



2019/20

INTERIM REPORT

中期報告

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





華南城

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CORPORATE INFORMATION

公司資料

Board of Directors Executive Directors

Mr. Cheng Chung Hing (*Chairman*) ⁽²⁾⁽³⁾
Mr. Fung Sing Hong Stephen (*Vice Chairman*) (*FCPA*)
Mr. Zhao Lidong (*Chief Executive Officer*)
Ms. Cheng Ka Man Carman

Non-Executive Directors

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

Independent Non-Executive Directors

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

Chief Financial Officer*

Mr. Chan Mau Cheong Bryan (*CPA, CFA*)

Company Secretary

Ms. Tse Man Yu Michelle (*FCPA*)

Auditor

Ernst & Young

Legal Advisors

As to Hong Kong law
Linklaters
Reed Smith Richards Butler

As to China law

Commerce & Finance Law Offices

董事會 執行董事

鄭松興先生(*主席*)⁽²⁾⁽³⁾
馮星航先生(*副主席*)(*FCPA*)
趙立東先生(*行政總裁*)
鄭嘉汶女士

非執行董事

馬介璋博士*銀紫荊星章、銅紫荊星章*
鄭大報先生
林璟驊先生

獨立非執行董事

梁君彥先生*金紫荊星章、銀紫荊星章、太平紳士*⁽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*

陳茂昌先生(*CPA, CFA*)

公司秘書

謝文瑜女士(*FCPA*)

核數師

安永會計師事務所

法律顧問

香港法律
年利達律師事務所
禮德齊伯禮律師行

中國法律

通商律師事務所

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

* Mr. Hui Chun Yip resigned as Group's Chief Financial Officer with effect from 15 November 2019.
* Mr. Chan Mau Cheong Bryan has been appointed as Group's Chief Financial Officer with effect from 15 November 2019.

⁽¹⁾ 審核委員會成員
⁽²⁾ 薪酬委員會成員
⁽³⁾ 提名委員會成員

* 許進業先生自2019年11月15日起辭任本集團首席財務總監。
* 陳茂昌先生自2019年11月15日起獲委任為本集團首席財務總監。

Corporate Information (Continued)

公司資料(續)

Principal Bankers

Agricultural Bank of China Limited
Bank of China Limited
Bank of Communications Co., Limited
Bank of Xi'an Co., Ltd
China CITIC Bank Corporation Limited
China Construction Bank Corporation
Hua Xia Bank Limited
Huishang Bank Corporation Limited
Industrial and Commercial Bank of China Limited
Industrial Bank Co., Ltd.
PingAn Bank Co., Ltd.
Shanghai Pudong Development Bank Co., Ltd.
The Export-Import Bank of China
The Hongkong and Shanghai Banking Corporation Limited

Registered Office

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

Share Registrar

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

Listing Information

Share Listing

The Stock Exchange of Hong Kong Limited
Stock code: 1668

Senior Notes Listing

The Company's 5.75% 3 years senior notes due 2020
The Company's 10.875% 2 1/4 years senior notes due 2020
The Company's 6.75% 5 years senior notes due 2021
The Company's 7.25% 3 years senior notes due 2021
The Company's 11.875% 2 years senior notes due 2021
The Company's 7.25% 5 years senior notes due 2022
The Company's 11.5% 2 1/6 years senior notes due 2022
The Singapore Exchange Securities Trading Limited

Website

www.chinasouthcity.com

Investor Relations

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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
西安銀行股份有限公司
中信銀行股份有限公司
中國建設銀行股份有限公司
華夏銀行股份有限公司
徽商銀行股份有限公司
中國工商銀行股份有限公司
興業銀行股份有限公司
平安銀行股份有限公司
上海浦東發展銀行股份有限公司
中國進出口銀行
香港上海滙豐銀行有限公司

註冊辦事處

香港
九龍
尖沙咀
廣東道15號港威大廈
永明金融大樓2205室

證券登記處

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

上市資料

股份上市

香港聯合交易所有限公司
股份代號：1668

優先票據上市

本公司於2020年到期的5.75% 3年期優先票據
本公司於2020年到期的10.875% 2 1/4年期優先票據
本公司於2021年到期的6.75% 5年期優先票據
本公司於2021年到期的7.25% 3年期優先票據
本公司於2021年到期的11.875% 2年期優先票據
本公司於2022年到期的7.25% 5年期優先票據
本公司於2022年到期的11.5% 2 1/6年期優先票據
新加坡證券交易所有限公司

網站

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投資者關係

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華南城
CHINA SOUTH CITY

SHENZHEN
深圳



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



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

China South City Shenzhen

China South City Shenzhen (“CSC Shenzhen”), the Group’s first project, is situated at the Pinghu Logistics Base in Longgang District, Shenzhen. With the local government further developing Longgang District as an innovation center in Shenzhen East, its ancillary infrastructure on logistics, healthcare and education will continue to advance, bringing more convenience to tenants of CSC Shenzhen. Transportation around the project has also been improving. CSC Shenzhen is only 2.6 kilometers away from the Pinghu Railway Station. According to Shenzhen Metro Planning, subway line 10 passing through CSC Shenzhen is expected to put into service in mid-2020. Upon completion, it will generate more business opportunities and uplift visitor traffic for CSC Shenzhen.

深圳華南城

深圳華南城位於深圳市龍崗區平湖物流園區，為本集團旗下首個項目。隨著當地政府進一步推動龍崗區作為深圳東部創新中心的建設，區內包括物流、醫療、教育等配套設施將繼續完善，為深圳華南城商家的經營帶來更多便利。同時項目周邊的交通配套亦在進一步完善。深圳華南城距離平湖火車站僅2.6公里。根據深圳地鐵規劃，途經深圳華南城的地鐵10號預計於2020年中正式通車，屆時將為深圳華南城的運營帶來更多的商機及客流。

Positioned as a modern large-scale integrated logistics and trading platform to serve the Greater Bay Area, CSC Shenzhen covers a wide spectrum of product range, including textile and clothing, leather and accessories, electronic parts, printing, paper products and packaging, metals and chemicals, plastic materials, hotel supplies, tea and teaware, cross-border products, e-commerce, outlets, home furnishing, children education, produce and flower market, etc., on its trade center premises, complementary with various facilities and services on site, such as banking and finance, hotels and restaurants, governmental bodies, leisure and entertainment, etc. In addition, CSC Shenzhen provides micro-credit supporting service for on-site small and medium-sized enterprises (“SMEs”), assisting them in resolving financing difficulties for business operations.

CSC Shenzhen covers a land area of approximately 1.06 million sq.m. and a total planned GFA of approximately 2.64 million sq.m..

作為服務粵港澳大灣區的現代化大型綜合商貿物流及商品交易平台，深圳華南城經營態廣泛，商品交易中心所涵蓋業態包括紡織服裝、皮革皮具、電子配件、印刷、紙製品及包裝、五金化工、塑膠、酒店用品、茶葉茶具、跨境商品、電子商務、奧特萊斯、家居用品、兒童教育、水果及花卉市場等，並配備已進駐的各項銀行金融、酒店食肆、政府機構、消閑娛樂等設施及服務。同時，針對協助中小企解決運營上貸款困難的問題，深圳華南城為項目內中小企提供小額貸款協助服務。

深圳華南城佔地面積約106萬平方米，規劃總建築面積約264萬平方米。



Plaza 1 in CSC Shenzhen
於深圳華南城內的1號交易廣場



Multi-purpose properties
in CSC Shenzhen
於深圳華南城的多功能物業



Outlets in CSC Shenzhen
於深圳華南城內的奧特萊斯

華南城
CHINA SOUTH CITY

NANCHANG
南昌

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



Plaza 1 in CSC Nanchang
於南昌華南城的1號交易廣場



China South City Nanchang

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

南昌華南城

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

CSC Nanchang is now in operation with on-going development and construction, and currently covers industries including building and decoration materials, small commodities, textile and clothing, leather and accessories, healthy and green products, e-commerce, outlets, etc., on its trade center premises. A primary school is established in the project to cope with the demand in the course of development.

南昌華南城已投入運營並處於繼續開發建設階段，現商品交易中心所涵蓋的經營業態包括家居建材、小商品、紡織服裝、皮革皮具、健康綠色食品、電子商務及奧特萊斯等。為配合項目發展需要，南昌華南城亦設有小學。

CSC Nanchang covers a total planned land area of approximately 2.61 million sq.m. and a total planned GFA of approximately 6.87 million sq.m..

南昌華南城總規劃佔地面積約261萬平方米，總規劃建築面積約687萬平方米。

Trade centers in CSC Nanchang
於南昌華南城的交易廣場



Birdview – CSC Nanchang
南昌華南城的鳥瞰圖

Residential ancillary in CSC Nanchang
於南昌華南城的住宅配套



華南城
CHINA SOUTH CITY

NANNING
南寧



Plaza 2 in CSC Nanning
於南寧華南城的2號廣場



CSC Nanning in operation
營運中的南寧華南城

China South City Nanning

China South City Nanning (“CSC Nanning”) is located at Jiangnan District of Nanning, the capital of the Guangxi Zhuang Autonomous Region, a critical gateway between China and the Association of Southeast Asian Nations (“ASEAN”) member states. The project is easily accessible by railway stations, highways and an international airport. In August 2019, the State Council has officially approved to set up China (Guangxi) Pilot Free Trade Zone, establishing sea outlets for the southwestern, central-south and northwestern regions, as well as a new international land-sea trade corridor targeting the ASEAN region. Strategically located in close proximity to Southeast Asia and enjoying the advantage of a tariff waiver on cross-border trade activities within the China-ASEAN Free Trade Area, CSC Nanning endeavors to serve as a key hub for cross-border trade catering to the demand from the Northern Bay Region and Southeast Asia. CSC Nanning was conferred as “China-ASEAN Plaza” in 2011, and formalized the establishment of “China-ASEAN Digital Trade Hub” and “New Western Land-Sea Corridor Digital Trade Hub” in the project area in 2019, forging a regional trade and logistics hub. CSC Nanning has also been awarded as “National AAA Class Tourist Attraction”.

南寧華南城

南寧華南城位於廣西壯族自治區省會南寧市江南區，是中國與東盟成員國之間的重要視窗，項目與火車站、高速公路及國際機場接連，交通便利。於2019年8月，國務院正式批覆同意設立中國(廣西)自由貿易試驗區，建設西南中南北出口、面向東盟的國際陸海貿易新通道。坐擁毗鄰東南亞的戰略性地理優勢，受惠於中國—東盟自由貿易區於跨境貿易活動豁免關稅，南寧華南城致力成為重要的跨境貿易樞紐，以滿足北部灣及東南亞地區的需求。南寧華南城於2011年被授予「中國—東盟商品交易中心」，並於2019年正式確定「中國—東盟數字貿易樞紐中心」、「西部陸海新通道數字貿易樞紐中心」落戶項目園區，助推項目打造成為區域性商貿物流基地。南寧華南城亦被評定為「國家AAA級旅遊景區」。

CSC Nanning is now in operation with on-going development and construction, and currently covers industries including textile and clothing, small commodities, ASEAN products, home furnishing, tea and teaware, groceries, automobiles and parts, outlets, etc., on its trade center premises. Through organizing a series of exhibitions, such as the China-ASEAN Expo Light Industrial Exhibition, Folk Culture Festival cum Expo, traffic flow to the project as well as regional brand recognition of the project were enhanced. A primary school is established in the project to cope with the demand in the course of development. CSC Nanning also provides micro-credit supporting service for on-site SMEs, assisting them in resolving financing difficulties in business operations.

CSC Nanning covers a planned net land area of approximately 1.83 million sq.m. and a total planned GFA of approximately 4.88 million sq.m..

南寧華南城已投入運營並處於繼續開發建設階段，現商品交易中心涵蓋的經營業態包括紡織服裝、小商品、東盟產品、家居家品、茶葉茶具、綜合食品、汽摩汽配及奧特萊斯等。通過舉辦中國—東盟博覽會輕工展、民俗文化商貿節等一系列展會活動，帶旺項目人氣並提升品牌的區域知名度。為配合項目發展需要，南寧華南城亦設有小學。同時，為協助中小企解決運營上貸款困難的問題，南寧華南城為項目內中小企業提供小額貸款協助服務。

南寧華南城的規劃淨佔地面積約183萬平方米，總規劃建築面積約488萬平方米。

Launching Ceremony for
"China-ASEAN Digital Trade Hub"
and "New Western Land-Sea
Corridor Digital Trade Hub"
in CSC Nanning
南寧華南城「中國東盟
數字貿易樞紐中心」、
「西部陸海新通道
數字貿易樞紐中心」
啟動儀式



Residential ancillary in CSC Nanning
於南寧華南城的住宅配套



Birdview – CSC Nanning
南寧華南城的鳥瞰圖



1668 Plaza and residential ancillary in CSC Nanning
於南寧華南城的1668廣場及住宅配套

華南城

CHINA SOUTH CITY

XI'AN

西安

Plaza 2 in CSC Xi'an
於西安華南城的2號交易廣場



Trade centers in CSC Xi'an
於西安華南城的商品交易中心

China South City Xi'an

China South City Xi'an ("CSC Xi'an") is located at the Xi'an International Trade and Logistics Park in Shaanxi Province. As a local key project, the Xi'an International Trade and Logistics Park is an open economic pilot zone and a core area for modern service industry, aiming to become the largest international transit hub and logistics distribution center along the Silk Road Economic Belt and an important strategic platform for the "Belt and Road" initiative. In addition, the Xi'an International Trade and Logistics Park is one of the three largest clusters of China (Shaanxi) Pilot Free Trade Zone. Benefiting from the geographic advantages of the Xi'an International Trade and Logistics Park, CSC Xi'an is highly accessible via the Xi'an City Expressway and Beijing-Kunming Expressway, Lianyungang-Khorgos Expressway, Shaanxi-Shanghai Expressway, Baotou-Maoming Expressway and other national highways, forming an intricate spider network which opens to all directions. Besides, the strategic location of CSC Xi'an is connected to an extensive traffic network linking a railway container terminal and the largest bonded area in the northwestern region

西安華南城

西安華南城位於陝西省省會西安市國際港務區內。國際港務區是當地政府重點打造的開放型經濟先導區與現代服務業核心功能區，旨在成為絲綢之路經濟帶上最大國際中轉樞紐港與商貿物流集散地，是聯接「一帶一路」戰略的重要平台。同時，國際港務區為中國（陝西）自由貿易試驗區三大片區之一。受惠於國際港務區的優越地理位置，西安華南城交通便利，通往區內的西安繞城高速公路與京昆高速、連霍高速、陝滬高速、包茂高速等國家公路運輸樞紐緊密銜接，形成「米」字型對外高速公路網絡格局。此外，西安華南城的策略位置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綫。途經西安華南城的地鐵3號綫已正式通車。此外，用於舉辦2021年第十四屆中華人民共和國全運會的新體育中心亦將於西安華南城附近2公里處落成，連接場館的地鐵14號綫於項目附近設立「港

of China, along with two planned subway lines that cross the project site. Subway line 3, which passes through CSC Xi'an, has commenced operation. In addition, a new stadium is slated to host the 14th National Games of the People's Republic of China in 2021, which is two kilometers away from CSC Xi'an, and the subway line 14 connected to the venue will set up the "Gangwudadao Station" near the project and is expected to put into service in 2021. These subway lines and the stadium will generate more visitor traffic and business opportunities for the Xi'an International Trade and Logistics Park and thus further enhance the project value of CSC Xi'an.

CSC Xi'an is now in operation with on-going development and construction, and currently covers industries including hardware and machinery, curtains and fabrics, textile and clothing, leather and fur, automobiles and parts, building and decoration materials, outlets, Central Asia and ASEAN product exhibition center, etc., on its trade center premises. Leveraging its geographical advantage as the starting point of the Silk Road Economic Belt, CSC Xi'an is actively poised to capture the immense opportunities arising from the "Belt and Road" initiative.

CSC Xi'an covers a total planned land area of approximately 10.00 million sq.m. and the total planned GFA of approximately 17.50 million sq.m..

務大道站」，並預計將於2021年通車。此等地鐵線路和體育中心將有利於國際港務區聚集更多客流與商機，並進一步增加西安華南城項目的價值。

西安華南城已投入運營並處於繼續開發建設階段，現商品交易中心涵蓋的經營業態包括五金機電、窗簾布藝、紡織服裝、皮革皮草、汽摩汽配、家居建材、奧特萊斯、中亞與東盟產品展示中心等。憑藉作為絲綢之路經濟帶起點的地理位置優勢，西安華南城積極蓄勢，以把握「一帶一路」倡議帶來的龐大商機。

西安華南城總規劃佔地面積約1,000萬平方米，總規劃建築面積約1,750萬平方米。

Trade centers in CSC Xi'an
於西安華南城的商品交易中心



Hardware and Machinery Trade Center Zone B and Subway in CSC Xi'an
於西安華南城的五金機電交易中心B區及地鐵



Hardware and Machinery Products Trade Center Zone B Opening in CSC Xi'an
於西安華南城的五金機電交易中心B區開業

華南城
CHINA SOUTH CITY

HARBIN
哈爾濱



Multi-purpose properties in CSC Harbin
於哈爾濱華南城的多功能物業



Residential ancillary in CSC Harbin
於哈爾濱華南城的住宅配套

China South City Harbin

Located at the Daowai District of Harbin, the capital of Heilongjiang Province, China South City Harbin (“CSC Harbin”) fully utilizes its advantageous location in Northeast China, a premier hub for cross-border trade with countries in Northeast Asia. Its proximity to the China-Russia border helps to facilitate economic activities within the region. Leveraging the opportunities arising from the area’s development potential, CSC Harbin endeavors to become the largest integrated logistics and trade center in Northeast China. In addition, Xixiangfang North Station of Harbin – Mudanjiang High Speed Rail (哈牡高鐵新香坊北站), only a couple of kilometers from CSC Harbin, commenced operation at the end of 2018 and is bringing more visitors and business opportunities to the project.

哈爾濱華南城

哈爾濱華南城位於黑龍江省省會哈爾濱市道外區，盡享中國東北部的地理優勢，是東北亞國家的跨境貿易主要樞紐。加上鄰近中俄邊界，配合該地區的經濟活動需要，哈爾濱華南城將充分把握該區發展潛力所帶來的機遇，致力成為中國東北部最大的綜合物流及商品交易中心。此外，距哈爾濱華南城僅數公里的哈牡高鐵新香坊北站已於2018年底通車，為園區帶來更多的客流及商機。

CSC Harbin is now in operation and is in the stage of continuous development and construction. It covers industries including hardware and construction materials, chemicals, machinery, automobiles and parts, small commodities, hotel supplies, leather and fur, outlets, e-commerce, etc., on its trade center premises. A primary school is established in the project to cope with the demand in the course of development.

哈爾濱華南城已投入運營，並處於繼續開發建設階段，商品交易中心涵蓋的經營業態包括五金建材、化工、機電、汽摩汽配、小商品、酒店用品、皮革皮草、奧特萊斯及電子商務等。為配合項目發展需要，哈爾濱華南城亦設有小學。

CSC Harbin covers a total planned land area of approximately 10.00 million sq.m. and a total planned GFA of approximately 12.00 million sq.m..

哈爾濱華南城總規劃佔地面積約1,000萬平方米，總規劃建築面積約1,200萬平方米。

Trade centers in CSC Harbin
於哈爾濱華南城的商品交易中心



Outlets in CSC Harbin
於哈爾濱華南城的奧特萊斯



Birdview – CSC Harbin
哈爾濱華南城鳥瞰圖

華南城
CHINA SOUTH CITY

ZHENGZHOU
鄭州



E-commerce buildings in CSC Zhengzhou
於鄭州華南城的電商大廈



Multi-purpose properties under construction in CSC Zhengzhou
於鄭州華南城的在建中的多功能物業

China South City Zhengzhou

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

鄭州華南城

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

CSC Zhengzhou is now in operation and is in the stage of continuous development and construction. It has grown into the Group's largest project to date, covering industries including building and decoration materials, small commodities, hardware and machinery, home furnishing, automobiles and parts, non-staple food, clothing, outlets, e-commerce, etc., on its trade center premises. In order to strengthen coordination with project development and meet the demand of the markets nearby, CSC Zhengzhou will continue to enhance its business in residential and commercial ancillaries such as multi-purpose properties. A primary school is established in the project to cope with the demand in the course of development.

鄭州華南城已投入運營，並處於繼續開發建設階段，目前已發展成本集團最大規模的項目。商品交易中心涵蓋的經營業態包括建材、小商品、五金機電、家具、汽摩汽配、副食品、服裝、奧特萊斯及電子商貿等。為加強配合項目發展及周邊市場的需求，鄭州華南城將繼續加強其住宅及商業包括多功能物業等配套設施方面的業務。為配合發展需要，鄭州華南城亦設有小學。

CSC Zhengzhou covers a total planned net land area of approximately 7.00 million sq.m. and a total planned GFA of approximately 12.00 million sq.m..

鄭州華南城總規劃淨佔地面積約700萬平方米，總規劃建築面積約為1,200萬平方米。



Residential ancillary in CSC Zhengzhou
於鄭州華南城的住宅配套



Birdview – CSC Zhengzhou
鄭州華南城鳥瞰圖



Building and Decoration Materials and Hardware Exhibition
in CSC Zhengzhou
於鄭州華南城的建材家居五金展銷會

華南城

CHINA SOUTH CITY

HEFEI

合肥



Outlets in CSC Hefei
於合肥華南城的奧特萊斯



Residential ancillary in CSC Hefei
於合肥華南城的住宅配套

China South City Hefei

China South City Hefei (“CSC Hefei”) is located at Anhui Feixi Economic Development Zone of Hefei, the capital of Anhui Province, and along the belt of Hefei Comprehensive National Science Center, which sits at the transport and economic heart of Eastern China. Leveraging the advantageous geographical location, CSC Hefei will enjoy more visitors and business opportunities. CSC Hefei benefits from its strategic location, which is equipped with well-developed transportation system of railways, highways and river transportation connecting to the rest of China. In particular, the south extension of subway line 4 passing through CSC Hefei is set to commence operation in 2021. In addition, a major water conservancy project near CSC Hefei, “Water Diversion from Yangtze River to Huaihe River – Jianghuai Canal” (引江濟淮－江淮運河) is underway, which aims to further develop Hefei into an inland river port that connects rivers with seas and a key logistics distribution base. During the Reporting Period, CSC Hefei was approved by the local government as a project under the “2019 Investment Plan for New, Large and Specialized Key Projects” (2019年大新專重點項目投資計劃), and was included in the “Master Plan for Hefei Binhu Science Town (Hefei Binhu New Area)” (合肥濱湖科學城(合肥濱湖新區)總體規劃), which brought opportunities for the speedy future growth of CSC Hefei under the government’s development focus on resources such as business, exhibition, culture and tourism.

合肥華南城

合肥華南城位於安徽省省會合肥市肥西經濟開發區，沿綫合肥綜合性國家科學中心板塊，為華東地區經濟及交通之心臟地帶。所處的優越地理位置將為園區進一步帶來人流與商機。合肥華南城盡享完善基礎建設的策略地利，並配備規劃的鐵路、高速公路及河運運輸系統接連全國。其中，途經合肥華南城的地鐵4號南延綫將於2021年正式運營。此外，位於項目周邊的「引江濟淮－江淮運河」大型水利工程已正式開建，將進一步打造合肥成為通江達海的內河港口城市和重要的物流集散基地。於本報告期間，合肥華南城獲批成為當地政府「2019年大新專重點項目投資計劃」項目，亦被整體納入「合肥濱湖科學城(合肥濱湖新區)總體規劃」範圍內，圍繞政府重點發展的商務、會展、文旅等資源要素，為合肥華南城未來的飛速發展帶來機遇。

Residential ancillary and schools in CSC Hefei
於合肥華南城的住宅配套及學校



Birdview – CSC Hefei
合肥華南城鳥瞰圖



Private education center in CSC Hefei
於合肥華南城的教育中心

CSC Hefei is now in operation and is in the stage of continuous development and construction. It covers industries including automobiles and parts, hardware and machinery, building and decoration materials, textiles and clothing, hotel supplies, outlets, culture and education, small commodities and non-staple food, etc. A secondary school and a primary school are going to be established in the project to cope with the demand in the course of development.

CSC Hefei covers a total planned net land area of approximately 10.00 million sq.m. and a total planned GFA of approximately 12.00 million sq.m..

合肥華南城已投入運營，並處於繼續開發建設階段，商品交易中心涵蓋的經營業態包括汽摩汽配、五金機電、家居建材、紡織服裝、酒店用品、奧特萊斯、文化教育、小商品及副食品等。為配合發展需要，合肥華南城亦將設有中小學。

合肥華南城總規劃淨佔地面積約1,000萬平方米，總規劃建築面積約為1,200萬平方米。

華南城 CHINA SOUTH CITY CHONGQING 重慶



Trade center in CSC Chongqing
於重慶華南城的商品交易中心



Textile and Apparel Trade Center in CSC Chongqing
於重慶華南城的紡織服飾城

China South City Chongqing

China South City Chongqing (“CSC Chongqing”) is located at Banan District of Chongqing, the only direct-administered municipality in midwestern China as well as the Group’s first municipal project. It is highly accessible to the city center and other regions given its strategic location in the Chongqing Highway Logistics Base (a major national transport infrastructure project for Western China) that connects to a well-established highway network, and is also the starting point of national strategies of “The New International Land-sea Trade Corridor” and “Chongqing-ASEAN International Logistics Channel”. The transportation network around the project has seen rapid development, coupled with the growing maturity of business district in Banan, laying a good foundation for the future transportation ancillaries and commercial environment of the project. The nearby Longzhouwan Tunnel has completed construction and is opened to traffic, which will substantially shorten the distance to the town center and effectively optimize the geographical advantage of the project. In addition, the Chongqing municipal government announced the development of a new southern town at its core area where CSC Chongqing is located, which is expected to further boost the growth potential of the region.

重慶華南城

重慶華南城位於中國中西部唯一的直轄市重慶市的巴南區，為本集團首個落戶直轄市的項目。座擁西部國家級大型交通基建—重慶公路物流基地的策略性地利，項目連接完善的高速公路網絡，貫通市中心及全國其他地區，亦是國家戰略「國際陸海貿易新通道」及「重慶東盟國際物流大通道」之起點。重慶華南城周邊的交通網絡建設發展快速，隨著巴南區商圈的發展漸趨成形，為項目未來的交通配套及商業環境奠定了良好的基礎。隨著位於項目附近龍洲灣隧道的順利完工並正式通車，將大大拉近與市中心的距離，有效優化項目區位優勢。此外，重慶市政府宣佈於重慶華南城所處核心地區建立南部新城，預期該地區發展潛力進一步增加。



Residential ancillary in CSC Chongqing
於重慶華南城的住宅配套



Birdview – CSC Chongqing
重慶華南城鳥瞰圖



Schools in CSC Chongqing
於重慶華南城的學校

CSC Chongqing is now in operation and is in the stage of continuous development and construction. It covers industries including small commodities, hardware and machinery, hotel supplies, building and decoration materials, textiles and clothing, automobile and parts, lightings and lamps, outlets, culture and education, metals, etc., on its trade center premises. A primary school and a secondary school are established in the project to cope with the demand in the course of development.

CSC Chongqing covers a total planned net land area of approximately 5.90 million sq.m. and a total planned GFA of approximately 13.10 million sq.m..

重慶華南城已投入運營，並處於繼續開發建設階段，商品交易中心涵蓋的經營業態包括小商品、五金機電、酒店用品、家居建材、紡織服裝、汽摩汽配、燈具燈飾、奧特萊斯、文化教育及金屬材料等。為配合項目發展需要，重慶華南城內亦設有小學及初級中學。

重慶華南城總規劃淨佔地面積約590萬平方米，總規劃建築面積約為1,310萬平方米。

CHAIRMAN'S STATEMENT

主席報告

On behalf of the board of directors (the "Board") of China South City Holdings Limited (the "Company") together with its subsidiaries ("China South City" or the "Group"), I am pleased to report the unaudited consolidated interim results of the Group for the six months ended 30 September 2019 ("1H FY2019/20" or the "Reporting Period").

