福利計劃之披露。由於本集團並無任何定額福利計劃或僱員離職計劃,且預期本集團並無任何重大僱員福利將於報告期後超過十二個月方予結算,故採納該經修訂準則對本集團之財務狀況或表現並無任何影響。
- (h) 香港會計準則第36號修訂本取消香港財務報告準則第13號對並無減值現金產生單位之可收回金額所作計劃以外之披露規定。此外,該等修訂規定須就於報告期內已獲確認或撥回減值虧損之資產或現金產生單位之可收回金額作出披露,並擴大該等資產或單位(倘其可收回金額乃基於公允值減出售成本)之公允值計量的披露規定。該等修訂於2014年1月1日或之後開始的年度期間追溯生效,並可提早應用,惟同時亦須應用香港財務報告準則第13號。本集團已於該等財務報表提早採納該等修訂,而該等修訂對本集團之財務狀況或表現並無任何影響。有關本集團之減值非金融資產的披露載於財務報表之附註18。

2.2 Changes in Accounting Policies and Disclosures

(Continued)

(i) Annual Improvements 2009-2011 Cycle issued in June 2012 sets out amendments to a number of standards. There are separate transitional provisions for each standard. While the adoption of some of the amendments may result in changes in accounting policies, none of these amendments have had a significant financial impact on the Group. Details of the key amendments most applicable to the Group are as follows:

- *HKAS 1 Presentation of Financial Statements*: Clarifies the difference between voluntary additional comparative information and the minimum required comparative information. Generally, the minimum required comparative period is the previous period. An entity must include comparative information in the related notes to the financial statements when it voluntarily provides comparative information beyond the previous period. The additional comparative information does not need to contain a complete set of financial statements.

In addition, the amendment clarifies that the opening statement of financial position as at the beginning of the preceding period must be presented when an entity changes its accounting policies; makes retrospective restatements or makes reclassifications, and that change has a material effect on the statement of financial position. However, the related notes to the opening statement of financial position as at the beginning of the preceding period are not required to be presented.

- *HKAS 32 Financial Instruments: Presentation*: Clarifies that income taxes arising from distributions to equity holders are accounted for in accordance with *HKAS 12 Income Taxes*. The amendment removes existing income tax requirements from *HKAS 32* and requires entities to apply the requirements in *HKAS 12* to any income tax arising from distributions to equity holders.

2.2 會計政策的變更及披露(續)

(i) 2012年6月頒佈之2009年至2011年週期之年度改進載列多項準則修訂。各項準則均設有獨立過渡性條文。雖然採納部分修訂可能導致會計政策變動，但該等修訂概不會對本集團構成重大財務影響。最適用於本集團之主要修訂詳情如下：

- 香港會計準則第1號*財務報表之呈列*：澄清自願性額外比較資料與最低規定比較資料之間的差異。一般而言，最低規定比較期間為上個期間。當實體自願提供上個期間以外的比較資料時，其須於財務報表之相關附註中載入比較資料。額外比較資料毋須包含完整財務報表。

此外，該修訂澄清，當實體變更其會計政策、作出追溯重列或進行重新分類，而有關變動對財務狀況表構成重大影響時，則須呈列上個期間開始時的期初財務狀況表。然而，上個期間開始時的期初財務狀況表之相關附註則毋須呈列。

- 香港會計準則第32號*金融工具：呈列*：澄清向權益持有人作出分派所產生之所得稅須按香港會計準則第12號*所得稅*入賬。該修訂取消香港會計準則第32號的現有所得稅規定，並要求實體須就向權益持有人作出分派所產生之任何所得稅應用香港會計準則第12號之規定。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

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2.3 Issued but not yet effective Hong Kong Financial Reporting Standards

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

HKFRS 9	<i>Financial Instruments</i> ³
HKFRS 9, HKFRS 7 and HKAS 39 Amendments	Hedge Accounting and amendments to HKFRS 9, HKFRS 7 and HKAS 39 ³
HKFRS 10, HKFRS 12 and HKAS 27 (2011) Amendments	Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011) – <i>Investment Entities</i> ¹
HKFRS 11 Amendments	Amendments to HKFRS 11 <i>Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations</i> ⁴
HKAS 16 and HKAS 38 Amendments	Amendments to HKAS 16 and HKAS 38 – <i>Acceptable Methods of Depreciation and Amortisation</i> ⁴
HKAS 19 Amendments	Amendments to HKAS 19 <i>Employee benefits – Defined Benefit Plans Employee Contributions</i> ²
HKAS 32 Amendments	Amendments to HKAS 32 <i>Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities</i> ¹
HKAS 39 Amendments	Amendments to HKAS 39 <i>Financial Instruments: Recognition and Measurement – Novation of Derivatives and Continuation of Hedge Accounting</i> ¹
HK(IFRIC)-Int 21	<i>Levies</i> ¹
Annual Improvement 2010–2012 Cycle	Amendments to a number of HKFRSs issued in January 2014 ²
Annual Improvement 2011–2013 Cycle	Amendments to a number of HKFRSs issued in January 2014 ²

- ¹ Effective for annual periods beginning on or after 1 January 2014
- ² Effective for annual periods beginning on or after 1 July 2014
- ³ No mandatory effective date yet determined but is available for adoption
- ⁴ Effective for annual periods beginning on or after 1 January 2016

2.3 已頒佈但尚未生效的香港財務報告準則

本集團並未於此等綜合財務報表中採納以下已頒佈但尚未生效之新訂及經修訂香港財務報告準則。

香港財務報告準則第9號	<i>金融工具</i> ³
香港財務報告準則第9號、香港財務報告準則第7號及香港會計準則第39號修訂本	對沖會計及對香港財務報告準則第9號、香港財務報告準則第7號及香港會計準則第39號之修訂 ³
香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號(2011年)修訂本	香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號(2011年) – <i>投資實體</i> 之修訂 ¹
香港財務報告準則第11號(修訂本)	香港財務報告準則第11號 – <i>收購聯合經營權益之會計法</i> 之修訂 ⁴
香港會計準則第16號及香港會計準則第38號(修訂本)	香港會計準則第16號及香港會計準則第38號 – <i>澄清折舊及攤銷之可接受方法</i> 之修訂 ⁴
香港會計準則第19號修訂本	香港會計準則第19號 <i>僱員福利 – 定額福利計劃：僱員供款</i> 之修訂 ²
香港會計準則第32號修訂本	香港會計準則第32號 <i>金融工具：呈報 – 抵銷金融資產及金融負債</i> 之修訂 ¹
香港會計準則第39號修訂本	香港會計準則第39號 <i>金融工具：確認及計量 – 衍生工具之更替及對沖會計之延續</i> 之修訂 ¹
香港(國際財務報告詮釋委員會) – 詮釋第21號	<i>徵費</i> ¹
2010年至2012年週期香港財務報告準則之年度改進	對於2014年1月之頒佈香港財務報告準則之修訂 ²
2011年至2013年週期香港財務報告準則之年度改進	對於2014年1月之頒佈香港財務報告準則之修訂 ²

- ¹ 於2014年1月1日或之後開始之年度期間生效
- ² 於2014年7月1日或之後開始之年度期間生效
- ³ 尚未釐定強制生效日期惟可供採用
- ⁴ 於2016年1月1日或以後開始之年度期間生效

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2.3 Issued but not yet effective Hong Kong Financial Reporting Standards (Continued)

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

HKFRS 9 issued in November 2009 is the first part of phase 1 of a comprehensive project to entirely replace HKAS 39 *Financial Instruments: Recognition and Measurement*. This phase focuses on the classification and measurement of financial assets. Instead of classifying financial assets into four categories, an entity shall classify financial assets as subsequently measured at either amortised cost or fair value, on the basis of both the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. This aims to improve and simplify the approach for the classification and measurement of financial assets compared with the requirements of HKAS 39.

In November 2010, the HKICPA issued additions to HKFRS 9 to address financial liabilities (the "Additions") and incorporated in HKFRS 9 the current derecognition principles of financial instruments of HKAS 39. Most of the Additions were carried forward unchanged from HKAS 39, while changes were made to the measurement of financial liabilities designated as at fair value through profit or loss using the fair value option ("FVO"). For these FVO liabilities, the amount of change in the fair value of a liability that is attributable to changes in credit risk must be presented in OCI. The remainder of the change in fair value is presented in profit or loss, unless presentation of the fair value change in respect of the liability's credit risk in OCI would create or enlarge an accounting mismatch in profit or loss. However, loan commitments and financial guarantee contracts which have been designated under the FVO are scoped out of the Additions.

In December 2013, the HKICPA added to HKFRS 9 the requirements related to hedge accounting and made some related changes to HKAS 39 and HKFRS 7 which include the corresponding disclosures about risk management activity for applying hedge accounting. The amendments to HKFRS 9 relax the requirements for assessing hedge effectiveness which result in more risk management strategies being eligible for hedge accounting. The amendments also allow greater flexibility on the hedged items and relax the rules on using purchased options and non-derivative financial instruments as hedging instruments. In addition, the amendments to HKFRS 9 allow an entity to apply only the improved accounting for own credit risk-related fair value gains and losses arising on FVO liabilities as introduced in 2010 without applying the other HKFRS 9 requirements at the same time.

2.3 已頒佈但尚未生效的香港財務報告準則(續)

預期適用於本集團的該等香港財務報告準則的進一步資料如下：

於2009年11月頒佈之香港財務報告準則第9號為完全取代香港會計準則第39號*金融工具：確認及計量*的全面計劃之第1階段第一部分。此階段針對金融資產之分類及計量。實體須根據該實體管理金融資產之業務模式及金融資產之合約現金流特性，將金融資產分類為其後按攤銷成本或公允值計量，而非將金融資產分為四類。此準則旨在改善及簡化香港會計準則第39號規定之金融資產分類及計量方法。

香港會計師公會於2010年11月就金融負債頒佈香港財務報告準則第9號之新增規定(「新增規定」)，並將香港會計準則第39號現行金融工具取消確認原則併入香港財務報告準則第9號。大部分結轉新增規定與香港會計準則第39號無異，僅更改透過公允值選擇(「公允值選擇」)以公允值計入損益的金融負債之計量。就該等公允值選擇負債而言，由信貸風險變動而產生的負債公允值變動金額，必須於其他全面收入中呈列。除非於其他全面收入中就負債之信貸風險呈列公允值變動，會於損益中產生或擴大會計差異，否則其餘公允值變動金額於損益呈列。然而，新增規定並不涵蓋按公允值選擇計入之貸款承諾及財務擔保合約。

2013年12月，香港會計師公會將對沖會計的相關規定加入香港財務報告準則第9號，並就香港會計準則第39號及香港財務報告準則第7號作出若干相關變動，包括就應用對沖會計作出風險管理活動的相關披露。香港財務報告準則第9號修訂本放寬了評估對沖成效的要求，導致更多風險管理策略符合對沖會計資格。該等修訂亦使對沖項目更為靈活，放寬了使用已購買期權及非衍生金融工具作為對沖工具的規定。此外，香港財務報告準則第9號修訂本准許實體僅可就因2010年引入的公允值選擇負債所引致的自有信貸風險相關公允值收益及虧損應用經改進的入賬方法，而不可同時應用香港財務報告準則第9號的其他規定。

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2.3 Issued but not yet effective Hong Kong Financial Reporting Standards (Continued)

HKAS 39 is aimed to be replaced by HKFRS 9 in its entirety. Before this entire replacement, the guidance in HKAS 39 on hedge accounting and impairment of financial assets continues to apply. The previous mandatory effective date of HKFRS 9 was removed by the HKICPA in December 2013 and a mandatory effective date will be determined after the entire replacement of HKAS 39 is completed. However, the standard is available for application now. The Group will quantify the effect in conjunction with other phases, when the final standard including all phases is issued.

Amendments to HKFRS 10 include a definition of an investment entity and provide an exception to the consolidation requirement for entities that meet the definition of an investment entity. Investment entities are required to account for subsidiaries at fair value through profit or loss in accordance with HKFRS 9 rather than consolidate them. Consequential amendments were made to HKFRS 12 and HKAS 27 (2011). The amendments to HKFRS 12 also set out the disclosure requirements for investment entities. The Group expects that these amendments will not have any impact on the Group as the Company is not an investment entity as defined in HKFRS 10.

The HKAS 32 Amendments clarify the meaning of “currently has a legally enforceable right to setoff” for offsetting financial assets and financial liabilities. The amendments also clarify the application of the offsetting criteria in HKAS 32 to settlement systems (such as central clearing house systems) which apply gross settlement mechanisms that are not simultaneous. The amendments are not expected to have any impact on the financial position or performance of the Group upon adoption on 1 April 2014.

HKFRS 11 addresses the accounting for interests in joint ventures and joint operations. The amendments add new guidance on how to account for the acquisition of and interest in a joint operation that constitutes a business. The amendments specify the appropriate accounting treatment for such acquisitions.

2.3 已頒佈但尚未生效的香港財務報告準則(續)

香港財務報告準則第9號旨在全面取代香港會計準則第39號。於全面取代前，香港會計準則第39號於金融資產之減值方面的指引繼續適用。香港會計師公會已於2013年12月剔除香港財務報告準則第9號的以往強制生效日期，而強制生效日期將於全面取代香港會計準則第39號完成後釐定。然而，該準則可於現時應用。於頒佈涵蓋所有階段的最終準則時，本集團將連同其他階段量化其影響。

香港財務報告準則第10號修訂本包括投資實體的定義，並為符合投資實體定義的實體提供豁免合併入賬的規定。根據香港財務報告準則第9號，投資實體須將附屬公司以公允值列值計入損益的方式入賬，而並非予以合併。香港財務報告準則第12號及香港會計準則第27號(2011年)已作出後續修訂。香港財務報告準則第12號修訂本亦載列投資實體的披露規定。由於本公司並非香港財務報告準則第10號中所界定的投資實體，因此本集團預期該等修訂將不會對本集團構成任何影響。

香港會計準則第32號修訂本為抵銷金融資產及金融負債釐清「目前具有合法可行使之抵銷權利」的釋義。該等修訂亦釐清香港會計準則第32號中應用於採用非同步的總額結算機制之結算系統(例如中央結算所系統)的抵銷標準。本集團將自2014年4月1日起採納該等修訂，而該等修訂預期將不會對本集團的財務狀況或表現構成任何影響。

香港財務報告準則第11號反映於合營企業和共同經營權益入賬規定。修訂新增了購買及持有構成業務之共同營運權益的入賬方法相關指引。修訂特別指出該收購的適當入賬方法。

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2.4 Summary of Significant Accounting Policies Subsidiaries

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

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

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

The results of subsidiaries are included in the Company's statement of profit or loss to the extent of dividends received and receivable. The Company's investments in subsidiaries that are not classified as held for sale in accordance with HKFRS 5 are stated at cost less any impairment losses.

Investments in associates and joint ventures

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

2.4 重大會計政策概要 附屬公司

附屬公司為本公司直接或間接控制的實體(包括結構性實體)。當本集團承受或享有參與投資對象業務所得的可變回報，且能透過對投資對象的權力(即賦予本集團現有有能力主導投資對象相關活動的既存權利)影響該等回報時，即取得控制權。

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

- (a) 與投資對象其他投票持有人的合約安排；
- (b) 其他合約安排所產生的權利；及
- (c) 本集團的投票權及潛在投票權。

附屬公司的業績於本公司損益表入賬，惟以已收及應收股息為限。本公司於附屬公司的投資如並無根據香港財務報告準則第5號分類為持作待售，則會按成本減任何減值虧損列賬。

於聯營公司及合營企業的投資

聯營公司為本集團一般擁有不少於20%股本投票權的長期權益，並能對其發揮重大影響力的實體。重大影響力為參與投資對象財政及經營政策決策的權力，但並非控制或共同控制該等政策。

合營企業為一項合營安排，據此，擁有安排之共同控制權的人士均有權享有合營企業的資產淨值。共同控制乃以合約協定分佔一項安排之控制權，其僅在相關活動決策必須獲分佔控制權的人士一致同意時方存在。

2.4 Summary of Significant Accounting Policies

(Continued)

Investments in associates and joint ventures

(Continued)

The Group's investments in associates and joint ventures are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

Adjustments are made to bring into line any dissimilar accounting policies that may exist.

The Group's share of the post-acquisition results and other comprehensive income of associates and joint ventures is included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's investments in the associates or joint ventures, except where unrealised losses provide evidence of an impairment of the asset transferred. Goodwill arising from the acquisition of associates or joint ventures is included as part of the Group's investments in associates or joint ventures.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

The results of associates and joint ventures are included in the Company's statement of profit or loss to the extent of dividends received and receivable. The Company's investments in associates and joint ventures are treated as non-current assets and are stated at cost less any impairment losses.

2.4 重大會計政策概要(續)

於聯營公司及合營企業的投資(續)

本集團於聯營公司及合營企業的投資乃按以權益會計法計算之本集團應佔資產淨值減任何減值虧損於綜合財務狀況表內列賬。

倘出現任何不相符的會計政策，即會作出調整加以修正。

本集團應佔聯營公司及合營企業收購後業績和其他全面收入分別計入合併損益表及合併其他全面收入內。此外，倘直接於聯營公司或合營企業的權益確認變動，則本集團會於合併權益變動表確認其應佔的任何變動(如適用)。本集團與其聯營公司或合營企業進行交易而出現的未實現利益及虧損會互相抵銷，金額以本集團於聯營公司或合營企業的投資為限，但如果未實現虧損證明所轉讓資產發生減值則除外。收購聯營公司或合營企業產生的商譽計入本集團於聯營公司或合營企業的投資的一部分。

倘於聯營公司的投資變為於合營企業的投資或出現相反情況，則不會重新計量保留權益。反之，該投資繼續根據權益法入賬。在所有其他情況下，對聯營公司失去重大影響力或對合營企業失去共同控制後，本集團按其公允值計量及確認任何保留投資。於失去重大影響力或共同控制後聯營公司或合營企業的賬面值與保留投資及來自出售所得款項之公允值之間的差額於損益內確認。

聯營公司及合營企業的業績於本公司損益表入賬，惟以已收及應收股息為限。本公司於聯營公司及合營企業的投資視為非流動資產，按成本減任何減值虧損列賬。

2.4 Summary of Significant Accounting Policies

(Continued)

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of HKAS 39 is measured at fair value with changes in fair value either recognised in profit or loss or as a change to other comprehensive income. If the contingent consideration is not within the scope of HKAS 39, it is measured in accordance with the appropriate HKFRS. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

2.4 重大會計政策概要(續)

業務併購及商譽

業務併購乃使用收購法入賬。所轉讓之代價乃以收購日期之公平值計量，該公平值為本集團所轉讓之資產於收購日期之公平值、本集團自被收購方之前度擁有人承擔之負債，及本集團發行以換取被收購方控制權之股權之總和。就各業務合併而言，本集團選擇以公平值或被收購方可識別資產淨值之應佔比例，計算於被收購方中現時屬擁有權益並賦予其持有人權利可於清盤時按比例分佔資產淨值之非控股權益。非控股權益之所有其他部分按公平值計量。有關收購成本於產生時支銷。

當本集團收購一項業務時，會根據合約條款、於收購日期之經濟環境及相關條件，評估將承接之金融資產及負債，以作出適合之分類及指定用途。此包括將被收購方主合約中之嵌入式衍生工具分開計算。

倘業務併購分階段進行，先前持有股權應按收購日期公平值計入收益表重新計量及任何產生之收益或虧損確認於損益。

由收購方將予轉讓的任何或然代價將於收購日期按公平值確認。或然代價(被視為一項資產或負債，即金融工具)根據香港會計準則第39號按公平值及公平變動於收益表確認或確認為其他全面收入的變動。倘或然代價不屬於香港會計準則第39號之範圍的情況下，則按適用之香港財務報告準則計量。分類為權益之或然代價則其毋須重新計量，其後結算於權益內入賬。

商譽起初按成本計量，即已轉讓代價、已確認非控股權益及本集團先前持有的被收購方股權之公平值之總和，超逾與所收購可識別資產淨值及所承擔負債的差額。倘此代價及其他項目的總和低於所收購資產淨值的公平值，於評估後其差額將於收益表內確認為議價購買收益。

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2.4 Summary of Significant Accounting Policies

(Continued)

Business combinations and goodwill (Continued)

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 March. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the disposed operation and the portion of the cash-generating unit retained.

Fair value measurement

The Group measures its investment properties, derivative financial instrument and equity investments at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

2.4 重大會計政策概要(續)**業務併購及商譽(續)**

於初始確認後，商譽按成本減任何累計減值虧損計量。商譽須每年作減值測試，倘有事件發生或情況改變顯示賬面值有可能減值，則會更頻密地進行檢討。本集團於3月31日進行商譽的年度減值測試。為進行減值測試，因業務合併而購入的商譽自購入之日被分配至預期可從合併產生的協同效益中獲益的本集團各個現金產生單位或現金產出單位組別，而無論本集團其他資產或負債是否已分配予該等單位或單位組別。

減值乃通過評估與商譽相關之現金產生單位(或現金產生單位組別)之可收回金額釐定。倘現金產生單位(或現金產生單位組別)之可收回金額低於賬面值時，減值虧損則予以確認。已就商譽確認之減值虧損不得於其後期間撥回。

倘商譽被分配為現金產生單位(或現金產生單位組別)之一部分，而該單位內部分業務被出售，則出售業務相關商譽於釐定出售業務收益或虧損時列入業務之賬面值。在這些情況下出售之商譽根據已出售業務及所保留現金產生單位部分之相對價值計算。

公允值計量

本集團於各報告期末按公允值計量投資物業、衍生金融工具及股權投資。公允值為市場參與者於計量日期在有序交易中出售資產所收取的價格或轉讓負債所支付的價格。公允值計量乃假設出售資產或轉讓負債的交易於資產或負債主要市場或(在無主要市場情況下)最具優勢市場進行而作出。主要或最具優勢市場須為本集團可進入之市場。資產或負債的公允值乃基於市場參與者於資產或負債定價所用的假設計量(即假設市場參與者會以最佳經濟利益行事)。

2.4 Summary of Significant Accounting Policies

(Continued)

Fair value measurement (Continued)

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.4 重大會計政策概要(續)

公允值計量(續)

非金融資產的公允值計量須計及市場參與者透過最大限度使用該資產達致最佳用途，或將該資產出售予將最大限度使用該資產達致最佳用途的其他市場參與者以產生經濟利益的能力。

本集團採納適用於不同情況且具備充分數據以供計量公允值的估值方法，以盡量使用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

所有於財務報表計量或披露公允值的資產及負債乃基於對公允值計量整體而言屬重大的最低層輸入數據按以下公允值層級分類：

- 第一級 – 基於相同資產或負債於活躍市場的報價(未經調整)
- 第二級 – 按估值技術計量，而對公允值計量而言屬重大的最低層輸入數據可直接或間接觀察得出
- 第三級 – 按估值技術計量，而對公允值計量而言屬重大的最低層輸入數據不可觀察得出

就按經常性基準於財務報表確認的資產及負債而言，本集團透過於各報告期末重新評估分類(基於對公允值計量整體而言屬重大的最低層輸入數據)確定是否發生不同層級轉移。

2.4 Summary of Significant Accounting Policies

(Continued)

Impairment of non-financial assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, financial assets, investment properties and goodwill), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the statement of profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises.