During the Reporting Period, both domestic and international economies were still mired in complex and grim conditions amidst global economy slowdown, coupled with increasing external uncertainties. The Chinese economic growth slowed down in face of escalating China-US trade frictions and growing downward pressure. In the third quarter, China's GDP growth slowed to 6% year-on-year, below market expectations. Nevertheless, the Manufacturing Purchasing Managers' Index (PMI) rebounded to 51.7% in October, returning to the expansion territory. In addition, the General Office of the CPC Central Committee and the General Office of the State Council issued the "Guiding Opinions on Promoting the Sound Development of Small and Medium-sized Enterprises" (《關於促進中小企業健康發展的指導意見》) in April to create more room for SMEs in the market, which is believed to stabilize their growth and employment. With the steady progress of economic restructuring and successive implementation of policies and measures to support the development of the real economy, confidence among enterprises was fairly restored and the manufacturing market has expanded steadily as a whole.

On the other hand, there has been a tightening trend in China's real estate regulation and control policies, "Housing is for Living in, Not for Speculation" dominates real estate policies and the strength remains with regulation and control. This, together with an emphasis on executing the strategy of "One City, One Strategy" and "City-specific Policies", aims to ensure the steady and sound development of the real estate market. The demand in first-tier cities continued to rise while the overall performance of second-tier cities remained stable. The transaction volume in third and fourth-tier cities declined slightly while that of new housing markets in large-and-medium-sized cities nationwide rose before falling in the first half of the year. In face of an increasingly complex and challenging business environment, China South City has maintained a diverse business model and has been flexible in formulating strategies and response, seeking to cohere with national development strategies and capture future growth opportunities. The Group will continue to lower inventory and reduce overall debts while ensuring a steady growth of revenue, to lay a good foundation for long-term business development.

本人謹代表華南城控股有限公司(「本公司」)之董事會(「董事會」)及其附屬公司(「華南城」或「本集團」)，謹此欣然呈報本集團截至2019年9月30日止六個月(「2019/20財政年度上半年」或「本報告期間」)未經審核的綜合中期業績。

於本報告期間，全球經濟增長放緩，國內和國際經濟形勢依然複雜嚴峻，外部不穩定因素增多。中美貿易摩擦升溫，中國經濟下行壓力增大，經濟增長速度有所放緩。中國第三季國內生產總值按年增長放緩至6%，增速遜於市場預期，然而10月份製造業採購經理指數(PMI)回升至51.7%，重回擴張區間。此外，中央辦公廳及國務院辦公廳於4月份印發了《關於促進中小企業健康發展的指導意見》，促進中小企業的市場空間，相信對中小企業能逐步起穩增長及穩就業的作用。隨著經濟結構調整穩步推進及一系列扶持實體經濟發展的政策措施相繼落地，企業信心略有增強，製造業市場總體平穩擴張。

另一方面，中國房地產調控政策出現收緊趨勢，「房住不炒」為房地產政策的主基調，調控力度不減，強調落實「一城一策」、「因城施策」，保證實施房地產市場平穩健康發展。一線城市需求持續回升，而二線城市的成交表現整體趨穩，三四線城市的交易量則有小幅下行。於上半年，全國大中城市新房市場整體交易量有先升後降的現象。面對日益複雜及充滿挑戰的經營環境，華南城一直保持多元化的業務模式，靈活調整應對策略，致力協同國家發展策略，把握未來增長機遇。本集團將持續推進去庫存，在保證收入穩步增長的同時，減輕身量，為業務的長遠發展鋪墊良好基礎。

To optimize business management, the Group established the investment development division in early 2019 for the management of project development and construction, and the business management division for merchants recruitment and project operation, with a view to enabling the professional teams to have better focus. After more than half a year of establishment, adaptation with specified management targets and incentives, this adjusted management model has delivered its initial effect in 1H FY2019/20. Furthermore, to cope with the uncertain external economic environment, the Group strengthened its cost management in FY2019/20 with a number of cost cutting measures in place to increase efficiency. The Group is committed to enhancing its business management operations for market expansion to achieve sustainable growth in brand value.

Results and Dividends

Facing external uncertainties and the economic downturn, China South City met challenges proactively. Apart from strategically adjusting its business management structure, it has further ramped up cost management and operation management services, and closely adhered to construction and sales. During the Reporting Period, the contracted sales of the Group increased by 13.7% to HK\$7,732.8 million (1H FY 2018/19: HK\$6,803.0 million); revenue rose by 11.8% to HK\$5,827.2 million (1H FY2018/19: HK\$5,212.4 million), with recurring income up by 15.5% to HK\$1,197.1 million (1H FY2018/19: HK \$1,036.5 million).

Net profit attributable to owners of the parent decreased by 25.9% to HK\$628.2 million (1H FY2018/19: HK\$848.2 million), while core net profit attributable to owners of the parent (being net profit attributable to owners of the parent excluding fair value gains on investment properties and related tax effects, provision for impairment of goodwill, etc.) increased by 19.4% to HK\$501.7 million (1H FY2018/19: HK\$420.1 million). Basic earnings per share increased to HK7.75 cents (1H FY2018/19: HK10.59 cents).

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2019 (1H FY2018/19: Nil).

為了優化業務管理，本集團於2019年初成立了投資開發集團和商業管理集團，分別管理本集團的項目開發建設及項目招商運營，讓專業團隊專注努力。經過半年多的團隊搭建與磨合，管理目標的細化和激勵，調整後的管理模式於2019/20財年上半年初見成效。此外，為應對不明朗的外圍經濟環境，本集團2019/20財年加強了成本管理，採取多項降低成本措施，降費增效。本集團致力強化商業管理業務，開拓商業管理市場，以打造持續發展的品牌價值。

業績及股息

面對外部不明朗因素及經濟下行，華南城積極面對挑戰，除策略性進行業務管理架構調整外，進一步加強成本管理，提升營運管理服務，緊扣建設與銷售環節。於本報告期間，本集團的合約銷售額同比增長13.7%至77.328億港元(2018/19財年度上半年：68.030億港元)；收入增加11.8%至58.272億港元(2018/19財政年度上半年：52.124億港元)，其中持續性收入增長15.5%至11.971億港元(2018/19財政年度上半年：10.365億港元)。

母公司擁有人應佔淨利潤減少25.9%至6.282億港元(2018/19財政年度上半年：8.482億港元)，而其母公司擁有人應佔核心淨利潤(即未計投資物業公平值收益及相關稅款影響、商譽減值撥備等的母公司擁有人應佔淨利潤)增加19.4%至5.017億港元(2018/19財政年度上半年：4.201億港元)。每股基本盈利增加至7.75港仙(2018/19財政年度上半年：10.59港仙)。

董事會不建議派付截至2019年9月30日止六個月中期股息(2018/19財政年度上半年：無)。

Review of the Market and Operations Initial Achievement of Specific Work Division between Investment Development and Business Management for Comprehensive Business Portfolio Development

In a bid to capture market opportunities brought by industry upgrade and transformation and to support CSC's long-term development, the Group placed its focus on the strategic direction of "Emphasizing on Merchants Recruitment and Strengthening Operation" during 1H FY2019/20. More specific work division between investment development and business management enabled China South City to deliver more precise execution in project development, construction and sales as well as tenants recruitment and management, and better cater to the needs of project development in the meantime. The effect of such specific work division gradually surfaced during the Reporting Period.

During the Reporting Period, China South City saw continued improvement in development efficiency that keep pace with sales in a better way under the management of investment development division. Contracted sales increased by 13.7% from HK\$6,803.0 million in 1H FY2018/19 to HK\$7,732.8 million during the Reporting Period. Furthermore, in response to the demand of the maturing intercity transportation network bring to CSC projects, multi-purpose properties were launched in a few CSC projects, which in turn facilitated the lowering of inventory and debt reduction. In 1H FY2019/20, multi-purpose properties achieved cumulative contracted sales of approximately HK\$2,157 million with a contracted sales GFA of approximately 249,800 sq. m, accounting for approximately 27.9% of the total contracted sales. In the future, China South City will roll out more property types to answer to market demands in different projects.

CSC projects cover various industries with different businesses in each project that caters to local development needs. In recent years, to further promote the operating results, China South City has strengthened its cooperation with chambers of commerce of different industries, large-scale enterprises and tenants of relocated wholesale markets, to build "customized" trade centers and ancillary facilities. This could effectively meet the needs of future operation at the stage of project design and development, while at the same time lessen the stress in subsequent tenants recruitment.

市場及運營回顧 投開和商管分工細化初見成效，積極打造 綜合商業拼圖

為抓住行業升級轉型所帶來的市場機遇，並支持華南城的長遠發展，本集團於2019/20財政年度上半年重點部署「重招商、強運營」的戰略方向，透過投資開發及商業管理的分工細化，使華南城在項目開發建設與銷售、招商運營與管理的執行更精準，更貼近當前項目發展的需要，「術業有專攻」的績效成果於本報告期內逐漸展現。

本報告期內，在投資開發團隊的運營下，華南城的項目開發效率不斷提升，更好地配合銷售步伐，合約銷售金額從2018/19財政年度上半年的68.030億港元上升至本報告期間的77.328億港元，增幅為13.7%。此外，為抓取華南城各項目城市交通發展日趨成熟所帶來的需求，華南城多個項目推出多功能物業，在回應需求的同時，協助本集團去庫存，減負債。2019/20財政年度上半年，多功能物業項目實現累計合約銷售金額約21.57億港元，佔合約銷售總額約27.9%，累計合約銷售建築面積約24.98萬平方米。未來，華南城將按各項目的情況，推出更多合適相應市場的物業類別。

為切合當地發展方向，華南城項目涵蓋多樣業態，且各項目的業態不盡相同。為進一步促進經營業績發展，華南城近年加強與各行業商會、大型商戶及受拆遷批發市場商戶的合作，度身定做建設「定制式」商品交易中心及配套設施，有效於項目開發設計階段滿足未來經營的需要，同時減輕後續招商運營的壓力。

During the Reporting Period, the business management division continued to bring in industries and business tenants that can bring about positive synergy for CSC projects, to strive continuous increase in the operating areas of these tenants in CSC projects, to improve internal management and management efficiency, and to enhance project management quality as well as core competitiveness of integrated business management. The Group also focused on individual industries, particularly such industry parks in relation to "E-commerce", "Education" and "Mega Healthcare". During the Reporting Period, CSC Hefei managed to add an excess of 80,000 sq.m. for the education industry. The Group has also successively established and consolidated its e-commerce industry parks across its projects in Shenzhen, Zhengzhou, Nanchang, Nanning and Harbin. CSC has also bolstered merchants recruitment and services for cross-border e-commerce or e-commerce start-ups in a bid to cater to regional development needs. Some of these projects have become national or provincial-level projects and attracted more leading industry players to join and develop.

Continue Diversified Recurring Business to Support the Group's Long-term Healthy Development

As a leading developer and operator of large-scale integrated logistics and trade centers in China, the Group will keep abreast of market changes, committed to enhance the management level of its existing business and broaden the diversification of its recurring business, in order to bring about a solid support for the steady growth in long-term development.

In FY2019/20, China South City focused on consolidating resources of its existing business, exploring a diverse light-asset integrated management business, including commercial complexes management, project and property management, outlets operation and operation of HOBA Furnishing. Placing existing light-asset business under the business management division would effectively improve performance of various businesses, reduce costs and enhance complementary and synergy between the light-asset business and project operation, and help to project China South City onto a path of high-quality and diverse development.

With its warehousing and logistics service gradually extended from leasing focus to comprehensive third-party logistics services, the Group has secured a number of warehousing and distribution or transportation projects from renowned brands. The Group's warehousing and logistics team has not only successfully expanded client base to food industry, but also chemical products, building materials and infrastructure industries in logistics transportation. Its customers include China Top 500 and Fortune 500 enterprises. With good service quality and years of experience, the logistics service has been highly recognized by customers.

於本報告期內，商業管理團隊繼續物色能為華南城各項項目帶來良好協同效應的業態及商戶，促進華南城各項項目商戶經營面積持續增加，並持續提高內部管理水準及管理工作效率，不斷提升項目管理品質及綜合商業管理核心競爭力。本集團亦重點開拓個別業態如大電商、大教育及大健康等產業園招商。於本報告期內，合肥華南城成功新增逾8萬平方米教育業態。本集團亦已於深圳、鄭州、南昌、南寧、哈爾濱等項目陸續建立及鞏固電商產業園，並針對地區發展需要加強跨境電商或電商初創招商及服務，部份項目已成為國家或省級項目，吸引更多行內領先從業聚集發展。

持續經營業務多元化，支持本集團長遠健康發展

作為中國領先的大型綜合物流及商品交易中心的開發商及運營商，本集團將緊貼市場變化，致力提升原有業務的管理水平，拓寬持續經營業務的多元化，為本集團的長遠發展帶來穩定增長的良好支持。

於2019/20財政年度，華南城重點整合原有業務資源，開拓多元輕資產綜合管理業務，其中包括商業綜合體管理、項目及物業管理、奧特萊斯運營，以及好百年家居運營等。透過將原有輕資產業務納入商業管理團隊管理，有效提升各業務表現，降低成本，加強各輕資產業務與園區運營的互補協同作用，助推華南城邁向高質量的多元化發展。

本集團的倉儲物流服務發展，已逐步從以園區租賃業務為主，向綜合性第三方物流服務業務延伸，現已取得多個知名品牌的倉配項目或運輸項目。本集團的倉儲物流板塊不單成功拓展食品行業項目，在日用化學品、建材、基建等行業新增物流運輸項目，服務客戶涵蓋中國500強及世界500強知名企業。良好的服務品質以及多年的經驗積累，物流服務水準獲得客戶的高度認可。

China South City has earned National First-Class Property Management Qualification and become one of the few integrated commercial management firms capable of managing both trade center premises and residential properties in China. During the Reporting Period, the Group further improved its service efficiency and quality; it further realized intelligent property management through the introduction of intelligent elevator control systems and other measures. In addition, with the increasingly mature operation of the project, the demand for traffic management and parking has been increasing. During the Reporting Period, the Group has started to implement parking charge service in a number of projects, which effectively standardized traffic management and opened up a new sustainable source of income for the Group.

The outlet business has long been a segment with strong cash flow of the Group. During the Reporting Period, outlet business continued to consolidate self-owned brands business operation, reinforce internal management and control of tenant quality, and contribute to stable business growth for the Group.

HOBA Furnishing has put great effort in developing a pan-industry base for home furnishing that integrates exhibition, warehousing and logistics. During the Reporting Period, a total of 19 franchise stores and corporate stores were opened in China. HOBA Furnishing operates flagship corporate stores in a number of CSC projects. These projects are a success in attracting customers, stimulating consumption and complementing the flow of visitors for other industries in the projects. In order to further create brand synergy between China South City and HOBA Furnishing, HOBA Furnishing will make more efforts in the expansion of corporate stores in CSC projects, and attract more tenants of furnishing industry for the projects.

華南城的物業管理擁有國家物業服務企業一級資質，是國內少數兼具管理商品交易中心以及住宅物業能力的綜合商業管理公司。於本報告期間，本集團進一步提高服務效率及質素，通過引進智能化電梯管控系統等措施，不斷邁進智能化物業管理模式。此外，隨著園區運營日趨成熟，園區內交通管理及泊車需求不斷上升，本集團於本報告期間在多個項目已開始實施泊位停車收費服務，有效規範園區交通管理，同時為本集團開拓新的持續性收入來源。

奧特萊斯業務一直是本集團強現金流的運營業務，於本報告期間，奧特萊斯業務繼續整合自營品牌業務，加強內部管理和商戶質量的把控，為本集團貢獻穩定的業務增長。

好百年家居致力打造展示、倉儲及物流一體化的泛家居業基地。於本報告期內，已於國內共開設19家加盟託管店及直營家居廣場。好百年家居於多個華南城項目經營旗艦直營店，該等項目成功引流、拉動消費，與園區其他業態形成人流互補。為進一步締造華南城及好百年家居的品牌協同效應，好百年家居將加大於華南城項目區內直營家居廣場的拓寬力度，促進項目的業態招商。

Prudent and Sound Financial Management, Flexible and Smooth Financing Channels

During the Reporting Period, the Group maintained diversified and extensive financing channels. In the overseas market, the Group further issued US\$60 million 11.875% 2-year senior notes in June 2019. Domestically, the Group issued RMB600 million 8.5% medium-term notes in April 2019 and RMB1.4 billion 8% company bonds in August. In September 2019, the Group also obtained an RMB750 million quota of housing mortgage asset-backed securities (ABS), and the issuance could be arranged based on the needs of the Group and market conditions. By effectively utilizing domestic and overseas bond issuance quota, the Group was able to optimize its overall bond structure and maintained smooth and diverse financing channels both domestically and overseas. In addition, the Group has strengthened its cooperation with commercial banks and continued to obtain various types of credit lines from them to meet its financing needs and effectively reduce finance costs. China South City is also committed to increasing the proportion of long-term loans and strengthening cash flow management. During the Reporting Period, the Group has obtained a fixed-assets backed facility of RMB600 million for 15 years from a major state-owned bank, which provided a solid support for the Group's future development. Through effective application of note facilities from domestic and overseas capital markets, bank loans and internal operating cash flows, the Group has continuously reduced its liabilities during the Reporting Period with a lower gearing ratio (excluding the impact of RMB depreciation), enabling the Group to reduce its overall liabilities and stabilize its financial position in an uncertain economic environment. Looking into the second half of the year, the Group will continue with its prudent and sound financial management strategy as well as diversified, flexible and smooth financing channels, strive for better capital management, strike a balance between financial stability and business development, and thereby creating maximum value for shareholders.

謹慎穩健的財務管理，靈活暢通的融資渠道

於本報告期間，本集團維持多元而廣泛的融資渠道。境外，本集團於2019年6月增發2年期6,000萬美元11.875%優先票據。境內，於2019年4月發行人民幣6億元8.5%中期票據，並於8月發行人民幣14億元8%公司債券，本集團亦於2019年9月取得人民幣7.5億元購房尾款ABS額度，隨時按本集團之需要及市場情況安排發行工作。通過有效利用境內外發債額度，優化整體債券結構，維護境內外多元融資渠道保持暢通。此外，本集團加強與商業銀行合作，繼續獲商業銀行授予多類型貸款額度，滿足本集團的融資需求，有效降低融資成本。華南城亦致力增加長期貸款佔比，強化現金流管理。於本報告期內，本集團獲得一國有大型銀行授予15年人民幣6億元的固定資產支持融資借款，為本集團未來發展提供良好支撐。透過有效運用境內外資本市場票據融資、銀行貸款及內部運營現金流，本集團於本報告期內持續降低負債，本集團的資產負債比率(撇除人民幣貶值影響)於期內有所下降，讓本集團在經濟環境不明朗時減輕負擔，穩健財務基礎。展望下半年，本集團將繼續採取謹慎穩健的財務管理策略，維護多元化及靈活暢通的融資渠道，並致力實現更佳的資金管理，務求在財務穩定及業務發展上取得平衡，為股東創造最大價值。

Prospects

Looking ahead to the second half of this financial year, uncertain factors at home and abroad may exert certain impact on the stable growth of China's economy. However, it is believed that the Chinese government will continue to predominantly "Stabilize Land, Housing Prices and Market Expectations" in the real estate industry and promote active execution of "City-specific Policies" and "One City, One Strategy", so as to maintain stable and sound development of the market.

The Group will remain prudent and optimistic, confront challenges proactively and strive to make progress while maintaining stability. The "Trade and Logistics +" model that China South City has adhered to for years will help the Group integrate resources in its advantageous environment, optimize capital operation, intensify cost control and give priority to efficiency. The Group will sustain its efforts to promote industrial upgrade and transformation and drive the maturity of its project ecosystem for "Integrating Industries into Projects, Building Beautiful New Cities Conducive to Work and Life".

Last but not least, on behalf of the Board, I wish to express my deepest gratitude to our shareholders, customers and business partners for their consistent trust and support to the Group. I would also like to thank the management and members of staff for their dedication and whole-hearted commitment, which have helped China South City grow from strength to strength.

Cheng Chung Hing

Chairman and Executive Director

Hong Kong, 20 November 2019

未來前景

展望本財政年度下半年，國內外的不明朗因素或對中國經濟的穩定增長帶來一定程度的影響。然而，相信中國政府在房地產行業將繼續以「穩地價、穩房價、穩預期」為主旋律，促進「因城施策」、「一城一策」的積極落實，以保持市場平穩健康發展。

本集團將繼續採取審慎樂觀的態度，積極面對挑戰，力爭穩中有進。華南城多年堅守的「商貿物流+」的模式，將有助本集團所處的優勢環境整合資源，優化資本運作力度，加強嚴控成本，效益優先。本集團將繼續致力促進產業升級轉型，促進項目生態圈不斷成熟，形成「產城融合、宜業宜居美麗新城」。

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

主席兼執行董事

鄭松興

香港，2019年11月20日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Review

Effective and Professional Management Model to Promote Strategic Upgrade of Business

During 1H FY2019/20, affected by factors such as Sino-US trade friction and the increasing risk and challenge in external environment, China faced continuous risk and challenge in economy development. Despite slowing economic growth, China has maintained its key macro-economic indicators within an appropriate floating range. With the on-going progress in supply-side reform that optimize economic structure, the Chinese economy by and large remained stable growth. Following the official introduction of the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area (《粵港澳大灣區發展規劃綱要》) at the beginning of 2019, policies, for example, the Master Plan for Six New Pilot Free Trade Zones (《關於6個新設自由貿易試驗區總體方案》) and the Opinions of the CPC Central Committee and the State Council on Supporting Shenzhen in Building a Pioneering Demonstration Zone for Socialism with Chinese Characteristics (《中共中央國務院關於支援深圳建設中國特色社會主義先行示範區的意見》) were introduced successively, which will benefit a number of the Group's projects, and continue to create opportunities for the Group and its stakeholders.

For over a decade, China South City has established its presence with eight large-scale projects in a first-tier city, provincial capitals and a direct-administered municipality in Mainland China through the successful establishment of multiple well-rounded projects containing trade centers, warehousing and logistics facilities, e-commerce, exhibition centers, residential and local amenities, multi-purpose properties and commercial complexes. It is committed to building a modern integrated trading platform with "extensive businesses, comprehensive supporting facilities, integration of industries and cities and suitable working and living environment", which attracts a wide range of businesses including "wholesale, retail and e-commerce" and integrates various industries to bring sustainable business development for the Group. China South City owns multiple business brands such as Huasheng Outlets, Qianlong Logistics and HOBA Furnishing, supporting a full-chain ecosystem that incorporates both platform and business. In line with the pace of development, the Group successively launched "1668 Square", a modern integrated commercial complex combining office building, hotel, apartments and high-end shopping mall, in various projects. It acts as a supplement to businesses in all China South City projects to attract more enterprises and tenants. During the Reporting Period, 1668 Pioneer Park Zone 1 Project in CSC Nanning was listed as the "2019 Key Industry Project of Jiangnan District, Nanning (2019年南寧江南區重點產業項目)" by the local government as the urbanization project of Jiangnan District, Nanning. The integrated commercial projects, outlet operation, HOBA Furnishing, property management and various light-asset businesses management of the Group would complement one another in achieving synergy to create diverse revenue streams and increase project values.

業務回顧

高效專業的管理模式推動業務戰略升級

於2019/20財年上半年，受中美貿易摩擦、外部環境風險挑戰上升等因素的影響，國內經濟發展持續面臨風險挑戰。雖然中國經濟增長速度有所放緩，但主要宏觀經濟指標依然保持在合理浮動範圍內，隨著供給側改革持續推進，優化經濟結構，國內經濟總體運行平穩。《粵港澳大灣區發展規劃綱要》於2019年初正式出台後，《關於6個新設自由貿易試驗區總體方案》及《中共中央國務院關於支援深圳建設中國特色社會主義先行示範區的意見》等政策陸續出台，本集團多個項目將受惠於該等利好政策，為本集團及其持份者繼續創造機遇。

華南城在過去十多年於中國內地主要一線城市、省會及直轄市佈局了八個大型項目，成功建設多個涵蓋商品交易中心、倉儲物流配送、電子商務、會展中心、住宅及生活配套、多功能物業、商業綜合體等核心業態於一體的項目，誠意打造聚合「批發、零售、電商」多種業態，融合不同產業，形成「業態豐富、配套齊全、產城融合、宜業宜居」的現代化綜合商貿平台，為本集團帶來可持續的業務發展。華南城旗下擁有華盛奧萊、乾龍物流、好百年家居等多個業務品牌，成為既做平台，又做業務的全鏈條生態圈。為配合本集團發展需要，集寫字樓、酒店、公寓及高端商場於一體的現代化綜合商業項目—「1668廣場」將陸續在多個項目落地，為華南城項目的業態進一步補充，吸引更多企業及商戶入駐。南寧華南城的1668創業園一區項目於本報告期間獲當地政府列入「2019年南寧江南區重點產業項目」，作為南寧江南區城鎮化建設項目。本集團的綜合商業項目、奧特萊斯運營、好百年家居及物業管理等多項輕資產業務將互相配合，彼此協同互補，創造多元收益，提升項目價值。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

Over the years, China South City strives to be a leading developer and operator of large-scale integrated logistics and trade centers in China, pushing forward the transformation and upgrade of regional economies and new urbanization. With the eight CSC projects growing in maturity, project development and merchants recruitment take place concurrently, which added difficulties to project management. The Group established its investment development division and business management division last year to increase efficiency and professional project development management, as well as merchants recruitment. The investment development division conducts overall control on development progress and cost, continuously enhancing milestone management and sales team building to enable better coordination between the quality and progress of development and sales. During 1H FY2019/20, the Group recorded an increase of approximately 13.7% in contracted sales compared to the same period of last year. The business management division works towards high quality development by introducing increased number of large-scale established enterprises. During 1H FY2019, each of the Group's business operations maintained stable and positive growth. The growth momentum of recurring business sustained, with recurring income increasing by 15.5% to HK\$1,197.1 million compared to the same period of last year. The Group will further optimize its management model and facilitate its business upgrade to build a core business model with greater market competitiveness.

During 1H FY2019/20, the Group's total revenue increased by 11.8% to HK\$5,827.2 million (1H FY2018/19: HK\$5,212.4 million). Its recurring income grew by 15.5% year-on-year from HK\$1,036.5 million in 1H FY2018/19 to HK\$1,197.1 million in the Reporting Period, accounting for 20.5% of the total revenue (1H FY2018/19: 19.9%). Gross profit margin was 39% (1H FY2018/19: 41%). Net profit attributable to owners of the parent was HK\$628.2 million (1H FY2018/19: HK\$848.2 million). Basic earnings per share amounted to HK7.75 cents (1H FY2018/19: HK10.59 cents).

多年來，華南城堅持致力發展成為中國領先的大型綜合物流及商品交易中心開發商和運營商，推進區域經濟轉型升級和新型城鎮化建設。隨著八個華南城項目發展日趨成熟，開發與招商運營並行的管理複雜度加大，本集團於去年成立了投資開發集團及商業管理集團，使項目開發及招商運營的管理更高效專業。投資開發集團透過不斷加強節點管理與銷售團隊建設，全面控制開發環節和成本，讓開發的品質和進度與銷售配合的更好。於2019/20財政年度上半年，本集團錄得合約銷售與上年同期比較上升約13.7%。商業管理集團邁向高質量發展，加強引入大型知名企業。本集團各項業務經營穩健向好，二零一九年財年上半年持續性收入較去年同期增加15.5%至11.971億港元，業務增長勢頭良好。本集團將進一步優化管理模式，助推業務升級，打造更具市場競爭力的核心業務體系。

於2019/20財政年度上半年，本集團總收入增加11.8%至58.272億港元(2018/19財政年度上半年：52.124億港元)，其中持續性收入由2018/19財政年度上半年的10.365億港元按年增加15.5%至本報告期間的11.971億港元，佔總收入的20.5%(2018/19財政年度上半年：19.9%)。毛利率為39%(2018/19財政年度上半年：41%)。母公司擁有人應佔淨利潤為6.282億港元(2018/19財政年度上半年：8.482億港元)。每股基本盈利為7.75港仙(2018/19財政年度上半年：10.59港仙)。

Investment Development Division Project Investment and Development

As a leading developer and operator of large-scale integrated logistics and trade centers in China, China South City has worked out a diversified and flexible business model for its eight projects covering extensive businesses. To meet the needs of local project development, the investment development division mainly focuses on the development, construction and sale of China South City projects, building properties that correspond to the demands at different stages of the projects and provide solid support for the expansion of China South City. This lays an important foundation for the full-chain ecosystem of China South City. As such, one of the major focuses of the investment development division was the construction of multi-purpose properties which integrated comprehensive modern shopping mall, offices, hotels and apartments perfectly addressing residents' demands in work, life and entertainment. As the intercity traffic and various local supporting facilities keep improving, the multi-purpose properties developed by the Group in cities like Xi'an, Zhengzhou, Nanning, Shenzhen are well received by the market. Besides, in order to further enhance the efficiencies of development and merchant recruitment, and better fit the needs of end-users, China South City has carried out "tailored" development and construction with established enterprises, chambers of commerce or those relocated from old wholesale markets. In respect of development and management, our investment development division has conducted refined control and management over projects and fully launched the "project management system (計劃管理系統)" for an overall monitoring of project procedures during the Reporting Period, which effectively facilitated and enhanced project progress, safety and efficiency.

投資開發集團 項目投資及開發

華南城作為中國領先的大型綜合物流及商品交易中心的開發商及運營商，其八個項目已發展出多元靈活的商業模式，涵蓋業態豐富。配合著各地項目發展的需要，投資開發團隊主要致力於本集團項目開發建設及銷售，為華南城項目在不同階段的需求建設各類相應物業，為華南城開疆拓土提供了有力支撐，是華南城全鏈條生態系統的重要基礎。在原有的基礎上，投資開發集團近期其中一個開發重點是建設融合現代綜合購物中心、寫字樓、酒店及公寓等為一體的多功能物業，無縫銜接居民的工作、生活和娛樂需求。隨著城際交通和該區各項配套的不斷完善，本集團已於西安、鄭州、南寧、深圳等地開發建設的多功能物業備受市場歡迎。此外，為進一步提高開發和招商效益，以及更切合商戶使用需求，華南城與大型商戶、商會或老舊市場拆遷戶合作，落實「定制式」開發建設。在開發管理方面，投資開發團隊於本報告期內已開展項目的精細化控制管理，全面上線「計劃管理系統」，全景監控項目流程，有效提高工程進度、安全性及效益。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

In 1H FY2019/20, the Group recorded total contracted sales of approximately HK\$7,733 million, increased by approximately 13.7% compared to the same period of last year with contracted sales GFA of approximately 874,800 sq.m., among which 1,286,500 sq.m. is expected to be completed by FY2019/20.

於2019/20財政年度上半年，本集團錄得合約銷售約77.33億元，與上年同期比較增長約13.7%，合約銷售建築面積約874,800平方米，預計其中1,286,500平方米將於2019/20財年竣工。

Contracted sales

合約銷售

		1H FY2019/20 2019/20財年上半年				1H FY2018/19 2018/19財年上半年			
		Average selling price (before deduction of sales tax)	Contracted amount (before deduction of sales tax)	% of total contracted sales amount		Average selling price (before deduction of sales tax)	Contracted amount (before deduction of sales tax)	% of total contracted sales amount	
		GFA (sq.m.)	(HK\$/sq.m.)	(HK\$'million)		GFA (sq.m.)	(HK\$/sq.m.)	(HK\$'million)	
		建築面積 (平方米)	平均售價 (港元/平方米)	合約金額 (百萬港元)	總合約銷售金額佔比%	建築面積 (平方米)	平均售價 (港元/平方米)	合約金額 (百萬港元)	總合約銷售金額佔比%
CSC Shenzhen	深圳華南城	1,800	14,700	26.5	0.3%	800	15,400	12.3	0.2%
- Multi-purpose properties	- 多功能物業	1,800	14,700	26.5	0.3%	800	15,400	12.3	0.2%
CSC Nanchang	南昌華南城	28,900	13,300	384.1	5.0%	37,800	8,200	309.9	4.6%
- Trade center	- 交易中心	400	10,300	4.1	0.1%	500	9,200	4.6	0.1%
- Residential property	- 住宅物業	28,500	13,300	380.0	4.9%	37,300	8,200	305.3	4.5%
CSC Nanning	南寧華南城	51,600	8,300	429.7	5.6%	35,700	10,500	374.9	5.5%
- Trade center	- 交易中心	2,700	12,100	32.8	0.4%	3,000	10,800	32.4	0.5%
- Residential property	- 住宅物業	3,700	10,200	37.8	0.5%	29,800	10,500	314.0	4.6%
- Multi-purpose properties	- 多功能物業	45,200	7,900	359.1	4.7%	2,900	9,800	28.5	0.4%
CSC Xi'an	西安華南城	158,700	9,300	1,474.1	19.1%	92,200	8,000	735.4	10.8%
- Trade center	- 交易中心	32,000	9,200	295.7	3.8%	46,100	7,300	334.4	4.9%
- Multi-purpose properties	- 多功能物業	126,700	9,300	1,178.4	15.3%	46,100	8,700	401.0	5.9%
CSC Zhengzhou	鄭州華南城	371,400	8,700	3,242.3	41.9%	220,400	9,800	2,168.9	31.9%
- Trade center	- 交易中心	103,600	7,200	747.4	9.6%	27,200	8,000	218.8	3.2%
- Residential property	- 住宅物業	191,700	9,900	1,901.5	24.6%	193,200	10,100	1,950.1	28.7%
- Multi-purpose properties	- 多功能物業	76,100	7,800	593.4	7.7%	-	-	-	0.0%

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

		1H FY2019/20 2019/20財年上半年				1H FY2018/19 2018/19財年上半年			
		Average selling price (before deduction of sales tax)	Contracted amount (before deduction of sales tax)	% of total contracted sales amount		Average selling price (before deduction of sales tax)	Contracted amount (before deduction of sales tax)	% of total contracted sales amount	
		GFA (sq.m.)	(HK\$/sq.m.)	(HK\$'million)		GFA (sq.m.)	(HK\$/sq.m.)	(HK\$'million)	
		建築面積 (平方米)	平均售價 (港元/平方米)	合約金額 (百萬港元)	總合約銷售金額佔比%	建築面積 (平方米)	平均售價 (港元/平方米)	合約金額 (百萬港元)	總合約銷售金額佔比%
CSC Harbin	哈爾濱華南城	111,600	7,500	840.7	10.9%	24,800	6,600	164.5	2.4%
-	Trade center	19,500	7,900	154.4	2.0%	14,200	7,500	105.9	1.6%
-	Residential property	92,100	7,500	686.3	8.9%	10,600	5,500	58.6	0.8%
CSC Hefei	合肥華南城	1,300	14,300	18.6	0.2%	147,800	11,400	1,687.8	24.8%
-	Trade center	700	12,000	8.4	0.1%	-	-	-	0.0%
-	Residential property	600	17,000	10.2	0.1%	147,800	11,400	1,687.8	24.8%
CSC Chongqing	重慶華南城	149,500	8,800	1,316.8	17.0%	168,700	8,000	1,349.3	19.8%
-	Trade center	2,500	7,900	19.8	0.2%	25,300	7,400	187.3	2.7%
-	Residential property	147,000	8,800	1,297.0	16.8%	143,400	8,100	1,162.0	17.1%
Total/average	總計/平均	874,800	8,800	7,732.8	100.0%	728,200	9,300	6,803.0	100.0%
-	Trade center	161,400	7,800	1,262.6	16.3%	116,300	7,600	883.4	13.0%
-	Residential property	463,600	9,300	4,312.8	55.8%	562,100	9,700	5,477.8	80.5%
-	Multi-purpose properties	249,800	8,600	2,157.4	27.9%	49,800	8,800	441.8	6.5%

China South City Shenzhen

CSC Shenzhen covers a land area of approximately 1.06 million sq.m. and a total planned GFA of approximately 2.64 million sq.m.. As of the 1H FY, Phases I and II and part of Phase III of CSC Shenzhen's properties had commenced operation of their respective trade centers and ancillary facilities with a total GFA of approximately 2.39 million sq.m., including approximately 1.62 million sq.m. of trade centers, approximately 412,000 sq.m. of residential ancillary and multi-purpose properties and approximately 356,200 sq.m. of warehousing and other facilities. Phase III of the project development is currently under construction. As at 30 September 2019, the development and construction was underway with a GFA of approximately 185,000 sq.m..

China South City Nanchang

CSC Nanchang covers a total planned land area of approximately 2.61 million sq.m. and a total planned GFA of approximately 6.87 million sq.m.. As of the 1H FY, the total completed GFA of CSC Nanchang was approximately 2.40 million sq.m., including approximately 1.07 million sq.m. of trade centers, approximately 1.28 million sq.m. of residential ancillaries and approximately 44,300 sq.m. of warehousing facilities. As at 30 September 2019, construction of residential ancillary, trade center, multi-purpose properties with a GFA of approximately 426,000 sq.m. was underway.

深圳華南城

深圳華南城佔地面積約106萬平方米，規劃總建築面積約264萬平方米。截至本財政年度上半年，深圳華南城總建築面積約239萬平方米的一期、二期及部分三期物業的商品交易中心及配套設施已投入運營，包括約162萬平方米的商品交易中心、約412,000平方米的住宅和多功能物業，及約356,200平方米的倉儲設施及其他設施。項目的第三期發展現正在進行建設。於2019年9月30日，項目正在開發建設，建築面積約185,000平方米。

南昌華南城

南昌華南城總規劃佔地面積約261萬平方米，總規劃建築面積約687萬平方米。截至本財政年度上半年，南昌華南城已竣工的總建築面積約240萬平方米，包括約107萬平方米的商品交易中心、約128萬平方米的住宅配套及約44,300平方米的倉儲設施。於2019年9月30日，建築面積約426,000平方米的住宅、商品交易中心、多功能物業工程已展開建設。

China South City Nanning

CSC Nanning covers a planned net land area of approximately 1.83 million sq.m. and a total planned GFA of approximately 4.88 million sq.m.. As of the 1H FY, the total completed GFA of CSC Nanning was approximately 1.95 million sq.m., including approximately 896,600 sq.m. of trade centers, approximately 814,100 sq.m. of residential ancillaries, approximately 205,600 sq.m. of multi-purpose properties and approximately 36,800 sq.m. of warehousing facilities. As at 30 September 2019, construction with a GFA of approximately 154,300 sq.m. was underway.

China South City Xi'an

CSC Xi'an covers a total planned land area of approximately 10.00 million sq.m. and the total planned GFA of approximately 17.50 million sq.m.. As of the 1H FY, the total completed GFA of CSC Xi'an was approximately 1.79 million sq.m., including approximately 1.72 million sq.m. of trade centers, approximately 55,800 sq.m. of warehousing facilities and approximately 23,300 sq.m. of ancillary facilities. As at 30 September 2019, construction of trade centers, warehousing facilities, multi-purpose properties with a GFA of approximately 1.13 million sq.m. was underway, of which approximately 194,200 sq.m. of trade centers and multi-purpose properties is expected to be completed in FY2019/20.

China South City Harbin

CSC Harbin covers a total planned land area of approximately 10.00 million sq.m. and a total planned GFA of approximately 12.00 million sq.m.. As of the 1H FY, CSC Harbin recorded a total completed GFA of approximately 1.84 million sq.m., including approximately 1.43 million sq.m. of trade center premises, approximately 317,700 sq.m. of residential ancillary, approximately 90,400 sq.m. of logistics and warehousing and ancillary facilities. As at 30 September 2019, approximately 1.01 million sq.m. of trade center premises, residence, multi-purpose properties and hotel projects were in construction.

南寧華南城

南寧華南城的規劃淨佔地面積約183萬平方米，總規劃建築面積約488萬平方米。截至本財政年度上半年，南寧華南城已竣工的總建築面積約195萬平方米，包括約896,600平方米的商品交易中心、約814,100平方米的住宅配套、約205,600平方米的多功能物業及約36,800平方米的倉儲設施。於2019年9月30日，建築面積約154,300平方米的工程已展開建設。

西安華南城

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。截至本財政年度上半年，西安華南城已竣工的總建築面積約179萬平方米，包括約172萬平方米的商品交易中心、約55,800平方米的倉儲設施，及約23,300平方米的配套設施。於2019年9月30日，建築面積約113萬平方米的商品交易中心、倉儲設施、多功能物業工程已展開建設，其中約194,200平方米的商品交易中心及多功能物業設施預期可於2019/20財政年度竣工。

哈爾濱華南城

哈爾濱華南城總規劃佔地面積約1,000萬平方米，總規劃建築面積約1,200萬平方米。截至本財政年度上半年，哈爾濱華南城已竣工的總建築面積約184萬平方米，包括約143萬平方米的商品交易中心、約317,700平方米的住宅配套、約90,400平方米的物流和倉儲設施及配套設施。於2019年9月30日，建築面積約101萬平方米的商品交易中心、住宅、多功能物業及酒店工程已展開建設。

China South City Zhengzhou

CSC Zhengzhou covers a total planned net land area of approximately 7.00 million sq.m. and a total planned GFA of approximately 12.00 million sq.m.. As of the 1H FY, CSC Zhengzhou recorded a total completed GFA of approximately 3.33 million sq.m., including approximately 2.67 million sq.m. of trade center premises, approximately 286,200 sq.m. of warehousing and ancillary facilities, and approximately 374,800 sq.m. of residential ancillary. As at 30 September 2019, CSC Zhengzhou had commenced the construction of approximately 2.32 million sq.m. of trade center premises, residential and multi-purpose properties, of which approximately 758,500 sq.m. of trade center premises and residential works is expected to be completed in FY2019/20.

China South City Hefei

CSC Hefei has a total planned net land area of approximately 10.00 million sq.m. and a total planned GFA of approximately 12.00 million sq.m.. As of the 1H FY, CSC Hefei recorded a total completed GFA of approximately 2.75 million sq.m., including approximately 1.59 million sq.m. of trade center premises, approximately 1.08 million sq.m. of residential ancillary and approximately 82,000 sq.m. of warehousing and ancillary facilities. As at 30 September 2019, construction of a GFA of approximately 961,300 sq.m. of trade center premises, residential and warehousing projects was underway.

China South City Chongqing

CSC Chongqing covers a total planned net land area of approximately 5.90 million sq.m. and a total planned GFA of approximately 13.10 million sq.m.. As of the 1H FY, CSC Chongqing recorded a total completed GFA of approximately 2.00 million sq.m., including approximately 1.26 million sq.m. of trade center premises, approximately 518,300 sq.m. of residential ancillary and approximately 217,100 sq.m. of warehousing and ancillary facilities. As at 30 September 2019, CSC Chongqing has started the construction of residential ancillary with a GFA of approximately 583,400 sq.m., of which approximately 333,800 sq.m. is expected to be completed in FY2019/20.

鄭州華南城

鄭州華南城總規劃淨佔地面積約700萬平方米，總規劃建築面積約為1,200萬平方米。截至本財政年度上半年，鄭州華南城已竣工的建築面積約333萬平方米，包括約267萬平方米的商品交易中心、約286,200平方米的倉儲設施及配套設施，及約374,800平方米的住宅配套。於2019年9月30日，鄭州華南城已展開建築面積約232萬平方米的商品交易中心、住宅及多功能物業建設，其中約758,500平方米的商品交易中心及住宅預期可於2019/20財政年度竣工。

合肥華南城

合肥華南城總規劃淨佔地面積約1,000萬平方米，總規劃建築面積約為1,200萬平方米。截至本財政年度上半年，合肥華南城已竣工的建築面積約275萬平方米，包括約159萬平方米的商品交易中心、約108萬平方米的住宅配套及約82,000平方米的倉儲設施及配套設施。於2019年9月30日，建築面積約961,300平方米的商品交易中心、住宅及倉儲工程已展開建設。

重慶華南城

重慶華南城總規劃淨佔地面積約590萬平方米，總規劃建築面積約為1,310萬平方米。截至本財政年度上半年，重慶華南城已竣工的建築面積約200萬平方米，包括約126萬平方米的商品交易中心、約518,300平方米住宅配套及約217,100平方米倉儲設施及配套設施。於2019年9月30日，重慶華南城已展開建築面積約583,400平方米的住宅配套建設，其中約333,800平方米預期可於2019/20財政年度竣工。

Business Management Division Consolidating Existing Resources to Open up New Channel for Recurring Business

China South City pays high attention to the overall operation of its projects. Apart from actively enriching the industries on project sites and promoting industry cluster, China South City has been providing or introducing a variety of ancillary facilities and services in response to the demands of its project management and expansion, to develop a comprehensive business portfolio. The business management division is principally engaged in tenants recruitment and operation management of the Group, providing professional operation and management services along the value chains of China South City's development, investment and financing. Its business covers trade centers, logistics zones, hotels, integrated commercial complexes, commercial blocks, neighborhood centers, residential ancillary, multi-purpose properties, with the total GFA under management exceeding 17 million sq.m..

In this fiscal year, the business management division focused on consolidating existing resources to effectively lower operation costs. Meanwhile, the Group carried out the strategy of "Emphasizing on Merchants Recruitment and Strengthening Operation", vigorously developed five new sectors, namely food, health, education, e-commerce and automobile, as well as integrated commercial ancillaries, with a view to establishing a diverse integrated business circle. As the operation of projects gradually improves, the Group has witnessed stable growth momentum of its recurring business, maintaining a diverse and steadily expanding revenue streams with an annual target growth of 20–30%. In 1H FY2019/20, the Group recorded total recurring income of HK\$1,197.1 million (1H FY 2018/19: HK\$1,036.5 million) with an increase of 15.5% (an increase of 20.5% if excluding currency exchange impact), accounting for 20.5% of the total revenue. Revenue from rental, property management, logistics and warehousing services and outlets operations amounted to HK\$389.3 million, HK\$324.6 million, HK\$196.4 million and HK\$201.3 million, respectively (1H FY2018/19: HK\$377.6 million, HK\$204.8 million, HK\$134.9 million and HK\$168.6 million, respectively).

商業管理集團 整合現有資源，開闢持續性業務新通道

華南城高度重視項目整體運營，除積極豐富園區內商品交易的業態，促進產業聚集，更就園區管理及拓展需要，提供或引進各項配套設施及服務，打造綜合商業拼圖。商業管理團隊主要致力於本集團的項目招商及運營管理，為華南城的開發、投資、融資的全價值鏈各環節提供專業的運營、管理服務，業務範圍包括商品交易中心、物流園、酒店、綜合商貿中心、商業街區、鄰里中心、住宅、多功能物業等多種類型物業項目，管理建築面積總體量逾1,700萬平方米。

在本財政年度，商業管理團隊重點整合現有資源，有效降低運營成本；落實「重招商、強運營」的策略，並大力發展食品、健康、教育、電商、汽車五大新型業態以及綜合商業配套，構建多元化商業綜合圈。隨著各項目的運營逐步日漸完善，本集團持續性業務增長動力穩健，具備多元化且穩定擴展的收入來源，管理目標力爭年增長率20–30%。於2019/20財政年度上半年，本集團錄得持續性收入總額11.971億港元(2018/19財政年度上半年：10.365億港元)，增長15.5%(撇除匯率影響，增長20.5%)，佔總收入20.5%。來自租金、物業管理、物流及倉儲服務以及奧特萊斯運營的收入分別為3.893億港元、3.246億港元、1.964億港元及2.013億港元(2018/19財政年度上半年：分別為3.776億港元、2.048億港元、1.349億港元及1.686億港元)。

Warehousing and Logistics Services

After years of continuous efforts, the Group's warehousing and logistics services have expanded from warehouse leasing services on China South City projects to three new business segments, covering warehouse leasing and management, national warehousing logistics and national forwarder distribution services, etc., providing all-rounded logistic services that integrate warehouse leasing and third-party integrated logistics for regional and national brands, manufacturers and channel partners. Warehouse leasing and management segment mainly caters to the demand from merchants in eight CSC projects, providing them with convenient warehousing service at a close distance. Supported by a national network of outlets, the national warehousing logistics business provides customized warehousing and logistic solutions according to the actual needs of customers. The national forwarder distribution business leverages its efficient planning of routes and professional third-party transportation teams, to provide customers with timely, efficient and stable logistic services regionally and nationally.

As of the Reporting Period, the Group managed to expand its operating networks in seven projects across Jiangsu, Sichuan and Guangdong, increasing the number of national logistics and warehousing outlets to 20, enabling its transportation to cover nearly 700 cities nationwide and serving customers including the world's top-500 enterprises, domestic listed companies, industry leaders and well-known brands such as Lee Kum Kee and Nestle, serving industries of consumption and manufacturing, for example, fast consumables, food and beverage, industrial building materials and major infrastructure, which represents solid recognition of the Group's extensive logistics experience. During 1H FY2019/20, the revenue from warehousing and logistics services amounted to HK\$196.4 million (1H FY2018/19: HK\$134.9 million) with a year-on-year increase of 45.6%.

Project and Property Management

Given the diversity of its property types and industries in China South City projects, the Group's business management division also provides diversified projects and property management services, to cater to the needs of different property types and industries across respective projects. China South City has earned National First-Class Property Management Qualification and become one of the few integrated commercial management firms capable of managing both trade center premises and residential properties in China. In 1H FY2019/20, the revenue from property management amounted to HK\$324.6 million (1H FY2018/19: HK\$204.8 million), representing a year-on-year increase of 58.5%.

倉儲與物流服務

經多年來的不斷努力，本集團之倉儲及物流服務業務已由服務華南城園區的倉儲租賃服務拓展至涵蓋倉儲園區租賃及管理、全國倉儲物流及全國集運配送服務三部分，為區域性及全國性的品牌商、製造商及渠道商提供集倉庫租賃及第三方綜合物流於一體的全方位物流服務。倉儲園區租賃及管理業務主要為服務華南城八大園區的客戶需求，為商戶提供近距離、便利的倉儲服務。全國倉儲物流業務借助全國網點布局，根據客戶的實際需求提供定制化的倉儲物流解決方案。全國集運配送業務通過高效的線路規劃及專業的第三方運輸團隊，為客戶提供準時、高效、穩定的區域化及全國化的運輸服務。

截至本報告期間，本集團成功拓展位於江蘇、四川及廣東等7個項目運營網點，使本集團之物流及倉儲服務的全國網點拓展至20個，運輸範圍覆蓋全國近700個城市，服務客戶涵蓋世界500強、國內上市公司及行業龍頭企業，例如李錦記、雀巢等知名品牌，服務行業包括日化快消、食品飲料、工業建材、大型基建等消費及製造行業，充分肯定了本集團在物流領域擁有豐富經驗。於2019/20財政年度上半年，倉儲與物流服務產生的收入達1.964億港元(2018/19財政年度上半年：1.349億港元)，同比增加45.6%。

項目及物業管理

由於本集團的物業類型及產業具有多樣化性，本集團商管團隊提供的項目及物業管理亦多樣化，以支持各地項目內的不同物業類型及產業所需要的管理服務。華南城的物業管理已擁有國家一級資質物業服務，是國內少數兼具管理商品交易中心以及住宅物業能力的綜合商業管理公司。於2019/20財政年度上半年，物業管理產生的收入達3.246億港元(2018/19財政年度上半年：2.048億港元)，同比增加58.5%。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

Maturing projects and increasing operating activities will contribute additional operating revenues to the Group, strengthening its management services and expand revenue streams, including revenue from advertising, exhibitions, pop-up space leasing and parking. In 1H FY2019/20, the Group started to operate paid parking spaces in eight cities and recorded parking management revenue over RMB10 million. Apart from that, after the launch of the intelligent electronic service systems such as mobile payment last fiscal year, the Group introduced an intelligent elevator control system during the Reporting Period, with a view to saving energy effectively while optimizing user experience, which is in line with national sustainability concept of environment-friendly operation.

Outlet Operations

The Group operates outlet malls on the eight China South City projects nationwide, with a GFA of approximately 407,000 sq.m. and around 550 brands, which satisfies the significantly increased demand for branded products driven by the growing income of urban and rural residents. In the future, the Group will further improve its operational efficiency, consolidate proprietary brand resources and enrich business lines, to cater to new consumption trends whilst complementing other light asset businesses, aiming to grow into a comprehensive business segment with synergy. Externally, the Group will continuously extend urban integrated outlets to deliver “Quality Huasheng, People’s Outlet”.

The Group maintains an efficient operating model that constantly consolidates less efficient business to enhance brand yield. In 1H FY2019/20, the Group’s outlet operations recorded a gross turnover of approximately RMB831.6 million (1H FY2018/19: RMB748.8 million), representing a year-on-year increase of approximately 11.1% and generated recurring income of HK\$201.3 million (1H FY2018/19: HK\$168.6 million) with a year-on-year increase of approximately 19.4%. In terms of sales turnover, the Shenzhen project remained the largest contributor, followed by our Zhengzhou project and Xi’an project, which accounted for 37%, 21% and 14% of the turnover respectively.

隨著項目發展日漸成熟及經營活動增加，本集團將陸續增加多種經營收入，以加強管理服務並增加收入來源，包括廣告收入、會展收入、臨時場地租賃及停車場收費等。於2019/20財政年度上半年，本集團已於八城陸續啟用收費車位，錄得停車管理收費逾人民幣1,000萬元。此外，自上一財年引入移動收費等智能電子服務系統後，本集團於本報告期間引進智能化電梯管控系統，在優化客戶服務體驗的同時，亦有效節約能源，緊貼國家環保運營可持續發展的理念。

奧特萊斯運營

本集團在全國八個華南城項目設有運營奧特萊斯商城，經營面積約為407,000平方米，所經營品牌數目約550個，滿足了隨著城鄉居民收入持續增長，消費者對品牌產品大幅增加的需求。未來，本集團將進一步提升運營效率，整合自營品牌資源，豐富產品線，以滿足新消費趨勢，同時與其他輕資產業務互補，成為綜合商業板塊，帶來協同效應。本集團將繼續拓展城市區域級綜合奧萊，鑄造「品質華盛，百姓奧萊」。

本集團堅持效率化經營模式，不斷對非效率業務進行整合，以提升品牌產出效益。於2019/20財政年度上半年，本集團的奧特萊斯運營錄得商城銷售總額約人民幣8.316億元(2018/19財政年度上半年：人民幣7.488億元)，同比增長約11.1%，產生持續性收入2.013億港元(2018/19財政年度上半年：1.686億港元)，同比增長約19.4%。就銷售額而言，深圳華南城仍為最大貢獻來源，其次是鄭州華南城和西安華南城，分別錄得營業額的為37%、21%及14%。

Other Businesses

As e-commerce continues to integrate with other industries, the Group has engaged itself in industry incubation, cultivation, concentration and demonstration by properly taking local conditions into account and in line with the trend of local development. While helping business tenants to optimize business via e-commerce, CSC also provides brick-and-mortar space for online business tenants to expand their offline presence at the Group's integrated logistics and trade centers. The Group has successively established e-commerce industry parks in its projects in Shenzhen, Zhengzhou, Nanchang, Nanning and Harbin, with some of the projects becoming provincial or state-level ones and attracting the concentrated entry of leading cross-border e-commerce players. In 1H FY2019/20, CSC Harbin's E-commerce Demonstration Base won the Outstanding Organization Award in the series of large-scale activities under the "Campaign for Empowering the Development of Small and Medium-sized Enterprises, Serving for Entrepreneurship and Employment (助力小微企業發展暨服務創業就業在行動)", an award conferred by Daowai District Government of Harbin City. CSC Nanning spearheaded the campaign with pilot initiatives across eight cities to join the first batch of 5G commercial areas in Guangxi, further promoting the development of digital trade. CSC Zhengzhou strongly supported the industry-education integration by enabling school-enterprise cooperation to provide businesses with professional operation talents, as a result of which quite a few businesses have established themselves in the project.