2.4 重大會計政策概要(續)

非金融資產減值

倘有跡象顯示減值存在，或當必須為資產(存貨、金融資產、投資物業及商譽除外)作出年度減值測試時，則會估計資產的可收回金額。資產的可收回金額為資產或現金產生單位的使用價值與其公平值兩者的較高者減出售成本，並就個別資產而釐定，惟不可產生大體上獨立於其他資產或資產組別的現金流入的資產則除外，在此情況下，可收回金額就資產所屬的現金產生單位而釐定。

僅於資產的賬面值超逾其可收回金額時，減值虧損方予確認。評估使用價值時，估計日後現金流量乃使用可反映金額時間值的現行市場評估及該資產特有的風險的稅前折現率折現至現值。減值虧損於其產生期間自收益表與該減值資產功能一致的該等費用類別內扣除。

於各申報日期結束時均評估是否有任何跡象顯示於過往確認的減值虧損可能不再存在或可能已經減少。如該等跡象存在，則會估計可收回金額。僅於用作釐定資產的可收回金額的估計出現變動時，資產(商譽除外)過往確認的減值虧損方可撥回；惟撥回金額不得高於(倘該資產於過往年度未有確認減值虧損)將可釐定的賬面值(扣除任何折舊/攤銷)。有關減值虧損的撥回於產生期間計入損益表。

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2.4 Summary of Significant Accounting Policies

(Continued)

Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a); and
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

2.4 重大會計政策概要(續)

關連人士

有關人士在下列情況下被視為與本集團有關連：

- (a) 該人士為一名人士或該人士之近親，而該人士：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司的其中一名主要管理層成員；

或

- (b) 該人士為符合下列任何一項條件之實體：
 - (i) 該實體與本集團屬同一集團之成員公司；
 - (ii) 該實體為另一家實體之聯營公司或合營企業(或另一家實體之母公司、附屬公司或同系附屬公司)；
 - (iii) 該實體與本集團均為同一第三方之合營企業；
 - (iv) 該實體為第三方實體之合營企業，而另一家實體則為該第三方實體的聯營公司；
 - (v) 該實體為就本集團或與本集團有關連之實體之僱員之利益而設之離職後福利計劃；
 - (vi) 該實體受(a)項所識別之人士控制或共同控制；及
 - (vii) 於(a)(i)項所識別之人士對該實體有重大影響力或屬該實體(或該實體之母公司)之主要管理層成員之一。

2.4 Summary of Significant Accounting Policies

(Continued)

Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Buildings	3%
Furniture, fixtures and equipment	9% to 18%
Motor vehicles	9% to 18%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

2.4 重大會計政策概要(續)

物業、廠房和設備及折舊

物業、廠房及設備(除在建工程外)乃按成本減累計折舊及任何減值虧損列賬。物業、廠房及設備項目的成本包括其購買價及使其投入現時運作狀況及將其運往擬定用途地點的任何直接應佔成本。

物業、廠房及設備項目投入使用後所產生的開支，如維修保養費用，通常於產生期間在收益表扣除。在符合確認條件的情況下，大的檢修開支於資產賬面值資本化，作為置換。倘大部分物業、廠房及設備須定期置換，本集團確認該等部分為具備特定可使用年期及據此折舊之個別資產。

折舊乃以直線法於估計可使用年期撇銷各物業、廠房及設備項目的成本至其剩餘價值計算。就此而言使用的主要年率如下：

樓宇	3%
傢俬、裝置及設備	9%至18%
汽車	9%至18%

倘物業、廠房及設備項目的部分有不同的可使用年期，則該項目的成本以合理基準在該等部分之間分配，而各部分將會分開折舊。至少於各財政年結日檢討剩餘價值、可使用年期及折舊方法，並在適當情況下調整。

物業、廠房及設備項目包括初步確認之任何重大部分於出售或預期不會從使用或出售有關項目而取得未來經濟利益時終止確認。於終止確認資產的年度內在收益表確認的任何出售或報廢該等項目的盈虧乃指銷售所得款項淨額與有關資產賬面值的差額。

2.4 Summary of Significant Accounting Policies

(Continued)

Property, plant and equipment and depreciation

(Continued)

Construction in progress represents buildings under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Gains or losses arising from changes in the fair values of investment properties are included in the statement of profit or loss in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognised in the statement of profit or loss in the year of the retirement or disposal.

If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment and depreciation" up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is accounted for as a revaluation in accordance with the policy stated under "Property, plant and equipment and depreciation" above. For a transfer from properties under development to investment properties, any difference between the fair value of the property at that date and its previous carrying amount is recognised in the statement of profit or loss.

2.4 重大會計政策概要(續)

物業、廠房和設備及折舊(續)

在建工程指在建中的大廈，以成本減去任何減值虧損列賬，且不予折舊。成本包括直接建築成本及建築期間相關借貸的資本化借貸成本。在建工程於落成及可予使用時，會重新分類至適當的類別，如物業、廠房及設備。

投資物業

投資物業指為賺取租金收入及/或資本增值目的而持有的土地及樓宇權益(包括符合投資物業定義的物業的經營租賃下的租賃權益)，但不包括用作生產或供應貨品或提供服務或行政管理用途；或用作於日常業務過程中出售的土地及樓宇權益。該等物業初步按成本(包括交易成本)計量。初步確認後，投資物業按反映各報告期末市場狀況的公平值列賬。

投資物業公平值變動產生的盈虧，會於產生年度計入損益表。

報廢或出售投資物業產生的任何盈虧，會於報廢或出售的年度在損益表確認。

若本集團擁有的自用物業轉變為投資物業，本集團將根據「物業、廠房和設備及折舊」的政策把該等物業入賬，直至改變用途當日，並計算物業在該日的賬面值與公平值之間的差額根據上述「物業、廠房和設備及折舊」所載政策確認的重估賬。就將發展中物業轉為投資物業而言，物業在該日的公平值與其先前賬面值之間的差額於損益表確認。

2.4 Summary of Significant Accounting Policies

(Continued)

Properties under development

Properties under development are stated at the lower of cost and net realisable value. Cost comprises the land costs, construction costs, capitalised borrowing costs and other cost directly attributed to such properties during the period of construction.

Properties under development are initially classified as non-current assets and transferred to current assets under the category of properties held for sale when the construction of the relevant properties commences and the construction period of the relevant property development project is expected to complete within normal operating cycle.

Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments under finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the statement of profit or loss so as to provide a constant periodic rate of charge over the lease terms.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the statement of profit or loss on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to the statement of profit or loss on the straight-line basis over the lease terms.

Prepaid land lease payments under operating leases are initially stated at cost and subsequently recognised on the straight-line basis over the lease terms.

2.4 重大會計政策概要(續)

發展中物業

發展中物業按成本值及可變現淨值兩者的較低者列賬。成本包括土地成本、發展開支、借貸成本及其他於建築期間該等物業應佔的直接成本。

起始時發展中物業分類為非流動資產，並於有關物業的建設開始及有關發展項目之預計施工期於正常營運週期內結轉至流動資產中的持作銷售物業。

租賃

凡資產所有權(除法定業權外)的絕大部分回報及風險轉移予本集團，均列為融資租賃。於融資租賃生效時，租賃資產之成本按最低應付租金之現值資本化，並連同承擔(不包括利息部份)入賬，以反映購入及融資情況。根據資本化融資租約持有之資產(包括融資租約項下之預付土地租賃款項)均計入物業、廠房及設備，並於租期與資產之估計可使用年期(以較短者為準)內折舊。有關租賃之融資成本於收益表扣除，以便於租期內按固定比率扣除。

凡資產所有權的絕大部分回報及風險仍歸出租人所有，則有關租賃列為經營租賃。倘本集團為出租人，則本集團根據經營租賃出租的資產計入非流動資產，而經營租賃下的應收租金則以直線法於租賃期內計入收益表。倘本集團為承租人，則經營租賃下的應付租金以直線法於租賃期內在收益表扣除。

經營租賃下的預付土地出租金初步按成本列賬，其後則以直線法於租賃期內確認。

2.4 Summary of Significant Accounting Policies

(Continued)

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value presented as other income and gains. These net fair value changes do not include any dividends or interest earned on these financial assets, which are recognised in accordance with the policy set out for "Revenue recognition" below.

Financial assets designated upon initial recognition as at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in HKAS 39 are satisfied.

2.4 重大會計政策概要(續)

投資及其他金融資產

初次確認及計量

金融資產於初始確認時分類為以公允價值計入損益表的金融資產、貸款及應收賬款。金融資產於初次確認時以公允價值及收購金融資產應佔交易成本計量，惟以公允價值計入損益表的金融資產除外。

所有金融資產常規買賣均於交易日確認，即本集團承諾購買或出售該項資產的日期。常規買賣乃指需按法規規定或市場慣例在一定期間內轉移資產的金融資產買賣交易。

其後計量

其後計量的金融資產視其以下分類而定：

透過損益以公平值列賬的金融資產

透過損益以公平值列賬之金融資產，包括持作買賣的金融資產。倘金融資產的收購目的為於短期內出售，則分類為持作買賣。

透過損益以公平值列賬之金融資產於財務狀況表按公平值列賬，而公平值之正變動淨額列為其他收入及收益。該等公平淨值變動並未包括根據下文「收入確認」所載政策確認的該等金融資產的任何股息或所賺取的利息。

僅當符合香港會計準則第39號的條件時，在初步確認時指定為按公平值計入損益的金融資產方於初步確認日期指定。

2.4 Summary of Significant Accounting Policies

(Continued)

Investments and other financial assets (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income and gains in the statement of profit or loss. The loss arising from impairment is recognised in the statement of profit or loss in finance costs for loans and in other expenses for receivables.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

2.4 重大會計政策概要(續)

投資及其他金融資產(續)

貸款及應收款項

貸款及應收款項指具有固定或可確定收回金額但無活躍市場報價的非衍生性金融資產。初步計量後，該等資產其後以實際利率法計算的攤餘成本減去任何減值撥備計量。計量攤餘成本時已考慮到收取時產生的任何折價或溢價，包括構成實際利率一部分的費用或成本。實際利率攤銷計入收益表中的其他收入及收益內。減值產生之虧損在損益表中確認為貸款的融資成本及應收款項的其他開支。

終止確認金融資產

金融資產(或(如適用)金融資產的一部分或同類金融資產組別的一部分)在下列情況下終止確認：

- 從資產收取現金流量的權利屆滿時；或
- 本集團已轉讓其收取該項資產所得現金流量的權利，或須根據一項「轉付」安排，有責任在無重大延誤情況下將所收取現金流量悉數付予第三方；及(a)本集團已轉讓該項資產的絕大部分風險及回報，或(b)本集團並無轉讓或保留該項資產的絕大部分風險及回報，但已轉讓該項資產的控制權。

當本集團已轉讓其收取該項資產所得現金流量的權利或已訂立一項轉付安排，會評估其是否保留該項資產所有權的風險及回報以及其程度。倘並無轉讓或保留該項資產的絕大部分風險及回報，且並無轉讓該項資產的控制權，該項資產將按本集團於資產的持續參與而確認入賬。在此情況下，本集團亦確認相關負債。已轉讓的資產及相關負債按反映本集團已保留的權利及責任的基準計量。

2.4 Summary of Significant Accounting Policies

(Continued)

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the statement of profit or loss. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

2.4 重大會計政策概要(續)

金融資產減值

本集團於各報告期末時對資產進行評估，以判斷是否存在客觀證據表明某項金融資產或某組金融資產可能已減值。倘於初步確認資產後發生一個或多個事件，而該事件對該項或該組金融資產的估計未來現金流量所造成的影響乃能夠可靠地估計，即存在減值。減值證據可能包括債務人或一組債務人出現重大財政困難、違約或拖欠利息或本金付款，有面臨破產或進行其他財務重組之可能以及有公開資料表明其預計未來現金流量已出現可計量之減幅，如債務人支付能力或所處經濟環境惡化。

按攤銷成本入賬的金融資產

對於按攤銷成本列賬的金融資產，本集團首先對個別金額屬重大的金融資產單獨評估是否有客觀減值證據，或對個別金額屬不重大的金融資產共同進行評估。倘本集團認定單獨評估的金融資產並不存在客觀減值證據，無論其金額是否重大，亦應當包括具有類似信貸風險特性的金融資產組合內的資產進行集體減值評估。已個別進行減值測試及已確認減值虧損或繼續確認減值虧損的資產不應進行集體減值評估。

倘有客觀跡象顯示已發生減值虧損，虧損金額按該資產的賬面值與所估計未來現金流量(不包括尚未發生的未來信貸虧損)的現值兩者的差額計算。估計未來現金流量的現值按該金融資產的原實際利率(即初始確認時使用的實際利率)折現。

該資產的賬面值乃透過使用撥備賬扣減，而虧損金額則於收益表確認。利息收入應繼續按照計量減值虧損時對未來現金流量進行折現採用的折現率為基準按扣減後的賬面值計算。當未來收回並無實質展望時，則撇銷貸款及應收款項及任何有關撥備，且所有抵押品已變現或轉讓予本集團。

2.4 Summary of Significant Accounting Policies

(Continued)

Impairment of financial assets (Continued)**Financial assets carried at amortised cost** (Continued)

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to other expenses in the statement of profit or loss.

Financial liabilities**Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, senior notes, convertible notes, a derivative financial instrument and interest-bearing bank and other borrowings.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings and senior notes are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

2.4 重大會計政策概要(續)**金融資產減值(續)****按攤銷成本入賬的金融資產(續)**

倘在後續期間，確認減值後發生致使估計減值虧損金額增加或減少的事件，則調整撥備賬以增加或減少先前確認的減值虧損。倘撇銷款項其後收回，則收回金額於損益表以其他開支入賬。

金融負債**初始確認及計量**

金融負債於初始確認時分類為以公允價值計入損益表的金融負債、貸款及借貸。

所有金融負債乃按公平值初步確認，而倘為貸款及借貸，則扣除直接計入應佔交易成本。

本集團的金融負債包括貿易及其他應付款項、優先票據、可換股票據、衍生金融工具以及計息銀行及其他借貸。

其後計量

金融負債的計量取決於其分類如下：

貸款及借貸

於初步確認後，計息貸款及借貸及優先票據其後用實際利率法按攤銷成本計量，惟倘貼現影響並不重大，則於該情況下，金融負債按成本列賬。損益乃於負債終止確認及於實際利率法攤銷過程中於損益表中確認。

攤銷成本乃計算自收購的任何折扣或溢價及屬於實際利率構成部分的費用或成本。實際利率攤銷乃計入損益表中的財務費用內。

2.4 Summary of Significant Accounting Policies

(Continued)

Financial liabilities (Continued)

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognised initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of the best estimate of the expenditure required to settle the present obligation at the end of the reporting period; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation.

Convertible notes

The component of convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs. On issuance of convertible notes, the fair value of the liability component is determined using a market rate for an equivalent non-convertible note; and this amount is carried as a long term liability on the amortised cost basis until extinguished on conversion or redemption. The remainder of the proceeds is allocated to the conversion option that is recognised and included in shareholders' equity, net of transaction costs. The carrying amount of the conversion option is not remeasured in subsequent years. Transaction costs are apportioned between the liability and equity components of the convertible notes based on the allocation of proceeds to the liability and equity components when the instruments are first recognised.

Derivative financial instruments

Derivative financial instruments of the Group represent call options granted to the counterparty. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Any gains or losses arising from changes in fair value of derivatives are taken directly to the consolidated statement of profit or loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

2.4 重大會計政策概要(續)

金融負債(續)

財務擔保合同

本集團發行的財務擔保合同乃規定於特定債務人未能按照債務票據條款於到期時支付款項時須支付款項以補償持有人所蒙受損失。財務擔保合同初步以公平值確認為負債，並按與發出財務擔保合同有直接關係的交易成本予以調整。在初步確認後，本集團對財務擔保合同的計量以(i)於報告期末時履行有關責任的最佳估計開支金額；及(ii)按初步確認金額減(如適用)累計攤銷，兩者之較高者計算。

可換股票據

展示負債特點的可換股票據部分於扣除交易成本後在財務狀況表確認為負債。發行可換股票據時，負債部分的公平值按相同價值的非可換股票據的市場比率釐定；而此金額按攤銷成本基準列賬為長期負債，直至於兌換或贖回時償清債務為止。餘下所得款項分配至兌換期權，並於扣除交易成本後在股東權益確認及計入股東權益。兌換期權的賬面值不會於往後年度重新計量。交易成本按照該可換股票據初始發行時其負債部分價值和權益部分價值按照比例分攤。

衍生金融工具

本集團衍生工具代表授予交易對手的購股權。衍生金融工具在衍生合約訂立時以公允價值作初始確認，並以公允價值作為其後計量。任何由衍生金融工具的公允價值改變引致的收益或虧損，會直接在綜合損益表確認。

終止確認金融負債

當負債項下的責任已解除、取消或期滿，則終止確認金融負債。

2.4 Summary of Significant Accounting Policies

(Continued)

Financial liabilities (Continued)

Derecognition of financial liabilities (Continued)

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Properties held for sale and held for finance lease

Properties held for sale and held for finance lease includes completed properties held for sale and held for finance lease and properties under development expected to be completed within normal operating cycle. Properties held for sale and held for finance lease are stated at the lower of cost and net realisable value. Cost includes land cost, all development expenditure, applicable borrowing costs and other direct costs attributable to such properties. Net realisable value is determined by reference to the prevailing market prices, on an individual property basis.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

2.4 重大會計政策概要(續)

金融負債(續)

終止確認金融負債(續)

如現有金融負債被同一貸款人按條款大部分不同的另一項金融負債取代，或現有負債的條款被大幅修改，有關置換或修改會被視作終止確認原有負債並確認新負債，而其各自賬面值間的差額於損益表確認。

金融工具的抵銷

當目前有可執行法定權利以抵銷已確認金額並擬按淨額基準結算，和將資產變現及償還負債時，金融資產及金融負債會互相抵銷，並在財務狀況表內以淨額列示。

持作銷售及持作融資租賃物業

持作銷售及持作融資租賃物業包括持作銷售及持作融資租賃已落成物業及建築期間預計在正常經營週期內的發展中物業。持作銷售及持作融資租賃物業按成本值及可變現淨值兩者的較低者列賬。成本包括土地成本、所有發展開支、適用的借貸成本及該等物業應佔的其他直接成本。可變現淨值乃參考當前市價按個別物業基準釐定。

現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金及活期存款，以及可隨時轉換為已知金額現金的短期高流動性投資，該筆現金承受價值轉變的較低風險，一般於收購起計三個月內到期，並已減去須應要求償還的銀行透支，而成為本集團現金管理的一部分。

就財務狀況表而言，現金及現金等價物包括手頭現金及銀行存款，當中包括定期存款及性質與現金相類的資產，該等存款用途不受限制。

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2.4 Summary of Significant Accounting Policies

(Continued)

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2.4 重大會計政策概要(續)

撥備

撥備乃於本集團因以往的事件導致現行的責任(不論法定或推定)產生,並將有可能需要於日後作出資源流出以履行責任時確認,惟須可靠地估計有關責任的金額。

倘折現的影響重大,確認為撥備的金額則為預期須用作履行責任的日後開支於報告期末的現值。折現的現值因時間流逝而產生的升幅,乃於損益表中列作融資成本。

所得稅

所得稅包括即期及遞延稅項。於損益以外確認項目相關的所得稅於損益以外之其他全面收入或直接於權益確認。

即期及過往期間的即期稅項資產和負債按預期可自稅務機關收回或須支付予稅務機關的金額,基於報告期末時已頒佈或實際已頒佈的稅率(和稅法),計及本集團營運所在國家現行詮釋及慣例計量。

在申報期間結束時,資產與負債的稅基與作為財務報告用途的資產與負債賬面值之間的全部暫時性差異,須按負債法計提遞延稅項撥備。

所有應課稅暫時性差異均確認為遞延稅項負債,惟下列各項除外:

- 倘若遞延稅項負債的起因,是由於商譽而產生,或在一宗非屬業務合併的交易中初步確認資產或負債,而於進行交易時,對會計利潤或應課稅利潤或虧損均無影響;及
- 對於與於附屬公司及聯營公司的投資及於合營企業的權益有關的應課稅暫時性差異而言,倘若撥回暫時性差異的時間可以控制,而暫時性差異不甚可能在可見將來撥回。

2.4 Summary of Significant Accounting Policies

(Continued)

Income tax (Continued)

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.4 重大會計政策概要(續)

所得稅(續)

對於所有可扣減暫時性差異、結轉未動用稅項抵免及任何未動用稅項虧損，若日後有可能出現應課稅利潤，可用以抵銷該等可扣減暫時性差異、結轉未動用稅項抵免及未動用稅項虧損，則遞延稅項資產確認入賬，惟下列各項除外：

- 倘若有關可扣減暫時性差異的遞延稅項資產的起因，是由於在一宗非屬業務合併的交易中初步確認資產或負債，而於進行交易時，對會計利潤或應課稅利潤或虧損均無影響；及
- 對於與於附屬公司及聯營公司的投資及於合營企業的權益有關的可扣減暫時性差異而言，只有在暫時性差異有可能在可見將來撥回，而且日後有可能出現應課稅利潤，可用以抵銷該等暫時性差異時，方會確認遞延稅項資產。

遞延稅項資產的賬面值，在各報告期末時予以審閱，若不再可能有足夠應課稅利潤可用以抵扣全部或部分遞延稅項資產，則扣減遞延稅項資產賬面值。過往未予確認的遞延稅項資產於各報告期末時重新評估，而在可能有足夠應課稅利潤可用以抵扣全部或部分遞延稅項資產，則確認過往未予確認的遞延稅項資產。

變現資產或清償負債的期間預期適用的稅率，會用作計量遞延稅項資產及負債，並以報告期末時已經生效或大致上已經生效的稅率(及稅法)為基準。

倘存在可依法執行的權利將即期稅項資產與即期稅項負債抵銷，而遞延稅項與相同應課稅實體及相同稅務機關有關，則遞延稅項資產及遞延稅項負債互相抵銷。

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2.4 Summary of Significant Accounting Policies

(Continued)

Government grant

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to the statement of profit or loss over the expected useful life of the relevant asset by equal annual instalments or deducted from the carrying amount of the asset and released to the statement of profit or loss by way of a reduced depreciation charge or over the benefits received by the Group related to such assets.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) from the sale of properties, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the properties sold;
- (b) rental income, on a time proportion basis over the lease terms;
- (c) finance lease income, when the significant risks and rewards incidental to ownership of the properties have been transferred to the lessee;
- (d) property management service and other fee income, when the services have been rendered;
- (e) interest income, on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset; and
- (f) income from E-commerce and the provision of logistics services, when the services have been rendered.

2.4 重大會計政策概要(續)

政府補助

政府補助於合理地確保本集團將取得該補助並將可符合所有隨附條件時按公平值確認。與開支項目有關的補助，則有系統地於擬作成本開銷期間確認為收入。

當該補助與資產有關時，則以其公平值記錄於遞延收入中，再於有關資產之預計可使用年期內，分期每年分攤計入損益表，或在資產之賬面值扣除，並以扣減折舊費用方式或本集團從該資產得到的得益之攤分方式計入損益表。

收入確認

收入乃於經濟利益有可能流入本集團，並能夠可靠地計量收入之時，按下列基準確認：

- (a) 來自銷售物業的收入，於所有權的重大風險及回報已轉移予買家，而本集團並不保留通常與所有權有關的管理權或對已售物業的有效控制；
- (b) 租金收入，在租賃期內按時間比例基準；
- (c) 融資租賃收入，當物業擁有權相關的主要風險及回報已轉移予承租人；
- (d) 物業管理服務及其他費用收入，於提供服務時；
- (e) 利息收入，以累計基準計算，於金融工具的預期年期或較短期間(如適用)內採用實際利息法按估計未來現金收入準確折現至金融資產賬面淨額的折現率；及
- (f) 電子商貿及提供物流服務收入，於提供服務時。

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2.4 Summary of Significant Accounting Policies

(Continued)

Share-based payments

The Company operates share option schemes for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees for grants after 7 November 2002 is measured by reference to the fair value at the date at which they are granted. The fair value is determined by an external valuer using an appropriate pricing model, further details of which are given in note 36 to the financial statements.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefit expense. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for equity-settled transactions where vesting is conditional upon a market or non-vesting condition, which are treated as vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified, if the original terms of the award are met. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payments, or is otherwise beneficial to the employee as measured at the date of modification.