HOBA Furnishing has opened large furniture chain stores in regions including South China, North China and Southwest China in such forms as corporate store and franchise. In 1H FY2019/20, seven new HOBA Furnishing franchise stores were opened for business in areas including Shandong, Yunnan and Jiangsu, with a corporate store opened in Dezhou City of Shandong Province. It is expected that such projects will commence operation successively in 2020. Based on market feedback, HOBA Furnishing focuses its strategy to expand corporate stores. Under its active and stable expansion across markets nationwide, flagship corporate stores have been in operation in CSC Shenzhen, CSC Nanning and CSC Zhengzhou, providing consumers with quality products and services.

其他業務

隨著電子商務於產業的不斷結合，本集團因地制宜按當地發展趨勢進行產業孵化、培育、聚集及展示。協助商戶利用電子商貿優化業務的同時，也為運營線上業務的商戶提供實體空間，擴大其於本集團的綜合商貿物流及商品交易中心的線下使用。本集團在深圳、鄭州、南昌、南寧、哈爾濱等項目陸續建立了電商產業園，部份項目已成為省或國家級項目，吸引行內領先跨境電商進聚集發展。於2019/20財政年度上半年，哈爾濱華南城電子商務示範基地獲得由哈爾濱市道外區政府頒發的「助力小微企業發展暨服務創業就業在行動」大型系列活動之優秀組織獎。南寧華南城率先八城試點成為廣西區第一批5G商業園區，進一步促進數字貿易發展。鄭州華南城大力扶持產教融合，通過與校企合作為企業提供專業運營型人才，吸引了多家企業入駐。

好百年家居通過直營及加盟委託管理等方式，已於華南、華北、西南等區域開設多家大型家居連鎖商場。於2019/20財政年度上半年，好百年家居分別於山東、雲南及江蘇等地新增7家加盟門店，另於新增山東德州直營家居廣場，預計各項目將陸續於2020年度正式開業。基於市場的回饋，好百年家居不斷調整經營思路，加大直營家居廣場的拓寬力度，積極、穩健拓展全國市場，現已於深圳華南城、南寧華南城及鄭州華南城經營旗艦直營家居廣場，為消費者提供優質的產品和服務。

Last but not least, as a large-scale integrated logistics platform in major provincial capitals and direct-administered municipalities, the Group has been a long-term partner and co-host of trade fairs with local governments and trade unions. During the Reporting Period, the Group saw a number of its projects selected to host major trade fairs and exhibitions organized by local governments. These successful events, well-received by international and domestic exhibitors as well as visitors, raised the profile of the Group's projects considerably and boosted visitor and business traffic, while bringing more business opportunities for the tenants in CSC projects.

Trade Fairs at a Glance

The 16th China-ASEAN Expo and Light Industrial Exhibition

The 16th China-ASEAN Expo and Light Industrial Exhibition is an international economic and trade event co-hosted by the Chinese Ministry of Commerce, the government authorities on economy and trade of 10 ASEAN member states and the China-ASEAN Expo Secretariat, and organized by the People's Government of Guangxi Zhuang Autonomous Region. The 16th China-ASEAN Expo and Light Industrial Exhibition took place successively at CSC Nanning in September 2019. The Exhibition, with more than 300 business participants, has brought together branded products from domestic and international merchants, and attracted high-quality specialty products from ASEAN countries and the "Belt and Road" countries such as Nepal and Pakistan. CSC Nanning has hosted the event for ten consecutive years, which has firmly established CSC Nanning as an important platform for the trading and logistics of light industry products between China and ASEAN countries, strengthened trade and cultural exchanges, responded to the national "Belt and Road Initiative" and enhanced the Group's brand advantage.

The 6th China-Russia Expo and the 30th Harbin International Economic and Trade Fair – CSC Session

The 6th China-Russia Expo and the 30th Harbin International Economic and Trade Fair – CSC Session was co-hosted by the China Chamber of International Commerce, the People's Government of Harbin, the Department of Commerce of Heilongjiang Province and Heilongjiang Trade Promotion Council, and co-organized by the People's Government of Daowai District and CSC Harbin. The Exhibition, which took place at CSC Harbin on 15 June 2019, gathered more than 400 exhibitors from over 10 countries and regions including Russia, Belarus, Pakistan, Malaysia, Vietnam etc. CSC Harbin has made full use of its regional and environmental advantages and created extensive investment opportunities, which affirmed CSC Harbin's key position in the Northeast Asia Economic Zone.

最後，作為主要省會及直轄市的大型綜合物流平台，本集團配合各當地政府及商會，長期合作及合辦貿易博覽會。於本報告期間，本集團多個項目均獲選承辦由多個當地政府組織的重要貿易博覽會等。該等貿易博覽會反應熱烈，吸引眾多國際及國內的參展商及訪客，而該等活動的成功亦大大提升了本集團項目的知名度，增加訪客及業務流量，同時為華南城項目的商戶帶來更多商機。

貿易博覽會回顧

第16屆中國－東盟博覽會輕工展

第16屆中國－東盟博覽會輕工展由中國商務部和東盟十國政府經貿主管部門及東盟秘書處共同主辦、中國廣西壯族自治區人民政府承辦的國際經貿盛會。第十六屆中國－東盟博覽會輕工展於2019年9月在南寧華南城圓滿舉辦。本屆輕工展，共有300多家企業參展，匯聚了國內和國際商家的品牌產品，吸引了來自東盟國家及「一帶一路」沿綫國家如尼泊爾、巴基斯坦等國家優質的特色產品參展。中國－東盟博覽會輕工展已連續十年於南寧華南城舉辦，該展會使南寧華南城成為中國與東盟各國之間輕工產品商貿物流的重要平台，有力推動雙方貿易往來和人文互通，同時響應了國家的「一帶一路」政策並進一步加強了本集團的品牌優勢。

第6屆中俄博覽會暨第30屆哈爾濱國際經濟貿易洽談會－華南城分會場

由中國國際商會、哈爾濱市人民政府、黑龍江省商務廳、黑龍江省貿促會共同主辦，同時由道外區人民政府、哈爾濱華南城共同承辦的第6屆中俄博覽會暨第30屆哈爾濱國際經濟貿易洽談會華南城分會場於2019年6月15日在哈爾濱華南城隆重啟幕。現場匯聚了來自俄羅斯、白俄羅斯、巴基斯坦、馬來西亞、越南等10多個國家和地區的400多家參展商。哈爾濱華南城充分利用好區域和環境優勢，創造了廣大招商引資機會，肯定了哈爾濱華南城在東北亞經濟區內的重要位置。

CSC Zhengzhou • Central China Building and Decoration Materials and Hardware Exhibition (Spring) 2019

In May 2019, CSC Zhengzhou held the Central China Building and Decoration Materials and Hardware Exhibition (Spring) 2019, an event co-hosted by CSC Zhengzhou, Echonos Group (華世界集團) and HOBA Furnishing, and co-organized by Henan Business Daily (河南商報), Zhengzhou Building Materials Merchants Association (鄭州市建材商協會) and Henan Runfa Property Service Co., Ltd. (河南潤發物業服務有限公司). The exhibition successfully attracted customers from 18 cities in the province, neighboring provinces and cities to deal negotiation. This signals that CSC Zhengzhou has developed into a benchmark and model in the trade and logistics industry of Central China with the best economy of agglomeration and scale in leading the development of industry-city integration (產城融合).

CSC Xi'an • The First Motorcycle Riders Festival

The First Motorcycle Riders Festival, organized by CSC Xi'an, successfully took place in CSC Xi'an in June 2019. The event, which attracted numerous motorcycle riders and visitors, undoubtedly provided a platform to pool a large number of automobile and motorcycle parts suppliers as well as motorcycle enthusiasts, generated tremendous passenger flow and business opportunities in the project area, and created the influence of China South City as a cultural brand in the motorcycle enthusiasts' circle in Xi'an.

Land Bank

The Group is aiming to build a domestic large-scale integrated trade and logistics platform with wide array of property types to cater to various demands for short-term and long-term development, with flexible allocation of property portfolio for rental, sale or self-operation. In the long run, the Group will reserve no less than 50% of its commercial properties such as trade center units, warehousing and logistics facilities for self-use or long-term leasing purposes, while the remaining 50% of trade center units, multi-purpose properties and residential properties will be used for sale to generate the cash flow for the Group's future development. In support of its growth momentum and revenue base, the Group will acquire lands in a timely manner based on market conditions and business needs. During the Reporting Period, the Group acquired new plots of land with a GFA of approximately 469,000 sq.m. at a consideration of approximately RMB115.7 million for projects in Harbin and Zhengzhou. Such new lands are mainly used for warehousing purposes.

鄭州華南城 • 2019中部(春季)建材家居五金展銷會

2019年5月，由鄭州華南城、華世界集團、好百年家居團隊主辦，河南商報、鄭州市建材商協會、河南潤發物業服務有限公司協辦的2019中部(春季)建材家居五金展銷會在鄭州華南城舉行。此次展銷會成功吸引了來自省內18個地市及周邊省市的客戶前來洽談採購，標志著鄭州華南城已發展成為中原商貿物流行業最具集聚效應、規模效應和引領產城融合發展的標杆與典範。

西安華南城 • 首屆摩托騎士節

2019年6月，由西安華南城組織策劃的首屆西安華南城騎士節成功於西安華南城舉辦，該活動吸引了眾多參與活動的摩托車及來訪人次，無疑是廣大汽摩汽配供應商和摩托車發燒友的聚集地，為項目區帶來大量客流與商機，同時造就了華南城在西安市摩托車摩友圈的文化品牌影響力。

土地儲備

本集團旨在打造成國內大型的綜合物流平台，物業類型多樣化，以滿足短期及長遠發展的不同需求，靈活配置其租、售或自營的物業組合。長遠而言，本集團將保留不少50%的商品交易中心商鋪、倉儲及物流設施等商業物業作為自營或長期出租用途，而餘下的約50%商品交易中心商鋪、多功能物業和住宅物業將作出售用途，為本集團未來的發展提供所需的現金流。為支持本集團的增長勢頭和收入基礎，本集團將按市場情況及業務需要，適時增購土地。於本報告期間，本集團以人民幣約1.157億元為哈爾濱及鄭州等地的項目增購約46.9萬平方米可建築面積的土地，新增土地的主要用途以倉儲用地為主。

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

Projects	Completed properties ⁽¹⁾		Properties under development	Properties to be completed in FY2019/20	Properties planned for future development on GFA acquired ⁽²⁾	Total planned GFA ⁽³⁾	Total planned GFA for acquired land		
	Sold	In operation	建設中物業	將於2019/20財年竣工物業	按已購土地建築面積已規劃作未來發展物業 ⁽²⁾	總規劃建築面積 ⁽³⁾	已購土地規劃建築面積	(% to total planned GFA) ⁽⁴⁾	
(sq.m.) (平方米)	已售	運營中		Estimated 預計	Estimated 預計	Estimated 預計	(佔總規劃建築面積百分比) ⁽⁴⁾		
CSC Shenzhen	深圳華南城	859,400	1,532,900	185,000	–	66,700	2,644,000	2,644,000	100%
CSC Nanchang	南昌華南城	1,406,500	994,400	426,000	–	1,967,500	6,866,000	4,794,400	70%
CSC Nanning	南寧華南城	675,900	1,277,200	154,300	–	372,600	4,880,000	2,480,000	51%
CSC Xi'an	西安華南城	813,800	980,300	1,127,300	194,200	1,755,200	17,500,000	4,676,600	27%
CSC Harbin	哈爾濱華南城	577,000	1,260,400	1,008,400	–	2,799,600	12,000,000	5,645,400	47%
CSC Zhengzhou	鄭州華南城	1,551,200	1,774,700	2,318,700	758,500	4,547,600	12,000,000	10,192,200	85%
CSC Hefei	合肥華南城	1,560,700	1,188,600	961,300	–	2,282,400	12,000,000	5,993,000	50%
CSC Chongqing	重慶華南城	635,900	1,363,600	583,400	333,800	3,918,900	13,100,000	6,501,800	50%
		8,080,400	10,372,100	6,764,400	1,286,500	17,710,500	80,990,000	42,927,400	53%

Notes:

附註：

- | | |
|---|---|
| <p>(1) Represents the GFA for which the construction of all various types of buildings had been completed, including properties held for sales, warehouses, multi-purpose properties, hotels and trade centers held for rental purpose as well as self-use properties.</p> <p>(2) Represents the remaining GFA after deducting the completed properties and properties under development from the total planned GFA for acquired land.</p> <p>(3) Represents the planned GFA upon establishment of the projects. The actual land and GFA to be acquired or built are subject to different factors and may vary subsequently.</p> <p>(4) Represents the planned GFA for the land acquired including completed properties and properties under development. The actual GFA to be built may vary subsequently according to needs of the Group.</p> | <p>(1) 代表已完成建設的各類型物業的建築面積，包括持作銷售物業、倉儲、多功能物業、酒店及作出租的商品交易中心，以及自用物業。</p> <p>(2) 代表扣除已竣工物業及發展中物業後的已購土地的總規劃建築面積餘額。</p> <p>(3) 代表項目設立時的規劃建築面積，實際取得或建設的土地和建築面積可能會受多種因素影響而產生後續變更。</p> <p>(4) 代表已購得之土地的規劃建築面積包括已竣工物業及發展中物業，實際建築面積可能會因應本集團的需要而產生後續變更。</p> |
|---|---|

Financial Review

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

The Group proactively adjusts its business development strategies, the pace of land acquisition and other capital expenditures in concurrence with its cash flows from operating and financing activities, in order to maintain healthy growth while preserve.

The Group actively manages its financing structure through various financing channels: onshore and offshore bank loans, different inter-bank and capital market instruments, in order to achieve an optimal capital structure and maturity profile. During the Reporting Period, the satisfactory contracted sales and steady growth of its recurring income have helped optimize the debt structure of the Group. As at 30 September 2019, the total interest-bearing debts of the Group were HK\$32.5 billion, representing a decrease of HK\$1.8 billion or 5.1% compared to 31 March 2019. The gearing ratio was 68.7% (31 March 2019: 68.9%). Furthermore, as at 30 September 2019, cash and bank balances were HK\$9,279.7 million (31 March 2019: HK\$9,359.8 million) and the Group had unused banking facilities of approximately RMB15.4 billion.

Comparing with the same period last year, the revenue of the Group increased 11.8% to HK\$5,827.2 million (1H FY2018/19: HK\$5,212.4 million) while the core net profit attributable to owners of the parent increased by 19.4% to HK\$501.7 million (1H FY2018/19: HK\$420.1 million). Net profit attributable to owners of the parent decreased 25.9% to HK\$628.2 million (1H FY2018/19: HK\$848.2 million) and the basic earnings per share decreased to HK7.75 cents (1H FY2018/19: HK10.59 cents). The decrease in net profit attributable to owners of the parent and basic earnings per share are mainly due to the decrease of fair value gain of investment properties which is a non-cash item.

財務回顧

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

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

本集團通過境內外銀行貸款和銀行間及資本市場不同融資工具積極管理融資結構，以實現最佳資本架構及債務到期組合。於本報告期間，在理想的合約銷售及穩定增長的持續性收入讓本集團優化了債務結構。截至2019年9月30日，本集團總計息債務為325億港元，較2019年3月31日減少18億港元或5.1%；資本負債比率為68.7%（2019年3月31日：68.9%）。此外，於2019年9月30日，現金及銀行存款為92.797億港元（2019年3月31日：93.598億港元）及本集團持有備用銀行授信約154億人民幣。

與去年同期比較，本集團於本報告期間的收入增加11.8%至58.272億港元（2018/19財政年度上半年：52.124億港元），而母公司擁有人應佔核心淨利潤增加19.4%至5.017億港元（2018/19財政年度上半年：4.201億港元）。母公司擁有人應佔淨利潤減少25.9%至6.282億港元（2018/19財政年度上半年：8.482億港元）。每股基本盈利減少至7.75港仙（2018/19財政年度上半年：10.59港仙）。母公司擁有人應佔利潤及每股基本盈利減少主要由於一項非現金項之投資物業公平價值收益減少所致。

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

Revenue

Revenue for the Reporting Period increased by 11.8% to HK\$5,827.2 million (1H FY2018/19: 5,212.4 million) comparing with the same period last year. The increase was mainly attributable to more properties were sold and delivered during the Reporting Period and increase of recurring income.

收入

與去年同期比較，本報告期間的收入增加11.8%至58.272億港元(2018/19財政年度上半年：52.124億港元)，增加主要原因是由於本報告期間有較多的物業銷售及交付及整體持續性收入增加所致。

		For the six months ended		
		30 September		
		截至9月30日止六個月		
		2019	2018	Change
		2019年	2018年	變幅
		HK\$'000	HK\$'000	%
		千港元	千港元	%
Sales of properties and finance lease income	物業銷售及 融資租賃收入	4,630,099	4,175,933	10.9
Sales of trade center	銷售交易中心	407,287	820,744	-50.4
Sales of residential properties	銷售住宅物業	4,137,825	3,304,202	25.2
Sales of multi-purpose properties	銷售多功能物業	58,642	14,752	297.5
Finance lease income	融資租賃收入	26,345	36,235	-27.3
Recurring income	持續性收入	1,197,059	1,036,514	15.5
Rental income	租金收入	389,268	377,609	3.1
Property management service income	物業管理服務收入	324,566	204,768	58.5
Other revenue	其他收入	483,225	454,137	6.4
		5,827,158	5,212,447	11.8

Sales of Properties and Finance Lease income

Revenue from sales of properties increased by 11.2% to HK\$4,603.8 million (1H FY2018/19: HK\$4,139.7 million). The increase was mainly attributable to more sales and delivery of properties in Hefei, Chongqing and Zhengzhou projects during the Reporting Period. The sales of properties for each project are as follows:

銷售物業及融資租賃收入

銷售物業收入增加11.2%至46.038億港元(2018/19財政年度上半年：41.397億港元)。增加主要原因是由於本報告期間位於合肥、重慶及鄭州項目有較多的物業銷售及交付。各項目的銷售情況如下：

		Sales revenue (before deduction of sales tax*) HK\$ million		Sales revenue (net of sales tax*) HK\$ million		GFA sold (sq. m.)		Average selling price (before deduction of sales tax*) (HK\$/sq.m.)	
		銷售收入(扣除銷售稅前*) (百萬港元)	2018	銷售收入(扣除銷售稅後*) (百萬港元)	2018	已售建築面積 (平方米)	2018	平均售價(扣除銷售稅前*) (港元/平方米)	2018
		2019	2018	2019	2018	2019	2018	2019	2018
		2019年	2018年	2019年	2018年	2019年	2018年	2019年	2018年
CSC Nanchang	南昌華南城	12.8	84.9	12.0	80.4	900	6,300	14,000	13,500
- Trade center	- 交易中心	2.1	25.1	1.9	23.8	400	1,100	5,000	21,700
- Residential property	- 住宅物業	10.7	59.8	10.1	56.6	500	5,200	22,000	11,700
CSC Nanning	南寧華南城	130.9	318.6	122.3	300.9	9,800	29,200	13,300	10,900
- Trade center	- 交易中心	35.7	58.0	32.3	54.5	2,600	4,200	13,700	13,800
- Residential property	- 住宅物業	33.1	245.1	31.4	231.6	3,300	23,300	9,900	10,500
- Multi-purpose properties	- 多功能物業	62.1	15.5	58.6	14.8	3,900	1,700	15,900	9,000
CSC Xi'an	西安華南城	209.7	105.0	193.3	97.2	22,100	13,000	9,500	8,100
- Trade center	- 交易中心	209.7	105.0	193.3	97.2	22,100	13,000	9,500	8,100
CSC Harbin	哈爾濱華南城	146.0	158.1	139.6	141.9	19,300	22,200	7,600	7,100
- Trade center	- 交易中心	144.8	92.5	138.4	81.8	19,000	11,000	7,600	8,400
- Residential property	- 住宅物業	1.2	65.6	1.2	60.1	300	11,200	4,000	5,800
CSC Zhengzhou	鄭州華南城	1,842.1	563.7	1,702.2	513.9	174,600	66,200	10,600	8,500
- Trade center	- 交易中心	18.2	563.7	17.5	513.9	1,800	66,200	10,300	8,500
- Residential property	- 住宅物業	1,823.9	-	1,684.7	-	172,800	-	10,600	-
CSC Hefei	合肥華南城	2,002.1	2,754.9	1,864.2	2,498.0	190,500	284,300	10,500	9,700
- Residential property	- 住宅物業	2,002.1	2,754.9	1,864.2	2,498.0	190,500	284,300	10,500	9,700
CSC Chongqing	重慶華南城	619.7	557.8	570.2	507.4	75,800	78,800	8,200	7,100
- Trade center	- 交易中心	25.6	54.0	23.9	49.5	2,200	3,500	11,400	15,300
- Residential property	- 住宅物業	594.1	503.8	546.3	457.9	73,600	75,300	8,100	6,700
Total	總計	4,963.3	4,543.0	4,603.8	4,139.7	493,000	500,000	10,100	9,100
- Trade center	- 交易中心	436.1	898.3	407.3	820.7	48,100	99,000	9,100	9,100
- Residential property	- 住宅物業	4,465.1	3,629.2	4,137.9	3,304.2	441,000	399,300	10,100	9,100
- Multi-purpose properties	- 多功能物業	62.1	15.5	58.6	14.8	3,900	1,700	15,900	9,000

* Sales tax represents value-added-tax and surcharges.

* 銷售稅指增值稅及附加費用。

Finance lease income derived from the leasing of office buildings decreased by 27.3% to HK\$26.3 million (1H FY2018/19: HK\$36.2 million). During the Reporting Period, the Group entered into finance lease arrangements with tenants for approximately 1,800 sq.m. (1H FY2018/19: 2,000 sq.m.) at an average price of HK\$14,800/sq.m. (1H FY2018/19: HK\$14,700/sq.m.).

Rental Income

The Group intends to retain not less than 50% of the trade center units for self-use or rental purposes. Therefore, rental income will become an important component of the recurring income in the long run. CSC Shenzhen, being the more mature project in the Group's portfolio, contributed substantial part of the rental income. As at 30 September 2019, the total occupancy rate of the rentable GFA of CSC Shenzhen's trade centers and shops were approximately 86% to 94% (As at 30 September 2018: 85% to 96%). Meanwhile, other projects also gradually expand and start to contribute rental income.

During the Reporting Period, rental income of the Group slightly increased by 3.1% to HK\$389.3 million (1H FY2018/19: HK\$377.6 million) comparing to the same period last year. It is worth noting that HOBA Furnishing's on-going adjustment of operation has resulted in drop in revenue and affected the growth rate of the Group's rental income. If rental income of HOBA was excluded, rental income of the Group significantly increased by 10.3% to HK\$336.3 million (1H FY2018/19: HK\$304.8 million).

Property Management Service Income

Income from property management services increased by 58.5% to HK\$324.6 million (1H FY2018/19: HK\$204.8 million). The increase in property management service income was mainly attributable to the increase in GFA of trade centers, shops and residential properties delivered and put into use during the Reporting Period.

Other Revenue

Other revenue increased by 6.4% to HK\$483.2 million (1H FY2018/19: HK\$454.1 million). The increase was mainly attributable to the continuous growth of the revenue from outlet operations increased by 19.4% to HK\$201.3 million (1H FY2018/19: HK\$168.6 million) while that of logistics and warehousing services increased by 45.6% to HK\$196.4 million (1H FY2018/19: HK\$134.9 million) respectively during the Reporting Period.

來自寫字樓的融資租賃收入減少27.3%至2,630萬港元(2018/19財政年度上半年: 3,620萬港元)。下跌的主因是於本年度較少深圳華南城寫字樓的融資租賃所致。於本報告期間,本集團與承租人訂立的融資租賃合同約1,800平方米(2018/19財政年度上半年: 2,000平方米),平均單價約14,800港元/平方米(2018/19財政年度上半年: 14,700港元/平方米)。

租金收入

本集團規劃保留不少於50%的商品交易中心商舖作為自營和出租用途。因此,長遠而言,租金收入將是本集團持續性收入的重要組成部分。深圳華南城是本集團項目組合中較成熟的項目,也是租金收入的主要貢獻單位。截至2019年9月30日,深圳華南城各期商品交易中心及商舖已推出面積的總佔用率大約介乎由86%至94%(截至2018年9月30日: 85%至96%)。同時,其他項目也陸續擴展並開始貢獻租金收入。

於本報告期間,本集團的租金收入較去年同期增加3.1%至3.893億港元(2018/19財政年度上半年: 3.776億港元)。值得注意的是,好百年家居因持續調整業務,使其收入有所下調,影響了本集團租金收入的增長率。若撇除好百年的租金收入,本集團的租金收入上升10.3%至3.363億港元(2018/19財政年度上半年: 3.048億港元)。

物業管理服務收入

物業管理服務收入增加58.5%至3.246億港元(2018/19財政年度上半年: 2.048億港元)。物業管理服務收入增加主要是由於在本報告期間已交付及投入使用的交易中心、商舖及住宅項目的面積逐漸增加。

其他收入

其他收入增加6.4%至4.832億港元(2018/19財政年度上半年: 4.541億港元),增長的主要原因是由於本報告期間分別由奧特萊斯運營的收入增加19.4%至2.013億港元(2018/19財政年度上半年: 1.686億港元)及倉儲與物流服務的收入增加45.6%至1.964億港元(2018/19財政年度上半年: 1.349億港元)的持續增長所致。

Increase in income from outlet operations was mainly due to the growth of outlet business. During the Reporting Period, the gross mall sales turnover from the outlet business increased by 11.1% to RMB831.6 million (1H FY2018/19: RMB748.8 million). The substantial increase in income from logistics and warehousing services was mainly due to the increase in rent rate of warehouse and the increase in the third party logistic service income during the Reporting Period.

Cost of Sales

The Group's cost of sales mainly includes construction costs, borrowing costs and land costs of properties sold and properties sold under finance lease and operating costs of recurring business. During the Reporting Period, cost of sales increased by 15.7% to HK\$3,580.1 million (1H FY2018/19: HK\$3,095.5 million). The increase in cost of sales was in line with the increase of total recognised sales during the Reporting Period.

Gross Profit

Gross profit increased by 6.1% to HK\$2,247.1 million (1H FY2018/19: HK\$2,117.0 million). During the Reporting Period, gross profit margin decreased to 39% (1H FY2018/19: 41%) which was mainly due to a higher portion of residential properties project with relatively low gross profit margin.

Other Income and Gains

Other income and gains decreased by 56.2% to HK\$172.3 million (1H FY2018/19: HK\$393.0 million), mainly attributable to decrease in government grants (1H FY2019/20: HK\$30.1 million; 1H FY2018/19: HK\$240.1 million) and decrease in gains on repurchase of senior notes (1H FY2019/20: HK\$18.2 million; 1H FY2018/19: HK\$70.3 million).

Fair Value Gains on Investment Properties

The fair value gains on investment properties decreased by 68.2% to HK\$278.4 million (1H FY2018/19: HK\$876.0 million).

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

奧特萊斯運營收入增加主要是歸因於其業務量增長。於本報告期間，奧特萊斯運營錄得商城銷售與去年同期比較增加11.1%至人民幣8.316億元(2018/19財政年度上半年：人民幣7.488億元)，另外，於本報告期間，倉儲與物流服務收入增加主要是歸因於倉儲租金水平上升以及第三方物流業務增長。

銷售成本

本集團的銷售成本主要包括已售物業和持作融資租賃物業的建築成本、借貸成本和地價及各持續性收入業務的運營成本。在本報告期間，銷售成本增加15.7%至35.801億港元(2018/19財政年度上半年：30.955億港元)。銷售成本的增加與本報告期間確認之銷售收入基本一致。

毛利

毛利增加6.1%至22.471億港元(2018/19財政年度上半年：21.170億港元)。於本報告期，毛利率下降至39%(2018/19財政年度上半年：41%)，主要是來源於更多毛利率相對較低比例之住宅物業銷售項目。

其他收入及收益

其他收入及收益減少56.2%至1.723億港元(2018/19財政年度上半年：3.930億港元)，主要是由於來自政府的補貼減少(2019/20財政年度上半年：3,010萬港元；2018/19財政年度上半年：2.401億港元)及回購優先票據之收益減少(2019/20財政年度上半年：1,820萬港元；2018/19財政年度上半年：7,030萬港元)。

投資物業公平值收益

投資物業公平值收益減少68.2%至2.784億港元(2018/19財政年度上半年：8.760億港元)。

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

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

Based on our business model, the Group may have new additions of investment properties every year and generate fair value gains. The fair value gains/(losses) may fluctuate with time due to the addition of the investment properties, the change in market conditions and different construction phases of our projects. Therefore, the amount of fair value gains/(losses) will also fluctuate accordingly.

Selling and Distribution Expenses

While maintaining a healthy revenue growth, the Group's selling and distribution expenses decreased by 6.9% to HK\$323.9 million (1H FY2018/19: HK\$348.0 million). The decrease was mainly attributable to successfully implementing effective cost control measures over marketing activities for promoting the sales of properties during the Reporting Period.

Administrative Expenses

Administrative expenses decreased by 7.1% to HK\$555.7 million (1H FY2018/19: HK\$598.4 million). The decrease was primarily due to the actions taken by the Group to streamline human resources and the effective control of administrative costs.

Other Expenses

Other expenses decreased by 56.7% to HK\$94.4 million (1H FY2018/19: HK\$218.2 million). The decrease was mainly because there had been no impairment of goodwill recognized during the Reporting Period (1H FY2018/19: HK\$134.2 million).

Finance Costs

Finance costs remained stable at HK\$302.3 million (1H FY2018/19: HK\$302.1 million). Due to change in capital market conditions, the Group's weighted average financing cost slightly increased to 7.34% at the end of September 2019 (31 March 2019: 7.17%).

Tax

Income tax expenses recorded a decrease of 26.1% to HK\$791.2 million (1H FY2018/19: HK\$1,070.2 million). The decrease in income tax expenses was due to the tax effect of the decrease in fair value gains of investment properties partly offset by the increase in revenue and operating profits during the Reporting Period.

按照本集團的商業模式，每年可能會有新增的投資物業，並產生公平值收益。公平值收益／(虧損)可能會隨著投資物業量的變化、市場條件的動態和不同施工項目的階段之時間影響而波動。由於各項目處於不同施工的階段，新增之投資物業亦會變動，因此，公平值收益／(虧損)亦將相應波動。

銷售及分銷開支

在取得健康的銷售收入增長的同時，本集團的銷售及分銷開支減少6.9%至3.239億港元(2018/19財政年度上半年：3.480億港元)，下降主要由於本報告期間內在物業銷售推廣方面成功推行多項成本管理措施。

行政開支

行政開支減少7.1%至5.557億港元(2018/19財政年度上半年：5.984億港元)，主要是由於本集團精簡人力資源結構及有效控制行政成本等行動所致。

其他開支

其他開支減少56.7%至9,440萬港元(2018/19財政年度上半年：2.182億港元)。其他開支的減少主要是本報告期間沒有商譽減值(2018/19財政年度上半年：1.342億港元)。

融資成本

融資成本持平於3.023億港元(2018/19財政年度上半年：3.021億港元)。於2019年9月底，由於資本市場情況的變化，本集團的加權平均融資成本輕微上升至7.34%(2019年3月31日：7.17%)。

稅項

所得稅開支下降26.1%至7.912億港元(2018/19財政年度上半年：10.702億港元)。所得稅開支的減少主要是投資物業公平值收益下跌，並與本年度的收入及經營利潤增加的稅務影響抵銷後所致。

Liquidity and Financial Resources

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

Cash and Cash Equivalents and Restricted Cash

As at 30 September 2019, the Group had HK\$9,279.7 million cash and cash equivalents and restricted cash (31 March 2019: HK\$9,359.8 million), among which non-restricted cash and cash equivalents amounted to approximately HK\$6,081.1 million (31 March 2019: HK\$5,933.8 million). The Group's cash and cash equivalents and restricted cash were primarily denominated in Renminbi, HK dollars and US dollars.

Borrowing and Charges on the Group's Assets

As at 30 September 2019, the total interest-bearing debts of the Group was HK\$32,500.1 million, which decreased by HK\$1,764.6 million from HK\$34,264.7 million as of 31 March 2019. The details of borrowings and charges on the Group's Assets are set out below.

Interest-bearing bank and other borrowings

The Group had aggregated interest-bearing bank and other borrowings of HK\$17,719.4 million as at 30 September 2019 (31 March 2019: HK\$17,738.7 million), of which HK\$8,748.4 million is repayable within one year or on demand, HK\$5,290.6 million will be repayable in the second year, HK\$2,734.8 million will be repayable in the third to fifth years and HK\$945.6 million will be repayable after five years. As at 30 September 2019, the Group's interest-bearing bank and other borrowings of approximately HK\$15,963.7 million were secured by certain buildings, investment properties, properties under development, properties held for finance lease, property held for sales and bank deposits with a total carrying value of approximately HK\$37,979.2 million.

The interest-bearing bank and other borrowings of the Group were mainly denominated in Renminbi with interest rates ranging from 4.26% to 12.35% (31 March 2019: 4.08% to 12.35%) per annum. Furthermore, as at 30 September 2019, the Group had unused banking facilities of approximately RMB15.4 billion. The Group will, depending on the needs of project development and working capital status, utilize these banking facilities as appropriate.

流動資金及財務資源

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

現金及現金等價物及受限制現金

於2019年9月30日，本集團持有現金及現金等價物及受限制現金92.797億港元(2019年3月31日：93.598億港元)，當中不受限制現金及現金等價物約為60.811億港元(2019年3月31日：59.338億港元)。本集團持有的現金及現金等價物及受限制現金主要以人民幣、港元及美元為單位。

借貸及本集團資產抵押

於2019年9月30日，本集團的計息債務為325.001億港元，較2019年3月31日的342.647億港元減少17.646億港元，本集團的借貸和抵押資產詳見如下。

計息銀行及其他借貸

本集團於2019年9月30日的計息銀行及其他借貸合計為177.194億港元(2019年3月31日：177.387億港元)，其中87.484億港元須於一年內或應要求償還、52.906億港元須於第二年償還、27.348億港元須於第三至第五年償還及9.456億港元須於五年後償還。於2019年9月30日，本集團的計息銀行及其他借貸中約159.637億港元是以若干樓宇、投資物業、發展中物業、持作融資租賃物業、持作銷售物業及銀行存款作抵押，其賬面總值約為379.792億港元。

本集團其他計息銀行及其他借貸主要以人民幣為單位，並按每年4.26%至12.35%的利率計息(2019年3月31日：4.08%至12.35%)。此外，於2019年9月30日，本集團持有備用銀行授信約154億人民幣。本集團將視乎項目發展需要及運營資金狀況適時調配此等銀行額度。

Issuance of Notes

Senior Notes

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

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

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

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

票據之發行

優先票據

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

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

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

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

Management Discussion and Analysis (Continued)

管理層討論及分析(續)

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

In March and June 2019, the Company issued senior notes due in March 2021 with a nominal value of US\$200 million (equivalent to approximately HK\$1,560 million) and US\$60 million (equivalent to approximately HK\$468 million) respectively, in a total of US\$260 million (equivalent to approximately HK\$2,028 million). These notes were consolidated and formed a single series of "2019 March Notes" at a coupon rate of 11.875% per annum. The net proceeds of the issue was mainly for the purpose of refinancing existing indebtedness in relation to the construction and development of our projects and for general corporate purposes.

As at 30 September 2019, the carrying value of senior notes were HK\$12,537.6 million. The senior notes are jointly guaranteed by certain subsidiaries and part of the senior notes are secured by pledges of share of certain subsidiaries.

Medium-Term Notes

In April 2014, China South International Industrial Materials City (Shenzhen) Company Limited ("China South International") obtained the relevant approval for issuing the medium term notes in the national inter-bank market in the PRC with a maximum principal amount of RMB4.0 billion. In May 2014, China South International issued the first tranche of the medium term notes of 2014 with a total principal amount of RMB1.0 billion with a maturity period of 5 years and at an interest rate of 7.5% per annum. The proceeds thereof were to be used for repaying part of short-term bank loans of the Group. In September 2014, China South International issued the second tranche of the medium-term notes of 2014 with a total principal amount of RMB1.0 billion with a maturity period of 5 years and at an interest rate of 8.4% per annum. The proceeds thereof were to be used for repaying part of bank loans of the Group. The first tranche and second tranche of the medium-term notes of 2014 was repaid in May and September 2019, respectively.

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

於2019年3月及6月，本公司發行於2021年3月到期面值2億美元(相當於約15.6億港元)及6,000萬美元(相當於約4.68億港元)之優先票據，合共2.6億美元(相當於約20.28億港元)。兩者合併並組成為單一系列「2019年3月票據」，票據的票面年利率為11.875%。發行所得款淨額主要用作項目開發及業務發展有關的現有債務再融資及一般企業運營用途。

於2019年9月30日，優先票據的賬面值為125.376億港元。優先票據由若干附屬公司共同擔保，部份優先票據由若干附屬公司之股份作抵押擔保。

中期票據

於2014年4月，華南國際工業原料城(深圳)有限公司(「華南國際」)取得於中國銀行間市場發行本金總額最高為人民幣40億元之中期票據的相關批准。於2014年5月，華南國際發行2014年第一期中期票據，本金總額為人民幣10億元，期限為5年，年利率為7.5%，該發行所得款項主要用作償還本集團的部份短期銀行貸款。於2014年9月，華南國際發行2014年第二期中期票據，本金總額為人民幣10億元，期限為5年，年利率為8.4%，該發行所得款項主要用作償還本集團的部份銀行貸款。於2019年5月及9月，華南國際已分別全數償還2014年第一期及第二期中期票據。

In April 2017, China South International obtained another approval for issuing the medium term notes with a maximum principal amount of RMB3.0 billion. In April 2019, China South International issued the first tranche of the medium-term notes of 2019 with a total principal amount of RMB600 million with a maximum maturity period of 3 years and at an interest rate of 8.5% per annum. The proceeds thereof were to be used for refinancing existing borrowings of the Group.

Corporate Bonds

In March 2015, China South International obtained the relevant approval for issuing the corporate bonds in a maximum principal amount of RMB1.5 billion in the PRC. In April 2015, China South International issued the corporate bonds with a total principal amount of RMB1.5 billion with a term of up to 6 years in maximum and at an interest rate of 7.0% per annum. The proceeds thereof were to be used for funding the development of CSC Zhengzhou project. In April 2018, China South International repaid approximately RMB1.499 billion of corporate bonds. The remaining portion of RMB482,000, of which the interest rate was 8.05% per annum, was early repaid in full in April 2019.

Domestic Company Bonds

In December 2015, China South International obtained the relevant approval for issuing the domestic company bonds in a maximum principal amount of RMB4.4 billion in the PRC. In January 2016, China South International issued the first tranche of the domestic company bonds of 2016 with a total principal amount of RMB3.0 billion with a term of 3 years and at an interest rate of 5.98% per annum. The proceeds thereof were to be used for repaying part of bank loans of the Group and for general working capital. In May 2016, China South International issued the second tranche of the domestic company bonds of 2016 with a total principal amount of RMB1.4 billion with a term of 3 years and at an interest rate of 6.85% per annum. The proceeds thereof were to be used for repaying part of bank loans of the Group and for general working capital. The first tranche and second tranche of the domestic company bonds of 2016 was repaid in January and May 2019, respectively.

In April 2019, China South International obtained another approvals for issuing the domestic company bonds with a maximum principal amount of RMB4.4 billion in total in the PRC. In August 2019, China South International issued the first and second tranche of the domestic company bonds of 2019 with an aggregate principal amount of RMB1.4 billion with a maximum maturity period of 3 years and at an interest rate of 8% per annum. The proceeds thereof were to be used for repayment of existing borrowings of the Group. China South International may issue remaining new domestic company bonds as when appropriates.

As at 30 September 2019, the carrying values of China South International's medium term notes were HK\$687.1 million and domestic company bonds were HK\$1,556.1 million respectively.

於2017年4月，華南國際取得另一個發行中期票據的批准，最高發行額度為人民幣30億元。於2019年4月，華南國際發行2019年第一期中期票據，本金總額為人民幣6億元，期限最長為3年，年利率為8.5%，該發行所得款項主要用作置換本集團現有借款。

企業債券

於2015年3月，華南國際取得於中國發行本金總額最高為人民幣15億元之企業債券的相關批准。於2015年4月，華南國際發行該企業債券，本金總額為人民幣15億元，期限為最長6年，年利率為7.0%，該發行所得款項主要用作興建鄭州華南城項目之發展。於2018年4月，華南國際償還本金總額約為人民幣14.99億元之企業債券。剩餘本金總額為人民幣482,000元之企業債券，年利率為8.05%，亦已於2019年4月提早償還。

境內公司債券

於2015年12月，華南國際取得於中國發行本金總額最高為人民幣44億元之境內公司債券的相關批准。於2016年1月，華南國際發行2016年第一期境內公司債券，本金總額為人民幣30億元，期限為3年，年利率為5.98%。該發行所得款項主要用作置換本集團的銀行貸款及一般運營資金。於2016年5月，華南國際發行2016年第二期境內公司債券，本金總額為人民幣14億元，期限為3年，年利率為6.85%。該發行所得款項主要用作置換本集團的銀行貸款及一般運營資金。於2019年1月及5月，華南國際已分別全數償還2016年第一期及第二期境內公司債券。

於2019年4月，華南國際取得另外發行境內公司債券的批准，合共最高發行額度為人民幣44億元。2019年8月，華南國際發行2019年第一期及第二期公司債券，本金合共總額為人民幣14億元，期限最長為3年，年利率為8%，該發行所得款項主要用作償還本集團現有借款。華南國際將於合適時機發行餘下新的境內公司債券。

於2019年9月30日，華南國際中期票據的賬面值為6.871億港元及境內公司債券的賬面值為15.561億港元。

Gearing Ratio

The Group's gearing ratio (net debt divided by total equity) was 68.7% as at 30 September 2019, 68.9% as at 31 March 2019 and 76.3% as at 30 September 2018 respectively. The total liabilities over total assets ratio was 69.4% as at 30 September 2019, 68.0% as at 31 March 2019 and 68.1% as at 30 September 2018, respectively.

The Group's business and assets are mainly denominated in Renminbi, while the consolidated financial statements of the Group were presented in Hong Kong dollar and the changes in the exchange rate of Hong Kong dollar against the Renminbi would affect foreign exchange differences upon currency revaluation. The depreciation of Renminbi against Hong Kong dollar during the Reporting Period has resulted in the decrease in the Group's net assets presented in Hong Kong dollar. Taking out the effect of foreign currency, the adjusted gearing ratio would become 64.0%, which represented a significant decrease when compared with that at same period of last year.

Net Current Assets and Current Ratio

As at 30 September 2019, the Group had net current assets of HK\$4,844.7 million (31 March 2019: HK\$4,365.8 million) at a current ratio of 1.10 (31 March 2019: 1.09).

Contingent Liabilities

The Group has provided guarantees with respect to banking facilities granted by certain banks in connection with mortgage loans entered into by purchasers of the Group's trade centers and residential properties and bank loans entered into by lessees of the Group's residential and commercial properties. The guarantees granted to purchasers of trade centers and residential properties will be released when the purchasers obtain building ownership certificates, which will then be pledged to the banks. For leased residential and commercial properties, the guarantees will be released accordingly when the lessees repaid the loan. As at 30 September 2019, the guarantees amounted to HK\$14,516.3 million (31 March 2019: HK\$15,219.0 million).

Commitments

As at 30 September 2019, the Group had future capital expenditure contracted but not yet provided for in the amount of HK\$13,970.7 million (31 March 2019: HK\$15,530.9 million).

資本負債比率

本集團於2019年9月30日、2019年3月31日和2018年9月30日的資本負債比率(債務淨額除權益總額)分別為68.7%、68.9%及76.3%。於2019年9月30日、2019年3月31日和2018年9月30日的總負債對總資產比率分別為69.4%、68.0%及68.1%。

本集團的業務及資產主要以人民幣計價，而本集團的綜合財務報表以港元呈報，港元兌人民幣的變化將影響因貨幣重估產生的賬面匯兌差異。於報告期內，因人民幣兌港元貶值，導致本集團以港元呈報的資產淨值下降。如果撇除此外匯影響，調整後的資本負債比率為64.0%，均較上年同期有較大幅的下降。

流動資產淨值及流動比率

於2019年9月30日，本集團流動資產淨值為48.447億港元(2019年3月31日：43.658億港元)，流動比率為1.10(2019年3月31日：1.09)。

或然負債

本集團為其交易中心及住宅物業買家與銀行訂立的按揭貸款以及其住宅及商業物業承租人與銀行訂立的銀行貸款提供擔保。授予買家的擔保將於買家取得房地產所有權證，並於其後抵押予銀行時解除。就租賃住宅及商業物業而言，擔保將於承租人償還貸款時相應解除。於2019年9月30日，擔保金額為145.163億港元(2019年3月31日：152.190億港元)。

承擔

於2019年9月30日，本集團的已訂約但未計提撥備的未來資本開支金額為139.707億港元(2019年3月31日：155.309億港元)。

Acquisition and Disposal of Subsidiary and Associated Companies

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

Foreign Exchange Risk

The Group conducts its business primarily in Renminbi. The income and bank deposits of the Group were substantially denominated in Renminbi to meet the Group's development and operation needs in the PRC. Other than the foreign currency denominated bank deposits, bank borrowings and senior notes, the Group does not have any other material exposure to foreign exchange risk and no foreign currency hedging was done during the Reporting Period.

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

Economic, Commercial and Other Risks

The Group may be exposed to the risk of negative developments in national and regional economies, property and financial markets. It may result in reductions in sales and selling prices of the properties, rental rates and occupancy rates of properties, and demand for ancillary services and facilities it provides. It may also result in recession, inflation, deflation and currency fluctuations as well as restrictions in the availability of credit, increases in financing and other operating costs. The development of the Group's projects may subject to market risks as it usually takes time to complete. Though the Group appoints quality partners for the development of its projects, it may still be subject to associated risk of the quality and safety of the products and services provided by the Group. The Group may also be subject to a number of regulatory environments in the territories in which it operates. Changes in the regulatory approach to such matters as ownership of assets and businesses, regulations related to development and operations, exchange controls, tax rules and employment legislation may impact the business of the Group. Changes in the political environment in such territories may also affect the Group. The management of the Group will keep abreast of the environment and policy changes and make the necessary adjustments in response to such changes, if any. Further steps taken by the Group to manage the financial risk is set out in note 50 to the financial statements in the Company's 2018/19 Annual Report.

收購及出售附屬公司及聯營公司

本集團於本報告期並無任何收購及出售附屬公司及聯營公司的重大項目。

外匯風險

本集團之業務主要以人民幣進行。本集團之收入及銀行存款大部分為人民幣，以滿足其在國內的發展和運營所需。除以外幣計值的銀行存款、銀行借貸、優先票據外，本集團並沒有其他重大的外匯風險，以及在本報告期並沒有外匯對沖之安排。

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

經濟、商業及其他風險

本集團或會受到來自國家與區域經濟、房地產及金融市場負面發展風險的影響。該等風險或會導致物業銷售及其價格、物業租金及佔有率下降，以及對其提供的配套服務與設施需求的下降。其亦或會導致經濟衰退、通貨膨脹、通貨緊縮及匯價波動，以及信貸受限、融資及其他運營成本上升。由於本集團的項目開發需時，其或受到市場風險影響。儘管本集團委聘優質合作夥伴進行項目開發，但仍可能受其提供產品與服務之品質及安全性所帶來風險的影響。本集團於其運營的地區亦可能受一系列監管環境影響，包括資產及業務的擁有權、涉及開發及運營的法規、外匯管制、稅收規則及勞動法規等監管方式的變化或會影響本集團的業務。當地政策環境的變化亦可能會影響本集團的業務。本集團管理層將因應該等變化作出適時調整，以與市場環境及政策變化保持一致。本集團進一步管理財務風險的辦法可與載於本公司2018/19年報財務報表附註50一併閱讀。

Land for Projects and Restriction on Sales

The Group signs project agreements with local governments prior to the development of all projects in order to outline the long-term blueprints of relevant projects. These agreements generally set out the size and use of lands and the related development plans. However, the actual acquisition of lands, land area and terms and conditions of such acquisition are subject to the relevant regulations and local governments' requirements, the Group's development plans and the results of the relevant public tender, auction and listing. Since the development of each of these projects may last for more than ten years, the Group and the local government may discuss to adjust the details of these agreements to align with the actual needs of developments and market conditions. Keeping pace with market changes, the Group intends to re-allocate parts of the existing land bank originally planned for trade centers to multi-purpose properties, with a total planned GFA of approximately 6.7 million sq.m., of which approximately 2.0 million sq.m. have been planned in the development pipeline since FY2018/19.

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

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

Human Resources

As at 30 September 2019, the Group had a workforce of approximately 5,130 people which was slightly decreased when compared with the 5,200 people as at 31 March 2019. 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.

項目土地及銷售限制

本集團在發展各項目前均與當地政府簽訂項目協議，以勾劃相關項目長遠的概要藍圖，該等協議一般會就項目土地規模、性質及發展作概要約定，但實質土地的取得、土地面積及取得之條款將按相關規定、當地政府要求、本集團的發展規劃及招拍掛的結果為準。由於各項目的發展期間可能超過十年，本集團及當地政府可能會因應項目發展的需要而協商調整協議內容。隨著市場變化，本集團擬將部份原規劃作交易中心的現有土地(總規劃建築面積約670萬平方米)重新規劃作多功能物業，其中約200萬平方米於2018/19財年起陸續安排開發。

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

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

人力資源

於2019年9月30日，本集團有僱員約5,130人。本集團僱員人數較2019年3月31日的5,200人略有下調。本集團致力招聘、挽留及培訓該等致力於本集團長遠成功及增長的人員。僱員的薪酬及其他福利乃參考市況及市場趨勢，以及按彼等的資歷、經驗、職責及表現每年進行檢討。除基本薪金及其他員工福利外，表現優秀且為本集團作出貢獻的僱員亦可獲獎勵酌情花紅及購股權。

DISCLOSURE OF INTERESTS

權益披露

Directors' and Chief Executive's Interests in Securities

As at 30 September 2019, the interests and short positions of the Directors in the shares of the Company (the "Shares"), underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register maintained by the Company under section 352 of the SFO or as notified to the Company and the Hong Kong Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

董事及主要行政人員於證券的權益

於2019年9月30日，董事於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）的本公司股份（「股份」）、相關股份及債權證中擁有載入本公司根據證券及期貨條例第352條須予存置的登記冊，或根據上市發行人董事進行證券交易的標準守則（「標準守則」）須知會本公司及香港聯交所的權益及淡倉如下：

Long Position in the Shares and Underlying Shares of the Company

於本公司股份及相關股份的好倉

Name of Directors	Class of Shares	Number of Shares held				Total	Approximate percentage of the Company's total number of issued Shares ⁽⁵⁾
		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 ⁽⁵⁾
Cheng Chung Hing 鄭松興	Ordinary Shares 普通股	2,224,920,458 ⁽¹⁾	81,633,333	-	-	2,306,553,791	28.45%
Cheng Tai Po 鄭大報	Ordinary Shares 普通股	588,984,145 ⁽²⁾	4,936,000	-	-	593,920,145	7.32%
Ma Kai Cheung 馬介璋	Ordinary Shares 普通股	138,966,649 ⁽³⁾	-	-	-	138,966,649	1.71%
Fung Sing Hong Stephen 馮星航	Ordinary Shares/Share Options 普通股/購股權	-	9,200,000	-	159,990,000 ⁽⁴⁾	169,190,000	2.08%
Li Wai Keung 李偉強	Share Options 購股權	-	-	-	2,000,000 ⁽⁴⁾	2,000,000	0.02%
Leung Kwan Yuen Andrew 梁君彥	Share Options 購股權	-	-	-	2,000,000 ⁽⁴⁾	2,000,000	0.02%
Hui Chiu Chung 許照中	Share Options 購股權	-	-	-	2,000,000 ⁽⁴⁾	2,000,000	0.02%
Yung Wing Ki Samuel 容永祺	Share Options 購股權	-	-	-	2,000,000 ⁽⁴⁾	2,000,000	0.02%

Disclosure of Interests (Continued)

權益披露(續)

Notes:

- (1) Mr. Cheng Chung Hing is interested in 100% of the issued share capital of Accurate Gain Developments Limited which in turn was deemed to have interests in 2,224,920,458 Shares. As informed by Mr. Cheng Chung Hing, he had voting rights and certain other rights over 1,446,666,666 Shares, pursuant to certain swap funding arrangements between Accurate Gain Developments Limited and PAG Holdings Limited.

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

- (2) Mr. Cheng Tai Po is interested in 100% of the issued share capital of Proficient Success Limited which in turn holds 588,984,145 Shares and is therefore deemed to be interested in the aforesaid 588,984,145 Shares. Mr. Cheng is a director of Proficient Success Limited. Mr. Cheng Tai Po is the elder brother of Mr. Cheng Chung Hing and the uncle of Ms. Cheng Ka Man Carman.

- (3) Dr. Ma Kai Cheung, as beneficial owner and beneficiary of trust and through the interest of his spouse, being interested in 40.83% of the issued share capital of Carrianna Group Holdings Company Limited which through a number of intermediaries, wholly owns Carrianna Development Limited, Dr. Ma Kai Cheung is therefore deemed to be interested and duplicated interests in an aggregate of 138,966,649 Shares held by Carrianna Development Limited via its holding company. Dr. Ma is a director of each of Carrianna Group Holdings Company Limited, Carrianna Development Limited, Sincere United Holdings Limited, Carrianna Holdings Limited, Gartrend Development Limited and Carrianna (BVI) Limited.

- (4) The relevant interests are share options granted to Mr. Fung Sing Hong Stephen, Mr. Leung Kwan Yuen Andrew, Mr. Li Wai Keung, Mr. Hui Chiu Chung and Mr. Yung Wing Ki Samuel pursuant to the Company's share option scheme adopted on 4 September 2009. Further details of the share option scheme are set out in the section headed "Share Option Scheme" below.

- (5) The percentage shareholding is calculated on the basis of 8,107,228,848 Shares issued as at 30 September 2019.