2.4 重大會計政策概要(續)**以股份形式付款**

本公司營運一項購股權計劃，向為本集團業務成就作出貢獻的合資格參與者提供獎勵及報酬。本集團僱員(包括董事)按以股份形式付款方式收取薪酬，僱員以提供服務作為權益工具的代價(「以權益結算的交易」)。

與僱員之間於2002年11月7日後的以權益結算的交易成本乃參考授出日期的公平值計量。公平值乃由外聘估值師採用適當定價模式釐定，進一步詳情載於財務報表附註36。

以權益結算的交易成本連同相應的權益增值於達致表現及/或服務條件期間確認。於各申報期間結束時就直至歸屬日期以權益結算的交易確認的累計開支反映歸屬期的屆滿情況及本集團對最終將歸屬的權益工具數目的最佳估計。就某期間在收益表內扣除或計入的金額，為該期間期初及期末確認的累計開支變動。

不會就最終未有歸屬的獎勵確認任何開支，惟歸屬乃視乎市況或非歸屬條件而定者除外，有關獎勵不論市況如何或非歸屬條件是否達成，均視作已歸屬，前提是所有其他表現及/或服務條件均已達成。

當以權益結算的獎勵的條款經修改，倘符合獎勵的原有條款，則會確認最低額度的開支，猶如條款未經修改。此外，就引致以股份形式付款的總公平值上升或以其他方式對僱員有利的任何改動(以改動當日的計量為準)確認開支。

2.4 Summary of Significant Accounting Policies

(Continued)

Share-based payments (Continued)

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

Other employee benefits

Pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the “MPF Scheme”) under the Mandatory Provident Fund Schemes Ordinance for all of its employees in Hong Kong. Contributions are made based on a percentage of the employees’ basic salaries and are charged to the statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group’s subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute certain percentage of their respective payroll costs to the central pension scheme. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

2.4 重大會計政策概要(續)

以股份形式付款(續)

當一項以權益結算的獎勵註銷，會被視作猶如於註銷當日歸屬，及並未就獎勵確認的任何開支將即時確認。此乃包括受本集團或僱員控制的非歸屬條件未能達成的任何獎勵。然而，如一項新獎勵取代一項註銷獎勵，並於授出當日界定為取替的獎勵，如上段所述，註銷及新獎勵兩者會被視為原有獎勵的改動。

尚未行使購股權的攤薄影響用於計算每股盈利時反映為額外股份攤薄。

其他僱員福利

退休金計劃

本集團根據強制性公積金計劃條例為其所有香港僱員參與強制性公積金計劃(「強積金計劃」)營運一項定額供款強積金計劃。供款按僱員基本薪金的若干百分比作出，並於根據強積金計劃規則的規定於應付時自收益表扣除。強積金計劃的資產乃與本集團資產分開以獨立管理基金持有。本集團對強積金計劃作出的僱主供款，在供款作出時全數歸屬僱員。

本集團旗下在中國大陸營運的附屬公司的僱員，須參與由地方市政府營運的中央公積金計劃。該等附屬公司須按彼等各自的支薪成本的若干百分比向中央公積金計劃作出供款。供款須按照中央公積金計劃規則的規定於應付時在損益表內扣除。

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2.4 Summary of Significant Accounting Policies

(Continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the equity section of the statement of financial position, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measures at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

2.4 重大會計政策概要(續)**借貸成本**

因收購、建設或生產合資格資產(即須頗長期間準備方可用作其擬定用途或銷售的資產)直接產生的借貸成本,乃作為該等資產的部分成本予以資本化。當資產大致達到擬定用途或銷售時,該等借貸成本則不再予以資本化。待作出合資格資產開支的特定借貸臨時投資所賺取的投資收入於借貸成本資本化時扣除。所有其他借貸成本會於發生當期支銷。借貸成本包括利息及其他由公司借貸資金而產生之費用。

股息

董事建議的末期股息將於財務狀況表中權益項目下的保留利潤分類為獨立分配,直至該等股息於股東大會上獲股東批准為止。倘此等股息獲股東批准及宣派,將被確認為一項負債。

外幣

此等財務報表按港元呈列,而港元為本公司的功能及呈列貨幣。本集團內各實體決定其本身的功能貨幣,而各實體的財務報表內各項目均使用該功能貨幣計量。本集團實體所入賬的外幣交易初步普遍按交易日期其各自的功能貨幣匯率入賬。以外幣為單位的貨幣資產及負債,乃按報告期末的功能貨幣匯率換算。因結算或換算貨幣項目產生的一切差額乃於損益表入賬。

按外幣的歷史成本計量的非貨幣項目按最初交易當日的匯率換算。按外幣公平值計量的非貨幣項目按釐定公平值當日的匯率換算。換算非貨幣項目產生的收益或虧損乃按與確認該項目的公平值變動產生按公平值的收益或虧損一致的方法處理(即公平值收益或虧損於其他全面收入或損益確認的項目的換算差額,亦分別於其他全面收入或損益確認)。

2.4 Summary of Significant Accounting Policies

(Continued)

Foreign currencies (Continued)

The functional currencies of certain overseas subsidiaries, joint ventures and associates are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into Hong Kong dollars at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

For the purpose of the consolidated statement of cash flows, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

3. Significant Accounting Judgements and Estimates

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

2.4 重大會計政策概要(續)

外幣(續)

若干海外附屬公司、合營企業及聯營公司的功能貨幣為港元以外的貨幣。於申報期間結束時，該等實體的資產及負債按報告期末時的匯率換算為本公司的呈列貨幣，而該等公司的損益表按該年度普遍的平均匯率換算為港元。

所產生的匯兌差額確認為其他全面收入，並計入匯兌波動儲備。出售海外實體時，在權益確認有關該特定海外業務的遞延累計金額在損益表確認。

就綜合現金流量表而言，海外附屬公司的現金流量按現金流量日期的匯率換算為港元。海外附屬公司於年內經常產生的現金流量則按該年度的加權平均匯率換算為港元。

3. 重大會計判斷及估計

編製本集團財務報表時需管理層作出影響於報告期末的收入、費用、資產及負債及其隨附披露事項以及或然負債之呈報金額的判斷、預計及假設。然而，此等假設及預計的不明朗因素將引致受影響之資產或負債賬面值於將來或作出重大調整。

判斷

在應用本集團的會計政策的過程中，除該等涉及估計者外，管理層已作出下列對財務報表確認的金額有最重大影響的判斷：

3. Significant Accounting Judgements and Estimates (Continued)

Judgements (Continued)

Operating lease commitments – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independent of the other assets held by the Group. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately or leased out separately under a finance lease, the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

Transfer from properties under development to investment properties

Properties under development are transferred to investment properties when there is a change in use with sufficient evidence. The Group determines whether a change in use has occurred based on an assessment of all relevant facts and circumstances, which include but are not limited to: (a) a business plan that reflects the future rental income generated by the property; (b) the resources to hold and manage an investment property; (c) legal permissibility for the change in use; (d) the commencement of development if the property requires further development for the change in use. Any excess of fair value over the original carrying amount of such properties at the date of transfer was recognised as current year profit or loss.

3. 重大會計判斷及估計(續)

判斷(續)

經營租賃承擔 – 本集團作為出租人

本集團已就其投資物業組合訂立商業物業租賃。根據對該等安排的條款及條件作出的評估，本集團已釐定，按照經營租賃出租的該等物業所有權的所有重大風險及回報仍歸本集團所有。

投資物業與業主自用物業之間的分類

本集團釐定物業是否符合投資物業的條件，並已制定出一套判斷準則。投資物業是持作賺取租金或資本增值或兩者俱備的物業。因此，本集團考慮物業產生現金流量時是否大體獨立於本集團持有的其他資產。某些物業的部分是為賺取租金或資本增值而持有，而另一部分是為用於生產或供應貨品或服務或作行政用途而持有。倘若此等部分可以分開出售或根據融資租賃分開出租，本集團將把有關部分分開入賬。倘若該等部分無法分開出售，則僅在非主要部分持作生產或供應貨品或服務或作行政用途時，有關物業方會列作投資物業。本集團按個別基準對物業作出判斷，以決定配套服務是否重要，以致物業不符合投資物業資格。

發展中物業結轉至投資物業

當有充足證明用途轉變時，發展中物業結轉至投資物業。本集團乃基於所有相關事實及情況的評估釐定用途有否轉變，其中包括但不限於：(a) 反映此物業將來產生租金收入的商業計劃；(b) 持有及經營投資物業所需的資源；(c) 容許改變有關用途的法律許可；(d) 如物業改變用途需其他開發，有關開發需開始進行。於結轉日期該等物業的公平值超出原賬面值的任何金額確認為本年度損益。

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3. Significant Accounting Judgements and Estimates (Continued)

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 March 2014 was HK\$34,128,000 (2013: nil). Further details are given in note 18.

Estimation of fair value of investment properties

The Group engaged Savills Valuation and Professional Services Limited ("Savills"), independent professionally qualified valuers, to perform the valuation of the Group's investment properties at the end of the reporting period. The carrying amount of investment properties at 31 March 2014 was HK\$24,033,905,000 (2013: HK\$19,425,946,000). Further details are given in note 15.

Impairment allowances for trade receivables and other receivables

The Group estimates the impairment allowances for trade receivables and other receivables by assessing the recoverability based on credit history and prevailing market conditions. This requires the use of estimates and judgements. Allowances are applied to trade receivables and other receivables where events or changes in circumstances indicate that the balances may not be collectible. Where the expectation is different from the original estimate, the difference will affect the carrying amounts of trade receivables and other receivables and thus the impairment loss in the period in which the estimate is changed. The Group reassesses the impairment allowances at the end of each reporting period. At 31 March 2014, the carrying amounts of trade receivables and other receivables were HK\$3,313,022,000 (2013: HK\$1,518,461,000).

3. 重大會計判斷及估計(續)

估計的不確定因素

有關未來的主要假設以及於報告期末時存在重大風險導致於下一個財政年度對資產及負債的賬面值作出重大調整的其他主要估計不確定因素來源在下文論述。

商譽減值

本集團至少每年釐定商譽是否減值。這需要對獲分配商譽的現金產生單位使用價值作出估計。估計使用價值時，本集團須對現金產生單位的預期未來現金流量作出估計，亦須選擇適當的折現率以計算該等現金流量的現值。於2014年3月31日，商譽的賬面值為34,128,000港元(2013年：無)。詳情載於附註18。

投資物業公平值估計

本集團委聘獨立專業合資格估值師第一太平戴維斯估值及專業顧問有限公司(「第一太平戴維斯」)進行本集團投資物業於申報期間結束時的估值。於2014年3月31日，投資物業的賬面值為24,033,905,000港元(2013年：19,425,946,000港元)。詳情載於附註15。

應收貿易賬款及其他應收款項的減值撥備

本集團估計應收貿易賬款及其他應收款項的減值撥備，方法是透過基於信貸記錄及現行市況來評估可收回性。此舉需要使用估計及判斷。倘事件或情況變動顯示結餘不可收回，則須就應收貿易賬款及其他應收款項作出撥備。倘預計數額與原先估計有所不同，則此差額將影響有關估計變動期間的應收貿易賬款及其他應收款項的賬面值以及減值虧損。本集團於各申報期間結束時重新評估減值撥備。於2014年3月31日，應收貿易賬款及其他應收款項的賬面值為3,313,022,000港元(2013年：1,518,461,000港元)。

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3. Significant Accounting Judgements and Estimates (Continued)

Estimation uncertainty (Continued)

Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying value of deferred tax assets relating to recognised tax losses at 31 March 2014 was HK\$52,603,000 (2013: nil). The amount of unrecognised tax losses at 31 March 2014 was HK\$467,972,000 (2013: HK\$398,726,000). Further details are contained in note 33 to the financial statements.

4. Operating Segment Information

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

- (a) the property development segment engages in the development of integrated logistics and trade centers and supporting facilities;
- (b) the property investment segment invests in integrated logistics and trade centers and supporting 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;
- (e) the "others" segment comprises, principally, the provision of advertising, exhibition, logistics and warehousing, outlet center operation and other services; and
- (f) the hotel operation segment engages in the provision of hotel services.

3. 重大會計判斷及估計(續)

估計的不確定因素(續)

遞延稅項資產

僅在可能取得應課稅利潤作扣減虧損的情況下，方確認由所有未動用稅項虧損產生的遞延稅項資產。在釐定可予確認的遞延稅項資產款項時，須根據可能的時間、未來應課稅利潤的水平連同未來稅項計劃策略，作出重要的管理層判斷。於2014年3月31日，有關因稅項虧損而確認的遞延稅項資產的賬面值為52,603,000港元(2013年：無)。於2014年3月31日，未確認的稅項虧損為467,972,000港元(2013年：398,726,000港元)。詳情載於財務報表附註33。

4. 經營分部資料

就管理而言，本集團按其產品及服務劃分為不同的業務單位，並具備以下六個可申報營運分部：

- (a) 物業發展分部從事發展綜合商貿物流中心及配套设施；
- (b) 物業投資分部投資綜合商貿物流中心及配套设施；
- (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；
- (e) 「其他」分部基本上包括提供廣告、展覽、倉儲物流、奧特萊斯中心經營及其他服務；及
- (f) 酒店營運分部從事提供酒店服務。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

31 March 2014 2014年3月31日

4. Operating 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 as well as head office and corporate expenses are excluded from this measurement.

Segment assets exclude cash and cash equivalents, equity 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, convertible notes, a derivative financial instrument, 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 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 year ended 31 March 2014 (2013: Nil).

4. 經營分部資料(續)

管理層會獨立監察營運分部之業績而作出資源分配決定及評定其表現。分部表現乃根據可呈報分部利潤／(虧損)(即經調整稅前利潤／(虧損))評估。經調整稅前利潤／(虧損)與本集團稅前利潤計量方式一致，惟利息收入、融資成本、本集團金融工具公平值收益以及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、透過損益以公平值列賬之股本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整體管理。

分部負債不包括計息銀行及其他借貸、優先票據、可換股票據、衍生金融工具、應付稅項及其他未分配總辦事處及公司負債，原因為該等負債按集團整體管理。

分部間銷售及轉讓乃參考當時向第三方按市價作出銷售的售價進行。

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

截至2014年3月31日止年度，並無單一客戶為本集團收入貢獻10%或以上(2013年：無)。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

4. Operating Segment Information (Continued)

4. 經營分部資料(續)

Year ended 31 March 2014 截至2014年3月31日止年度		Property development 物業發展 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Property management 物業管理 HK\$'000 千港元	E-commerce 電子商貿 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue:	分部收入:						
Sales to external customers	對外部客戶銷售	12,812,583	304,866	67,074	189,128	94,671	13,468,322
Intersegment sales	分部間銷售	-	18,353	41,542	48,180	-	108,075
		<u>12,812,583</u>	<u>323,219</u>	<u>108,616</u>	<u>237,308</u>	<u>94,671</u>	<u>13,576,397</u>
Elimination of intersegment sales	分部間銷售對銷						(108,075)
Revenue	收入						<u>13,468,322</u>
Segment results before increase in fair value of investment properties	投資物業公平值增加前分部業績	6,293,333	246,389	(45,897)	188,912	71,724	6,754,461
Increase in fair value of investment properties	投資物業公平值增加	-	1,266,287	-	-	-	1,266,287
Segment results after increase in fair value of investment properties	投資物業公平值增加後分部業績	<u>6,293,333</u>	<u>1,512,676</u>	<u>(45,897)</u>	<u>188,912</u>	<u>71,724</u>	<u>8,020,748</u>
Unallocated cost of sales	未分配銷售成本						(207,297)
Interest income	利息收入						48,635
Unallocated income and gains	未分配收入及收益						139,188
Unallocated expenses	未分配開支						(1,678,976)
Finance costs	融資成本						(152,852)
Share of profit of a joint venture	應佔一家合營企業利潤						244
Share of losses of associates	應佔聯營公司虧損						(862)
Profit before tax	稅前利潤						<u>6,168,828</u>
Segment assets	分部資產	20,518,873	24,968,944	4,584	7,510	119,415	45,619,326
Reconciliation:	對賬:						
Investment in a joint venture	於一家合營企業的投資						8,919
Investments in associates	於聯營公司的投資						4,141
Unallocated assets	未分配資產						14,328,556
Total assets	資產總值						<u>59,960,942</u>
Segment liabilities	分部負債	9,954,756	4,946,443	52,611	611	78,042	15,032,463
Reconciliation:	對賬:						
Unallocated liabilities	未分配負債						24,784,334
Total liabilities	負債總額						<u>39,816,797</u>
Other segment information:	其他分部資料:						
Depreciation	折舊	-	-	969	1,333	4,881	7,183
Corporate and other unallocated amounts	公司及其他未分配金額						61,307
							<u>68,490</u>
Increase in fair value of investment properties	投資物業公平值增加	-	1,266,287	-	-	-	1,266,287
Capital expenditure*	資本開支*	15,286,126	879,270	4,085	1,417	28,107	16,199,005

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

4. Operating Segment Information (Continued)

4. 經營分部資料(續)

Year ended 31 March 2013 截至2013年3月31日止年度		Property development 物業發展 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Property management 物業管理 HK\$'000 千港元	Hotel operation 酒店營運 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue:	分部收入:						
Sales to external customers	對外部客戶銷售	7,178,712	213,995	43,589	13,291	38,474	7,488,061
Intersegment sales	分部間銷售	-	10,572	18,989	20,323	-	49,884
		7,178,712	224,567	62,578	33,614	38,474	7,537,945
Elimination of intersegment sales	分部間銷售對銷						(49,884)
Revenue	收入						7,488,061
Segment results before increase in fair value of investment properties	投資物業公平值增加前分部業績	4,101,875	210,454	(23,085)	(10,968)	21,017	4,299,293
Increase in fair value of investment properties	投資物業公平值增加	-	1,251,445	-	-	-	1,251,445
Segment results after increase in fair value of investment properties	投資物業公平值增加後分部業績	4,101,875	1,461,899	(23,085)	(10,968)	21,017	5,550,738
Unallocated cost of sales	未分配銷售成本						(122,598)
Interest income	利息收入						31,031
Unallocated income and gains	未分配收入及收益						26,940
Unallocated expenses	未分配開支						(880,333)
Finance costs	融資成本						(133,314)
Share of profit of a joint venture	應佔一家合營企業利潤						1,023
Share of losses of associates	應佔聯營公司虧損						(351)
Profit before tax	稅前利潤						4,473,136
Segment assets	分部資產	13,322,482	20,730,471	1,247	-	64,397	34,118,597
Reconciliation:	對賬:						
Investment in a joint venture	於一家合營企業的投資						8,936
Investments in associates	於聯營公司的投資						(2,542)
Unallocated assets	未分配資產						8,220,034
Total assets	資產總值						42,345,025
Segment liabilities	分部負債	5,686,156	4,532,888	35,402	-	33,526	10,287,972
Reconciliation:	對賬:						
Unallocated liabilities	未分配負債						16,014,292
Total liabilities	負債總額						26,302,264
Other segment information:	其他分部資料:						
Depreciation	折舊	-	-	641	2,918	5,192	8,751
Corporate and other unallocated amounts	公司及其他未分配金額						18,375
							27,126
Increase in fair value of investment properties	投資物業公平值增加	-	1,251,445	-	-	-	1,251,445
Provision for impairment of goodwill	商譽減值撥備	-	-	-	20,066	-	20,066
Capital expenditure*	資本開支*	8,480,793	608,118	61	233	29,089	9,118,294

* Capital expenditure consists of additions to property, plant and equipment, properties under development and investment properties.

* 資本開支包括物業、廠房及設備、發展中物業及投資物業添置。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

31 March 2014 2014年3月31日

5. Revenue, Other Income and Gains

Revenue, which is also the Group's turnover, represents the net sales of completed properties, finance lease income, rental income, income from the provision of property management services, E-commerce income and other fee income, net of business tax and other sales related tax.

An analysis of revenue, other income and gains is as follows:

5. 收入、其他收入及收益

收入(亦即本集團的營業額)指扣除營業稅後竣工物業銷售淨額、融資租賃收入、租金收入、提供物業管理服務收入、電商收入及其他費用收入(扣除營業稅及其他銷售相關稅項)。

收入、其他收入及收益分析如下：

		For the year ended 31 March 截至3月31日止年度	
		2014 HK\$'000 千港元	2013 HK\$'000 千港元
	Notes 附註		
Revenue	收入		
Sales of properties	物業銷售	12,534,980	6,899,068
Finance lease income	融資租賃收入	277,603	279,644
Rental income	租金收入	304,866	213,995
Property management service income	物業管理服務收入	67,074	43,589
E-commerce income	電商收入	189,128	-
Other fee income*	其他費用收入*	94,671	38,474
Income from hotel operations	酒店營運收入	-	13,291
		13,468,322	7,488,061
Other income	其他收入		
Interest income from:	來自下列各項的利息收入：		
Banks	銀行	42,935	28,531
Finance lease receivables	融資租賃應收款項	5,700	2,500
Others	其他	34,350	21,283
		82,985	52,314
Gains	收益		
Fair value (losses)/gains 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)/收益，淨額	(2,625)	5,657
Gains on disposal of held for trading investments at fair value through profit or loss, net	出售透過損益以公平值列賬之持作買賣投資收益，淨額	4,115	-
Fair value gain on derivative financial instrument	衍生金融工具公平值收益	103,348	-
		104,838	5,657
		187,823	57,971
Fair value gains on investment properties	投資物業公平值收益	1,266,287	1,251,445

* Other fee income includes an amount of HK\$68,742,000 (2013: HK\$24,060,000) related to income from retail outlet operations.

* 其他費用收入已包括奧特萊斯收入68,742,000港元(2013年：24,060,000港元)。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 財務報表附註(續)

31 March 2014 2014年3月31日

6. Finance Costs

An analysis of finance costs is as follows:

6. 融資成本

融資成本之分析如下：

		For the year ended 31 March 截至3月31日止年度	
		2014 HK\$'000 千港元	2013 HK\$'000 千港元
Interest on bank and other borrowings	銀行及其他借貸利息		
Wholly repayable within five years	須於五年內全數償還	576,706	339,112
Wholly repayable beyond five years	須於五年後全數償還	99,412	45,366
Interest on senior notes (note 32)	優先票據利息(附註32)	425,141	334,664
Interest on convertible notes (note 34)	可換股票據利息(附註34)	106,430	–
Less: Interest capitalised	減：資本化利息	(1,054,837)	(585,828)
Total	總計	152,852	133,314

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

31 March 2014 2014年3月31日

7. Profit Before Tax

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

7. 稅前利潤

本集團的稅前利潤已扣除/(計入)下列各項：

		For the year ended 31 March 截至3月31日止年度	
		2014 HK\$'000 千港元	2013 HK\$'000 千港元
	Notes 附註		
Cost of properties sold	已售物業成本	6,409,079	2,931,128
Cost of properties held for finance lease	融資租賃物業成本	110,171	145,709
Depreciation	折舊	69,631	28,944
Less: Depreciation capitalised in respect of properties under development	減：就發展中物業資本化折舊	(1,141)	(1,818)
		68,490	27,126
Amortisation of prepaid land lease payments	預付土地出租金攤銷	1,198	190
Minimum lease payments under operating leases in respect of land and buildings and vehicles	土地及樓宇及汽車經營租賃下的最低租金	14,264	12,129
Auditors' remuneration	核數師薪酬	4,000	4,028
Employee benefit expense (including directors' remuneration):	僱員福利開支(包括董事薪酬)：		
Wages and salaries*	工資及薪金*	582,836	318,695
Equity-settled share option expense	以權益結算的購股權開支	63,357	27,176
Pension scheme contributions	退休金計劃供款	52,023	19,236
		698,216	365,107
Foreign exchange differences, net	外匯差額淨額	(6,318)	695
Provision for impairment of goodwill**	商譽減值撥備**	-	20,066
Provision for impairment of trade receivables**	應收貿易賬款減值撥備**	58,697	34,540
Loss on redemption of senior notes**	贖回優先票據之虧損**	176,082	-
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目虧損	973	955

* Included amounts of HK\$95,658,000 and HK\$53,831,000 for the years ended 31 March 2014 and 2013, respectively, which were capitalised under properties under development.

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

* 包括截至2014年及2013年3月31日止年度的金額分別95,658,000港元及53,831,000港元，已予以資本化計入發展中物業。

** 計入綜合損益表「其他開支」項內。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

8. Directors' Emoluments

Directors' remuneration for the year, disclosed pursuant to the Listing Rules and the Hong Kong Companies Ordinance, is as follows:

8. 董事薪金

根據上市規則及香港公司條例，於本年度的董事薪酬披露如下：

		For the year ended 31 March 截至3月31日止年度 Group 本集團	
		2014 HK\$'000 千港元	2013 HK\$'000 千港元
Fees	袍金	4,640	3,725
Other emoluments:	其他酬金：		
Salaries, allowances, and benefits in kind	薪金、津貼及實物福利	14,136	13,200
Performance-related bonuses*	與表現掛鉤的花紅*	55,080	37,026
Equity-settled share option expense	以權益結算的購股權開支	23,414	14,504
Pension scheme contributions	退休金計劃供款	30	30
		97,300	68,485

* Certain executive directors of the Company are entitled to bonus payments which are determined as a percentage of the Group's consolidated net profit after taxation and non-controlling interests but before non-operating items of the financial year.

During the year, two executive directors and four independent non-executive directors were granted share options, in respect of their services to the Group, under the share option scheme of the Company, further details of which are set out in note 36 to the financial statements. The fair value of those options, which is recognised in the statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above directors' remuneration disclosures.