附註：

- (1) 由於鄭松興先生擁有 Accurate Gain Developments Limited 已發行股本的100%權益，而該公司被視為享有2,224,920,458股股份之權益。根據鄭松興先生之通知，按 Accurate Gain Developments Limited 與 PAG Holdings Limited 的若干調期融資安排，其就1,446,666,666股股份享有相關投票權及其他權利。

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

- (2) 由於鄭大報先生擁有 Proficient Success Limited 已發行股本的100%股份權益，而該公司持有588,984,145股股份，故鄭先生被視為持有上述588,984,145股股份之權益。鄭先生為 Proficient Success Limited 之董事。鄭大報先生為鄭松興先生之胞兄及鄭嘉汶女士之伯父。

- (3) 由於馬介璋博士為實益擁有人及信託受益人，並透過其配偶的權益，持有佳寧娜集團控股有限公司已發行股本中40.83%之股份權益，而佳寧娜集團控股有限公司透過若干中間控股公司全資擁有 Carrianna Development Limited，馬介璋博士故被視為透過其控股公司於 Carrianna Development Limited 持有合共138,966,649股股份中擁有權益及權益重疊。馬博士為佳寧娜集團控股有限公司、Carrianna Development Limited、Sincere United Holdings Limited、佳寧娜集團有限公司、嘉堅發展有限公司及 Carrianna (BVI) Limited 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馮星航先生、梁君彥先生、李偉強先生、許照中先生及容永祺先生之購股權。購股權計劃之進一步詳情載於下文「購股權計劃」一節內。

- (5) 股本百分比乃根據於2019年9月30日已發行之8,107,228,848股股份計算。

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

Save as disclosed above, as at 30 September 2019, to the knowledge of the Directors, none of the Directors or chief executive of the Company had any interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be: (i) notified to the Company and The Hong Kong Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executive were taken or deemed to have under such provisions of the SFO); (ii) entered in the register kept by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and The Hong Kong Stock Exchange pursuant to the Model Code.

Substantial Shareholders' Interests in Securities

As at 30 September 2019, to the knowledge of the Directors, the following persons (other than a Director or chief executive of the Company) had or were deemed or taken to have interests or short position in the Shares or underlying Shares which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register kept by the Company pursuant to Section 336 of the SFO:

Long Position in the Shares

除上文所披露者外，於2019年9月30日，據董事所知，概無董事或本公司主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份或債權證中擁有：(i)根據證券及期貨條例第XV部第7及第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條須記錄於登記冊的權益或淡倉；或(iii)根據標準守則須知會本公司及香港聯交所之任何權益或淡倉。

主要股東於證券的權益

於2019年9月30日，據董事所知，以下人士（董事或本公司主要行政人員除外）於股份或相關股份中擁有或被視為或當作擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露，或載入本公司根據證券及期貨條例第336條須予存置的登記冊的權益或淡倉：

於股份中的好倉

Name	Nature of interest	Number of Shares or underlying Shares held	Approximate percentage of the Company's total number of issued Shares ⁽⁴⁾
姓名／名稱	權益性質	所持股份或相關股份數目	股份總數概約百分比 ⁽⁴⁾
Accurate Gain Developments Limited	Beneficial owner 實益擁有人	2,224,920,458 ⁽¹⁾	27.44%
Tencent Holdings Limited 騰訊控股有限公司	Deemed interest in controlled corporation 被視作受控制法團權益	955,936,666 ⁽²⁾	11.79%
THL H Limited	Beneficial owner 實益擁有人	955,936,666 ⁽²⁾	11.79%
Proficient Success Limited	Beneficial owner 實益擁有人	588,984,145 ⁽³⁾	7.26%

Disclosure of Interests (Continued)

權益披露(續)

Notes:

- (1) As informed by Accurate Gain Developments Limited, it was interested in 778,253,792 Shares in the capacity of a beneficial owner and had 1,446,666,666 Shares in respect of derivative interests under certain swap funding arrangements with PAG Holdings Limited. Therefore, Accurate Gain Developments was deemed to have interests in 2,224,920,458 Shares.

As informed by PAG Holdings Limited, through its ultimately controlled corporations, Pacific Alliance Group Limited, Pacific Alliance Investment Management Limited, Pacific Alliance Group Asset Management Limited, Pacific Alliance Asia Opportunity Fund L.P. and PA Eminent Opportunity VII Limited, it was deemed to have interest in 1,446,666,666 Shares.

- (2) THL H Limited is wholly owned by Tencent Holdings Limited.
- (3) Mr. Cheng Tai Po owns 100% of the issued share capital of Proficient Success Limited.
- (4) The percentage shareholding is calculated on the basis of 8,107,228,848 Shares issued as at 30 September 2019.

Save as disclosed above, as at 30 September 2019, to the knowledge of the Directors or chief executive of the Company, no other person (other than a Director or chief executive of the Company) had, or were deemed or taken to have interest or short position in the Shares or underlying Shares which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register kept by the Company pursuant to Section 336 of the SFO.

附註：

- (1) 根據Accurate Gain Developments Limited之通知，其實益擁有778,253,792股股份，並按與PAG Holdings Limited的若干調期融資安排，就1,446,666,666股股份擁有衍生權益。概此，Accurate Gain Developments Limited被視為享有2,224,920,458股股份之權益。

根據PAG Holdings Limited之通知，通過由其最終控制的Pacific Alliance Group Limited, Pacific Alliance Investment Management Limited, Pacific Alliance Group Asset Management Limited, Pacific Alliance Asia Opportunity Fund L.P.及PA Eminent Opportunity VII Limited等公司，其被視為擁有1,446,666,666股股份之權益。

- (2) THL H Limited由騰訊控股有限公司全資擁有。
- (3) 鄭大報先生擁有Proficient Success Limited已發行股本的100%股份權益。
- (4) 股本百分比乃根據於2019年9月30日已發行之8,107,228,848股股份計算。

除上文所披露者外，於2019年9月30日，據董事或本公司主要行政人員所知，概無其他人士(董事或本公司主要行政人員除外)於股份或相關股份中擁有或被視為或被當作擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露，或根據證券及期貨條例第336條載入本公司存置的登記冊的權益或淡倉。

Information on Share Options Share Option Scheme

The share option scheme adopted by the Company on 4 September 2009 became effective on 30 September 2009 and expired on 29 September 2019 (the "2009 Share Option Scheme"). In light of the expiration of the 2009 Share Option Scheme, a new share option scheme was adopted by the shareholders at the annual general meeting of the Company held on 13 September 2019, after which the Company obtained a conditional listing approval for such new share option scheme from The Hong Kong Stock Exchange (the "2019 Share Option Scheme").

No options can further be granted under the 2009 Share Option Scheme which has expired on 13 September 2019. However, for the outstanding 215,490,000 share options granted and yet to be exercised under the 2009 Share Option Scheme remain valid and exercisable in accordance with the terms of the 2009 Share Option Scheme, representing approximately 2.65% of the total number of issued Shares of the Company as at 30 September 2019.

2009 Share Option Scheme

The major terms of the 2009 Share Option Scheme were summarized as follows:

1. The purpose of the Share Option Scheme was 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 granted under the Share Option Scheme was 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.

有關購股權的資料 購股權計劃

本公司於2009年9月4日採納的購股權計劃(「2009年購股權計劃」)於2009年9月30日生效，並於2019年9月29日期滿。鑑於2009年購股權計劃期滿，股東於2019年9月13日舉行的本公司股東週年大會採納新購股權計劃，其後本公司獲得香港聯合交易所就該新購股權計劃出具有條件上市批准(「2019年購股權計劃」)。

於2019年9月13日，2009年購股權計劃已終止，概無其他購股權可進一步授出。然而，就2009年購股權計劃已授出及尚未行使的215,490,000股購股權仍繼續有效，並可根據2009年購股權計劃的條款行使，相當於本公司於2019年9月30日已發行股份總數約2.65%。

2009購股權計劃

2009年購股權計劃的主要條款摘錄如下：

1. 該購股權計劃旨在獎勵合資格人士對本集團所作貢獻，並使本集團得以招聘優秀僱員及吸引人才。
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，否則根據該購股權計劃可予授出的購股權所涉及股份總數，不得超過股份於香港聯交所上市之日期的已發行股份面值的10%。該購股權上限已於2013年8月21日舉行之本公司股東週年大會上更新。

Disclosure of Interests (Continued)

權益披露(續)

- | | |
|---|--|
| <p>4. The total number of Shares 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 should 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.</p> | <p>4. 因購股權計劃項下已授出購股權(包括已行使、註銷及未行使之購股權)獲行使而於任何12個月期間起至授出日期止向各承授人發行的股份總數，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。</p> |
| <p>5. The period during which a share option may be exercised would be determined by the Directors at their absolute discretion, save that no share option may be exercised more than 10 years after grant.</p> | <p>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。</p> |
| <p>6. The consideration paid by each grantee for each grant of options was HK\$1.</p> | <p>6. 各承授人須支付1港元作為每次獲授購股權的代價。</p> |
| <p>7. The exercise price in relation to each share option would be determined by the Directors at their absolute discretion and should 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.</p> | <p>7. 董事可全權酌情決定各購股權的行使價，惟不得低於下列各項的最高者：(i)股份於授出日期在香港聯交所每日報價表所列官方收市價；(ii)股份於緊接授出日期前五個營業日在香港聯交所每日報價表所列平均收市價；及(iii)股份於授出日期的面值。</p> |

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

The table below summarized the details of the movements in the share options granted pursuant to the 2009 Share Option Scheme during the Reporting Period:

於本報告期間內根據2009年購股權計劃授出購股權的變動詳情摘錄於下表之內：

Name 名稱	Date of Grant 授出日期	Number of Share Options 購股權數目					Exercise Price 行使價 HK\$ 港元	Exercisable Period 行使期
		As at 1 April 2019 於2019年 4月1日	Granted 已授出	Exercised 已行使	Cancelled/ Lapsed 已註銷/失效	As at 30 September 2019 於2019年 9月30日		
Directors								
董事								
Fung Sing Hong Stephen 馮星航	30/6/2014	15,000,000	-	-	(15,000,000)	-	4.07	30/6/2014-29/6/2019
		15,000,000	-	-	(15,000,000)	-	4.07	30/6/2015-29/6/2019
	13/1/2016	39,995,000	-	-	-	39,995,000	1.528	13/1/2016-12/1/2021
		39,995,000	-	-	-	39,995,000	1.528	13/1/2017-12/1/2022
	3/7/2017	40,000,000	-	-	-	40,000,000	1.52	3/7/2017-2/7/2022
		40,000,000	-	-	-	40,000,000	1.52	3/7/2018-2/7/2023
Leung Kwan Yuen Andrew 梁君彥	13/4/2018	1,000,000	-	-	-	1,000,000	1.81	13/4/2018-12/4/2023
		1,000,000	-	-	-	1,000,000	1.81	13/4/2019-12/4/2024
Li Wai Keung 李偉強	13/4/2018	1,000,000	-	-	-	1,000,000	1.81	13/4/2018-12/4/2023
		1,000,000	-	-	-	1,000,000	1.81	13/4/2019-12/4/2024
Hui Chiu Chung 許照中	13/4/2018	1,000,000	-	-	-	1,000,000	1.81	13/4/2018-12/4/2023
		1,000,000	-	-	-	1,000,000	1.81	13/4/2019-12/4/2024
Yung Wing Ki Samuel 容永祺	13/4/2018	1,000,000	-	-	-	1,000,000	1.81	13/4/2018-12/4/2023
		1,000,000	-	-	-	1,000,000	1.81	13/4/2019-12/4/2024
Employees/Advisers⁽¹⁾ 僱員/顧問⁽¹⁾	30/6/2014	34,650,000	-	-	(34,650,000)	-	4.07	30/6/2014-29/6/2019
		34,650,000	-	-	(34,650,000)	-	4.07	30/6/2015-29/6/2019
	22/8/2016	13,750,000	-	-	(750,000)	13,000,000	1.75	22/8/2016-21/8/2021
		17,000,000	-	-	(750,000)	16,250,000	1.75	22/8/2017-21/8/2022
		3,250,000	-	-	-	3,250,000	1.75	22/8/2018-21/8/2023
	13/4/2018	7,500,000	-	-	-	7,500,000	1.81	13/4/2019-12/4/2024
		7,500,000	-	-	-	7,500,000	1.81	13/4/2020-12/4/2025
		316,290,000	-	-	(100,800,000)	215,490,000		

Notes:

附註：

- Mr. Leung Moon Lam was an Honorable Adviser of the Group until contract expired on 24 July 2019.
- Details of the Share Option Scheme is set out in note 25 to the financial information.

- 梁滿林先生曾為本集團之榮譽顧問至2019年7月24日合約期滿。
- 購股權計劃的詳情載於財務資料附註25。

2019 Share Option Scheme

The major terms of the 2019 Share Option Scheme are summarized as follows:

1. The purpose of the Share Option Scheme is to provide incentives to eligible participants to contribute to the Company and to enable the Company 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 (including executive and non-executive Directors), employees, officers, agents or consultants of the Company or any subsidiary.
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 and all outstanding options 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% of the issued Shares on the adoption date that is 810,722,884 Shares, representing approximately 10% of the total number of issued shares of the Company as at 30 September 2019.
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 number of shares in issue 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 be at least the highest of: (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheets on the date of grant, which must be a business day; and (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant.
8. No further options will be granted under the Share Option Scheme after the date of expiration. In respect of the options granted and accepted prior to the date of expiration and not then exercised, they shall continue to be valid and exercisable subject to and in accordance with the Share Option Scheme.

2019購股權計劃

2019年購股權計劃的主要條款摘錄如下：

1. 該購股權計劃旨在獎勵合資格參與者對本集團作出貢獻，並使本集團可招聘優秀僱員及吸引人材。
2. 董事會有權酌情向本公司或任何附屬公司之董事(包括執行或非執行董事)、僱員、高級職員、代理或顧問授出購股權。
3. 所有尚未行使之購股權及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數目的30%。根據購股權計劃可予授出的購股權所涉及股份總數，不得超過採納日期全部已發行股份的10%即為810,722,884股股份，相當於本公司於2019年9月30日已發行股份總數約10%。
4. 因購股權計劃項下已授出購股權(包括已行使、註銷及未行使之購股權)獲行使而於任何12個月期間起至授出日期止向各承授人發行及即將發行的股份總數，不得超過本公司於授出日期已發行股份數目的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，惟不得低於下列的最高者：(a)授出日期(必須為營業日)聯交所每日報價表所列的股份收市價；及(b)緊接授出日期前五個營業日聯交所每日報價表所列的股份平均收市價。
8. 於購股權計劃屆滿後，不能進一步授出購股權。根據購股權計劃並在其規限下，於屆滿期前已授出並獲接納惟當時尚未行使之購股權將仍然有效及可行使。

CORPORATE GOVERNANCE AND OTHER INFORMATION

企業管治及其他資料

Code on Corporate Governance Practices

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

Code Provision A.6.7 provides that independent non-executive Directors and other non-executive Directors, are equal board members, should attend general meetings of the Company. During the Reporting Period, two non-executive Directors and one independent non-executive Director of the Company were unable to attend the last annual general meeting of the Company held on 13 September 2019 as they had other prior business engagement.

Model Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules as the guidelines for the directors’ dealing in the securities of the Company. Upon specific enquiries of all the Directors, each of them confirmed that they have complied with the required standards set out in the Model Code throughout the six months ended 30 September 2019.

Change in Information of Directors

The change in the information of directors since the publication of the 2018/19 annual report is set out below pursuant to Rule 13.51(B)(1) of the Listing Rules:

- Mr. Li Wai Keung ceased to be an executive director of GDH Limited with effect from 27 June 2019, but remains as chief financial officer.
- Mr. Fung Sing Hong Stephen has been appointed as Consultant of the 2nd Accounting Professional Committee of Council for the Promotion of Guangdong-Hong Kong-Macao Cooperation with effect from 20 September 2019.

Audit Committee

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

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

企業管治守則

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

根據守則條文第A.6.7，獨立非執行董事及其他非執行董事作為與其他董事擁有同等地位的董事會成員，應出席本公司的股東大會。於本報告期間，兩名非執行董事及一名獨立非執行董事因有其他先前的事務在身而未能出席本公司於2019年9月13日舉行之股東週年大會。

董事進行證券交易的標準守則

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易的標準守則(「標準守則」)，作為董事進行本公司證券交易的指引。經向全體董事作出具體查詢後，彼等各自確認於截至2019年9月30日止六個月內一直遵守標準守則所載的規定準則。

董事資料變動

根據上市規則第13.51(B)(1)條，於2018/19年報刊發後的董事資料變動載列如下：

- 李偉強先生自2019年6月27日起不再擔任粵海控股集團有限公司之執行董事，但繼續擔任財務總監。
- 馮星航先生自2019年9月20日起獲委任為廣東省粵港澳合作促進會第二屆會計專業委員會顧問。

審核委員會

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

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

Review of Interim Results

The unaudited interim results of the Company and its subsidiaries for the six months ended 30 September 2019 have been reviewed by the Audit Committee and Ernst & Young, the Company's independent auditor, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

Purchase, Sale or Redemption of Listed Securities

The Company repurchased a total of 9,902,000 shares of the Company at prices ranging from HK\$1.03 to HK\$1.07 per share on the Hong Kong Stock Exchange during the Reporting Period. Details of the repurchases of such shares were as follows:

Date of the repurchase	回購日期	Number of shares repurchased 回購的股份數目	Highest price per Share 每股最高價 HK\$ 港幣	Lowest price per Share 每股最低價 HK\$ 港幣	Aggregate consideration paid (excluding expenses) 總代價 (不包括開支) HK\$ 港幣
1 August 2019	2019年8月1日	6,122,000	1.07	1.03	6,447,500
2 August 2019	2019年8月2日	3,780,000	1.05	1.03	3,931,880
		9,902,000			10,379,380

All 9,902,000 shares repurchased were cancelled on 12 September 2019. The Company believes that the repurchase of shares will lead to an enhancement of the net assets value and earnings per each share of the Company.

During the period, a subsidiary of the Company repurchased part of the senior notes with an aggregated principal amount of US\$37.6 million from the open market, details are set out in note 20 to the financial information.

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

Interim Dividend

The Board resolved not to declare any interim dividend for the six months ended 30 September 2019 (30 September 2018: Nil).

中期業績的審閱

審核委員會及本公司獨立核數師安永會計師事務所已根據香港會計師公會頒佈的香港審閱委聘準則第2410號「實體的獨立核數師對中期財務資料的審閱」，審閱本公司及其附屬公司截至2019年9月30日止六個月的未經審核中期業績。

購買、出售或贖回上市證券

於本報告期間，本公司以每股1.03港元至1.07港元的價格於香港聯交所回購本公司9,902,000股股份。回購該等股份之詳情概要如下：

全數9,902,000股回購股份已於2019年9月12日被註銷。本公司相信回購股份將提升本公司每股的資產淨值及盈利。

於本報告期間，本公司的一家附屬公司於公開市場回購部份優先票據的本金額為3,760萬美元，詳情載於財務資料附註20。

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

中期股息

董事會已議決不宣派任何截至2019年9月30日止六個月中期股息(2018年9月30日：無)。

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

中期簡明綜合財務報表審閱報告



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

致華南城控股有限公司董事會
(於香港註冊成立的有限公司)

Introduction

We have reviewed the interim financial information set out on pages 66 to 120, which comprises the condensed consolidated statement of financial position of China South City Holdings Limited (the "Company") and its subsidiaries (the "Group") as at 30 September 2019 and the related condensed consolidated statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended, and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 *Interim Financial Reporting* ("HKAS 34") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

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

Conclusion

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

Ernst & Young
Certified Public Accountants
Hong Kong
20 November 2019

緒言

吾等已審閱第66至120頁所載的中期財務資料，當中包括華南城控股有限公司（「貴公司」）及其附屬公司（「貴集團」）於2019年9月30日的簡明綜合財務狀況表，與截至該日止六個月期間的相關簡明綜合損益表、全面收益表、權益變動表及現金流量表，以及其他說明附註。香港聯合交易所有限公司證券上市規則規定，就中期財務資料編製報告須符合當中的相關條文，以及由香港會計師公會頒佈的香港會計準則第34號「中期財務報告」（「香港會計準則第34號」）。貴公司董事須負責根據香港會計準則第34號編製及呈報此中期財務資料。吾等的責任是根據吾等的審閱工作，對此中期財務資料作出結論，並按照雙方所協定的委聘書條款僅向閣下（作為整體）報告，除此之外本報告別無其他目的。吾等不會就本報告的內容向任何其他人士負責或承擔任何責任。

審閱範圍

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

結論

根據吾等的審閱工作，並無發現任何事項令吾等相信中期財務資料在任何重大方面未有根據香港會計準則第34號編製。

安永會計師事務所
執業會計師
香港
2019年11月20日

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

中期簡明綜合損益表

For the six months ended 30 September 2019 截至2019年9月30日止六個月

			For the six months ended 30 September 截至9月30日止六個月	
			2019	2018
			2019年	2018年
			HK\$'000	HK\$'000
			千港元	千港元
			(Unaudited)	(Unaudited)
			(未經審核)	(未經審核)
		Notes 附註		
REVENUE	收入	5	5,827,158	5,212,447
Cost of sales	銷售成本		(3,580,070)	(3,095,492)
Gross profit	毛利		2,247,088	2,116,955
Other income and gains	其他收入及收益	5	172,276	392,978
Fair value gains on investment properties	投資物業公平值收益	5	278,361	875,971
Selling and distribution expenses	銷售及分銷開支		(323,881)	(348,027)
Administrative expenses	行政開支		(555,651)	(598,414)
Other expenses	其他開支		(94,383)	(218,178)
Finance costs	融資成本	6	(302,333)	(302,074)
PROFIT BEFORE TAX	稅前利潤	7	1,421,477	1,919,211
Income tax expenses	所得稅開支	8	(791,236)	(1,070,202)
PROFIT FOR THE PERIOD	期內利潤		630,241	849,009
Attributable to:	下列各方應佔：			
Owners of the parent	母公司擁有人		628,170	848,179
Non-controlling interests	非控股權益		2,071	830
			630,241	849,009
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	歸屬於母公司普通股權益 持有人的每股盈利	9		
Basic	基本			
– For profit for the period	– 期內利潤		HK7.75 cents 港仙	HK10.59 cents 港仙
Diluted	攤薄			
– For profit for the period	– 期內利潤		HK7.75 cents 港仙	HK10.59 cents 港仙

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

中期簡明綜合全面收益表

For the six months ended 30 September 2019 截至2019年9月30日止六個月

		For the six months ended 30 September 截至9月30日止六個月	
		2019 2019年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)
PROFIT FOR THE PERIOD	期內利潤	630,241	849,009
OTHER COMPREHENSIVE LOSS	其他全面虧損		
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:	將於期後期間有可能重分類至損益的其他全面虧損：		
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	(2,483,907)	(4,124,995)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	期內除稅後其他全面虧損	(2,483,907)	(4,124,995)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	期內總全面虧損	(1,853,666)	(3,275,986)
Attributable to:	下列各方應佔：		
Owners of the parent	母公司擁有人	(1,850,538)	(3,259,566)
Non-controlling interests	非控股權益	(3,128)	(16,420)
		(1,853,666)	(3,275,986)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

中期簡明綜合財務狀況表

As at 30 September 2019 於2019年9月30日

			30 September 2019 2019年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 2019年 3月31日 HK\$'000 千港元 (Audited) (經審核)
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	11	1,331,613	1,400,177
Investment properties	投資物業	12	48,393,576	52,464,934
Properties under development	發展中物業	13	921,103	979,151
Right-of-use assets	使用權資產		1,286,853	–
Prepaid land lease payments	預付土地出租金		–	1,328,747
Goodwill	商譽		49,111	49,111
Financial assets at fair value through profit or loss	透過損益以公平值列賬之金融資產	16	12,551	12,965
Other long term receivables	其他長期應收款項		242,550	21,904
Deposits paid for purchase of land use rights and property	購買土地使用權及物業支付的按金		30,183	31,740
Deferred tax assets	遞延稅項資產		3,609,340	3,578,802
Total non-current assets	非流動資產總值		55,876,880	59,867,531
CURRENT ASSETS	流動資產			
Properties held for finance lease	持作融資租賃物業	14	272,309	295,545
Properties held for sale	持作銷售物業	14	41,562,800	39,155,078
Contract assets	合約資產		97,317	99,621
Inventories	存貨		118,087	133,427
Trade receivables	應收貿易賬款	15	596,746	1,064,890
Prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產		2,724,531	2,847,730
Financial assets at fair value through profit or loss	透過損益以公平值列賬之金融資產	16	152,283	283,368
Cash and cash equivalents and restricted cash	現金及現金等價物及受限制現金	17	9,279,660	9,359,772
Total current assets	流動資產總值		54,803,733	53,239,431
CURRENT LIABILITIES	流動負債			
Trade and other payables	貿易及其他應付款項	18	17,202,651	15,729,226
Contract liabilities	合約負債		14,192,465	13,655,066
Interest-bearing bank and other borrowings	計息銀行及其他借貸	19	8,748,435	8,778,903
Senior notes	優先票據	20	4,210,442	2,314,682
Medium-term notes	中期票據	21	–	2,459,903
Corporate bonds	企業債券	22	–	562
Domestic company bonds	境內公司債券	23	1,556,063	1,733,161
Tax payables	應付稅項		4,048,986	4,202,083
Total current liabilities	流動負債總額		49,959,042	48,873,586
NET CURRENT ASSETS	流動資產淨值		4,844,691	4,365,845
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		60,721,571	64,233,376

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

As at 30 September 2019 於2019年9月30日

			30 September 2019 2019年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 2019年 3月31日 HK\$'000 千港元 (Audited) (經審核)
		Notes 附註		
NON-CURRENT LIABILITIES	非流動負債			
Interest-bearing bank and other borrowings	計息銀行及其他借貸	19	8,970,975	8,959,775
Senior notes	優先票據	20	8,327,117	10,017,690
Medium-term notes	中期票據	21	687,064	–
Deferred tax liabilities	遞延稅項負債		8,868,052	9,106,084
Other long term payables	其他長期應付款		49,434	–
			26,902,642	28,083,549
Total non-current liabilities	非流動負債總額			
			26,902,642	28,083,549
Net assets	資產淨值		33,818,929	36,149,827
			33,818,929	36,149,827
EQUITY	權益			
Equity attributable to owners of the parent	母公司擁有人應佔權益			
Share capital	股本	24	7,222,312	7,222,312
Other reserves	其他儲備		26,525,287	28,768,281
			33,747,599	35,990,593
Non-controlling interests	非控股權益		71,330	159,234
			33,747,599	35,990,593
			71,330	159,234
Total equity	權益總額		33,818,929	36,149,827

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

中期簡明綜合權益變動表

For the six months ended 30 September 2019 截至2019年9月30日止六個月

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

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

For the six months ended 30 September 2019 截至2019年9月30日止六個月

		Attributable to owners of the parent 母公司擁有人應佔									
		Share capital	Statutory surplus reserve	Share option reserve	Exchange fluctuation reserve	Capital reserve	Revaluation reserve	Retained profits	Total	Non-controlling interests	Total equity
		股本	法定盈餘儲備	購股權儲備	匯兌波動儲備	資本儲備	重估儲備	保留利潤	總計	非控股權益	權益總額
Notes		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
附註		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2019 (audited)	於2019年4月1日(經審核)	7,222,312	2,595,496	161,821	(971,340)	(275,841)	286,456	26,971,689	35,990,593	159,234	36,149,827
Profit for the period	期內利潤	-	-	-	-	-	-	628,170	628,170	2,071	630,241
Other comprehensive loss for the period:	期內其他全面虧損:										
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	-	-	-	(2,478,708)	-	-	-	(2,478,708)	(5,199)	(2,483,907)
Total comprehensive loss	全面虧損總額	-	-	-	(2,478,708)	-	-	628,170	(1,850,538)	(3,128)	(1,853,666)
Shares repurchase	股本回購	24	-	-	-	-	-	(10,379)	(10,379)	-	(10,379)
Acquisition of non-controlling interests	收購非控股權益	-	-	-	-	22,278	-	-	22,278	(84,776)	(62,498)
Equity-settled share option arrangement	以權益結算的購股權安排	25	-	1,006	-	-	-	-	1,006	-	1,006
Lapse of share options	購股權失效	-	-	(80,897)	-	-	-	80,897	-	-	-
Final 2018/19 dividend	2018/19末期股息	10	-	-	-	-	-	(405,361)	(405,361)	-	(405,361)
Transfer from retained profits	轉撥自保留利潤	-	65,827	-	-	-	-	(65,827)	-	-	-
At 30 September 2019 (unaudited)	於2019年9月30日(未經審核)	7,222,312	2,661,323*	81,930*	(3,450,048)*	(253,563)*	286,456*	27,199,189*	33,747,599	71,330	33,818,929

* These reserve accounts comprise the consolidated other reserves of HK\$26,525,287,000 (31 March 2019: HK\$28,768,281,000) in the interim condensed consolidated statement of financial position.