* 本公司若干執行董事有權收取按本集團除稅及非控股權益後但計及本財政年度非營運性項目前綜合淨利潤百分比釐定的花紅。

年內，兩名執行董事和四名獨立非執行董事就向本集團提供之服務而根據本公司購股權計劃獲授購股權，其進一步詳情載於財務報表附註36。該等購權股的公平值(已於歸屬期間於損益表確認)乃於授出日期釐定，而載於本年度財務報表的金額已包括於上文董事的酬金披露資料。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

8. Directors' Emoluments (Continued)

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

		Fees	Equity-settled share option expense	Total
		袍金	以權益結算的 購股權開支	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
2014	2014年			
Leung Kwan Yuen Andrew	梁君彥	380	1,059	1,439
Li Wai Keung	李偉強	380	1,059	1,439
Hui Chiu Chung Stephen	許照中	380	1,059	1,439
Yung Wing Ki Samuel	容永祺	380	1,059	1,439
		<u>1,520</u>	<u>4,236</u>	<u>5,756</u>

		Fees	Equity-settled share option expense	Total
		袍金	以權益結算的 購股權開支	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
2013	2013年			
Leung Kwan Yuen Andrew	梁君彥	300	–	300
Li Wai Keung	李偉強	300	–	300
Hui Chiu Chung Stephen	許照中	300	–	300
Yung Wing Ki Samuel	容永祺	25	–	25
		<u>925</u>	<u>–</u>	<u>925</u>

8. 董事薪金(續)

(a) 獨立非執行董事

年內付予獨立非執行董事的袍金如下：

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

8. Directors' Emoluments (Continued)
(b) Executive directors and non-executive directors

8. 董事薪金(續)
(b) 執行董事及非執行董事

		Fees	Salaries, allowances, and benefits in kind	Performance-related bonuses	Equity-settled share option expense	Pension scheme contributions	Total
		袍金	薪金、津貼及實物福利	與表現掛鉤的花紅	以權益結算的購股權開支	退休金計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
2014	2014年						
Executive directors:	執行董事:						
Cheng Chung Hing	鄭松興	-	5,800	27,540	-	15	33,355
Leung Moon Lam	梁滿林	-	5,800	27,540	16,445	15	49,800
Xu Yang	許揚	-	2,536	-	2,733	-	5,269
		-	14,136	55,080	19,178	30	88,424
Non-executive directors:	非執行董事:						
Ma Kai Cheung	馬介璋	1,080	-	-	-	-	1,080
Sun Kai Lit Cliff	孫啟烈	680	-	-	-	-	680
Ma Wai Mo	馬偉武	680	-	-	-	-	680
Cheng Tai Po	鄭大報	680	-	-	-	-	680
		3,120	-	-	-	-	3,120
		3,120	14,136	55,080	19,178	30	91,544

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

31 March 2014 2014年3月31日

8. Directors' Emoluments (Continued)

(b) Executive directors and non-executive directors (Continued)

8. 董事薪金(續)

(b) 執行董事及非執行董事(續)

		Fees	Salaries, allowances, and benefits in kind	Performance-related bonuses	Equity-settled share option expense	Pension scheme contributions	Total
		袍金	薪金、津貼及實物福利	與表現掛鉤的花紅	以權益結算的購股權開支	退休金計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
2013	2013年						
Executive directors:	執行董事：						
Cheng Chung Hing	鄭松興	-	5,800	18,326	-	15	24,141
Leung Moon Lam	梁滿林	-	5,800	18,326	11,756	15	35,897
Xu Yang	許揚	-	1,600	374	2,748	-	4,722
		-	13,200	37,026	14,504	30	64,760
Non-executive directors:	非執行董事：						
Ma Kai Cheung	馬介璋	1,000	-	-	-	-	1,000
Sun Kai Lit Cliff	孫啟烈	600	-	-	-	-	600
Ma Wai Mo	馬偉武	600	-	-	-	-	600
Cheng Tai Po	鄭大報	600	-	-	-	-	600
		2,800	-	-	-	-	2,800
		2,800	13,200	37,026	14,504	30	67,560

There was no agreement under which a director waived or agreed to waive any remuneration during the year (2013: Nil).

年內，概無董事放棄或同意放棄酬金的安排(2013年：無)。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

31 March 2014 2014年3月31日

9. Five Highest Paid Employees

The five highest paid employees during the year included three (2013: three) directors, details of whose remuneration are set out in note 8 above. Details of the five highest paid employees for the year are as follows:

9. 五位最高薪人士

年內，五位最高薪僱員分別包括三名董事(2013年：三名)，其酬金已載於上文附註8。年內五名最高薪僱員薪金的詳情如下：

		For the year ended 31 March 截至3月31日止年度	
		Group 本集團	
		2014 HK\$'000 千港元	2013 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物福利	21,318	19,720
Bonuses	花紅	78,303	44,386
Equity-settled share option expense	以權益結算的購股權開支	44,397	22,031
Pension scheme contributions	退休金計劃供款	60	59
		144,078	86,196

The number of the five highest paid employees whose remuneration fell within the following bands is as follows:

介乎以下範圍的五名最高薪僱員人數如下：

		Number of employees 僱員人數	
		2014	2013
HK\$3,000,001 to HK\$5,000,000	3,000,001港元至5,000,000港元	1	2
HK\$5,000,001 to HK\$15,000,000	5,000,001港元至15,000,000港元	1	–
HK\$15,000,001 to HK\$25,000,000	15,000,001港元至25,000,000港元	–	2
HK\$25,000,001 to HK\$35,000,000	25,000,001港元至35,000,000港元	1	–
HK\$35,000,001 to HK\$45,000,000	35,000,001港元至45,000,000港元	–	1
HK\$45,000,001 to HK\$55,000,000	45,000,001港元至55,000,000港元	2	–
		5	5

During the year, share options were granted to non-director, highest paid employees in respect of their services to the Group, further details of which are included in the disclosure in note 36 to the financial statements. The fair value of those options, which is recognised in the statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above five highest paid employees' remuneration disclosures.

年內，非董事最高薪僱員就其向本集團提供之服務而獲授購股權，其進一步詳情載於財務報表附註36。該等購股權的公平值(已於歸屬期間於收益表確認)乃於授出日期釐定，而載於本年度財務報表的金額已包括於上文五名最高薪僱員酬金的披露資料。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

10. Income Tax

Hong Kong profits tax has been provided at the rate of 16.5% (2013: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in Hong Kong during the year (2013: 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 a statutory rate of 25% (2013: 25%) on their respective taxable income during the year.

The PRC land appreciation tax ("LAT") is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from the sale of properties less deductible expenditures including land costs, borrowing costs and all property development expenditures. Amounts of LAT of HK\$1,270,280,000 and HK\$638,935,000 were charged to the consolidated statement of profit or loss for the years ended 31 March 2014 and 2013, respectively.

The major components of income tax expenses for the year are as follows:

10. 所得稅

年內，於香港產生的估計應課稅溢利乃按16.5% (2013年：16.5%)的稅率計提。年內，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(2013年：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，年內，中國附屬公司須就各自應課稅收入按法定稅率25%(2013年：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可扣減開支)增值徵收。為數1,270,280,000港元及638,935,000港元的土地增值稅，已分別在截至2014年及2013年3月31日止年度的綜合損益表內扣除。

年內，所得稅開支主要部分如下：

		For the year ended 31 March 截至3月31日止年度	
		2014 HK\$'000 千港元	2013 HK\$'000 千港元
Group:	本集團：		
Current — Mainland China	即期—中國大陸	1,239,428	772,557
LAT in Mainland China	中國大陸土地增值稅	1,270,280	638,935
Deferred Mainland China corporate income tax (Note 33)	遞延中國大陸企業所得稅 (附註33)	(37,230)	194,976
Total tax charged for the year	年度稅項支出總額	2,472,478	1,606,468

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

10. Income Tax (Continued)

A reconciliation of the tax expense applicable to profit before tax at the statutory rate to the tax expense at the Group's effective income tax rate is as follows:

10. 所得稅(續)

按法定稅率計算適用於稅前利潤的稅項開支與按本集團本年度實際稅率計算的稅項開支的對賬如下：

		For the year ended 31 March 截至3月31日止年度	
		2014 HK\$'000 千港元	2013 HK\$'000 千港元
Profit before tax	稅前利潤	6,168,828	4,473,136
Tax at the statutory tax rate of 16.5%	按16.5%法定稅率計算的稅項	1,017,857	738,067
Higher tax rates enacted by local authorities	地方機關制定的較高稅率	544,796	385,902
Income not subject to tax	毋須繳稅收入	(135,876)	(166,259)
Expenses not deductible for tax	不可扣稅開支	70,345	39,135
Tax losses utilised from previous years	動用過往年度的稅項虧損	(11,568)	(5,709)
Loss/(profit) attributable to a joint venture and associates	一家合營企業及 聯營公司應佔虧損/(利潤)	38	(178)
Tax losses not recognised	未確認的稅項虧損	89,489	31,965
LAT	土地增值稅	1,270,280	638,935
Tax effect of LAT	土地增值稅的稅務影響	(317,570)	(159,734)
Adjustments in respect of current tax of previous years	過往年度稅項調整	(109,768)	(54,512)
Effect of withholding tax on the distributable profits of the Group's PRC subsidiaries	按本集團的中國附屬公司的 可分配利潤而計算預扣稅的 影響	54,455	158,856
Tax charged at the Group's effective rate	按本集團實際稅率計算的 稅項支出	2,472,478	1,606,468

The share of tax attributable to associates and a joint venture amounting to HK\$99,000 (2013: Nil) and HK\$61,000 (2013: HK\$105,000), respectively, is included in "Share of profits and losses of a joint venture and associates" in the consolidated statement of profit or loss.

聯營公司及一家合營企業應佔稅項分別為99,000港元(2013年:無)及61,000港元(2013年:105,000港元),並計入綜合損益表的「應佔一家合營企業及聯營公司利潤及虧損」內。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

31 March 2014 2014年3月31日

11. Profit Attributable to Owners of the Parent

The consolidated profit attributable to owners of the parent for the year ended 31 March 2014 includes a loss of HK\$243,266,000 (loss for the year ended 31 March 2013: HK\$115,927,000) which has been dealt with in the financial statements of the Company (note 37(b)).

12. Dividends

11. 母公司擁有人應佔利潤

截至2014年3月31日止年度，母公司擁有人應佔綜合利潤包括已於本公司財務報表列賬的虧損243,266,000港元(截至2013年3月31日止年度虧損115,927,000港元)(附註37(b))。

12. 股息

		For the year ended 31 March 截至3月31日止年度	
		2014 HK\$'000 千港元	2013 HK\$'000 千港元
Proposed final dividends — HK14.0 cents per ordinary share (2013: HK10.0 cents per ordinary share)	建議末期股息—每股普通股14.0港仙(2013年：每股普通股10.0港仙)	966,996	605,356

The proposed final dividends are subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

擬派末期股息須待本公司股東於應屆股東週年大會批准後，方可作實。

13. 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 year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 6,272,737,781 (2013: 6,027,344,822) in issue during the year.

The calculation of diluted earnings per share is based on the profit for the year 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 year, 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.

13. 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年內利潤及年內已發行6,272,737,781股(2013年：6,027,344,822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年內利潤計算。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年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。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

31 March 2014 2014年3月31日

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

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

13. 歸屬於母公司普通股權益持有人的每股盈利(續)

每股基本及攤薄盈利的計算乃基於：

		For the year ended 31 March 截至3月31日止年度	
		2014 HK\$'000 千港元	2013 HK\$'000 千港元
Earnings	盈利		
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation	用於計算每股基本盈利之母公司普通股權益持有人應佔利潤	3,494,481	2,749,864
Less: fair value gain on derivative financial instrument	減：衍生金融工具公平值收益	(103,348)	—
Profit attributable to ordinary equity holders of the parent before fair value gain on derivative financial instrument	衍生金融工具公平值收益前 母公司擁有人應佔利潤	<u>3,391,133</u>	<u>2,749,864</u>
Number of Shares 股數			
		2014	2013
Shares	股份		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	用於計算每股基本盈利之年內已發行普通股的加權平均數	6,272,737,781	6,027,344,822
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	187,848,507	3,088,244
Tencent call option (note 31)	騰訊購股權(附註31)	5,174,361	—
Convertible notes	可換股票據	609,589,041	—
		<u>7,075,349,690</u>	<u>6,030,433,066</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

14. Property, Plant and Equipment
Group

14. 物業、廠房及設備
本集團

		Buildings	Furniture, fixtures and equipment	Motor vehicles	Total
		樓宇	傢俬、 裝置及設備	汽車	總計
31 March 2014	2014年3月31日	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1 April 2013:	於2013年4月1日:				
Cost	成本	612,226	64,459	54,298	730,983
Accumulated depreciation	累計折舊	(76,045)	(35,027)	(18,765)	(129,837)
Net carrying amount	賬面淨額	536,181	29,432	35,533	601,146
At 1 April 2013, net of accumulated depreciation	於2013年4月1日, 已扣除 累計折舊	536,181	29,432	35,533	601,146
Additions	添置	942	64,462	10,802	76,206
Acquisition of a subsidiary (note 38)	收購一家附屬公司(附註38)	-	9,424	-	9,424
Transfer from properties under development (note 16)	轉撥自發展中物業 (附註16)	53,585	-	-	53,585
Disposals	出售	(5,991)	(1,133)	(3,494)	(10,618)
Depreciation provided during the year (note 7)	年度折舊撥備(附註7)	(34,158)	(25,255)	(10,218)	(69,631)
Exchange realignment	匯兌調整	(1,065)	(66)	(58)	(1,189)
At 31 March 2014, net of accumulated depreciation	於2014年3月31日, 已扣除 累計折舊	549,494	76,864	32,565	658,923
At 31 March 2014:	於2014年3月31日:				
Cost	成本	658,730	136,323	59,358	854,411
Accumulated depreciation	累計折舊	(109,236)	(59,459)	(26,793)	(195,488)
Net carrying amount	賬面淨額	549,494	76,864	32,565	658,923

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

14. Property, Plant and Equipment (Continued)
Group

14. 物業、廠房及設備(續)
本集團

		Buildings	Hotel properties	Furniture, fixtures and equipment 傢私、裝置及設備	Motor vehicles 汽車	Total 總計
		樓宇 HK\$'000 千港元	酒店物業 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
31 March 2013	2013年3月31日					
At 1 April 2012:	於2012年4月1日:					
Cost	成本	172,585	126,801	64,553	31,119	395,058
Accumulated depreciation	累計折舊	(66,291)	(74,795)	(44,330)	(13,682)	(199,098)
Net carrying amount	賬面淨額	106,294	52,006	20,223	17,437	195,960
At 1 April 2012, net of accumulated depreciation	於2012年4月1日, 已扣除 累計折舊	106,294	52,006	20,223	17,437	195,960
Additions	添置	7,646	62	25,127	18,730	51,565
Acquisition of a subsidiary	收購一家附屬公司	-	-	407	6,640	7,047
Transfer from properties under development (note 16)	轉撥自發展中物業 (附註16)	432,508	-	-	-	432,508
Revaluation gain upon transfer to investment properties	轉撥至投資物業時之 重估收益	-	381,941	-	-	381,941
Transfer to investment properties (note 15)	轉撥至投資物業(附註15)	-	(430,691)	-	-	(430,691)
Disposals	出售	(790)	(934)	(8,645)	(549)	(10,918)
Depreciation provided during the year (note 7)	年度折舊撥備 (附註7)	(10,890)	(3,101)	(8,009)	(6,944)	(28,944)
Exchange realignment	匯兌調整	1,413	717	329	219	2,678
At 31 March 2013, net of accumulated depreciation	於2013年3月31日, 已扣除 累計折舊	536,181	-	29,432	35,533	601,146
At 31 March 2013:	於2013年3月31日:					
Cost	成本	612,226	-	64,459	54,298	730,983
Accumulated depreciation	累計折舊	(76,045)	-	(35,027)	(18,765)	(129,837)
Net carrying amount	賬面淨額	536,181	-	29,432	35,533	601,146

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

14. Property, Plant and Equipment (Continued)

Certain of the Group's buildings with aggregate carrying values of approximately HK\$15,952,000 and HK\$16,677,000 as at 31 March 2014 and 2013, respectively, were pledged to secure general banking facilities granted to the Group (note 30).

At 31 March 2014, certificates of ownership in respect of certain buildings of the Group in the PRC with an aggregate net book value of HK\$195,732,000 (2013: HK\$210,579,000) had not been issued by the relevant PRC authorities. The Group is in the process of obtaining the relevant certificates of ownership.

15. Investment Properties Group

		2014	2013
	Notes	HK\$'000	HK\$'000
	附註	千港元	千港元
Carrying amount at beginning of year	年初的賬面值	19,425,946	13,637,107
Additions	添置	879,270	608,118
Transfer from property, plant and equipment	轉撥自物業、廠房及設備	–	430,691
	14		
Transfer from properties under development	轉撥自發展中物業	2,793,225	3,293,910
	16		
Transfer from properties held for finance lease	轉撥自持作融資租賃物業	188,797	–
Transfer to properties held for sale	轉撥自持作銷售物業	(460,291)	–
Net gain from a fair value adjustment	公平值調整淨收益	1,266,287	1,251,445
Exchange realignment	匯兌調整	(59,329)	204,675
		24,033,905	19,425,946
Carrying amount at end of year	年終的賬面值		

The above investment properties are held under medium term leases and are situated in Mainland China.

14. 物業、廠房及設備(續)

於2014年及2013年3月31日，本集團賬面總值分別約15,952,000港元及16,677,000港元的若干樓宇已抵押作為本集團獲授一般銀行融資的擔保(附註30)。

於2014年3月31日，本集團於中國賬面淨值合共195,732,000港元(2013年：210,579,000港元)的若干樓宇未獲相關中國機關發出所有權證。本集團正在領取相關所有權證。

15. 投資物業
本集團

上述投資物業按中期租賃持有，並位於中國大陸。

31 March 2014 2014年3月31日

15. Investment Properties (Continued) Group

The Group's investment properties were revalued on 31 March 2014 and 2013 by Savills at RMB19,267,200,000 and RMB15,542,000,000, respectively, (equivalent to HK\$24,033,905,000 and HK\$19,425,946,000, respectively) on an open market, existing use basis.

The Group's investment properties with aggregate carrying values of approximately HK\$16,035,574,000 and HK\$13,108,315,000 as at 31 March 2014 and 2013, respectively, were pledged to secure general banking facilities granted to the Group (note 30).

The Group's investment properties with aggregate carrying values of approximately HK\$22,818,938,000 and HK\$19,425,946,000 as at 31 March 2014 and 2013, respectively, are subject to sales restriction (note 19(iv),(v) and (vi)).

The Group's investment properties consist of commercial properties in Mainland China. The directors of the Company have determined that the investment properties consist of one class of asset, i.e., commercial properties, based on the nature, characteristics and risks of each property. The Group's investment properties were revalued on 31 March 2014 based on valuations performed by Savills, an independent professionally qualified valuer, at HK\$24,033,905,000 on an open market, existing use basis. Each year, the Group's management decide, after approval from the audit committee, 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 management 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.

15. 投資物業(續) 本集團

第一太平戴維斯於2014年及2013年3月31日重估本集團的投資物業，按公開市場現有用途基準的價值分別為人民幣19,267,200,000元及人民幣15,542,000,000元(分別相等於24,033,905,000港元及19,425,946,000港元)。

於2014年及2013年3月31日，本集團賬面總值分別約16,035,574,000港元及13,108,315,000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30)。

於2014年及2013年3月31日，本集團賬面總值分別約22,818,938,000港元及19,425,946,000港元的投資物業受到銷售限制(附註19(iv)(v)和(vi))。

本集團的投資物業包括在中國的商業物業。本公司董事認為，投資物業按照各物業的性質、特性及風險分為一類資產(商業物業)。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2014年3月31日的重估價值約24,033,905,000港元。經審核委員會批准後，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，本集團的管理層與估值師每年就估值假設及估值結果進行兩次討論。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

15. Investment Properties (Continued)
Fair value hierarchy

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

15. 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 using significant unobservable inputs (Level 3) 使用重大非觀察輸入數據 的公平值計量 (第3級) HK\$'000 千港元
Recurring fair value measurement for:	就以下各項的經常性公平值計量：	
Commercial properties	商業物業	24,033,905

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

年內，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輸入數據的概要：

	Valuation technique 估值技術	Significant unobservable inputs 重大非觀察輸入數據	Range 範圍
As at 31 March 2014 截止2014年3月31日			
Commercial properties 商業物業	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)	40-139
		Capitalisation rate 資本化率	3.00%-8.25%

The fair values of investment properties are determined principally using the income capitalization method by capitalizing the rental income derived from the existing tenancies with due provisions for the reversionary income potential of the properties. The fair value measurement is positively correlated to the market unit rental rate and negatively correlated to 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 has 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，已考慮已計及已支銷的建築成本及完成開發項目將支銷的成本。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

16. Properties Under Development
Group

16. 發展中物業
本集團

			2014	2013
		Notes	HK\$'000	HK\$'000
		附註	千港元	千港元
Carrying amount at beginning of year	年初的賬面值		2,381,710	2,878,003
Additions	添置		15,243,529	7,717,364
Acquisition of a subsidiary	收購一家附屬公司		-	734,200
Transfer to property, plant and equipment	轉撥至物業、 廠房及設備	14	(53,585)	(432,508)
Transfer to investment properties	轉撥至投資物業	15	(2,793,225)	(3,293,910)
Transfer to prepaid land lease payments	轉撥至預付土地出租金	17	(38,864)	(98,415)
Transfer to completed properties held for sale and properties under development held for sale	轉撥至已竣工持作 銷售物業及發展中持作 銷售物業		(11,801,130)	(4,968,127)
Transfer to properties held for finance lease	轉撥至持作融資租賃物業		-	(193,058)
Exchange realignment	匯兌調整		(4,943)	38,161
			2,933,492	2,381,710
Carrying amount at end of year	年終的賬面值		2,933,492	2,381,710

The above properties under development are held under medium or long term leases and situated in Mainland China.

Certain of the Group's properties under development with aggregate carrying values of approximately HK\$234,035,000 and HK\$55,350,000 as at 31 March 2014 and 2013, respectively, were pledged to secure general banking facilities granted to the Group (note 30).

During the current year, the Group has received government grants which were provided by the local government authorities to support infrastructure construction and development activities in connection with the Group's property development projects. An amount of HK\$249,579,000 of the government grant was deducted from the additions of properties under development for the year.

上述發展中物業按中期或長期租賃持有，並位於中國大陸。

於2014年及2013年3月31日，本集團賬面總值分別約234,035,000港元及55,350,000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30)。

年內，本集團取得由地方政府機關提供，旨在為集團物業發展項目中有關於基礎建設工程及發展活動提供支持的政府補貼。其中金額249,579,000港元在年內於添置發展中物業扣除。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

17. Prepaid Land Lease Payments
Group

17. 預付土地出租金
本集團

	Notes 附註	2014 HK\$'000 千港元	2013 HK\$'000 千港元
Carrying amount at beginning of year	年初的賬面值	105,630	7,116
Transfer from properties under development	轉撥自發展中物業	38,864	98,415
Recognised during the year	年內確認	(1,198)	(190)
Exchange realignment	匯兌調整	797	289
Carrying amount at end of year	年終的賬面值	144,093	105,630
Current portion included in prepayments, deposits and other receivables	計入預付款項、按金及 其他應收款項的即期部分	(1,198)	(190)
Non-current portion	非即期部分	142,895	105,440

The leasehold land is held under a medium term lease and is situated in Mainland China.

租賃土地按中期租賃持有，並位於中國大陸。

18. Goodwill

18. 商譽

Group	本集團	HK\$'000 千港元
At 1 April 2012:	於2012年4月1日：	
Cost	成本	20,066
Accumulated impairment	累計減值	—
Net carrying amount	賬面淨額	20,066
Cost at 1 April 2012, net of accumulated impairment	於2012年4月1日，已扣除累計減值	20,066
Impairment during the year (note 7)	年度減值(附註7)	(20,066)
At 31 March 2013	於2013年3月31日	—
At 31 March 2013:	於2013年3月31日：	
Cost	成本	20,066
Accumulated impairment	累計減值	(20,066)
Net carrying amount	賬面淨額	—
Cost at 1 April 2013, net of accumulated impairment	於2013年4月1日，已扣除累計減值	—
Acquisition of subsidiaries (note 38)	收購附屬公司(附註38)	34,128
At 31 March 2014	於2014年3月31日	34,128
At 31 March 2014 :	於2014年3月31日：	
Cost	成本	54,194
Accumulated impairment	累計減值	(20,066)
Net carrying amount	賬面淨額	34,128

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

18. Goodwill (Continued)

Impairment testing of goodwill

Goodwill acquired through business combinations have been allocated to the hotel cash-generating unit and the property leasing operation cash-generating unit for impairment testing.