* 該等其他儲備賬包括中期簡明綜合財務狀況表所載的綜合其他儲備26,525,287,000港元(2019年3月31日: 28,768,281,000港元)。

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

中期簡明綜合現金流量表

For the six months ended 30 September 2019 截至2019年9月30日止六個月

		For the six months ended 30 September 截至9月30日止六個月	
		2019 2019年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)
		Notes 附註	
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動現金流量		
Profit before tax	稅前利潤		1,421,477
Adjustments for:	調整：		1,919,211
Finance costs	融資成本	6	302,333
Interest income	利息收入	5	(82,693)
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目虧損		101
Depreciation of property, plant and equipment	物業、廠房及設備項目折舊	7	61,297
Depreciation of right-of-use assets/ amortization of prepaid land lease payments	使用權資產折舊／預付土地出租金攤銷	7	39,032
Changes in fair value of investment properties	投資物業公平值變動	5	(278,361)
Provision for impairment of trade receivables	應收貿易賬款減值撥備	7	58,222
Impairment of goodwill	商譽減值	7	-
Fair value losses/(gains) on financial assets at fair value through profit or loss, net	透過損益以公平值列賬之金融資產虧損／(收益)·淨值	5	8,531
Loss on disposal of financial assets at fair value through profit or loss, net	透過損益以公平值列賬之金融資產出售虧損·淨值	5	-
Losses/(gains) on disposal of subsidiaries	處置附屬公司虧損／(收益)	7	12
Gain on repurchase of the senior notes	回購優先票據之收益	5	(18,177)
Gain on repurchase of the asset-backed securities	回購資產支持證券之收益	5	(19,510)
Equity-settled share option expense	以權益結算的購股權開支	7	1,006
			1,493,270
Decrease in properties held for finance lease and sale	持作融資租賃及銷售物業減少		109,936
Decrease in inventories	存貨減少		8,793
Decrease in trade receivables	應收貿易賬款減少		357,673
Increase in contract assets	合約資產增加		(2,584)
Increase in other long term receivables	其他長期應收款項增加		(221,721)
Increase in prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產增加		(51,561)
Decrease/(increase) in restricted cash	受限制現金減少／(增加)		59,260
Increase in contract liabilities	合約負債增加		1,207,385
Increase in trade and other payables	貿易及其他應付款項增加		1,792,067
			2,922,133
			2,888
			263,316
			(14,083)
			-
			(200,719)
			(1,321,994)
			1,320,039
			2,185,785
Cash generated from operations	經營所得的現金		4,752,518
Overseas taxes paid	已付海外稅項		(737,165)
Net cash flows from operating activities	經營活動現金流入淨額		4,015,353
			5,451,546

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

For the six months ended 30 September 2019 截至2019年9月30日止六個月

		For the six months ended 30 September 截至9月30日止六個月	
		2019 2019年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)
	Notes 附註		
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動現金流量		
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目	(15,101)	(28,468)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目所得款項	6,197	7,304
Net cash inflow/(outflow) on disposal/purchase of financial assets at fair value through profit or loss	購買/處置透過損益以公平值列賬之金融資產現金淨額 流入/(流出)	108,651	(59,184)
Acquisition of a subsidiary	收購一家附屬公司	-	1,855
Cash (outflow)/inflow from disposal of subsidiaries, net	處置附屬公司現金淨額 (流出)/流入	(12)	25,000
Additions to properties under development	發展中物業添置	(1,588,850)	(3,951,741)
Interests received	已收利息	82,693	52,215
Net cash flows used in investing activities	投資活動現金流出淨額	(1,406,422)	(3,953,019)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動現金流量		
Issue of domestic company bonds	發行境內公司債券	1,566,839	-
Issue of medium-term notes	發行中期票據	661,169	-
Issue of senior notes	發行優先票據	473,241	1,964,754
Payment for interests on short-term notes	短期融資券利息付款	-	(28,388)
Payment for interests on senior notes	優先票據利息付款	(530,007)	(312,575)
Payment for interests on medium-term notes	中期票據利息付款	(179,940)	(353,059)
Payment for interests on corporate bonds	企業債券利息付款	-	(123,984)
Payment for interests on domestic company bonds	境內公司債券利息付款	(108,529)	(113,238)
Repayment for medium-term notes	償還中期票據	(2,217,200)	(2,352,443)
Repayment for short-term notes	償還短期融資券	-	(614,885)
Repayment for domestic company bonds	償還境內公司債	(1,584,380)	-
Payment for repurchase of the senior notes	回購優先票據付款	(273,674)	(318,847)
Redemption of corporate bonds	贖回企業債券	(534)	(1,866,186)
New bank and other borrowings	新借銀行及其他貸款	6,451,417	4,744,583
Repayment of bank and other borrowings	償還銀行及其他貸款	(5,563,351)	(4,020,670)
Shares repurchase	回購股份	(10,379)	-
Acquisition of non-controlling interests	收購非控股權益	(62,498)	-
Principal portion of lease payment	支付租賃的本金部份	(22,879)	-
Payment of interests on bank and other borrowings	已付銀行及其他貸款利息	(678,799)	(567,010)
Net cash flows used in financing activities	融資活動現金流出淨額	(2,079,504)	(3,961,948)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加/(減少)淨額	529,427	(2,463,421)
Cash and cash equivalents at beginning of period	期初的現金及現金等價物	5,933,832	8,204,333
Effect of foreign exchange rate changes, net	匯率變動影響淨額	(382,184)	(599,652)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期末的現金及現金等價物	6,081,075	5,141,260
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	6,081,075	5,141,260

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

中期簡明綜合財務資料附註

For the six months ended 30 September 2019 截至2019年9月30日止六個月

1. Corporate Information

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

2. Basis of Preparation and Other Information

Basis of Preparation

The interim condensed consolidated financial information for the six months ended 30 September 2019 has been prepared in accordance with HKAS 34 *Interim Financial Reporting*.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 March 2019.

Other Information

The financial information relating to the year ended 31 March 2019 that is included in the interim condensed consolidated statement of financial position as comparative information does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

The Company has delivered the financial statements for the year ended 31 March 2019 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

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

1. 公司資料

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

2. 編製基準及其他資料

編製基準

截至2019年9月30日止六個月的中期簡明綜合財務資料乃根據香港會計準則(「香港會計準則」)第34號「中期財務報告」編製。

中期簡明綜合財務資料不包括年度財務報表規定的所有資料及披露，並應與本集團截至2019年3月31日止年度的年度綜合財務報表一併閱讀。

其他資料

與截至2019年3月31日止年度有關並包括在中期簡明綜合財務狀況表內作為比較資料的財務資料，並不構成本公司該年度的法定年度合併財務報表，但摘錄自該等財務報表。根據香港《公司條例》第436條須披露與此等法定財務報表有關的進一步資料如下：

本公司已根據香港《公司條例》第662(3)條及附表6第3部分的規定，向公司註冊處呈交截至2019年3月31日止年度的財務報表。

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

Notes to Interim Condensed Consolidated Financial Information (Continued) 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

3. Changes in Accounting Policies and Disclosures

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2019, except for the adoption of the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") effective as of 1 April 2019.

Amendments to HKFRS 9	<i>Prepayment Features with Negative Compensation</i>
HKFRS 16	<i>Leases</i>
Amendments to HKAS 19	<i>Plan Amendment, Curtailment or Settlement</i>
Amendments to HKAS 28	<i>Long-term Interests in Associates and Joint Ventures</i>
HK(IFRIC)-Int 23	<i>Uncertainty over Income Tax Treatments</i>
<i>Annual Improvements 2015-2017 Cycle</i>	Amendments to HKFRS 3, HKFRS 11, HKAS 12 and HKAS 23

3. 會計政策的變更及披露

編製中期簡明合併財務資料所採納的會計政策與編製本集團截至2019年3月31日止年度之年度合併財務報表所應用者一致，惟採納截至2019年4月1日起生效之新訂及經修訂香港財務報告準則除外。

香港財務報告準則第9號修訂本	具有負補償的提前償付特徵
香港財務報告準則第16號	租賃
香港會計準則第19號修訂本	計劃修訂、縮減或清償
香港會計準則第28號修訂本	於聯營公司及合營企業的長期權益
香港(國際財務報告詮釋委員會)-詮釋第23號	所得稅處理的不確定性
2015年至2017年週期之年度改進	香港財務報告準則第3號、香港財務報告準則第11號、香港會計準則第12號及香港會計準則第23號之修訂

For the six months ended 30 September 2019 截至2019年9月30日止六個月

3. Changes in Accounting Policies and Disclosures (Continued)

Other than as explained below regarding the impact of HKFRS 16 *Leases*, the new and revised standards are not relevant to the preparation of the Group's interim condensed consolidated financial information. The nature and impact of the new and revised HKFRSs are described below:

- (a) HKFRS 16 replaces HKAS 17 *Leases*, HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK(SIC)-Int 15 *Operating Leases – Incentives* and HK(SIC)-Int 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. Lessor accounting under HKFRS 16 is substantially unchanged from HKAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in HKAS 17. Therefore, HKFRS 16 did not have any financial impact on leases where the Group is the lessor.

The Group adopted HKFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 April 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initial adoption as an adjustment to the opening balance of retained earnings at 1 April 2019, and the comparative information was not restated and continues to be reported under HKAS 17.

3. 會計政策的變更及披露(續)

除下文所述有關香港財務報告準則第16號租賃之影響外，新訂及經修訂準則與本集團之中期簡明合併財務資料之編製無關。該等新訂及經修訂香港財務報告準則之性質及影響敘述如下：

- (a) 香港財務報告準則第16號取代香港會計準則第17號租賃、香港(國際財務報告詮釋委員會)–詮釋第4號釐定安排是否包括租賃、香港(常務詮釋委員會)–詮釋第15號經營租賃–優惠及香港(常務詮釋委員會)–詮釋第27號評估涉及租賃法律形式交易之實質內容。該準則載列確認、計量、呈列及披露租賃之原則，並要求承租人就所有租賃按單一資產負債表模式入賬。香港財務報告準則第16號大致沿用香港會計準則第17號內出租人之會計處理方式。出租人將繼續使用與香港會計準則第17號類似之原則將租賃分類為經營租賃或融資租賃。因此，香港財務報告準則第16號對本集團作為出租人之租賃並無任何財務影響。

本集團已採納經修訂追溯方法採納香港財務報告準則第16號(於2019年4月1日首次應用)。根據此方法，追溯應用準則將對首次採納之累計影響作為對2019年4月1日保留盈餘期初結餘之調整，而比較資料並無重列且繼續根據香港會計準則第17號呈報。

For the six months ended 30 September 2019 截至2019年9月30日止六個月

3. Changes in Accounting Policies and Disclosures

(Continued)

(a) (Continued)

New definition of a lease

Under HKFRS 16, a contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 at the date of initial application. Contracts that were not identified as leases under HKAS 17 and HK(IFRIC)-Int 4 were not reassessed. Therefore, the definition of a lease under HKFRS 16 has been applied only to contracts entered into or changed on or after 1 April 2019.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their standard-alone prices. A practical expedient is available to a lessee, which the Group has adopted, not to separate non-lease components and to account for the lease and the associated non-lease components (e.g., property management services for leases of properties) as a single lease component.

3. 會計政策的變更及披露(續)

(a) (續)

租賃之新定義

根據香港財務報告準則第16號，倘合約為換取代價而授予在一段期間內已識別資產之使用控制權，則該合約為租賃或包含租賃。倘客戶有權從使用可識別資產中獲取絕大部分經濟利益及有權主導已識別資產之使用，則表示擁有控制權。本集團選擇使用過渡可行權宜方法，僅在首次應用日期對先前應用香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號識別為租賃之合約應用該準則。根據香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號未有識別為租賃之合約並未予以重新評估。因此，香港財務報告準則第16號之租賃定義僅應用於2019年4月1日或之後訂立或變更之合約。

在包含租賃組成部分之合約開始時或獲重新評估時，本集團將該合約之代價分配至各租賃組成部分及非租賃組成部分(以其獨立價格為基準)。承租人可採用可行權宜方法(而本集團已採用此方法)不將非租賃組成部分分開，而將租賃組成部分與相關之非租賃組成部分(如物業租賃之物業管理服務)作為一項單一租賃組成部分入賬。

For the six months ended 30 September 2019 截至2019年9月30日止六個月

3. Changes in Accounting Policies and Disclosures

(Continued)

(a) (Continued)

As a lessee – Leases previously classified as operating leases

Nature of the effect of adoption of HKFRS 16

The Group has lease contracts for various items of land, property and machinery. As a lessee, the Group previously classified leases as either finance leases or operating leases based on the assessment of whether the lease transferred substantially all the rewards and risks of ownership of assets to the Group. Under HKFRS 16, the Group applies a single approach to recognize and measure right-of-use assets and lease liabilities for all leases, except for an elective exemption for leases of short-term leases (elected by class of underlying asset). The Group has elected not to recognize right-of-use assets and lease liabilities for leases, that at the commencement date, have a lease term of 12 months or less. Instead, the Group recognizes the lease payments associated with those leases as an expense on a straight-line basis over the lease term.

Impacts on transition

Lease liabilities at 1 April 2019 were recognized based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at 1 April 2019 and included in trade and other payables and other long term payables.

The right-of-use assets were measured at the amount of the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognized in the statement of financial position immediately before 1 April 2019. All these assets were assessed for any impairment based on HKAS 36 on that date. The Group elected to present the right-of-use assets separately in the statement of financial position.

For the leasehold land and building (that were held to earn rental income and/or for capital appreciation) previously included in investment properties and measured at fair value, the Group has continued to include them as investment properties at 1 April 2019. They continue to be measured at fair value applying HKAS 40.

3. 會計政策的變更及披露(續)

(a) (續)

作為承租人 – 先前分類為經營租賃之租賃

採納香港財務報告準則第16號之影響性質

本集團擁有多項土地、物業及機器之租賃合約。作為承租人，本集團先前按租賃是否評估為已將其資產所有權之絕大部分回報及風險轉予本集團，將租賃分類為融資租賃或經營租賃。根據香港財務報告準則第16號，本集團就所有租賃應用單一之方法確認及計量使用權資產及租賃負債，惟就短期租賃(按相關資產類別選擇)選擇豁免。本集團已選擇不就於生效日期租賃期為12個月或以下之租賃確認使用權資產及租賃負債。取而代之，本集團將有關該等租賃之租賃付款在租賃期內按直線法確認為開支。

過渡之影響

於2019年4月1日之租賃負債按剩餘租賃付款之現值確認(使用於2019年4月1日之增量借貸利率貼現)以及包括貿易及其他應付款項和其他長期應付款。

使用權資產按租賃負債之金額計量，並以任何與緊接2019年4月1日前在財務狀況表確認之租賃有關之預付或應計租賃付款之金額予以調整。所有該等資產均於該日期按香港會計準則第36號作減值評估。本集團選擇在財務狀況表內獨立呈列使用權資產。

就先前計入投資物業及按公平值計量之租賃土地及樓宇(持作以賺取租金收入及/或資本增值)，本集團於2019年4月1日繼續將其列為投資物業。有關項目繼續應用香港會計準則第40號按公平值計量。

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

3. Changes in Accounting Policies and Disclosures

(Continued)

(a) (Continued)

As a lessee – Leases previously classified as operating leases (Continued)

Impacts on transition (Continued)

The Group has used the following elective practical expedients when applying HKFRS 16 at 1 April 2019:

- Applied the short-term lease exemptions to leases with a lease term that ends within 12 months from the date of initial application
- Used hindsight in determining the lease term where the contract contains options to extend/terminate the lease

The impacts arising from the adoption of HKFRS 16 as at 1 April 2019 are as follows:

3. 會計政策的變更及披露(續)

(a) (續)

作為承租人 – 先前分類為經營租賃之租賃(續)

過渡之影響(續)

於2019年4月1日應用香港財務報告準則第16號時，本集團已使用以下選擇性可行權宜方法：

- 對租賃期由首次應用日期起12個月內終止之租賃應用短期租賃豁免
- 倘合約包含延期/終止租賃之選擇權，則使用事後方式釐定租賃期

於2019年4月1日因採納香港財務報告準則第16號所產生之影響如下：

		Increase/(decrease) 增加/(減少) HK\$'000 千港元 (Unaudited) (未經審核)
Assets	資產	
Increase in right-of-use assets	使用權資產增加	1,483,578
Decrease in prepaid land lease payments	預付土地出租金減少	(1,328,747)
Decrease in prepayments, other receivables and other assets	預付款項、其他應收款項及其他資產減少	(35,036)
Increase in total assets	資產總值增加	119,795
Liabilities	負債	
Increase in trade and other payables	貿易及其他應付款項增加	48,262
Increase in other long term payables	其他長期應付款項增加	71,533
Increase in total liabilities	負債總額增加	119,795

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

3. Changes in Accounting Policies and Disclosures

(Continued)

(a) (Continued)

As a lessee – Leases previously classified as operating leases (Continued)

Impacts on transition (Continued)

The lease liabilities as at 1 April 2019 reconciled to the operating lease commitments as at 31 March 2019 is as follows:

3. 會計政策的變更及披露(續)

(a) (續)

作為承租人 – 先前分類為經營租賃之租賃(續)

過渡之影響(續)

於2019年4月1日之租賃負債與於2019年3月31日之經營租賃承擔對賬如下：

		HK\$'000 千港元 (Unaudited) (未經審核)
Operating lease commitments as at 31 March 2019	於2019年3月31日之經營租賃承擔	152,512
Weighted average incremental borrowing rate as at 1 April 2019	於2019年4月1日之加權平均增量借貸利率	6.84%
Discounted operating lease commitments as at 1 April 2019	於2019年4月1日之貼現經營租賃承擔	124,258
Less: Commitments relating to short-term leases and those leases with a remaining lease term ending on or before 31 March 2020	減：與短期租賃及剩餘租賃期在2020年3月31日或之前屆滿之租賃相關承擔	4,463
Lease liabilities as at 1 April 2019	於2019年4月1日之租賃負債	119,795

Summary of new accounting policies

The accounting policy for leases as disclosed in the annual financial statements for the year ended 31 March 2019 is replaced with the following new accounting policies upon adoption of HKFRS 16 from 1 April 2019:

新會計政策概要

自2019年4月1日採納香港財務報告準則第16號起，截至2019年3月31日止年度之年度財務報表所披露有關租賃之會計政策由以下新會計政策取代：

For the six months ended 30 September 2019 截至2019年9月30日止六個月

3. Changes in Accounting Policies and Disclosures

(Continued)

(a) (Continued)

Summary of new accounting policies (Continued)

Right-of-use assets

Right-of-use assets are recognized at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. When the right-of-use assets relate to interests in leasehold land held as properties under development, properties held for finance lease and properties held for sale, they are subsequently measured at the lower of cost and net realizable value in accordance with the Group's policy for "properties under development", "properties held for finance lease" and "properties held for sale". The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of the estimated useful life and the lease term. When a right-of-use asset meets the definition of investment property, it is included in investment properties. The corresponding right-of-use asset is initially measured at cost, and subsequently measured at fair value, in accordance with the Group's policy for investment properties.

Lease liabilities

Lease liabilities are recognized at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as an expense in the period in which the event or condition that triggers the payment occurs.

3. 會計政策的變更及披露(續)

(a) (續)

新會計政策概要(續)

使用權資產

使用權資產在租賃生效日期確認。使用權資產按成本減任何累計折舊及減值虧損計量，並就任何租賃負債之重新計量作出調整。當使用權資產與作為發展中物業、持作融資租賃物業及持作銷售物業之租賃土地之權益相關時，有關使用權資產根據本集團之「發展中物業」、「持作融資租賃物業」及「持作銷售物業」政策在其後按成本與可變現淨值之較低者計量。使用權資產之成本包括已確認之租賃負債金額、已產生之初始直接成本及在生效日期或之前作出之租賃付款減任何已收取之租賃優惠。除非本集團合理確定將在租賃期屆滿時取得租賃資產之所有權，否則已確認之使用權資產在其估計可使用年期或租賃期(以較短者為準)內按直線法計提折舊。當使用權資產符合投資物業之定義時，其計入投資物業中。相應之使用權資產初步按成本計量，其後根據本集團之政策按公平值計量。

租賃負債

租賃負債於租賃生效日期以租賃期內租賃付款之現值確認。租賃付款包括固定付款(包括實質固定付款)減任何應收租賃優惠、基於指數或利率之可變租賃付款及剩餘價值擔保下之預期支付款項。租賃付款亦包括合理確定將由本集團行使之購買權之行使價及為終止租賃而支付之罰款(倘租賃期反映本集團正行使終止權)。並非基於指數或利率之可變租賃付款將在導致付款之事件或條件所發生期間確認為開支。

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

3. Changes in Accounting Policies and Disclosures

(Continued)

(a) (Continued)

Summary of new accounting policies (Continued)

Lease liabilities (Continued)

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in-substance fixed lease payments or a change in assessment to purchase the underlying asset.

Amounts recognized in the interim condensed consolidated statement of financial position and profit or loss (Continued)

The carrying amounts of the Group's right-of-use assets and lease liabilities (included within "trade and other payables" and "other long term payables"), and the movement during the period are as follow:

3. 會計政策的變更及披露(續)

(a) (續)

新會計政策概要(續)

租賃負債(續)

在計算租賃付款之現值時，倘租賃中隱含之利率不易釐定，則本集團採用在租賃生效日期之增量借貸利率。在生效日期之後，租賃負債之金額予以增加以反映利息之累增，並就已作出之租賃付款予以減少。此外，如有修改、租賃付款日後因指數或利率變動出現變動、租賃期發生變化、實質固定租賃付款變化或購買相關資產之評估變化，則租賃負債之賬面值會重新計量。

於中期簡明綜合財務狀況表及損益表中確認之金額(續)

本集團使用權資產及租賃負債(包括含在「貿易及其他應付款項」和「其他長期應付款項」)之賬面值以及於期內之變動如下：

		Right-of-use assets 使用權資產				Lease liabilities 租賃負債
		Land 土地 HK\$'000 千港元	Property 物業 HK\$'000 千港元	Machinery 機器 HK\$'000 千港元	Total 合計 HK\$'000 千港元	HK\$'000 千港元
As at 1 April 2019	於2019年4月1日	1,362,834	120,602	142	1,483,578	119,795
Additions	添置	-	107	-	107	115
Transfer to properties held for sale	轉撥至持作銷售物業	(87,264)	-	-	(87,264)	-
Depreciation charge	折舊支出	(16,960)	(22,025)	(47)	(39,032)	-
Interest expense	利息開支	-	-	-	-	3,197
Exchange realignment	匯兌調整	(65,064)	(5,466)	(6)	(70,536)	(5,475)
Payments	付款	-	-	-	-	(22,879)
As at 30 September 2019	於2019年9月30日	1,193,546	93,218	89	1,286,853	94,753

Notes to Interim Condensed Consolidated Financial Information (Continued)

中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

4. Segment Information

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

- (i) the property development segment engages in the development of integrated logistics and trade centers and residential and commercial ancillary facilities;
- (ii) the property investment segment invests in integrated logistics and trade centers and residential and commercial ancillary facilities;
- (iii) the property management segment engages in the management of the Group's developed properties; and
- (iv) the "others" segment comprises, principally, the provision of advertising, exhibition, warehousing and logistics services, outlet operations, micro-credit services, E-commerce services and other services.

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

Segment assets exclude cash and cash equivalents and other unallocated head office and corporate assets as these assets are managed on a group basis.

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

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

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

There were no sales to a single customer which amounted to 10% or more of the Group's revenue during the six months ended 30 September 2019 (six months ended 30 September 2018: Nil).

4. 分部資料

就管理而言，本集團按其產品及服務劃分為不同的業務單位，並具備以下四個可申報營運分部：

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

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

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

分部負債不包括計息銀行及其他借貸、優先票據、中期票據、企業債券、境內公司債券、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2019年9月30日止六個月，並無單一客戶的銷售為本集團收入貢獻10%或以上(截至2018年9月30日止六個月：無)。

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

4. Segment Information (Continued)

4. 分部資料(續)

Six months ended 30 September 2019	截至2019年9月30日 止六個月	Property development 物業發展 HK\$'000 千港元 (Unaudited) (未經審核)	Property investment 物業投資 HK\$'000 千港元 (Unaudited) (未經審核)	Property management 物業管理 HK\$'000 千港元 (Unaudited) (未經審核)	Others 其他 HK\$'000 千港元 (Unaudited) (未經審核)	Total 總計 HK\$'000 千港元 (Unaudited) (未經審核)
Segment revenue:	分部收入:					
Sales to external customers	對外部客戶銷售	4,630,099	389,268	324,566	483,225	5,827,158
Intersegment sales	分部間銷售	-	164,319	77,654	127,282	369,255
<i>Reconciliation</i>	<i>對賬</i>	4,630,099	553,587	402,220	610,507	6,196,413
Elimination of intersegment sales	分部間銷售對銷					(369,255)
Revenue	收入					5,827,158
Segment results before increase in fair value of investment properties	投資物業公平值增加前 分部業績	1,723,175	390,705	112,434	151,470	2,377,784
Increase in fair value of investment properties	投資物業公平值增加	-	278,361	-	-	278,361
Segment results after increase in fair value of investment properties	投資物業公平值增加後 分部業績	1,723,175	669,066	112,434	151,470	2,656,145
Unallocated cost of sales	未分配銷售成本					(130,696)
Interest income	利息收入					82,693
Fair value losses on financial assets at fair value through profit or loss, net	透過損益以公平值列賬之金融 資產的公平值虧損，淨額					(8,531)
Unallocated income and gains	未分配收入及收益					98,114
Unallocated expenses	未分配開支					(973,915)
Finance costs	融資成本					(302,333)
Profit before tax	稅前利潤					1,421,477
As at 30 September 2019	於2019年9月30日					
Segment assets	分部資產	46,653,717	49,807,775	111,664	1,280,008	97,853,164
<i>Reconciliation:</i>	<i>對賬:</i>					
Unallocated assets	未分配資產					12,827,449
Total assets	資產總值					110,680,613
Segment liabilities	分部負債	17,892,322	7,892,910	134,381	603,755	26,523,368
<i>Reconciliation:</i>	<i>對賬:</i>					
Unallocated liabilities	未分配負債					50,338,316
Total liabilities	負債總額					76,861,684

Notes to Interim Condensed Consolidated Financial Information (Continued)

中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

4. Segment Information (Continued)

4. 分部資料(續)

Six months ended 30 September 2018	截至2018年9月30日 止六個月	Property development 物業發展 HK\$'000 千港元 (Unaudited) (未經審核)	Property investment 物業投資 HK\$'000 千港元 (Unaudited) (未經審核)	Property management 物業管理 HK\$'000 千港元 (Unaudited) (未經審核)	Others 其他 HK\$'000 千港元 (Unaudited) (未經審核)	Total 總計 HK\$'000 千港元 (Unaudited) (未經審核)
Segment revenue:	分部收入:					
Sales to external customers	對外部客戶銷售	4,175,933	377,609	204,768	454,137	5,212,447
Intersegment sales	分部間銷售	-	68,820	170,790	75,439	315,049
<i>Reconciliation</i>	<i>對賬</i>	4,175,933	446,429	375,558	529,576	5,527,496
Elimination of intersegment sales	分部間銷售對銷					(315,049)
Revenue	收入					5,212,447
Segment results before increase in fair value of investment properties and impairment of goodwill	投資物業公平價值增加及商譽減值前分部業績	1,669,970	336,905	53,908	244,925	2,305,708
Increase in fair value of investment properties	投資物業公平價值增加	-	875,971	-	-	875,971
Impairment of goodwill	商譽減值	-	(134,228)	-	-	(134,228)
Segment results after increase in fair value of investment properties and impairment of goodwill	投資物業公平價值增加及商譽減值後分部業績	1,669,970	1,078,648	53,908	244,925	3,047,451
Unallocated cost of sales	未分配銷售成本					(188,753)
Interest income	利息收入					52,215
Fair value gain on financial assets at fair value through profit or loss, net	透過損益以公平值列賬之金融資產的公平值收益，淨額					1,206
Loss on disposal of financial assets at fair value through profit or loss, net	透過損益以公平值列賬之金融資產出售虧損，淨額					(16,043)
Unallocated income and gains	未分配收入及收益					355,600
Unallocated expenses	未分配開支					(1,030,391)
Finance costs	融資成本					(302,074)
Profit before tax	稅前利潤					1,919,211
As at 31 March 2019 (Audited)	於2019年3月31日(經審核)					
Segment assets	分部資產	45,906,024	52,709,250	130,837	1,379,046	100,125,157
<i>Reconciliation:</i>	<i>對賬:</i>					
Unallocated assets	未分配資產					12,981,805
Total assets	資產總值					113,106,962
Segment liabilities	分部負債	18,804,518	9,034,233	156,672	705,826	28,701,249
<i>Reconciliation:</i>	<i>對賬:</i>					
Unallocated liabilities	未分配負債					48,255,886
Total liabilities	負債總額					76,957,135

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

5. Revenue, Other Income and Gains, Fair Value Gains on Investment Properties

An analysis of revenue is as follows:

5. 收入、其他收入及收益、投資物業公平值收益

收入分析如下：

		For the six months ended 30 September 截至9月30日止六個月	
		2019 2019年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)
Revenue from contracts with customers 客戶合約收入			
Sales of properties	物業銷售	4,603,754	4,139,698
Property management service income	物業管理服務收入	324,566	204,768
Others*	其他*	338,843	332,676
		5,267,163	4,677,142
Revenue from other sources 其他來源收入			
Rental Income	租賃收入	389,268	377,609
Financial lease income	融資租賃收入	26,345	36,235
Others*	其他*	144,382	121,461
		559,995	535,305
		5,827,158	5,212,447

* Others include amounts of HK\$201,303,000 (six months ended 30 September 2018: HK\$168,596,000) related to income from outlet operations and HK\$196,392,000 (six months ended 30 September 2018: HK\$134,910,000) related to income from warehousing and logistics services.