- Hotel cash-generating unit
- Property leasing cash-generating unit

The carrying amount of goodwill allocated to each of the cash-generating units is as follows:

	Hotel 酒店		Property leasing 物業租賃		Total 總額	
	2014 HK\$'000 千港元	2013 HK\$'000 千港元	2014 HK\$'000 千港元	2013 HK\$'000 千港元	2014 HK\$'000 千港元	2013 HK\$'000 千港元
Carrying amount of goodwill 商譽賬面值	-	-	34,128	-	34,128	-

The Group has leased its hotel properties to an independent party. Full impairment loss of HK\$20,066,000 has been provided on the goodwill related to the hotel operation of the Group in previous year.

The recoverable amount of the property leasing operation cash-generating unit is determined based on a value-in-use calculation using cash flow projections based on financial budgets approved by senior management covering a five-year period.

The key assumptions adopted on growth rate and discount rate used in the value-in-use calculation is based on management's best estimates. The growth rate of 5% is determined by considering both internal and external factors relating to the property leasing segment. The discount rate applied to the cash flow projections is 12%.

Management believes that any reasonably possible change in the key assumptions on which the recoverable amounts of goodwill are based would not cause the carrying amounts of goodwill to exceed their recoverable amounts.

18. 商譽(續)

商譽減值測試

透過業務合併收購的商譽已分配至酒店的現金產生單位及物業租賃的現金產生單位作減值測試。

- 酒店的現金產生單位
- 物業租賃的現金產生單位

分配於各現金產生單位的商譽賬面值如下：

本集團已出租其酒店物業予一個獨立第三方。有關本集團的酒店營運的商譽在以前年度已提供了全部的減值虧損，金額為20,066,000港元。

物業租賃的現金產生單位的可收回金額使用價值計算法確定。該計算法使用以高級管理層批准為期五年的財務預算為基準的現金流量預測。

價值計算法中的增長率及貼現率採用的主要假設是以管理層的最佳預測為基準。5%的增長率是考慮有關物業租賃分部的內部及外部因素而確定。現金流量預測的貼現率為12%。

管理層相信商譽可收回金額的主要假設，如有任何合理性的可能改變，都不會引致商譽賬面值大於其可收回金額。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

19. Investments in Subsidiaries
Company

19. 於附屬公司的投資
本公司

			2014	2013
		Note	HK\$'000	HK\$'000
		附註	千港元	千港元
Unlisted investments, at cost	非上市投資，按成本		2,201,275	2,201,275
Loan to a subsidiary	向一家附屬公司貸款		534,000	534,000
Capital contribution in respect of convertible notes	可換股票據資本出資	34	37,360	-
			2,772,635	2,735,275

The amounts due from and due to subsidiaries included in the Company's current assets and current liabilities of HK\$4,928,814,000 (2013: HK\$2,869,404,000) and HK\$28,812,000 (2013: HK\$35,924,000) are unsecured, interest-free and are repayable on demand or within one year.

The loan to a subsidiary bears fixed interest of 8% per annum, and is unsecured and repayable by July 2015. The carrying amount of the loan to a subsidiary approximates to its fair value.

於本公司流動資產及流動負債列賬之應收及應付附屬公司款項4,928,814,000港元(2013年：2,869,404,000港元)及28,812,000港元(2013年：35,924,000港元)為無抵押、免息及須應要求或於一年內償還。

向一家附屬公司作出之貸款按每年8%之固定利息計息，為無抵押及須於2015年7月前償還。向一家附屬公司作出之貸款的賬面值與其公平值相若。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

19. Investments in Subsidiaries (Continued)

Particulars of the principal subsidiaries are as follows:

19. 於附屬公司的投資(續)

主要附屬公司詳情如下：

Name 名稱	Place of incorporation/ registration and business 註冊成立/註冊及 經營地點	Nominal value of issued ordinary/ registered share capital as at 31 March 2014 於2014年3月31日 已發行普通/註冊 股本面值	Date of incorporation/ registration 註冊成立/ 註冊日期	Percentage of equity attributable to the Company		Principal activities 主要業務
				Direct 直接 %	Indirect 間接 %	
China South International Industrial Materials City (Shenzhen) Co., Ltd. (ii)(iv) 華南國際工業原料城(深圳)有限公司(ii)(iv)	PRC/Mainland China 中國/中國大陸	HK\$2,200,000,000 2,200,000,000港元	18 December 2002 18-12-2002	100	-	Development and management of integrated logistics trade centers 綜合商貿物流及商品交易中心 開發及營運
Nanchang China South City Company Limited (i)(v) 南昌華南城有限公司(i)(v)	PRC/Mainland China 中國/中國大陸	RMB1,100,000,000 人民幣1,100,000,000元	16 November 2007 16-11-2007	-	100	Development and management of integrated logistics trade centers 綜合商貿物流及商品交易中心 開發及營運
Nanning China South City Company Limited (iii)(v) 南寧華南城有限公司(iii)(v)	PRC/Mainland China 中國/中國大陸	RMB1,000,000,000 (2013: RMB500,000,000) 人民幣1,000,000,000元 (2013: 人民幣500,000,000元)	28 August 2009 28-08-2009	-	100	Development and management of integrated logistics trade centers 綜合商貿物流及商品交易中心 開發及營運
Xi'an China South City Company Limited (iii) 西安華南城有限公司(iii)	PRC/Mainland China 中國/中國大陸	US\$30,000,000 30,000,000美元	12 November 2009 12-11-2009	-	100	Development and management of integrated logistics trade centers 綜合商貿物流及商品交易中心 開發及營運
Harbin China South City Company Limited (iii) 哈爾濱華南城有限公司(iii)	PRC/Mainland China 中國/中國大陸	RMB200,000,000 人民幣200,000,000元	9 January 2012 09-01-2012	-	100	Development and management of integrated logistics trade centers 綜合商貿物流及商品交易中心 開發及營運
Harbin Baolitong Market Development Management Company Limited (iii) 哈爾濱寶力通市場開發管理有限公司(iii)	PRC/Mainland China 中國/中國大陸	RMB200,000,000 人民幣200,000,000元	22 December 2011 22-12-2011	-	100	Development and management of integrated logistics trade centers 綜合商貿物流及商品交易中心 開發及營運

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

19. Investments in Subsidiaries (Continued)

19. 於附屬公司的投資(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/註冊及 經營地點	Nominal value of issued ordinary/ registered share capital as at 31 March 2014 於2014年3月31日 已發行普通/註冊 股本面值	Date of incorporation/ registration 註冊成立/ 註冊日期	Percentage of equity attributable to the Company		Principal activities 主要業務
				Direct 直接 %	Indirect 間接 %	
Zhengzhou China South City Company Limited (iii) 鄭州華南城有限公司(iii)	PRC/Mainland China 中國/中國大陸	RMB1,000,000,000 (2013: RMB300,000,000) 人民幣1,000,000,000元 (2013: 人民幣300,000,000元)	17 May 2012 17-05-2012	-	100	Development and management of integrated logistics trade centers 綜合商貿物流及商品交易中心 開發及營運
Hefei China South City Company Limited (ii)(vi) 合肥華南城有限公司(ii)(vi)	PRC/Mainland China 中國/中國大陸	RMB600,000,000 人民幣600,000,000元	25 December 2012 25-12-2012	-	100	Development and management of integrated logistics trade centers 綜合商貿物流及商品交易中心 開發及營運
Chongqing China South City Company Limited (ii) 重慶華南城有限公司(ii)	PRC/Mainland China 中國/中國大陸	RMB600,000,000 人民幣600,000,000元	27 December 2013 27-12-2013	-	100	Development and management of integrated logistics trade centers 綜合商貿物流及商品交易中心 開發及營運
Shenzhen Huasheng Commercial Development Company Limited (iii) 深圳華盛商業發展有限公司(iii)	PRC/Mainland China 中國/中國大陸	RMB50,000,000 (2013: RMB20,000,000) 人民幣50,000,000元 (2013: 人民幣20,000,000元)	19 November 2010 19-11-2010	-	100	Management of outlet operations 奧特萊斯商場經營及管理
Shenzhen China South City e-Commerce Company Limited (iii) 深圳華南城網電子商務有限公司(iii)	PRC/Mainland China 中國/中國大陸	RMB100,000,000 人民幣100,000,000元	19 April 2012 19-04-2012	-	100	Development, operations and maintenance of E-commerce business 電子商貿開發、經營及管理
Shenzhen First Asia Pacific Property Management Co., Ltd. (i) 深圳第一亞太物業管理有限公司(i)	PRC/Mainland China 中國/中國大陸	RMB50,000,000 人民幣50,000,000元	31 December 2003 31-12-2003	2.5	97.5	Provision of property management services 提供物業管理服務

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

19. Investments in Subsidiaries (Continued)

19. 於附屬公司的投資(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/註冊及 經營地點	Nominal value of issued ordinary/ registered share capital as at 31 March 2014 於2014年3月31日 已發行普通/註冊 股本面值	Date of incorporation/ registration 註冊成立/ 註冊日期	Percentage of equity attributable to the Company		Principal activities 主要業務
				Direct 直接 %	Indirect 間接 %	
Qianlong Logistics Group Limited (formerly known as Shenzhen Qianlong Logistics Company Limited) (iii) 乾龍物流集團有限公司 (前稱深圳乾龍物流有限公司)(iii)	PRC/Mainland China 中國/中國大陸	RMB200,000,000 (2013: RMB30,000,000) 人民幣200,000,000元 (2013: 人民幣30,000,000元)	2 July 2004 02-07-2004	-	95	Provision of logistics services 提供物流服務
Shenzhen HOBA Home Furnishing Chain Store Company Limited (iii)(vii) 深圳市好百年家居連鎖股份有限公司(iii)(vii)	PRC/Mainland China 中國/中國大陸	RMB192,000,000/ RMB480,000,000 人民幣192,000,000元/ 人民幣480,000,000元	12 October 2001 12-10-2001	-	37.5	Property leasing 物業租賃
Shenzhen China South City Advertising Co., Ltd. (iii) 深圳市華南城廣告有限公司(iii)	PRC/Mainland China 中國/中國大陸	RMB1,500,000 人民幣1,500,000元	20 July 2004 20-07-2004	-	100	Provision of advertising services 提供廣告服務
Shenzhen China South International Convention and Exhibition Center Co., Ltd. (iii) 深圳市華南城國際會展中心有限公司(iii)	PRC/Mainland China 中國/中國大陸	RMB2,000,000 人民幣2,000,000元	10 February 2006 10-02-2006	-	100	Provision of exhibition services 提供展覽服務
ASEAN City (BVI) Limited 東盟城(BVI)有限公司	British Virgin Islands 英屬處女群島	US\$1 1美元	23 October 2007 23-10-2007	100	-	Investment holding 投資控股
China South City Management Company Limited 華南城管理有限公司	Hong Kong 香港	HK\$1 1港元	9 November 2007 09-11-2007	-	100	Provision of management services 提供管理服務
China South City Group Limited (iii) 華南城集團有限公司(iii)	PRC/Mainland China 中國/中國大陸	RMB300,000,000 人民幣300,000,000元	20 July 2004 20-07-2004	-	100	Investment holding 投資控股

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

31 March 2014 2014年3月31日

19. Investments in Subsidiaries (Continued)

Notes:

- (i) Sino-foreign equity joint ventures under PRC law
- (ii) A wholly-foreign-owned enterprise under PRC law
- (iii) Limited companies under PRC law
- (iv) Pursuant to certain land purchase agreements entered into by China South International Industrial Materials City (Shenzhen) Co., Ltd., the saleable gross floor area of properties built on these parcels of land is limited to 30% of the total buildable gross floor area. The portion of the gross floor area with restriction to sale is used by the Group for leasing and self-use.
- (v) Pursuant to certain land purchase agreements entered into by Nanchang China South City Company Limited and Nanning China South City Company Limited in 2010, respectively, the saleable gross floor area of trade centers and storage facilities built on these parcels of land are limited to 60% of the total buildable gross floor area. This restriction does not apply to the properties built for residential, commercial and other uses, and also does not apply to the land obtained by the two companies subsequent to 2010. The portion of the gross floor area with restriction to sale is used by the Group for leasing and self-use.
- (vi) Pursuant to certain land purchase agreements entered into by Hefei China South City Company Limited in May 2013, June 2013 and April 2014, the saleable gross floor areas of trade centers built on these parcels of land are limited to 50% of the total buildable gross floor areas. This restriction does not apply to the properties built for residential, commercial and other uses. The portion of the gross floor area with restriction to sale is used by the Group for leasing and self-use.
- (vii) Pursuant to an agreement entered into with Shenzhen Hoba Home Furnishing Chain Store Company Limited ("Hoba Furnishing") in July 2013, the Group has agreed to subscribe for 360,000,000 shares of Hoba Furnishing at a total consideration of RMB522,210,000, out of which the Group has paid an amount of RMB104,442,000 (equivalent to HK\$132,861,000) during the year. The amount represents a 37.5% of the issued share capital of Hoba Furnishing. Hoba Furnishing is accounted for as a subsidiary of the Group because the Group already has more than 50% of the voting rights of Hoba Furnishing. Further details of this acquisition are included in note 38 to the financial statements.

19. 於附屬公司的投資(續)

附註：

- (i) 中國法律下的中外合資經營公司。
- (ii) 中國法律下的外商獨資企業。
- (iii) 中國法律下的有限公司。
- (iv) 根據華南國際工業原料城(深圳)有限公司訂立的數份土地購買合同，建在該等地塊上的物業的可銷售建築面積限於總建築面積的30%。部分受到銷售限制的建築面積，本集團用於出租和自用。
- (v) 根據南昌華南城有限公司和南寧華南城有限公司於2010年各自訂立的若干土地購買合同，建在該項目若干地塊上的交易中心商舖和倉儲物業的可銷售建築面積限於該等物業總可建築面積的60%。此限制不適用於住宅、商務及其他用途的物業，亦不適用於兩間公司於2010年以後獲得的土地。部分受到銷售限制的建築面積，本集團用於出租和自用。
- (vi) 根據合肥華南城有限公司在2013年5月和6月及2014年4月訂立的土地購買合同，建在該等地塊上的交易中心商舖的可銷售建築面積限於該物業總可建築面積的50%。此限制不適用於住宅、商務及其他用途的物業。部分受到銷售限制的建築面積，本集團用於出租和自用。
- (vii) 根據和深圳市好百年家居連鎖股份有限公司(「好百年家居」)在2013年7月簽訂的協議，本集團承諾以總作價人民幣522,210,000元認購好百年家居360,000,000股股份，其中的人民幣104,442,000元(相當於132,861,000港元)本集團已於年度中付款。該金額代表37.5%好百年家居已發行股份。由於本集團已擁有好百年家居多於50%的投票權，好百年家居會以集團子公司計算收購的詳情已載於財務報表附註38。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

20. Investment in a Joint Venture

20. 於一家合營企業的投資

		2014	2013
		HK\$'000	HK\$'000
		千港元	千港元
Share of net assets	應佔資產淨值	–	–
Due from a joint venture	應收一家合營企業款項	14,127	14,394
		14,127	14,394
Provision for impairment	減值撥備	(5,208)	(5,458)
		8,919	8,936

The amount due from a joint venture is unsecured, has no fixed terms of repayment and bears interest at 7% per annum. The carrying amount of the amount due from a joint venture approximates to its fair value.

應收一家合營企業款項為無抵押、無固定還款期及按年7%計息。該應收一家合營企業款項的賬面值與其公平值相若。

Particulars of the Group's joint venture is as follows:

合營企業詳情如下：

Name	Place of registration and business	Nominal value of issued and fully paid-up registered capital as at 31 March 2014 於2014年3月31日 已發行及繳足註冊 資本面值	Date of incorporation/ registration 註冊成立/ 註冊日期	Percentage of equity attributable to the Group as at 31 March		Principal activities
				2014	2013	
China South Royal Restaurant (Shenzhen) Co., Ltd. 華南富豪酒樓(深圳)有限公司*	PRC/Mainland China 中國/中國大陸	RMB5,000,000 人民幣5,000,000元	16 June 2005 16-06-2005	50.5	50.5	Restaurant operations 酒樓營運

Note:

附註：

* The Group holds a 50.5% of the registered capital of China South Royal Restaurant (Shenzhen) Co., Ltd, a sino-foreign equity joint venture. Pursuant to the shareholders' agreement and the articles of association of the joint venture, none of the parties has unilateral control over the operating and financing decisions of the joint venture. Accordingly, the directors account for the Group's interest in the company as an investment in a joint venture.

* 本集團持有華南富豪酒樓(深圳)有限公司(一家中外合資經營公司)註冊資本的50.5%。根據股東協議及合營企業組織章程細則，任何一方對該等合營企業的經營及財務決策均無單方面控制的權利。因此，董事認為將本集團於其中的權益入賬列為於一家合營企業的投資。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

20. Investment in a Joint Venture (Continued)

The Company holds the 50.5% of the registered capital of the joint venture through a wholly-owned subsidiary. The joint venture has financial year end of 31 December. The consolidated financial statements are adjusted for the material transactions between the joint venture and the group companies between 1 January and 31 March annually.

The following table illustrates the financial information of the Group's joint venture:

		2014 HK\$'000 千港元	2013 HK\$'000 千港元
Share of joint venture's assets and liabilities:	應佔合營企業資產及負債：		
Current assets	流動資產	4,936	4,530
Non-current assets	非流動資產	1,107	1,352
Current liabilities	流動負債	(11,615)	(11,340)
Net liabilities	負債淨值	<u>(5,572)</u>	<u>(5,458)</u>
Share of joint venture's results:	應佔合營企業業績：		
Revenue	收入	19,262	19,022
Expenses	開支	(19,018)	(17,999)
Profit for the year	本年度利潤	<u>244</u>	<u>1,023</u>

20. 於一家合營企業的投資(續)

本公司透過一家全權擁有的附屬公司擁有一家合營企業註冊資本的50.5%。合營企業的財政年度乃截至12月31日止。綜合財務報表就每年1月1日至3月31日期間合營企業與集團成員公司之間的重大交易作出調整。

下表說明本集團合營企業的財務資料概要：

21. Investments in Associates

		2014 HK\$'000 千港元	2013 HK\$'000 千港元
Share of net assets	應佔資產淨值	7,234	599
Due to associates	應付聯營公司款項	(3,134)	(3,141)
Due from associates	應收聯營公司款項	41	-
		<u>4,141</u>	<u>(2,542)</u>

The amounts due from/(to) associates included in investments in associates above are unsecured, interest-free and have no fixed terms of repayment.

21. 於聯營公司的投資

計入上述於聯營公司的投資的應收/(應付)聯營公司款項為無抵押、免息及無固定還款期。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

21. Investment in Associates (Continued)

Particulars of the associates are as follows:

Name	Place of registration and business	Nominal value of issued and fully paid-up registered capital	Date of incorporation/ registration	Percentage of equity attributable to the Group		Principal activities
				as at 31 March	Principal activities	
名稱	註冊及經營地點	已發行及繳足註冊資本面值	註冊成立/註冊日期	於3月31日本集團應佔權益百分比	2014 2013	主要業務
				%	%	
China South Intimex Technology (Shenzhen) Co., Ltd. 華南泰美科技(深圳)有限公司	PRC/Mainland China 中國/中國大陸	RMB10,000,000 人民幣10,000,000元	18 January 2004 18-01-2004	30	30	Website and software development 網站及軟件開發
Harbin Huayilong Fur Market Co., Ltd. 哈爾濱華億龍皮革城有限公司	PRC/Mainland China 中國/中國大陸	RMB21,000,000 人民幣21,000,000元	17 January 2014 17-01-2014	25	-	Property leasing 物業租賃

The associates have financial year end of 31 December. The consolidated financial statements are adjusted for the material transactions between the associates and the group companies between 1 January and 31 March annually.

The associates have been accounted for using the equity method in these financial statements.

The following table illustrates the aggregate financial information of the Group's associates:

21. 於聯營公司的投資(續)

聯營公司詳情如下：

聯營公司的財政年度乃截至12月31日止。綜合財務報表就每年1月1日至3月31日期間聯營公司與集團成員公司之間的重大交易作出調整。

聯營公司乃以權益法於此等財務報表入賬。

下表列示摘錄本集團聯營公司的財務資料概要：

		2014	2013
		HK\$'000	HK\$'000
		千港元	千港元
Assets	資產	43,751	5,860
Liabilities	負債	18,661	3,864
Revenue	收入	18	69
Loss	虧損	(2,874)	(1,171)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

22. Finance Lease Receivables

The balance represents entrusted loans provided by the Group to lessees through Shanghai Pudong Development Bank in connection with the finance lease of its properties. The finance lease receivables, which bear interest at rates ranging from 6.336% to 6.435% per annum, are repayable by monthly instalments within 10 years. The carrying amounts of the finance lease receivables approximate to their fair values. The amounts of the current portion of the finance lease receivables of HK\$8,204,000 and HK\$8,221,000 were included in prepayments, deposits and other receivables as at 31 March 2014 and 2013, respectively.

23. Deposits Paid for Purchase of Land Use Rights

The balance represents deposits paid for acquisitions of land use rights for parcels of land in Mainland China. The carrying amounts of the deposits paid for the purchase of land use rights approximate to their fair values.

24. Properties Held for Sale

22. 融資租賃應收款項

結餘指本集團就其物業的融資租賃，透過上海浦東發展銀行向承租人提供的委託貸款。融資租賃應收款項按年利率介乎6.336%至6.435%計息，並須於10年內每月分期償還。融資租賃應收款項的賬面值與其公平值相若。於2014年及2013年3月31日，融資租賃應收款項的即期部分金額分別為8,204,000港元及8,221,000港元，已計入預付款項、按金及其他應收款項。

23. 購買土地使用權支付的按金

結餘指在中國大陸收購地塊的土地使用權所支付的按金。購買土地使用權支付的按金的賬面值與其公平值相若。

24. 持作銷售物業

		2014 HK\$'000 千港元	2013 HK\$'000 千港元
Completed properties held for sale	持作銷售竣工物業	7,093,329	3,369,886
Properties under development expected to be completed within normal operating cycle	預期於正常營運週期內竣工的發展中物業	6,361,371	6,011,292
		13,454,700	9,381,178
Properties under development expected to be completed and ready for sale	發展中物業預期竣工及可作銷售		
Within one year	一年內	3,001,786	3,557,546
Beyond one year	一年後	3,359,585	2,453,746
Total	總值	6,361,371	6,011,292

Certain of the Group's properties held for sale with an aggregate carrying value of HK\$3,707,127,000 (2013: HK\$2,339,936,000) at the end of the reporting period were pledged to secure the bank loans granted to the Group (note 30).

於報告期末時，賬面值合3,707,127,000港元(2013年：2,339,936,000港元)的本集團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30)。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

25. Trade Receivables

25. 應收貿易賬款

		2014	2013
		HK\$'000	HK\$'000
		千港元	千港元
Trade receivables	應收貿易賬款	2,964,107	1,037,648
Impairment	減值	(158,268)	(100,721)
		2,805,839	936,927

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

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

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。

於報告期末時，根據付款到期日，應收貿易賬款扣除撥備後的賬齡分析如下：

		2014	2013
		HK\$'000	HK\$'000
		千港元	千港元
Within 1 month	1個月以內	1,805,792	554,520
1 to 2 months	1至2個月	208,048	97,758
2 to 3 months	2至3個月	316,165	97,650
Over 3 months	逾3個月	475,834	186,999
		2,805,839	936,927

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

25. Trade Receivables (Continued)

The movements in provision for impairment of trade receivables are as follows:

		2014	2013
		HK\$'000	HK\$'000
		千港元	千港元
Carrying amount at beginning of year	於年初的賬面值	100,721	64,829
Impairment losses recognised (note 7)	已確認減值虧損(附註7)	58,697	34,540
Exchange realignment	匯兌調整	(1,150)	1,352
Carrying amount at end of year	於年終的賬面值	158,268	100,721

The aged analysis of the trade receivables that are not individually nor collectively considered to be impaired is as follows:

		2014	2013
		HK\$'000	HK\$'000
		千港元	千港元
Neither past due nor impaired	未逾期及未減值	499,802	496,856
Less than 1 month past due	逾期少於1個月	1,305,990	57,664
1 to 3 months past due	逾期1至3個月	524,213	195,408
Over 3 months past due	逾期3個月以上	475,834	186,999
		2,805,839	936,927

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.

25. 應收貿易賬款(續)

應收貿易賬款的減值撥備變動如下：

個別或合計均不被視為減值的應收貿易賬款的賬齡分析如下：

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，彼等最近並無欠款記錄。在買家全數清償付款前，本集團不會向其發出房產證。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

26. Prepayments, Deposits and Other Receivables
Group

26. 預付款項、按金及其他應收款項
本集團

		2014	2013
		HK\$'000	HK\$'000
		千港元	千港元
Prepayments	預付款項	222,290	61,047
Receivables for disposal of subsidiaries*	出售附屬公司的應收款項*	202,107	438,464
Deposits and other receivables	按金及其他應收款項	296,872	134,849
Current portion of finance lease receivables (note 22)	融資租賃應收款項之即期部分 (附註22)	8,204	8,221
		729,473	642,581

The financial assets included in the above balances relate to receivables for which there was no recent history of default.

於上述結餘入賬的金融資產最近並無欠款記錄。

* The amount represented receivables from an independent third party in connection with the disposal of certain subsidiaries by the Group in 2012. An amount of RMB200,000,000 was settled in the current year and the remaining balance is expected to be collected before 31 March 2015. The carrying amount of the receivables balance approximates to its fair value.

* 指於2012年，從獨立第三方有關出售若干附屬公司之應收款。人民幣200,000,000元本年度償付。預期於2015年3月31日或之前餘額會被收回。應收款項的賬面值與其公平值相若。

27. Held for Trading Investments at Fair Value Through Profit Or Loss
Group

27. 透過損益以公平值列賬之持作買賣投資
本集團

		2014	2013
		HK\$'000	HK\$'000
		千港元	千港元
Listed investment funds at market value	按市值計算的上市投資基金	29,120	117,643

The above listed investment funds at 31 March 2014 and 2013 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2014年及2013年3月31日，上述上市投資基金初步確認時分類為持作買賣，由於收購或產生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。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

28. Cash and Cash Equivalents and Restricted Cash Group

28. 現金及現金等價物及受限制現金
本集團

		Note	2014 HK\$'000 千港元	2013 HK\$'000 千港元
		附註		
Cash and bank balances	現金及銀行結餘		12,777,108	6,777,842
Less: Restricted cash	減：受限制現金	*	(1,474,064)	(513,128)
Cash and cash equivalents	現金及現金等價物		11,303,044	6,264,714

Company

本公司

			2014 HK\$'000 千港元	2013 HK\$'000 千港元
Cash and cash equivalents	現金及現金等價物		2,774,381	1,264,811

* 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 of properties placed as guarantee deposits for the construction of related properties; and (iv) certain amount of proceeds from leases of several properties to be used for future repayment of certain bank 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的保證按金；(ii)建設項目的保證金，以符合當地機關的要求；(iii)物業預售的若干所得款項金額，以作為相關物業建設的保證按金及(iv)租賃物業的若干出租所得款項金額以用於借貸還款。

At the end of the reporting period, the cash and cash equivalents of the Group denominated in Renminbi ("RMB") amounted to HK\$8,219,500,000 (2013: HK\$5,054,838,000). 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.

於報告期末，本集團以人民幣為單位的現金及現金等價物8,219,500,000港元(2013年：5,054,838,000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，本集團可以透過獲准進行外匯業務的銀行將人民幣兌換為其他貨幣。

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

存於銀行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，由一天至三個月不等，視乎本集團即時的現金需求而定，而利息則按各個短期定期存款利率賺取。銀行結餘及受限制現金乃存放於信譽良好且近期並無欠款記錄的銀行。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

29. Trade and Other Payables
Group

29. 貿易及其他應付款項
本集團

		Note	2014 HK\$'000 千港元	2013 HK\$'000 千港元
		附註		
Other payables and accruals	其他應付款項及應計項目		2,647,884	916,752
Notes payables	應付票據	(i)	62,495	453,677
Deposits and receipts in advance	按金及預收款項		5,120,311	3,792,892
Construction fee and retention payables	應付的建築費用及保留金	(ii)	5,979,226	3,002,406
			13,809,916	8,165,727

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

(i) 於報告期末本集團基於發票日之應付票據的賬齡分析如下：

		2014 HK\$'000 千港元	2013 HK\$'000 千港元
1 to 2 months	1至2個月	62,495	135,455
Over 3 months	超過3個月	—	318,222
		62,495	453,677

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

(ii) 於報告期末建築費用及保留金應付款項的賬齡分析如下：

		2014 HK\$'000 千港元	2013 HK\$'000 千港元
Within 1 year	1年內	5,923,618	2,923,753
Over 1 year	超過1年	55,608	78,653
		5,979,226	3,002,406

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

建築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。

The other payables are non-interest-bearing.

其他應付款項為免息。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

30. Interest-Bearing Bank and Other Borrowings

30. 計息銀行及其他借貸

Group	本集團	2014			2013		
		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	6.00%–7.87% HIBOR+2.75%	2014~2015	2,163,740	6.00%–7.54% HIBOR+2.75%	On Demand/ 應要求/ 2013~2014	1,626,152
Bank loans – secured	銀行貸款 – 有抵押	5.40%–6.80%	2014~2015	1,122,660	5.40%–7.54%	2013~2014	874,930
Other borrowings – unsecured	其他借貸 – 無抵押	–	–	–	6.15%–6.30%	On Demand/ 應要求/ 2013~2014	707,443
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	6.15%–7.38%	2014~2015	606,632	6.15%–7.07%	2013~2014	272,479
Bank loans – secured	銀行貸款 – 有抵押	5.90%–7.07%	2014~2015	1,948,688	5.90%–7.07%	2013~2014	937,250
				<u>5,841,720</u>			<u>4,418,254</u>
Non-current	非即期						
Bank loans – unsecured	銀行貸款 – 無抵押	6.15%–7.38%	2015~2020	1,190,789	6.15%–7.07%	2014~2017	272,478
Bank loans – secured	銀行貸款 – 有抵押	5.90%–7.07%	2015~2020	5,419,886	5.90%–7.07%	2014~2020	4,309,263
				<u>6,610,675</u>			<u>4,581,741</u>
				<u>12,452,395</u>			<u>8,999,995</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

31 March 2014 2014年3月31日

30. Interest-Bearing Bank and Other Borrowings 30. 計息銀行及其他借貸(續)

(Continued)

		Group 本集團	
		2014 HK\$'000 千港元	2013 HK\$'000 千港元
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	5,841,720	3,710,811
In the second year	第二年	2,834,159	1,678,940
In the third to fifth years, inclusive	第三至第五年 (包括首尾兩年在內)	3,182,155	2,149,311
Beyond five years	五年後	594,361	753,490
		<u>12,452,395</u>	<u>8,292,552</u>
Other borrowings repayable:	須於以下期間償還的 其他借貸：		
Within one year or on demand	一年內或應要求	-	707,443
		<u>12,452,395</u>	<u>8,999,995</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

30. Interest-Bearing Bank and Other Borrowings
(Continued)

Bank loans with a total amount of HK\$8,491,234,000 (2013: HK\$6,121,443,000) are secured by:

- (i) Certain of the Group's buildings with aggregate carrying values of approximately HK\$15,952,000 and HK\$16,677,000 as at 31 March 2014 and 2013, respectively (note 14);
- (ii) Certain of the Group's investment properties situated in Mainland China with aggregate carrying values of approximately HK\$16,035,574,000 and HK\$13,108,315,000 as at 31 March 2014 and 2013, respectively (note 15);
- (iii) Certain of the Group's properties under development situated in Mainland China with aggregate carrying values of approximately HK\$234,035,000 and HK\$55,350,000 as at 31 March 2014 and 2013, respectively (note 16); and
- (iv) Certain of the Group's properties held for sale with aggregate carrying values of approximately HK\$3,707,127,000 and HK\$2,339,936,000 as at 31 March 2014 and 2013, respectively (note 24).

Except for the bank loan equivalent to HK\$500 million (2013: HK\$400 million), which is denominated in Hong Kong dollars and bears interest at floating rate of HIBOR+2.75%, the other interest-bearing borrowings of the Group are denominated in RMB and bear interest at floating rates ranging from 5.40% to 7.87% per annum.

The carrying amounts of the Group's bank and other borrowings approximate to their fair values, which have been calculated by discounting the expected future cash flows at the prevailing interest rates.

30. 計息銀行及其他借貸(續)

8,491,234,000港元(2013年: 6,121,443,000港元)的銀行貸款由下列各項抵押:

- (i) 於2014年及2013年3月31日賬面總值分別約15,952,000港元及16,677,000港元的本集團若干樓宇(附註14);
- (ii) 於2014年及2013年3月31日賬面總值分別約16,035,574,000港元及13,108,315,000港元的本集團位於中國大陸的若干投資物業(附註15);
- (iii) 於2014年及2013年3月31日賬面總值分別約234,035,000港元及55,350,000港元的本集團位於中國大陸的若干發展中物業(附註16);
- (iv) 於2014年及2013年3月31日賬面總值分別約3,707,127,000港元及2,339,936,000港元的本集團若干持作銷售物業(附註24)。

除按香港銀行同業拆息加2.75%浮動利率計息的500百萬港元(2013年: 400百萬港元)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,並按每年5.40%至7.87%的浮動利率計息。

本集團計息銀行及其他借貸的賬面值與其公平值相若,乃按預期日後現金流量以當時利率貼現計算。

31 March 2014 2014年3月31日

31. Derivative Financial Instrument

Pursuant to an agreement entered into between the Company and a third party, which is a subsidiary of Tencent Holdings Limited (the "Investor"), on 15 January 2014 (the "Investment and Cooperation Agreement"), the Investor has subscribed for an aggregate of 680,300,000 new shares of the Company at a subscription price of HK\$2.20 per share. Pursuant to the Investment and Cooperation Agreement, the Company has also agreed to irrevocably grant the option to the Investor to subscribe for a further 244,800,000 new shares at the option price of HK\$3.50 per share (subject to adjustments (if any)) during the period from 23 January 2014 to 23 January 2016 (the "Tencent call option"). The fair value of the option at 31 March 2014 is HK\$181,291,000.

32. Senior Notes

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

- (i) On 14 January 2011, the Company issued senior notes with an aggregate principal amount of US\$250,000,000 (the "2011 Notes"). The 2011 Notes are listed on the Singapore Exchange Securities Trading Limited. The 2011 Notes carry interest at 13.5% per annum, are payable semi-annually on 14 January and 14 July in arrears, and will mature on 14 January 2016, unless redeemed earlier. The offering price was at 97.381% of the principal amount of the 2011 Notes.

At any time on or after 14 January 2014, the Company may redeem the 2011 Notes, in whole or in part, at a redemption price equal to the percentage of the principal amount set forth below plus accrued and unpaid interest as of (but not including) the redemption date if redeemed during the twelve month period beginning on 14 January of each of the years indicated below:

Period	Redemption price
2014	106.750%
2015 and thereafter	103.375%

31. 衍生金融工具

根據本公司與第三方(騰訊控股有限公司一家子公司)(「投資者」)於2014年1月15日所訂立的投資及合作協議,投資者按認購價每股2.20港元認購合共680,300,000股新股份。根據該協議,本公司亦同意不可撤回地向投資者授出購股權,可按購股權價格每股3.50港元(可予調整(如有)),由2014年1月23日至2016年1月23日期間內進一步認購244,800,000股新股份(「騰訊購股權」)。於2014年3月31日,認股權之公平值為181,291,000港元。

32. 優先票據

本集團於今年及以前年度發行以下優先票據:

- (i) 於2011年1月14日,本公司發行本金總額250,000,000美元的優先票據(「2011票據」)。2011票據於新加坡證券交易所有限公司上市。2011票據按年利率13.5%計息,每半年於1月14日及7月14日期後支付,並將於2016年1月14日到期(除非提早贖回)。發售價為2011票據本金額的97.381%。

於2014年1月14日或之後任何時候,本公司可按相等於下述本金額百分比的贖回價,另加截至贖回日期(但不包括該日)的累計及未付利息,贖回全部或部分2011票據(倘於下文所示各年度1月14日開始的12個月期間內贖回):

期間	贖回價
2014年	106.750%
2015年及之後	103.375%

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

32. Senior Notes (Continued)

(i) (Continued)

On 30 September 2011 and 2 February 2012, the Company repurchased the 2011 Notes with principal amounts of US\$5,000,000 and US\$4,000,000, respectively, from the open market. The total consideration of the repurchase was US\$6,932,000 (equivalent to HK\$54,069,000), which includes repurchase price at 74.15% and 75.80%, respectively, of the principal amounts and pro rata accrued and unpaid interest. The carrying amount of the repurchased 2011 Notes was US\$8,729,000 (equivalent to HK\$68,087,000), resulting in a gain on repurchase of the 2011 Notes amounting to HK\$14,018,000 for the year ended 31 March 2012.

On 20 February 2014, the Company redeemed the outstanding 2011 Notes with a principal amount of US\$241,000,000 from the open market. The total consideration of the redemption was US\$260,521,000 (equivalent to HK\$2,032,064,000), which includes redemption price at 106.750% of the principal amount and pro rata accrued and unpaid interest. The carrying amount of the redeemed 2011 Notes was US\$237,946,000 (equivalent to HK\$1,855,982,000), resulting in a loss on redemption of the 2011 Notes amounting to HK\$176,082,000 for the current year.

(ii) 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 13.5% per annum, payable semi-annually on 17 April and 17 October 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.

At any time on or after 17 October 2015, the Company may redeem the 2012 Notes, in whole or in part, at a redemption price equal to the percentage of the principal amount set forth below plus accrued and unpaid interest as of (but not including) the redemption date if redeemed during the twelve month period beginning on 17 October of each of the years indicated below:

Period	Redemption price
2015	106.750%
2016 and thereafter	103.375%

32. 優先票據(續)

(i) (續)

於2011年9月30日及2012年2月2日，本公司分別自公開市場購回本金額為5,000,000美元及4,000,000美元的2011票據。是項購回的總代價為6,932,000美元(相當於54,069,000港元)，包括分別以本金額74.15%及75.80%計算的購回價及按比例計算的累計及未付利息。所購回2011票據的賬面值為8,729,000美元(相當於68,087,000港元)，導致於截至2012年3月31日止年度錄得購回2011票據的收益14,018,000港元。

於2014年2月20日，本公司已從公開市場贖回「2011票據」之餘下本金總額為241,000,000美元。總贖回代價為260,521,000美元(相當於2,032,064,000港元)，包括以本金額106.75%計算的贖回價及按比例計算的累計及未付利息。所贖回2011票據的賬面值為237,946,000美元(相當於1,855,982,000港元)，導致於本年度錄得176,082,000港元虧損。

(ii) 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票據」)。2012票據於新加坡證券交易所有限公司上市。2012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票據本金額的97.381%。

於2015年10月17日或之後任何時候，本公司可按相等於下述本金額百分比的贖回價，另加截至贖回日期(但不包括該日)的累計及未付利息，贖回全部或部分2012票據(倘於下文所示各年度10月17日開始的12個月期間內贖回)：

期間	贖回價
2015年	106.750%
2016年及之後	103.375%

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

32. Senior Notes (Continued)

(ii) (Continued)

At any time prior to 17 October 2015, the Company may at its option redeem the 2012 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2012 Notes plus the applicable premium and accrued and unpaid interest, if any, as of (but not including) the redemption date.

At any time prior to 17 October 2015, the Company may redeem up to 35% of the aggregate principal amount of the 2012 Notes with the net cash proceeds of one or more sales of common stock of the Company in an equity offering at a redemption price of 113.5% of the principal amount of the 2012 Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date, provided that at least 65% of the aggregate principal amount of the 2012 Notes originally issued remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related sale of the Company's capital stock and is subject to certain conditions.

(iii) 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.

At any time and from time to time on or after 29 January 2017, the Company may redeem the 2014 Notes, in whole or in part, at a redemption price equal to the percentage of the principal amount set forth below plus accrued and unpaid interest as of (but not including) the redemption date if redeemed during the twelve month period beginning on 29 January of each of the years indicated below:

Period	Redemption price
2017	104.1250%
2018 and thereafter	102.0625%

32. 優先票據(續)

(ii) (續)

於2015年10月17日前任何時間，本公司可按相等於2012票據本金額100%的贖回價，另加截至贖回日期(但不包括該日)2012票據的適用溢價以及累計及未付利息(如有)，贖回全部但非部分2012票據。

於2015年10月17日前任何時間，本公司可以在股份發售中進行一次或多次銷售本公司普通股所得的現金款項淨額，按2012票據本金額113.5%的贖回價，另加截至贖回日期(但不包括該日)的累計及未付利息(如有)，贖回最多2012票據本金總額的35%，惟每次贖回後2012票據原發行本金總額最少65%須仍未贖回，且任何有關贖回須於相關本公司股本銷售結束後60日內進行及受限於若干條件。

(iii) 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票據」)。2014票據於新加坡證券交易所有限公司上市。2014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票據本金額的98.999%。

於2017年1月29日或之後任何時候，本公司可按相等於下述本金額百分比的贖回價，另加截至贖回日期(但不包括該日)的累計及未付利息，贖回全部或部分2014票據(倘於下文所示各年度1月29日開始的12個月期間內贖回)：

期間	贖回價
2017年	104.1250%
2018年及之後	102.0625%

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

31 March 2014 2014年3月31日

32. Senior Notes (Continued)

(iii) (Continued)

At any time prior to 29 January 2017, the Company may at its option redeem the 2014 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2014 Notes plus the applicable premium and accrued and unpaid interest, if any, as of (but not including) the redemption date.

At any time and from time to time prior to 29 January 2017, the Company may redeem up to 35% of the aggregate principal amount of the 2014 Notes with the net cash proceeds of one or more sales of common stock of the Company in an equity offering at a redemption price of 108.25% of the principal amount of the 2014 Notes, plus accrued and unpaid interest, if any, to (but not including) the redemption date, provided that at least 65% of the aggregate principal amount of the 2014 Notes originally issued remains outstanding after each such redemption and any such redemption takes place within 60 days after the closing of the related sale of the Company's capital stock and is subject to certain conditions.

The 2011 Notes, 2012 Notes and 2014 Notes (the "Senior Notes") contain liability components and early redemption options as follow:

- (i) The liability component represents the present value of the contractually determined stream of future cash flows discounted at the prevailing market interest rate at that time applicable to instruments with comparable credit status that provided substantially the same cash flows, on the same terms, but without the embedded derivatives.

The interest charged for the period is calculated by applying effective interest rates of approximately 14.62%, 14.62% and 8.90% per annum to the liability component of the 2011 Notes, 2012 Notes and 2014 Notes, respectively, since they were issued.

- (ii) Early redemption options are regarded as embedded derivatives not closely related to the host contract. The directors consider that the fair value of the above early redemption options is insignificant on initial recognition and at 31 March 2014.

32. 優先票據(續)

(iii) (續)

於2017年1月29日前任何時間，本公司可按相等於2014票據本金額100%的贖回價，另加截至贖回日期(但不包括該日)2014票據的適用溢價以及累計及未付利息(如有)，贖回全部但非部分2014票據。

於2017年1月29日前任何時間，本公司可以在股份發售中進行一次或多次銷售本公司普通股所得的現金款項淨額，按2014票據本金額108.25%的贖回價，另加截至贖回日期(但不包括該日)的累計及未付利息(如有)，贖回最多2014票據本金總額的35%，惟每次贖回後2014票據原發行本金總額最少65%須仍未贖回，且任何有關贖回須於相關本公司股本銷售結束後60日內進行及受限於若干條件。

2011票據、2012票據及2014年票據(「優先票據」)含有下列負債部分及上述提早贖回權：

- (i) 負債部分指合約所釐定未來現金流量按具有可資比較信貸評級並按相同條款提供大致相同現金流量但無嵌入衍生工具的工具當時適用的現行市場利率折現的現值。

期內收取的利息乃按2011票據、2012票據及2014票據發行以來的負債部份分別使用實際年利率約14.62%、14.62%及8.90%計算。

- (ii) 提早贖回權被視為並非與主合約有密切關係的嵌入衍生工具。董事認為於初始確認及在2014年3月31日，上述提早贖回權的公平值不大。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

32. Senior Notes (Continued)

The Senior Notes recognised in the statement of financial position were calculated as follows:

		2014 HK\$'000 千港元	2013 HK\$'000 千港元
Carrying amount at the beginning of year	於年初的賬面值	2,853,402	1,844,984
Additions	添置	3,012,607	927,527
Payment of interest	支付利息	(378,330)	(253,773)
Redemption of 2011 Notes	贖回2011票據	(1,855,982)	-
Interest expenses (note 6)	利息開支(附註6)	425,141	334,664
Carrying amount at the end of year	於年終的賬面值	4,056,838	2,853,402

The fair value of the Senior Notes at 31 March 2014 amounted to HK\$4,157,767,000 (2013: HK\$2,991,726,000). The fair value is calculated using the market price of the Senior Notes on 31 March 2014.

32. 優先票據(續)

已於財務狀況表確認的優先票據計算如下：

於2014年3月31日，優先票據的公平值達4,157,767,000港元(2013年：2,991,726,000港元)。公平值乃使用優先票據於2014年3月31日的市場價格計算。

33. Deferred Tax

The movements in deferred tax liabilities and assets during the year are as follows:

Deferred tax liabilities
Group

		Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Revaluation of investment properties 投資物業重估 HK\$'000 千港元	Withholding tax 預扣稅 HK\$'000 千港元	Revaluation of property, plant and equipment 物業、廠房及 設備重估 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2013	於2013年4月1日	144,691	2,831,250	421,247	95,485	3,492,673
Deferred tax charged to the statement of profit or loss during the year (note 10)	年內於損益表內扣除的遞延稅項(附註10)	46,779	316,571	54,455	-	417,805
Exchange realignment	匯兌調整	(1,046)	(11,109)	(1,723)	(191)	(14,069)
At 31 March 2014	於2014年3月31日	190,424	3,136,712	473,979	95,294	3,896,409

33. 遞延稅項

年內，遞延稅項負債及資產變動如下：

遞延稅項負債
本集團

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

33. Deferred Tax (Continued)
Deferred tax assets
Group

33. 遞延稅項(續)
遞延稅項資產
本集團

		Tax effect of LAT 土地增值稅的 稅務影響 HK\$'000 千港元	Loss available for offsetting against future taxable profits 可供抵銷未來 應課稅利潤的 虧損 HK\$'000 千港元	Provision for impairment of trade receivables 應收賬款 減值撥備 HK\$'000 千港元	Tax effect of government grants relating to assets 有關資產之 政府補助的 稅務影響 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2013	於2013年4月1日	397,407	-	31,792	157,033	586,232
Deferred tax credited to the statement of profit or loss during the year (note 10)	年內計入損益表內的 遞延稅項(附註10)	317,570	53,401	13,027	71,037	455,035
Exchange realignment	匯兌調整	(5,929)	(798)	(274)	(1,463)	(8,464)
At 31 March 2014	於2014年3月31日	<u>709,048</u>	<u>52,603</u>	<u>44,545</u>	<u>226,607</u>	<u>1,032,803</u>

Deferred tax liabilities
Group

遞延稅項負債
本集團

		Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Revaluation of investment properties 投資物業重估 HK\$'000 千港元	Withholding tax 預扣稅 HK\$'000 千港元	Revaluation of property, plant and equipment 物業、廠房及 設備重估 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2012	於2012年4月1日	108,574	2,480,033	256,739	-	2,845,346
Deferred tax charged to the statement of profit or loss during the year (note 10)	年內於損益表內扣除的 遞延稅項(附註10)	34,165	312,861	158,856	-	505,882
Deferred tax charged to other comprehensive income	於其他全面收入扣除的 遞延稅項	-	-	-	95,485	95,485
Exchange realignment	匯兌調整	1,952	38,356	5,652	-	45,960
At 31 March 2013	於2013年3月31日	<u>144,691</u>	<u>2,831,250</u>	<u>421,247</u>	<u>95,485</u>	<u>3,492,673</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

33. Deferred Tax (Continued)
Deferred tax assets
Group

33. 遞延稅項(續)
遞延稅項資產
本集團

		Tax effect of LAT 土地增值稅的 稅務影響 HK\$'000 千港元	Loss available for offsetting against future taxable profits 可供抵銷未來 應課稅利潤的 虧損 HK\$'000 千港元	Provision for impairment of trade receivables 應收賬款 減值撥備 HK\$'000 千港元	Tax effect of government grants relating to assets 有關資產之 政府補助的 稅務影響 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2012	於2012年4月1日	232,231	17,091	18,066	-	267,388
Deferred tax credited/(charged) to the statement of profit or loss during the year (note 10)	年內於損益表內計入/(扣除) 的遞延稅項(附註10)	159,734	(17,099)	13,300	154,971	310,906
Exchange realignment	匯兌調整	5,442	8	426	2,062	7,938
At 31 March 2013	於2013年3月31日	397,407	-	31,792	157,033	586,232

The Group has tax losses arising in Hong Kong of HK\$185,205,000 (2013: HK\$189,201,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

本集團於香港產生的稅項虧損185,205,000港元(2013年: 189,201,000港元), 可無限期結轉, 以抵銷產生虧損的公司未來應課稅溢利。

The Group also has tax losses in Mainland China of HK\$282,767,000 (2013: HK\$209,525,000) that will expire in one to five years for offsetting against future taxable profits.

本集團亦於中國大陸產生稅項虧損282,767,000港元(2013年: 209,525,000港元), 將於一至五年內屆滿, 可用以抵銷未來應課稅溢利。

Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

由於該等虧損已由出現虧損一段時期的附屬公司產生, 且被認為並不可能有充足的應課稅溢利以對銷該等可動用的稅項虧損, 故並無就該等虧損確認遞延稅項資產。

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. The Group is therefore liable for withholding taxes on dividends distributed by subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008. In the current year, the Group accrued withholding tax of HK\$54,455,000 (2013: HK\$158,856,000) for those subsidiaries established in Mainland China.

根據中國企業所得稅法, 於中國內地成立的外商投資企業向海外投資者宣派的股息須繳納10%預扣稅。是項規定自2008年1月1日起生效, 並適用於2007年12月31日後賺取的盈利。倘中國大陸與海外投資者所處司法權區訂立稅務條約, 則可繳納較低預扣稅。因此, 本集團須就於中國內地成立的附屬公司分派2008年1月1日後所賺取盈利的股息而繳納預扣稅。於本年度, 本集團就其於中國內地成立的附屬公司作出之應計預扣稅為54,455,000港元(2013年: 158,856,000港元)。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

34. Convertible Notes

On 9 April 2013, the Group issued convertible notes (the “Notes”) with a nominal value of HK\$975 million. The Notes are convertible at the option of the noteholders at the conversion price of HK\$1.56 per share. The Notes are listed on the Singapore Exchange Securities Trading Limited. The Notes carry interest at the rate of 6.5% per annum, payable semi-annually on 9 April and 9 October in arrears, and will mature on 9 April 2018.

The fair value of the liability component of the Notes was estimated at the issuance date using an equivalent market interest rate for similar notes without a conversion option. The residual amount is assigned as the equity component and is included in shareholders’ equity.

The convertible notes issued during the period have been split into the liability and equity components as follows:

34. 可換股票據

於2013年4月9日，本集團發行面值為975百萬港元之可換股票據(「票據」)。票據持有人可選擇按每股1.56港元之兌換價兌換票據。票據於新加坡證券交易所有限公司上市。票據票面利率按年6.5厘計息，每半年於4月9日及10月9日期後支付，並將於2018年4月9日到期。

票據負債部分的公平值乃按發行日期無兌換權之類似票據之相同市場利率估計。剩餘金額則分配為權益部分，並計入股東權益。

期內已發行可換股票據已分為以下負債及權益部分：

		HK\$'000 千港元
Nominal value of convertible notes issued during the period	期內已發行可換股票據之票值	975,000
Equity component (note 37)	權益部分(附註37)	(37,360)
Direct transaction costs attributable to the liability component	負債部分應佔直接交易成本	(2,936)
Liability component at the issuance date	於發行日期之負債部分	934,704
Interest expense (note 6)	利息開支(附註6)	106,430
Interest payment	利息支付	(31,688)
Liability component as at 31 March 2014	於2014年3月31日之負債部分	<u>1,009,446</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

35. Share Capital

35. 股本

		2014 HK\$'000 千港元	2013 HK\$'000 千港元
Issued and fully paid: 6,907,114,000 (31 March 2013: 6,053,564,000) ordinary shares	已發行及繳足： 6,907,114,000股(2013年3月 31日：6,053,564,000股) 普通股	4,684,476	60,536

During the years ended 31 March 2014 and 31 March 2013, the movement in issued capital was as follows:

截至2014年和2013年3月31日止年度，已發行股本變動如下：

		Number of shares in issue 已發行股份數目	Issued capital 已發行股本 HK\$'000 千港元	Share premium account 股份溢價賬 HK\$'000 千港元	Capital redemption reserve 資本贖回儲備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2012	於2012年4月1日	5,987,564,000	59,876	3,050,723	204	3,110,803
Exercise of share options	行使購股權	66,000,000	660	93,398	-	94,058
At 31 March 2013	於2013年3月31日	<u>6,053,564,000</u>	<u>60,536</u>	<u>3,144,121</u>	<u>204</u>	<u>3,204,861</u>
At 1 April 2013	於2013年4月1日	6,053,564,000	60,536	3,144,121	204	3,204,861
Exercise of share options	行使購股權	173,250,000	1,732	265,862	-	267,594
Issuance of new shares	發行新股	680,300,000	6,803	1,205,218	-	1,212,021
Transfer to issued capital	轉入已發行股本	-	4,615,405	(4,615,201)	(204)	-
At 31 March 2014	於2014年3月31日	<u>6,907,114,000</u>	<u>4,684,476</u>	<u>-</u>	<u>-</u>	<u>4,684,476</u>

Note: Pursuant to the transitional provisions for the abolition of the nominal value of share capital included in the new Hong Kong Companies Ordinance which became effective on 3 March 2014, the balances of the share premium account and capital redemption reserve as at 3 March 2014 have been transferred to issued capital.

附註：根據新香港公司條例，有關廢除股本面值的過渡條例已於2014年3月3日生效，於2014年3月3日股份溢價賬及資本贖回儲備已轉入已發行股本中。

36. 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 includes 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. Further details of the Share Option Scheme are set out in the "Report of the Directors" in the Company's annual report.

On 11 April 2011, a total of 226,900,000 share options under the Share Option Scheme were granted. These share options have an exercise price of HK\$1.29 per share and an exercise period ranging from 11 April 2011 to 10 April 2016. Of the total 226,900,000 share options, 15,000,000 share options were granted to an executive director of the Company, and 211,900,000 share options were granted to certain employees of the Group.

The fair value of the 226,900,000 share options granted was HK\$58,175,000 of which the Group recognised a share option expense of HK\$1,860,000 during the current year (2013: HK\$6,226,000). 7,600,000 share options were forfeited during the year and HK\$2,266,000 was transferred from the share option reserve to retained profits.

On 27 June 2012, a total of 116,870,000 share options under the Share Option Scheme were granted. These share options have an exercise price of HK\$1.15 per share and an exercise period ranging from 27 June 2012 to 26 June 2017. Of the total 116,870,000 share options, 69,870,000 share options were granted to certain executive directors, and 47,000,000 share options were granted to certain employees of the Group.

The fair value of the 116,870,000 share options granted was HK\$25,140,000, of which the Group recognised a share option expense of HK\$3,369,000 during the current year (2013: HK\$21,695,000).

36. 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)。購股權計劃的進一步詳情載於公司年報中的「董事會報告」。

於2011年4月11日，本集團授出合共226,900,000份購股權。該等購股權的行使價為每股1.29港元，行使期為2011年4月11日至2016年4月10日。於合共226,900,000份購股權中，15,000,000份購股權已授予本公司一名執行董事，另211,900,000份購股權則授予本集團若干僱員。

所授出226,900,000份購股權之公平值為58,175,000港元，其中本集團於本年度確認購股權開支1,860,000港元(2013年：6,226,000港元)。其中7,600,000份購股權已於期內沒失及2,266,000港元由購股權儲備轉撥至保留利潤。

於2012年6月27日，本集團授出合共116,870,000購股權。該等購股權的行使權為每股1.15港元，行使期為2012年6月27日至2017年6月26日。於合共116,870,000份購股權中，69,870,000份購股權已授予本公司執行董事，另47,000,000份購股權則授予本集團若干僱員。

所授出116,870,000份購股權的公平值為25,140,000港元，其中本集團已於本年度內確認購股權開支3,369,000港元(2013年：21,695,000港元)。

31 March 2014 2014年3月31日

36. Share Options (Continued)

On 27 June 2013, a total of 186,300,000 share options under the Share Option Scheme were granted. These share options have an exercise price of HK\$1.69 per share and an exercise period ranging from 27 June 2013 to 26 June 2018. Of the total 186,300,000 share options, 70,800,000 share options were granted to certain executive directors of the Company, and 115,500,000 share options were granted to certain employees of the Group.

The fair value of the 186,300,000 share options granted was HK\$44,470,000, of which the Group recognised a share option expense of HK\$36,064,000 during the current year. 8,500,000 share options were forfeited during the year and HK\$195,000 was transferred from the share option reserve to retained profits.

The share options grant on 27 June 2013 were estimated as at the date of grant by Vigers Appraisal and Consulting Limited ("Vigers"), using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model:

Share price at the date of grant (HK\$)
Exercise price (HK\$)
Dividend yield (%)
Expected volatility (%)
Risk-free interest rate (%)
Exercise multiple

On 17 February 2014, a total of 48,000,000 share options under the Share Option Scheme were granted. These share options have an exercise price of HK\$4.14 per share and an exercise period ranging from 17 February 2014 to 16 February 2019. Of the total 48,000,000 share options, 8,000,000 share options were granted to certain independent non-executive directors of the Company, and 40,000,000 share options were granted to certain employees of the Group.

The fair value of the 48,000,000 share options granted was HK\$45,557,000, of which the Group recognised a share option expense of HK\$22,064,000 during the current year.

36. 購股權(續)

於2013年6月27日，根據購股權計劃授出合共186,300,000份購股權。該等購股權的行使價為每股1.69港元，行使期為2013年6月27日至2018年6月26日。於合共186,300,000份購股權中，70,800,000份購股權已授予本公司執行董事，另115,500,000份購股權則授予本集團若干僱員。

於本年度，所授出186,300,000份購股權之公平值為44,470,000港元，其中本集團確認購股權開支36,064,000港元。其中8,500,000份購股權已於期內沒失及195,000港元由購股權儲備轉撥至保留利潤。

於2013年6月27日授出的購股權，威格斯資產評估顧問有限公司(「威格斯」)於授出日期採用二項式模式對該等購股權進行估值，當中已考慮購股權授出時的條款及條件。下表列示所用模式的輸入值：

於授出日之股價(港元)	1.69
行使價(港元)	1.69
股息率(%)	5.50
預期波動性(%)	30.00
無風險利率(%)	1.20
行使倍數	1.50-2.20

於2014年2月17日，根據購股權計劃授出合共48,000,000份購股權。該等購股權的行使價為每股4.14港元，行使期為2014年2月17日至2019年2月16日。於合共48,000,000份購股權中，8,000,000份購股權已授予本公司獨立非執行董事，另40,000,000份購股權則授予本集團若干僱員。

所授出48,000,000份購股權的公平值為45,557,000港元，其中本集團已於本年度內確認購股權開支22,064,000港元。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

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36. Share Options (Continued)

The share options granted on 17 February 2014 were estimated as at the date of grant by Vigers, using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model:

Share price at the date of grant (HK\$)
Exercise price (HK\$)
Dividend yield (%)
Expected volatility (%)
Risk-free interest rate (%)
Exercise multiple

The expected life of the options is based on historical data and is not necessarily indicative of the exercise patterns that may occur. The expected volatility was determined based on the movement of the share price of the company since listing, which may also not necessarily be the actual outcome. No other feature of the options granted was incorporated into the measurement of fair value.

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

36. 購股權(續)

於2014年2月17日授出的購股權，威格斯於授出日期採用二項式模式對該等購股權進行估計，當中已考慮購股權獲授出時的條款及條件。下表列示所用模式的輸入值：

於授出日之股價(港元)	4.14
行使價(港元)	4.14
股息率(%)	3.63
預期波動性(%)	41.90
無風險利率(%)	1.24
行使倍數	1.38-2.20

購股權的預期年期乃按歷史數據得出，及未必顯示可能發生的行使情況。預期波動性乃按自上市日期起本公司股價之變動而釐定，未必是實際結果。計量公平值時，並無考慮所授出的購股權的其他特性。

下列購股權於年內根據購股權計劃尚未行使：

		Year ended 31 March 截至3月31日止年度			
		2014		2013	
		Weighted average exercise 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 exercise 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 year	於年初	1.2354	299,970	1.2933	218,200
Granted during the year	年內授出	2.1919	234,300	1.1500	116,870
Exercised during the year	年內行使	1.3020	(173,250)	-	-
Forfeited during the year	年內沒收	1.5012	(16,100)	1.3105	(35,100)
At end of year	於年終	1.8393	344,920	1.2354	299,970

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

36. 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:

2014

Number of options 購股權數目 '000 千股	Exercise price 行使價 HK\$ per share 每股港元	Exercise period 行使期
12,400	1.29	11-04-2011 to 10-04-2016 2011年4月11日至2016年4月10日
2,600	1.29	11-04-2012 to 10-04-2016 2012年4月11日至2016年4月10日
7,950	1.29	11-04-2013 to 10-04-2016 2013年4月11日至2016年4月10日
8,800	1.29	11-04-2014 to 10-04-2016 2014年4月11日至2016年4月10日
47,435	1.15	27-06-2012 to 26-06-2017 2012年6月27日至2017年6月26日
48,435	1.15	27-06-2013 to 26-06-2017 2013年6月27日至2017年6月26日
3,000	1.15	27-06-2014 to 26-06-2017 2014年6月27日至2017年6月26日
69,900	1.69	27-06-2013 to 26-06-2018 2013年6月27日至2018年6月26日
88,150	1.69	27-06-2014 to 26-06-2018 2014年6月27日至2018年6月26日
8,250	1.69	27-06-2015 to 26-06-2018 2015年6月27日至2018年6月26日
22,000	4.14	17-02-2014 to 16-02-2019 2014年2月17日至2019年2月16日
24,000	4.14	17-02-2015 to 16-02-2019 2015年2月17日至2019年2月16日
2,000	4.14	17-02-2016 to 16-02-2019 2016年2月17日至2019年2月16日
344,920		

36. 購股權(續)

截至報告期末，未行使購股權的行使價及行使期如下：

2014年

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

36. Share Options (Continued)
2013

Number of options 購股權數目 '000 千股	Exercise price 行使價 HK\$ per share 每股港元	Exercise period 行使期
76,200	1.29	11-04-2011 to 10-04-2016 2011年4月11日至2016年4月10日
47,700	1.29	11-04-2012 to 10-04-2016 2012年4月11日至2016年4月10日
47,700	1.29	11-04-2013 to 10-04-2016 2013年4月11日至2016年4月10日
11,500	1.29	11-04-2014 to 10-04-2016 2014年4月11日至2016年4月10日
55,435	1.15	27-06-2012 to 26-06-2017 2012年6月27日至2017年6月26日
58,435	1.15	27-06-2013 to 26-06-2017 2013年6月27日至2017年6月26日
3,000	1.15	27-06-2014 to 26-06-2017 2014年6月27日至2017年6月26日
<u>299,970</u>		

At the end of the reporting period, the Company had 344,920,000 share options outstanding under the Share Option Scheme, which represented approximately 4.99% 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 344,920,000 additional ordinary shares of the Company and additional share capital of HK\$634,425,000 (before issue expenses).

Subsequent to the end of the reporting period, a total of 60,300,000 shares were exercised, of which have an weighted average exercise price of HK\$1.31 per share.

At the date of approval of these financial statements, the Company had 284,620,000 share options outstanding under the Share Option Scheme, which represented approximately 4.08% of the Company's shares in issue as at that date.

36. 購股權(續)
2013年

於報告期末時，根據購股權計劃，本公司有344,920,000股未行使購股權，相當於本公司當日已發行股份約4.99%。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344,920,000股額外普通股及額外股本634,425,000港元(扣除發行開支前)。

於報告期末後，合共60,300,000份購股權已被行使，其中每股加權平均行使價為1.31港元。

於該等財務報表批准當日，根據購股權計劃，本公司有284,620,000股未行使購股權，相當於本公司當日已發行股份約4.08%。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

37. Reserves

(a) Group

The amounts of the Group's reserves and the movements therein for the current year and the prior year are presented in the consolidated statement of changes in equity on pages 101 to 102 of the financial statements.

Pursuant to the relevant laws and regulations for Sino-foreign joint venture enterprises, a portion of the profits of the Group's subsidiaries which are established in the PRC has been transferred to the statutory reserve which is restricted as to use.

(b) Company

37. 儲備

(a) 本集團

本集團的儲備金額及於本年度及過往年度的變動乃於財務報表第101至102頁的綜合權益變動表呈列。

根據中外合營企業相關法律及法規，本集團旗下在中國成立的附屬公司的部分利潤已轉撥至用途受限制的法定儲備金。

(b) 本公司

		Capital redemption reserve 資本贖回 儲備 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Share premium account 股份溢價賬 HK\$'000 千港元	Retained profits 保留利潤 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 March 2012	於2012年3月31日	204	92,225	3,050,723	150,679	3,293,831
Profit for the year	年內利潤	-	-	-	471,248	471,248
Lapse of share options	購股權失效	-	(28,360)	-	28,360	-
Equity-settled share option arrangement (note 36)	以權益結算的購股權安排(附註36)	-	27,176	-	-	27,176
Final 2012 dividend paid	已付2012末期股息	-	-	-	(4,950)	(4,950)
Exercise of share options	行使購股權	-	(24,758)	93,398	-	68,640
Proposed final dividends (note 12)	擬派末期股息(附註12)	-	-	-	(605,356)	(605,356)
At 31 March 2013	於2013年3月31日	204	66,283	3,144,121	39,981	3,250,589

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

37. Reserves (Continued)
(b) Company (Continued)

37. 儲備(續)
(b) 本公司(續)

		Capital redemption reserve 資本贖回 儲備 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Share premium account 股份溢價賬 HK\$'000 千港元	Convertible notes 可換股票據 HK\$'000 千港元	Retained profits 保留利潤 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 March 2013	於2013年3月31日	204	66,283	3,144,121	-	39,981	3,250,589
Profit for the year	年內利潤	-	-	-	-	1,245,835	1,245,835
Issuance of new shares	發行新股	-	-	1,205,218	-	-	1,205,218
Lapse of share options (note 36)	購股權失效(附註36)	-	(2,461)	-	-	2,461	-
Equity-settled share option arrangement (note 36)	以權益結算的購股權安排(附註36)	-	63,357	-	-	-	63,357
Final 2013 dividend paid	已付2013末期股息	-	-	-	-	(10,504)	(10,504)
Exercise of share options (note 36)	行使購股權(附註36)	-	(42,022)	265,862	-	-	223,840
Equity component of convertible notes (note 34)	權益部分的可換股票據(附註34)	-	-	-	37,360	-	37,360
Transfer to issued capital (note 35)	轉入已發行股本(附註35)	(204)	-	(4,615,201)	-	-	(4,615,405)
Proposed final dividends (note 12)	擬派末期股息(附註12)	-	-	-	-	(966,996)	(966,996)
At 31 March 2014	於2014年3月31日	-	85,157	-	37,360	310,777	433,294

38. Business Combination

Pursuant to an agreement entered into with Shenzhen HOBA Home Furnishing Chain Store Company Limited ("HOBA Furnishing") in July 2013, the Group has agreed to subscribe for 360,000,000 shares of HOBA Furnishing with a total amount of approximately RMB522,210,000. In November 2013, an amount of RMB104,442,000 (equivalent to HK\$132,861,000) has been paid up by the Group. The amount represents a 37.5% of the issued share capital of HOBA Furnishing after the acquisition made by the Group. HOBA Furnishing is principally engaged in the leasing and operations of furnishing centers in the PRC for the supply of quality home furnishing products and accessories.

38. 業務合併

根據與深圳市好百年家居連鎖股份有限公司(「好百年家居」)於2013年7月所訂立的協議，本集團已同意認購好百年家居的360,000,000股股份總代價為人民幣522,210,000元。於2013年11月，本集團已繳付人民幣104,442,000元(相等於132,861,000港元)。本金額約佔好百年家居收購後之已發行股份的37.5%。好百年家居主要在內地從事出租及營運家具中心，供應優質家居產品及配套。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

38. Business Combination (Continued)

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

38. 業務合併(續)

於收購日，好百年家居的可辨識資產與負債的公平值如下：

		Notes 附註	Fair value recognised on acquisition 收購時確認的 公平值 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	14	9,424
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項		35,904
Cash and bank balances	現金及銀行結餘		354,021
Trade and other payables	貿易及其他應付款項		(136,061)
Non-controlling interests	非控股權益		(164,555)
Total identifiable net assets at fair value	總可辨識的淨資產公平值		<u>98,733</u>
Goodwill on acquisition	業務合併收購時產生商譽	18	<u>34,128</u>
Satisfied by:	償付方式：		
Cash	現金		<u>132,861</u>

The Group incurred transaction costs of HK\$1,086,000 for this acquisition. These transaction costs have been expensed and are included in administrative expenses in the consolidated statement of profit or loss.

本集團就收購時產生的交易成本為1,086,000港元。此交易成本已包括在綜合損益表中的行政開支。

None of the goodwill recognised is expected to be deductible for income tax purposes.

沒有已確認商譽預期用於抵扣所得稅用途。

An analysis of the net inflow of cash and cash equivalents in respect of the acquisition is as follows:

就收購之現金及現金等價物流入淨額分析如下：

		HK\$'000 千港元
Cash consideration	現金代價	(132,861)
Cash and bank balances acquired	所收購現金及銀行結餘	<u>354,021</u>
Net inflow of cash and cash equivalents included in cash flows from investing activities	投資活動現金流包括之現金及現金等價物流出淨額	<u>221,160</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

38. Business Combination (Continued)

Since the acquisition, HOBA Furnishing contributed HK\$67,794,000 to the Group's turnover and HK\$6,132,000 to the consolidated loss for the year ended 31 March 2014.

Had the combination taken place at the beginning of the year, the revenue and the profit of the Group would have had no significant difference as compared to the amounts reflected in the consolidated statement of profit or loss.

39. Pledge of Assets

Details of the Group's bank and other borrowings, which are secured by the assets of the Group, are included in notes 14, 15, 16, 24 and 30 to the financial statements.

40. Contingent Liabilities

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

38. 業務合併(續)

自收購後，截至2014年3月31日好百年家居已貢獻67,794,000港元收入及帶來6,132,000港元虧損予本集團。

倘合併於年初已進行，則本集團在本年度所產生的收入及利潤將與綜合損益表內所載者並無明顯分別。

39. 資產抵押

以本集團的資產作抵押的銀行及其他借貸詳情載於財務報表附註14、15、16、24及30。

40. 或然負債

於各報告期末，財務報表內未有撥備的或然負債如下：

	Notes 附註	Group 本集團		Company 本公司	
		2014 HK\$'000 千港元	2013 HK\$'000 千港元	2014 HK\$'000 千港元	2013 HK\$'000 千港元
Guarantees given to banks in connection with facilities granted to:					
A subsidiary	(i)	—	—	500,000	400,000
Third parties	(ii)	3,741,002	1,366,416	—	—
		3,741,002	1,366,416	500,000	400,000

(i) As at 31 March 2014, the banking facilities granted to a subsidiary subject to guarantees given to the banks by the Company were utilised to the extent of approximately HK\$500,000,000 (2013: HK\$400,000,000).

(i) 於2014年3月31日，本公司向銀行提供擔保一家附屬公司獲授的銀行融資中約500,000,000港元(2013年：400,000,000港元)已動用。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

40. Contingent Liabilities (Continued)

- (ii) 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 certificate 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 financial year 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.

41. Operating Lease Arrangements

(a) As lessor

The Group leases its investment properties (note 15) and properties sold with cooperation and leasing arrangements with the purchasers under operating lease arrangements negotiated for terms ranging from 1 to 12 years. The terms of the leases also require the tenants to pay security deposits.

At the end of each reporting period, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

Group

		2014 HK\$'000 千港元	2013 HK\$'000 千港元
Within one year	一年內	380,299	192,169
In the second to fifth years, inclusive	第二至第五年(包括首尾兩年在內)	721,201	444,175
After five years	五年後	671,594	530,666
		1,773,094	1,167,010

40. 或然負債(續)

- (ii) 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。

本集團於財政年度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。

41. 經營租賃安排

(a) 作為出租人

本集團根據經營租賃安排租賃其投資物業(附註15)及與買家的合作及租賃安排的已出售物業，並磋商1至12年的租賃期。租賃條款亦規定租戶支付押金。

於各報告期末，本集團根據與租戶訂立的不可註銷經營租賃按下列到期日之未來最低應收租金總額如下：

本集團

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

41. Operating Lease Arrangements (Continued)
(b) As lessee

The Group leases certain of its land and buildings, vehicles and properties under operating lease arrangements. Leases are negotiated for terms ranging from one to eighteen years.

At the end of each reporting period, the Group and the Company had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		Group 本集團		Company 本公司	
		2014	2013	2014	2013
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Within one year	一年內	343,479	127,525	2,356	1,382
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年在內)	822,356	509,821	4,622	–
After five years	五年後	345,050	–	–	–
Total	總計	1,510,885	637,346	6,978	1,382

41. 經營租賃安排(續)
(b) 作為承租人

本集團以經營租賃安排租賃若干土地及房屋、汽車及已售物業，並磋商一至十八年的租賃期。

於各報告期末，本集團及本公司根據不可註銷經營租賃按下列到期日之未來最低租金總額如下：

42. COMMITMENTS

In addition to the operating lease commitments detailed in note 41(b) above, the Group had the following commitments at the end of each reporting period:

Group

		2014	2013
		HK\$'000	HK\$'000
		千港元	千港元
Contracted, but not provided for: Properties under development	已訂約但未撥備： 發展中物業	5,763,592	3,636,413

42. 承擔

除上文附註41(b)詳述的經營租賃承擔外，於各報告期末，本集團有下列承擔：

本集團

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

43. Related Party Transactions

(a) In addition to the transactions disclosed elsewhere in the financial statements, the Group had the following material transactions with related parties during the year:

Group

	Notes 附註	2014 HK\$'000 千港元	2013 HK\$'000 千港元
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： 本公司董事擔任控股股東的公司 (i)	1,902	1,828
Rental expenses for certain units of trade centers paid to: Certain directors and a close family member of a director	數個交易中心的租金開支支付予： 數名主要董事及一名董事的近親家庭成員 (ii)	398	725
Construction project design fee income received from: A company of which a director of the Company is a controlling shareholder	工程項目設計收入收取： 本公司董事擔任控股股東的公司 (iii)	1,121	–
Rental income for certain offices 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： 本公司董事擔任控股股東的公司 (iv)	367	298

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 units of the trade centers owned by certain directors and a close family member of a director. The rental fees were based on terms mutually agreed between the Group and the related parties.
- (iii) During the year, the Group provided construction project design services to a related party of which a director of the Company is a controlling shareholder. The design service fee was determined according to the published prices and conditions offered to the major customers of the Group.
- (iv) The Group leased office units to a related party of which a director of the Company is a controlling shareholder. The rental was based on the rental charge to the other tenants of the Group.

43. 關連人士交易

(a) 除財務報表另有披露的交易外，於年內，本集團與關連人士進行了下列重大交易：

本集團

附註：

- (i) 本集團向本公司董事擔任控股股東的公司租入辦公樓。租金及有關費用根據雙方協定條款計算。
- (ii) 本集團向數名主要董事及一名董事的近親家庭成員租入數個交易中心。租金及有關費用根據本集團及有關方協定條款計算。
- (iii) 本年內，本集團提供工程項目設計服務予本公司董事擔任控股股東的關聯公司。該設計費之釐定乃按照本集團向主要客戶提供的公開價格及條款。
- (iv) 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。

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43. Related Party Transactions (Continued)

(b) Other transaction with a related party

During the year, China South City Group Limited, an indirect wholly-owned subsidiary of the Company entered into an acquisition agreement with Huang Wenjie, a non-controlling shareholder of Xi'an China South City Company Limited, to acquire the non-controlling interests of Xi'an China South City Company Limited.

(c) Outstanding balances with related parties

Details of the Group's amounts due from/to its joint venture and associates as at the end of each reporting period are disclosed in notes 20 and 21, respectively.

(d) Compensation of key management personnel of the Group

Group

		2014	2013
		HK\$'000	HK\$'000
		千港元	千港元
Short term employee benefits	短期僱員福利	73,856	53,951
Post-employment benefits	離職後福利	30	30
Share-based payments	以權益結算的購股權開支	23,414	14,504
Total compensation paid to key management personnel	支付予主要管理人員的薪酬總額	97,300	68,485

Further details of directors' emoluments are included in note 8 to the financial statements.

The rental expense and related service fees for the office property and trade centers paid to the related parties, and the construction project design fee income and rental income for office property received from the related parties above also constitute connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules.

43. 關連人士交易(續)

(b) 其他關連交易

本年內華南城集團有限公司(一家間接全資附屬公司)與黃文杰先生訂立收購協議收購西安華南城有限公司非控股權益。黃先生為西安華南城有限公司一名非控股股東。

(c) 與關連人士之間的未結付結餘

本集團於各報告期末的應收/應付一家合營企業及一家聯營公司款項詳情分別在附註20及21披露。

(d) 本集團主要管理人員薪酬

本集團

董事酬金的進一步詳情載於財務報表附註8。

上述有關支付辦公樓及交易中心的租金開支及相關服務費用的關連人士交易及有關收取工程項目設計收入及辦公樓的租金收入的關連人士交易亦構成上市規則第14A章定義的關連交易或持續關連交易。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

44. Financial Instruments by Category

Other than the held for trading investments at fair value through profit or loss as disclosed in note 27 and the derivative financial instrument as disclosed in note 31 to the financial statements which are stated at fair value, all financial assets and liabilities of the Company and the Group as at 31 March 2014 and 2013 are loans and receivables and financial liabilities stated at amortised cost, respectively.

45. Fair Value and Fair Value Hierarchy of Financial Instruments

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

Group and Company

		Carrying amounts		Fair values	
		賬面值		公平值	
		2014	2013	2014	2013
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Senior notes	優先票據	4,056,838	2,853,402	4,157,767	2,991,726

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, amount due from a joint venture and amounts due from/(to) associates, amounts due from/(to) subsidiaries 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.

44. 金融工具分類

除財務報表附註27所披露的透過損益以公平值列賬之持作買賣投資及附註31所披露的衍生金融工具作為金融資產及負債按公平值於損益中記賬並於初步確認時指定為此外，於2014年及2013年3月31日，本公司和本集團的所有金融資產和負債分別為貸款與應收款項及按攤銷成本入賬的金融負債。

45. 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：

本集團及本公司

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、應收一家合營企業款項及應收/(付)聯營公司款項，應收/(付)子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輸入值。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。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

31 March 2014 2014年3月31日

45. 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 finance lease receivables, 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 31 March 2014 was assessed to be insignificant. The fair value of the liability portion of the convertible notes is estimated by discounting the expected future cash flows using an equivalent market interest rate for a similar convertible note with consideration of the Group's own non-performance risk. The fair values of the non-current portion of finance lease receivables and interest-bearing bank and other borrowings, and the liability portion of the convertible notes are not materially different from their carrying amounts.

The fair value of senior notes is calculated using the market price on 31 March 2014.

As at 31 March 2014 and 2013, 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.

The fair value of the derivative financial instrument, which represents option granted on 23 January 2014 to subscribe for the Company's shares by the Investor, is calculated by an external valuer using a Binomial Model, taking into account the terms and conditions upon which the option was granted. The following table lists the inputs to the model:

Share price at the date of grant (HK\$)
Exercise price (HK\$)
Dividend yield (%)
Expected volatility (%)
Risk-free interest rate (%)

The expected volatility was determined based on the movement of the share price of the company since listing, which may not necessarily be the actual outcome. No other feature of the option granted was incorporated into the measurement of fair value.

45. 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：

融資租賃應收款項、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2014年3月31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。可換股票據之負債部份的公平值參照市場上相類似可換股票據的利率及考慮本集團自身不履約風險，計算剩餘到期時間之現行利率對預期未來現金流量進行貼現。融資租賃應收款項、計息銀行及其他借貸非即期部分和可換股票據之負債部份的公平值與賬面值相差不大。

優先票據之公平值乃根據2014年3月31日的市場報價釐定。

於2014年及2013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。

於2014年1月23日授予投資者認購本公司股份之購股權之衍生金融工具公平值，由第三方評估師採用二項式模式對該等購股權進行估計，當中已考慮購股權獲授時的條款及條件。下表列示所用模式的輸入值：

於授出日之股價(港元)	4.25
行使價(港元)	3.50
股息率(%)	3.63
預期波動性(%)	48.54
無風險利率(%)	0.36

預期波動性乃按自上市日期起本公司股價之變動而釐定，未必是實際結果。計量公平值時，並無考慮所授出的購股權的其他特性。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 財務報表附註(續)

31 March 2014 2014年3月31日

45. 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:

Group

As at 31 March 2014

		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
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	29,120

As at 31 March 2013

於2013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
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	117,643

The Company did not have any financial assets measured at fair value as at 31 March 2013 and 31 March 2014.

於2013年3月31日及2014年3月31日，本公司無以公平值計量的金融資產。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

31 March 2014 2014年3月31日

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

Fair value hierarchy (Continued)

Liabilities measured at fair value:

Group and Company

As at 31 March 2014

45. 金融工具之公平值及公平值等級架構 (續)

公平值等級(續)

按公平值計量之負債：

本集團及本公司

於2014年3月31日

		Fair value measurement using significant observable inputs (Level 2) 使用重大可觀察輸入值 的公平值計量 (第2級) HK\$'000 千港元
Derivative financial instrument	衍生金融工具	181,291

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfer into or out of Level 3 (2013: Nil).

本年內，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(2013年：無)。

The Group and Company did not have any financial liabilities measured at fair values as at 31 March 2013.

於2013年3月31日，本集團及本公司無以公平值計量的金融負債。

Liabilities for which fair values are disclosed:

已披露公平值之金融負債：

Group and Company:

本集團及本公司：

As at 31 March 2014

於2014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 (第一級) HK\$'000 千港元
Senior notes	優先票據	4,157,767

As at 31 March 2013

於2013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 (第一級) HK\$'000 千港元
Senior notes	優先票據	2,991,726

46. Financial Risk Management Objectives and Policies

The Group's principal financial instruments comprise bank and other loans, senior notes, convertible notes, a derivative financial instrument and cash and short-term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets such as trade receivables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, credit risk, liquidity risk, foreign exchange risk and equity price risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to the Group's borrowings. The interest rates and terms of repayment of the Group's borrowings are disclosed in notes 30, 32 and 34 to the financial statements. The Group's policy is to obtain the most favourable interest rates available for its borrowings.

The Group will constantly assess the interest rate risk it encounters to decide whether it is required to hedge against the possible interest rate risk that may arise.

On 31 March 2014, if the interest rate of bank borrowings had increased/decreased by 0.5% and all other factors remained unchanged, the profit after tax for the year of the Group would have decreased/increased by approximately HK\$38,868,000 (2013: HK\$29,795,000).

46. 財務風險管理目標及政策

本集團主要金融工具包括銀行及其他貸款、優先票據、可換股票據、衍生金融工具及現金及短期存款。該等金融工具主要為本集團業務籌集資金。本集團亦擁有多項其他金融資產，例如直接從業務營運產生的應收貿易賬款。

本集團金融工具所產生的主要風險包括利率風險、信貸風險、流動資金風險、外匯風險及股價風險。董事會對管理上述各項風險的政策進行檢討及協定，該等風險概述如下。

利率風險

本集團面臨的利率風險主要與本集團的借貸相關。本集團借貸的利率及還款期於財務報表附註30、32及34中披露。本集團的政策是為其借貸取得最有利的利率。

本集團將持續評估所遇到的利率風險以決定是否需要對沖可能產生的利率風險。

於2014年3月31日，倘銀行借貸的利率上升／下降0.5%及所有其他因素保持不變，則本集團本年度稅後利潤將會減少／增加約38,868,000港元（2013年：29,795,000港元）。

46. Financial Risk Management Objectives and Policies (Continued)

Credit risk

The credit risk of the Group's financial assets, which comprise cash and cash equivalents, trade and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments. The Group is also exposed to credit risk through the granting of financial guarantees, further details of which are disclosed in note 40(ii) to the financial statements.

To manage the risk, deposits are mainly placed with banks with high credit quality. The Group trades only with recognised and creditworthy third parties. For the sales of properties, the Group has policies in place to ensure that sales are made to buyers with appropriate financial strength and appropriate percentage of down payments. The Group would not release the property ownership certificates to the buyers before the buyers fully settle the payment. It also has other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews regularly the recoverable amount of each individual trade receivable to ensure that adequate impairment losses are made for irrecoverable amounts. With exposure spread over a number of counterparties and customers, the Group has no significant concentration of credit risk.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in note 25 to the financial statements.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans, senior notes and convertible notes.

46. 財務風險管理目標及政策(續)

信貸風險

本集團金融資產包括現金及現金等價物、應收貿易賬款及其他應收款項的信貸風險來自對方拖欠付款，而可能拖欠的最高金額等於此等工具的賬面值。本集團亦因提供財務擔保而面對信貸風險，有關詳情於財務報表附註40(ii)中披露。

為管理風險，本集團主要將存款存入高信貸質素的銀行。本集團僅與知名及具信譽的第三方進行交易。就出售物業方面，本集團已實行政策確保向具有適當財務實力及支付適當百分比首期付款的買家作出銷售。在買家全數清償付款前，本集團不會向其發出房產證。本集團亦擁有其他監控程序以確保採取跟進措施收回逾期款項。此外，本集團定期審閱每名個人的貿易應收賬款的可收回金額，以確保就不可收回金額作出足夠的減值虧損列賬。本集團並無任何重大集中信貸風險，而所面對的風險分散到多名交易對手及客戶。

有關本集團就貿易應收賬款的信貸風險所承擔的風險的進一步量化數據於財務報表附註25中披露。

流動資金風險

本集團的目標是透過使用銀行貸款、優先票據及可換股票據，維持資金持續性與靈活性之間的平衡。

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

31 March 2014 2014年3月31日

46. Financial Risk Management Objectives and Policies (Continued) 46. 財務風險管理目標及政策(續)

Liquidity risk (Continued)

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, was as follows:

流動資金風險(續)

本集團於申報期間結束時的金融負債的到期資料(按照合同未折現付款)如下:

Group		2014					Total 總計
		On demand 應要求 HK\$'000 千港元	Within one year 一年內 HK\$'000 千港元	One to two years 第一至二年 HK\$'000 千港元	Two to five years 第二至五年 HK\$'000 千港元	Beyond five years 五年後 HK\$'000 千港元	
Amounts due to associates	應付聯營公司款項	3,134	-	-	-	-	3,134
Financial liabilities included in trade and other payables	計入應付貿易及其他應付款項的金融負債	-	8,689,605	-	-	-	8,689,605
Senior notes	優先票據	-	389,025	389,025	5,130,450	-	5,908,500
Convertible notes	可換股票據	-	63,380	63,380	1,381,590	-	1,508,350
Financial guarantees granted to third parties	對第三方授予財務擔保	3,741,002	-	-	-	-	3,741,002
Interest-bearing bank and other borrowings	計息銀行及其他借貸	-	6,467,445	3,156,099	3,485,952	652,474	13,761,970
Total	總計	3,744,136	15,609,455	3,608,504	9,997,992	652,474	33,612,561

Group		2013					Total 總計
		On demand 應要求 HK\$'000 千港元	Within one year 一年內 HK\$'000 千港元	One to two years 第一至二年 HK\$'000 千港元	Two to five years 第二至五年 HK\$'000 千港元	Beyond five years 五年後 HK\$'000 千港元	
Amount due to an associate	應付一家聯營公司款項	3,141	-	-	-	-	3,141
Financial liabilities included in trade and other payables	計入應付貿易及其他應付款項的金融負債	-	4,372,835	-	-	-	4,372,835
Senior notes	優先票據	-	385,398	385,398	3,503,448	-	4,274,244
Financial guarantees granted to third parties	對第三方授予財務擔保	1,366,416	-	-	-	-	1,366,416
Interest-bearing bank and other borrowings	計息銀行及其他借貸	84,995	4,778,186	1,936,639	2,482,214	848,952	10,130,986
Total	總計	1,454,552	9,536,419	2,322,037	5,985,662	848,952	20,147,622

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
財務報表附註(續)

31 March 2014 2014年3月31日

46. Financial Risk Management Objectives and Policies (Continued)

Liquidity risk (Continued)

The maturity profile of the Company's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, was as follows:

Company

		2014				
		On demand	Within one year	One to two years	Two to five years	Total
		應要求	一年內	第一至二年	第二至五年	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Due to subsidiaries	應付附屬公司款項	28,812	-	-	-	28,812
Financial liabilities included in other payables, accruals and deposits received	計入其他應付款項、應計項目及已收按金的金融負債	-	126,073	-	-	126,073
Financial guarantees granted to a subsidiary	對一家附屬公司授予財務擔保	-	500,000	-	-	500,000
Senior notes	優先票據	-	389,025	389,025	5,130,450	5,908,500
Total	總計	28,812	1,015,098	389,025	5,130,450	6,563,385

46. 財務風險管理目標及政策(續)

流動資金風險(續)

本公司於申報期間結束時的金融負債到期狀況(按照合同未折現付款)如下：

本公司

		2013				
		On demand	Within one year	One to two years	Two to five years	Total
		應要求	一年內	第一至二年	第二至五年	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Due to subsidiaries	應付附屬公司款項	35,924	-	-	-	35,924
Financial liabilities included in other payables, accruals and deposits received	計入其他應付款項、應計項目及已收按金的金融負債	-	72,534	-	-	72,534
Financial guarantees granted to a subsidiary	對一家附屬公司授予財務擔保	-	400,000	-	-	400,000
Senior notes	優先票據	-	385,398	385,398	3,503,448	4,274,244
Total	總計	35,924	857,932	385,398	3,503,448	4,782,702

31 March 2014 2014年3月31日

46. Financial Risk Management Objectives and Policies (Continued)

Foreign exchange risk

The Group only conducts business within Mainland China. Except for interest payables, repayment of foreign currency loans obtained to finance the Group's operations and any potential future dividend its subsidiaries that might be declare of to their shareholders, the bulk of the Group's revenue, capital investment and expenses are denominated in RMB. At the date of approval of the financial statements, the Group had not experienced any difficulties in obtaining government approval for its necessary foreign exchange purchases. During the year, the Group did not issue any financial instruments for hedging purposes.

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the RMB exchange rate, with all other variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities).

Group

		Changes in RMB rate 人民幣匯率變動 %	Increase/ (decrease) in profit before tax 稅前利潤增加/ (減少) HK\$'000 千港元
2014			
If Hong Kong dollar weakens against RMB	倘港元兌人民幣轉弱	5	25,385
If Hong Kong dollar strengthens against RMB	倘港元兌人民幣轉強	3	(15,223)
2013			
If Hong Kong dollar weakens against RMB	倘港元兌人民幣轉弱	5	5,214
If Hong Kong dollar strengthens against RMB	倘港元兌人民幣轉強	3	(3,128)

Equity price risk

The equity price risk of the Group mainly arises from the changes in market prices for held for trading investments at fair value through profit or loss. The book values of this type of financial asset held by the Group are recognised according to market quotes as at the end of the reporting period.

46. 財務風險管理目標及政策(續)

外匯風險

本集團僅在中國大陸經營業務。除應付利息、本集團撥資營運所需而取得的外幣貸款的還款以及其附屬公司可能向其股東宣派的任何潛在股息外，本集團大部分收入、資本投資及開支均以人民幣為單位。於財務報表批准日期，本集團在申領政府批文以購買所需外匯方面，從未遇上任何困難。年內，本集團並無為對沖目的而發行任何金融工具。

下表顯示在所有其他變量維持不變的情況下，本集團稅前利潤於報告期末對人民幣匯率的可能合理變動的敏感度，有關稅前利潤的變動乃因貨幣資產及負債的公平值出現變動所致。

本集團

股價風險

本集團的股價風險主要來自透過損益以公平值列賬的持作買賣投資的市價變動。此類由本集團持有金融資產的賬面值乃根據申報期間結束時的市場報價確認。

31 March 2014 2014年3月31日

46. Financial Risk Management Objectives and Policies (Continued)

Equity price risk (Continued)

On 31 March 2014, if the price of listed equity securities held by the Group had increased/decreased by 10%, and all other factors remained unchanged and excluding tax items, the book values of the listed equity securities of the Group would have increased/decreased by HK\$2,912,000 (2013: HK\$11,764,000).

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2014 and 31 March 2013.

The Group monitors capital using a gearing ratio, which is net debt divided by the total equity. Net debt includes interest-bearing bank and other borrowings, senior notes and convertible notes, less cash and cash equivalents and restricted cash. The gearing ratios as at the end of the reporting period were as follows:

Group

		2014	2013
		HK\$'000	HK\$'000
		千港元	千港元
Senior notes (note 32)	優先票據(附註32)	4,056,838	2,853,402
Interest-bearing bank and other borrowings (note 30)	計息銀行及其他借貸(附註30)	12,452,395	8,999,995
Convertible notes (note 34)	可換股票據(附註34)	1,009,446	-
Less: Cash and cash equivalents and restricted cash (note 28)	減: 現金及現金等價物及受限制現金(附註28)	(12,777,108)	(6,777,842)
Net debt	債務淨額	4,741,571	5,075,555
Total equity	權益總額	20,144,145	16,042,761
Gearing ratio	資本負債比率	24%	32%

46. 財務風險管理目標及政策(續)

股價風險(續)

於2014年3月31日，倘本集團持有的上市股權證券的價格上升/下跌10%，而所有其他因素均保持不變(不包括稅項)，則本集團的上市股權證券的賬面值將增加/減少2,912,000港元(2013年：11,764,000港元)。

資本管理

本集團資本管理的首要目標是為了確保本集團持續發展及穩健資本比率的能力，以支持其業務運作及實現最大股東價值。

本集團根據經濟情況的變動及相關資產的風險特色，管理其資本結構並對其作出調整。為維持或調整資本結構，本集團可能會調整向股東派發的股息付款、向股東返還資本或發行新股。本集團毋須遵守任何外界施加的資本規定。截至2014年3月31日及2013年3月31日止年度，並無更改資本管理的目標、政策或程序。

本集團採用資本負債比率(債務淨額除以權益總額)監控資本情況。債務淨額包括計息銀行及其他借貸、優先票據及可換股票據減現金及現金等價物及受限制現金。於報告期末，資本負債比率如下：

本集團

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

財務報表附註(續)

31 March 2014 2014年3月31日

47. Events After the Reporting Period

- (i) On 18 April 2014, Hefei China South City Company Limited, a subsidiary of the Company, successfully bid for the land use right for a parcel of land located in Hefei with a total site area of 347,000 sq. m. at a total consideration of RMB208.4 million. (equivalent to approximately HK\$259,903,000).
- (ii) On 9 May 2014, China South International Industrial Materials City (Shenzhen) Co., Ltd., a subsidiary of the Company, has completed the issuance of notes with a total principal amount of RMB1 billion at an interest rate of 7.5% per annum in the national inter-bank market in the PRC. The notes have a maturity period of 5 years from 9 May 2014 to 9 May 2019.
- (iii) The Company has repurchased an aggregate of 31,336,000 shares during the period from 11 April 2014 to 5 May 2014 at a total consideration of approximately HK\$109.6 million.

48. Approval of the Financial Statements

The financial statements were approved and authorised for issue by the board of directors on 24 June 2014.

47. 報告期間結束後事項

- (i) 於2014年4月18日，本公司附屬公司合肥華南城有限公司成功競投得位於中國合肥市、總佔地面積約347,000平方米之土地使用權，總價值為人民幣208.4百萬元(相等於約259,903,000港元)。
- (ii) 於2014年5月9日，華南國際工業原料城(深圳)有限公司(一家由本公司擁有全部權益的附屬公司)完成發行本金額為人民幣10億元的票據，於中國銀行間市場發行，年利率為7.5%，票據為5年期，由2014年5月9日起至2019年5月9日止。
- (iii) 本公司於2014年4月11日至2014年5月5日期間共回購31,336,000股，總代價約為109.6百萬港元。

48. 批核財務報表

董事會於2014年6月24日批准及授權刊發財務報表。



華南城

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