* 其他已包括奧特萊斯運營收入201,303,000港元(截至2018年9月30日止六個月：168,596,000港元)及倉儲與物流服務收入196,392,000港元(截至2018年9月30日止六個月：134,910,000港元)。

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

5. Revenue, Other Income and Gains, Fair Value Gains on Investment Properties (Continued) **5. 收入、其他收入及收益、投資物業公平值收益(續)**
Revenue from contracts with customers **客戶合約收入**
Disaggregated revenue information **分類收入資料**

For the six months ended 30 September 2019

截至2019年9月30日止六個月

Segments	分部	Property development 物業發展 HK\$'000 千港元 (unaudited) (未經審核)	Property management 物業管理 HK\$'000 千港元 (unaudited) (未經審核)	Others 其他 HK\$'000 千港元 (unaudited) (未經審核)	Total 總計 HK\$'000 千港元 (unaudited) (未經審核)
Timing of revenue recognition	收入確認時間				
Goods transferred at a point in time	在某一時點轉移的貨品	4,603,754	–	227,826	4,831,580
Services transferred over time	於一段時間內轉移的服務	–	324,566	111,017	435,583
Total revenue from contracts with customers	總客戶合約收入	4,603,754	324,566	338,843	5,267,163

For the six months ended 30 September 2018

截至2018年9月30日止六個月

Segments	分部	Property development 物業發展 HK\$'000 千港元 (unaudited) (未經審核)	Property management 物業管理 HK\$'000 千港元 (unaudited) (未經審核)	Others 其他 HK\$'000 千港元 (unaudited) (未經審核)	Total 總計 HK\$'000 千港元 (unaudited) (未經審核)
Timing of revenue recognition	收入確認時間				
Goods transferred at a point in time	在某一時點轉移的貨品	4,139,698	–	189,716	4,329,414
Services transferred over time	於一段時間內轉移的服務	–	204,768	142,960	347,728
Total revenue from contracts with customers	總客戶合約收入	4,139,698	204,768	332,676	4,677,142

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

5. Revenue, Other Income and Gains, Fair Value Gains on Investment Properties (Continued)

Revenue from contracts with customers (Continued)

Disaggregated revenue information (Continued)

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

For the six months ended 30 September 2019

Segments	分部	Property development 物業發展 HK\$'000 千港元 (unaudited) (未經審核)	Property management 物業管理 HK\$'000 千港元 (unaudited) (未經審核)	Others 其他 HK\$'000 千港元 (unaudited) (未經審核)	Total 總計 HK\$'000 千港元 (unaudited) (未經審核)
Revenue from contracts with customers	客戶合約收入				
External customers	外部客戶	4,603,754	324,566	338,843	5,267,163
Intersegment sales	分部間銷售	–	77,654	109,307	186,961
		4,603,754	402,220	448,150	5,454,124
Intersegment adjustments and eliminations	分部間銷售調整及對銷	–	(77,654)	(109,307)	(186,961)
Total revenue from contracts with customers	總客戶合約收入	4,603,754	324,566	338,843	5,267,163

截至2019年9月30日止六個月

For the six months ended 30 September 2018

Segments	分部	Property development 物業發展 HK\$'000 千港元 (unaudited) (未經審核)	Property management 物業管理 HK\$'000 千港元 (unaudited) (未經審核)	Others 其他 HK\$'000 千港元 (unaudited) (未經審核)	Total 總計 HK\$'000 千港元 (unaudited) (未經審核)
Revenue from contracts with customers	客戶合約收入				
External customers	外部客戶	4,139,698	204,768	332,676	4,677,142
Intersegment sales	分部間銷售	–	170,790	61,212	232,002
		4,139,698	375,558	393,888	4,909,144
Intersegment adjustments and eliminations	分部間銷售調整及對銷	–	(170,790)	(61,212)	(232,002)
Total revenue from contracts with customers	總客戶合約收入	4,139,698	204,768	332,676	4,677,142

截至2018年9月30日止六個月

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

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

		For the six months ended 30 September 截至9月30日止六個月	
		2019 2019年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)
Other income	其他收入		
Interest income	利息收入	82,693	52,215
Government grants*	政府補貼*	30,113	240,105
Others	其他	36,995	32,944
		149,801	325,264
Gains/(losses)	收益/(虧損)		
Fair value (losses)/gains on financial assets at fair value through profit or loss, net	透過損益以公平值列賬之金融資產的公平值(虧損)/收益·淨額	(8,531)	1,206
(Losses)/gains on disposal of subsidiaries	處置附屬公司(虧損)/收益	(12)	24,515
Losses on disposal of financial assets at fair value through profit or loss, net	透過損益以公平值列賬之金融資產出售虧損·淨額	–	(16,043)
Gains on repurchase of asset-backed securities (note 19)	回購資產支持證券之收益(附註19)	19,510	–
Gains on repurchase of senior note (note 20)	回購優先票據之收益(附註20)	18,177	70,283
Exchange losses, net	匯兌虧損·淨額	(6,669)	(12,247)
		22,475	67,714
		172,276	392,978
Fair value gains on investment properties	投資物業公平值收益	278,361	875,971

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

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

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

6. Finance Costs

An analysis of finance costs is as follows:

		For the six months ended 30 September 截至9月30日止六個月	
		2019 2019年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)
Interest on bank and other borrowings (including senior notes, medium-term notes, corporate bonds, domestic company bonds and short-term notes)	銀行及其他借貸的利息 (包括優先票據、中期票據、 企業債券、境內公司債券及 短期融資券)	1,339,904	1,354,144
Interest on lease liabilities	租賃負債利息	3,197	—
Less: Interest capitalized	減：資本化利息	(1,040,768)	(1,052,070)
Total	總計	302,333	302,074

6. 融資成本

融資成本之分析如下：

7. Profit Before Tax

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

		For the six months ended 30 September 截至9月30日止六個月	
		2019 2019年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)
Cost of properties sold	已售物業成本	2,897,055	2,494,128
Cost of properties held for finance lease	融資租賃物業成本	9,869	11,835
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	61,463	71,101
Less: Depreciation capitalized in respect of properties under development	減：就發展中物業的 資本化折舊	(166)	(243)
		61,297	70,858
Depreciation of right-of-use assets/ amortization of prepaid land lease payments	使用權資產折舊／預付土地出租金攤銷	39,032	16,525
Losses/(gains) on disposal of subsidiaries	處置附屬公司之虧損／(收益)	12	(24,515)
Provision for impairment of trade receivables*	應收貿易賬款減值撥備*	58,222	26,277
Equity-settled share option expense	以權益結算的購股權開支	1,006	13,568
Impairment of goodwill*	商譽減值*	—	134,228

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

* 計入中期簡明綜合損益表「其他開支」項內。

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

8. Income Tax Expenses

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 September 2018: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in Hong Kong during the period (six months ended 30 September 2018: Nil).

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

Under the relevant income tax law, the PRC subsidiaries are subject to corporate income tax at the statutory rate of 25% (six months ended 30 September 2018: 25%) on their respective taxable income during the period.

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

8. 所得稅開支

於本期間，香港利得稅乃根據香港產生的估計應課稅溢利按16.5%（截至2018年9月30日止六個月：16.5%）的稅率計提。於本期間，由於本集團概無源自香港的應課稅利潤，故並無計提香港利得稅撥備（截至2018年9月30日止六個月：無）。

中國大陸的應課稅溢利稅項乃按本集團運營所在省份的現行稅率計提。

根據相關所得稅法，於本期間，中國附屬公司須就各自應課稅收入按法定稅率25%（截至2018年9月30日止六個月：25%）繳納企業所得稅。

中國土地增值稅按30%至60%不等的累進稅率就土地價值（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。

For the six months ended
30 September

截至9月30日止六個月

2019 2018

2019年 2018年

HK\$'000 HK\$'000

千港元 千港元

(Unaudited) (Unaudited)

(未經審核) (未經審核)

Current:	即期：		
Mainland China corporate income tax	中國大陸企業所得稅	360,370	447,058
LAT in Mainland China	中國大陸土地增值稅	429,874	348,736
Deferred:	遞延：		
Mainland China corporate income tax	中國大陸企業所得稅	93,580	353,017
LAT in Mainland China	中國大陸土地增值稅	(107,469)	(87,184)
Withholding tax on dividends	股息預扣稅	14,881	8,575
Total tax charged for the period	期內稅項支出總額	791,236	1,070,202

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

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

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

No adjustment has been made to the basic earnings per share amount presented for the six months ended 30 September 2019 and 2018 in respect of a dilution as the impact of the share options outstanding had an anti-dilutive effect on the basic earnings per share amounts presented.

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

9. 歸屬於母公司普通股權益持有人的每股盈利

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

由於尚未行使之購股權具反攤薄影響，故並無就攤薄對截至2018年及2019年9月30日止六個月所呈列之每股基本盈利金額作出調整。

每股基本及攤薄盈利的計算乃基於：

		For the six months ended 30 September 截至9月30日止六個月	
		2019 2019年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)
Earnings	盈利		
Profit attributable to ordinary equity holders of the parent, used in the basic and diluted earnings per share calculation	用於計算每股基本及攤薄盈利之母公司普通股權益持有人應佔利潤	628,170	848,179
		Number of shares 股數	
		2019 2019年	2018 2018年
Shares	股份		
Weighted average number of ordinary shares in issue during the period used in the basic and diluted earnings per share calculation	用於計算每股基本及攤薄盈利之期內已發行普通股的加權平均數	8,107,228,848	8,009,571,999

Notes to Interim Condensed Consolidated Financial Information (Continued)

中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

10. Dividends

The final dividend of HK5.0 cents per share amounting to HK\$405,361,000 for financial year ended 31 March 2019 was approved on 13 September 2019, which was paid on 21 October 2019.

At a meeting of the Board held on 20 November 2019, the directors resolved not to pay an interim dividend to shareholders (six months ended 30 September 2018: Nil).

11. Property, Plant and Equipment

During the six months ended 30 September 2019, the Group acquired items of property, plant and equipment with an aggregate cost of approximately HK\$15,101,000 (six months ended 30 September 2018: HK\$28,468,000).

Certain of the Group's buildings with an aggregate carrying value of approximately HK\$788,884,000 as at 30 September 2019 (31 March 2019: HK\$842,010,000) were pledged to secure general banking facilities granted to the Group (note 19).

At 30 September 2019, certificates of ownership in respect of certain buildings of the Group in the PRC with an aggregate carrying value of approximately HK\$764,269,000 had not been issued by the relevant PRC authorities (31 March 2019: HK\$1,027,547,000). The Group is in the process of obtaining the relevant certificates of ownership.

10. 股息

截至2019年3月31日之財政年度每股5.0港仙的末期股息已於2019年9月13日批准，總金額為405,361,000港元，並於2019年10月21日支付給股東。

本公司於2019年11月20日舉行的董事會會議上，董事議決不向股東派付中期股息(截至2018年9月30日止六個月：無)。

11. 物業、廠房及設備

截至2019年9月30日止六個月，本集團購入物業、廠房及設備項目，總成本約為15,101,000港元(截至2018年9月30日止六個月：28,468,000港元)。

於2019年9月30日，本集團賬面總值約788,884,000港元(2019年3月31日：842,010,000港元)的若干樓宇已抵押作為本集團獲授一般銀行融資的擔保(附註19)。

於2019年9月30日，本集團於中國賬面總值合共約764,269,000港元(2019年3月31日：1,027,547,000港元)的若干樓宇未獲相關中國機關發出所有權證。本集團現正辦理領取相關所有權證的手續。

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

12. Investment Properties

12. 投資物業

		30 September 2019 2019年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 2019年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Carrying amount at the beginning of period/year	期/年初的賬面值	52,464,934	48,135,043
Additions	添置	191,861	1,877,257
Transfer from properties under development	轉撥自發展中物業	114,458	343,819
Transfer from completed properties held for sale	轉撥自持作銷售竣工物業	-	4,227,857
Transfer to completed properties held for sale	轉撥至持作銷售竣工物業	(1,775,018)	(1,662,730)
Net gain from a fair value adjustment	公平值調整淨收益	278,361	2,793,403
Exchange realignment	匯兌調整	(2,881,020)	(3,249,715)
Carrying amount at the end of period/year	期/年末的賬面值	48,393,576	52,464,934

The Group's investment properties were revalued on 30 September 2019 by Savills at RMB43,652,874,000 (equivalent to approximately HK\$48,393,576,000) (31 March 2019: RMB45,003,374,000 (equivalent to HK\$52,464,943,000)), on an open market, existing use basis.

第一太平戴維斯於2019年9月30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為人民幣43,652,874,000元(相等於約48,393,576,000港元)(2019年3月31日：人民幣45,003,374,000元(相等於約52,464,943,000港元))。

The Group's investment properties with an aggregate carrying value of approximately HK\$27,063,469,000 as at 30 September 2019 (31 March 2019: HK\$29,439,659,000) were pledged to secure general banking facilities granted to the Group (note 19).

於2019年9月30日，本集團賬面總值約27,063,469,000港元(2019年3月31日：29,439,659,000港元)的投資物業已抵押作為本集團獲授一般銀行融資的擔保(附註19)。

The Group's investment properties with an aggregate carrying value of approximately HK\$42,415,923,000 as at 30 September 2019 (31 March 2019: HK\$46,228,050,000), are subject to sales restrictions.

於2019年9月30日，本集團賬面總值約42,415,923,000港元(2019年3月31日：46,228,050,000港元)的投資物業受到銷售限制。

The Group's investment properties consist of trade centers, commercial and other ancillary facilities in Mainland China. The Group's investment properties were revalued on 30 September 2019 based on valuations performed by Savills Valuation and Professional Services Limited, an independent professional qualified valuer, at HK\$48,393,576,000 on an open market, existing use basis. Each year, the Group's management decides to appoint which external valuer to be responsible for the external valuations of the Group's properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Group's finance department has discussions with the valuer on the valuation assumptions and valuation results twice a year when the valuation is performed for interim and annual financial reporting.

本集團的投資物業包括在中國大陸的交易中心、商業及其他配套設施。根據一家獨立專業合資格估值師第一太平戴維斯估值及專業顧問有限公司進行的估值，本集團的投資物業於2019年9月30日按公開市場現有用途基準重估價值達48,393,576,000港元。本集團的管理層每年決定委任負責對本集團物業進行外部估值的外聘估值師人選。篩選準則包括市場知識、聲譽、獨立性，以及是否維持專業水平。就中期及年度財務報告進行估值時，本集團的財務部與估值師於每年中期及年度報告就估值假設及估值結果進行兩次討論。

Notes to Interim Condensed Consolidated Financial Information (Continued)
中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

12. Investment Properties (Continued)
Fair value hierarchy

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

12. 投資物業(續)
公平值層級

本集團投資物業的公平值計量層級載於下表：

**Fair value measurement
as at 30 September 2019
using significant
unobservable inputs
(Level 3)
於2019年9月30日
使用重大不可觀察元素
的公平值計量
(第3級)
HK\$'000
千港元
(Unaudited)
(未經審核)**

Recurring fair value measurement for: Trade centers, commercial and other ancillary facilities	就以下各項的經常性公平值計量： 交易中心、商業及 其他配套設施	48,393,576
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During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3.

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

Notes to Interim Condensed Consolidated Financial Information (Continued) 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

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

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

	Valuation technique 估值技術	Significant unobservable inputs 重大不可觀察元素	Range 範圍
			As at 30 September 2019 於2019年9月30日
Trade centers, commercial and other ancillary facilities 交易中心、商業及其他配套設施	Income capitalization method 收入資本化法	Market unit rental rate (RMB/sq. m./month) 市場單位租金 (人民幣/平方米/月)	14–154
		Capitalization rate 資本化率	3.00%–8.25%

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

13. Properties under Development

Certain of the Group's properties under development with an aggregate carrying value of approximately HK\$917,975,000 as at 30 September 2019 (31 March 2019: HK\$586,152,000), were pledged to secure general banking facilities granted to the Group (note 19).

The government grants of approximately RMB27,722,000 (equivalent to HK\$31,373,000) (six months ended 30 September 2018: RMB28,352,000 (equivalent to HK\$33,478,000)), which were provided by the local government authorities to support infrastructure construction and development activities in connection with the Group's property development projects and were previously deducted from the additions of properties under development, have been credited to the cost of properties sold during the current period.

12. 投資物業(續) 公平值層級(續)

以下為投資物業估值所用的估值技術及主要元素的概要：

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

13. 發展中物業

於2019年9月30日，本集團賬面總值約917,975,000港元(2019年3月31日：586,152,000港元)的若干發展中物業已抵押作為本集團獲授一般銀行融資的擔保(附註19)。

政府補貼約人民幣27,722,000元(相等於31,373,000港元)(截至2018年9月30日止六個月：人民幣28,352,000元(相等於33,478,000港元))是由地方政府機關提供，旨在為集團物業發展項目中有關於基礎建設工程及發展活動提供支持。此金額於以前已在添置發展中物業中扣除，並在本期內於已售物業成本計入。

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

14. Properties Held for Finance Lease and Sale

14. 持作融資租賃及銷售物業

		30 September 2019 2019年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 2019年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Completed properties held for finance lease	持作融資租賃物業	272,309	295,545
Completed properties held for sale	持作銷售竣工物業	18,229,319	16,454,104
Properties under development expected to be completed within the normal operating cycle	預期於正常營運週期內竣工的發展中物業	23,333,481	22,700,974
Total	總計	41,562,800	39,155,078

		30 September 2019 2019年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 2019年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Properties under development expected to be completed and ready for sale	預期竣工及可作銷售的發展中物業		
Within one year	一年內	6,286,691	6,357,259
Beyond one year	一年後	17,046,790	16,343,715
Total	總計	23,333,481	22,700,974

Certain of the Group's properties held for finance lease and properties held for sale with aggregate carrying values of HK\$45,989,000 (31 March 2019: HK\$48,958,000) and HK\$7,954,755,000 (31 March 2019: HK\$6,838,744,000) at the end of the reporting period, respectively, were pledged to secure general banking facilities granted to the Group (note 19).

於報告期末，本集團的若干持作融資租賃物業及持作銷售物業賬面總值分別為45,989,000港元(2019年3月31日：48,958,000港元)及7,954,755,000港元(2019年3月31日：6,838,744,000港元)已抵押作為本集團獲授一般銀行融資的擔保(附註19)。

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

15. Trade Receivables

Trade receivables represent sales income, rental receivables and service income receivables from customers which are payable on issuance of invoices or in accordance with the terms of the related sale and purchase agreements. The Group generally allows a credit period of not exceeding 60 days to its customers. The Group seeks to maintain strict control over its outstanding receivables and closely monitors them to minimise credit risk. 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. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at 30 September 2019 and 31 March 2019, based on the payment due date, net of loss allowance, is as follows:

15. 應收貿易賬款

應收貿易賬款指於出具發票時應收或根據相關買賣協議條款應收客戶的銷售收入、應收租金及服務收入。本集團一般提供不超過60天信貸期予客戶。本集團致力對未償還應收賬款維持嚴謹的控制及監控以把信用風險降至最低。高級管理層會定期審閱逾期結餘。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。本集團並沒有對應收貿易賬款持有任何的抵押或其他信用增級。應收貿易賬款為免息。

於2019年3月31日及2019年9月30日，根據付款到期日，應收貿易賬款扣除信貸虧損後的賬齡分析如下：

		30 September 2019 2019年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 2019年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Within 1 month	1個月以內	307,908	628,622
1 to 2 months	1至2個月	35,215	74,424
2 to 3 months	2至3個月	26,744	26,808
Over 3 months	逾3個月	226,879	335,036
Total	總計	596,746	1,064,890

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

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

		30 September	31 March
		2019	2019
		2019年	2019年
		9月30日	3月31日
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Listed investments	上市投資	41,228	50,208
Unlisted investment	非上市投資	12,551	12,965
Structured bank deposits with floating interest rate	浮動利率的結構性銀行存款	111,055	233,160
Total	總計	164,834	296,333
Current portion	即期部份	(152,283)	(283,368)
Non-current portion	非即期部份	12,551	12,965

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

		30 September	31 March
		2019	2019
		2019年	2019年
		9月30日	3月31日
		HK\$'000	HK\$'000
		千港元	千港元
		(Unaudited)	(Audited)
		(未經審核)	(經審核)
Cash and bank balances	現金及銀行結餘	9,279,660	9,359,772
Less: Restricted cash*	減：受限制現金*	(3,198,585)	(3,425,940)
Cash and cash equivalents	現金及現金等價物	6,081,075	5,933,832

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

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

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

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

At the end of the reporting period, the cash and bank balances of the Group denominated in Renminbi (“RMB”) amounted to HK\$7,419,064,000 (31 March 2019: HK\$6,512,169,000). RMB is not freely convertible into other currencies, however, under Mainland China’s Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorized to conduct foreign exchange business.

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

Certain of the Group’s bank deposits with a carrying amount of HK\$1,208,120,000 as at 30 September 2019 (31 March 2019: HK\$1,296,098,000), were pledged to secure general banking facilities granted to the Group (note 19).

18. Trade and Other Payables

17. 現金及現金等價物及受限制現金(續)

於報告期末，本集團以人民幣為單位的現金及銀行結餘達7,419,064,000港元(2019年3月31日：6,512,169,000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。

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

於2019年9月30日，本集團賬面總值為1,208,120,000港元(2019年3月31日：1,296,098,000港元)的若干存款已抵押作為本集團獲授一般銀行融資的擔保(附註19)。

18. 貿易及其他應付款項

			30 September 2019 2019年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 2019年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Other payables and accruals	其他應付款項及應計項目		6,064,826	5,500,942
Notes payables	應付票據	(a)	2,486,259	2,951,877
Advanced rental and other receipts	預收租金及其他款項		3,128,318	2,135,255
Refund liabilities	退款負債		1,599	8,273
Lease liabilities	租賃負債		45,319	–
Dividend payable	應付股息		405,361	–
Construction fee and retention payables	應付建築費用及保留金	(b)	5,070,969	5,132,879
Total	總計		17,202,651	15,729,226

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

18. Trade and Other Payables (Continued)

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

		30 September 2019 2019年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 2019年 3月31日 HK\$'000 千港元 (Audited) (經審核)
1 to 3 months	1至3個月	245,709	1,102,099
Over 3 months	逾3個月	2,240,550	1,849,778
Total	總計	2,486,259	2,951,877

All the notes payable have maturity dates within 365 days. As at 30 September 2019, notes payable amounting to HK\$1,359,443,000 (31 March 2019: HK\$1,832,556,000) were discounted by these notes holders.

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

		30 September 2019 2019年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 2019年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Within 1 year	1年內	3,926,833	3,906,003
Over 1 year	逾1年	1,144,136	1,226,876
Total	總計	5,070,969	5,132,879

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

- (c) An amount of HK\$202,164,000 included in other payables and accruals was due to non-controlling shareholders of a subsidiary. The balance was unsecured, interest-free and no fixed repayment date.

18. 貿易及其他應付款項(續)

- (a) 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：

	30 September 2019 2019年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 2019年 3月31日 HK\$'000 千港元 (Audited) (經審核)
1 to 3 months	245,709	1,102,099
Over 3 months	2,240,550	1,849,778
Total	2,486,259	2,951,877

所有應付票據均於365日內到期。於2019年9月30日，本集團為1,359,443,000港元(2019年3月31日：1,832,556,000港元)的應付票據已由這些票據持有人貼現。

- (b) 於報告期末建築費用及保留金的賬齡分析如下：

	30 September 2019 2019年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 2019年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Within 1 year	3,926,833	3,906,003
Over 1 year	1,144,136	1,226,876
Total	5,070,969	5,132,879

應付建築費用及保留金為免息及須於一般業務週期或應要求償還。

- (c) 其他應付款項及應計項目包含一筆港幣202,164,000元的應付附屬公司非控股股東應付款項。該款項為無抵押、免息及無固定還款期。

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

19. Interest-Bearing Bank and Other Borrowings

19. 計息銀行及其他借貸

		30 September 2019 (Unaudited) 2019年9月30日(未經審核)			31 March 2019 (Audited) 2019年3月31日(經審核)		
		Effective interest rate (%) 實際利率 (%)	Maturity 到期	HK\$'000 千港元	Effective interest rate (%) 實際利率 (%)	Maturity 到期	HK\$'000 千港元
Current	即期						
Bank and other borrowings – unsecured	銀行及其他借貸 – 無抵押	4.35%–7.20%	2019-2020	1,464,405	4.35%–7.20%	2019-2020	1,762,147
Bank and other borrowings – secured	銀行及其他借貸 – 有抵押	4.26%–7.18%	2019-2020	3,373,601	4.08%–7.00%	2019-2020	3,975,036
Current portion of long term bank and other borrowings:	長期銀行及其他借貸 的即期部分：						
Bank and other borrowings – unsecured	銀行及其他借貸 – 無抵押	5.70%–6.65%	2020	111,036	5.15%–6.80%	2019-2020	58,475
Bank and other borrowings – secured	銀行及其他借貸 – 有抵押	4.75%–12.35%	2019-2020	3,799,393	4.75%–10.00%	2019-2020	2,983,245
				8,748,435			8,778,903
Non-current	非即期						
Bank and other borrowings – unsecured	銀行及其他借貸 – 無抵押	5.70%–6.65%	2021	180,280	5.15%–6.80%	2021	277,109
Bank and other borrowings – secured	銀行及其他借貸 – 有抵押	4.75%–12.35%	2020-2034	8,790,695	4.75%–12.35%	2020-2033	8,682,666
				8,970,975			8,959,775
				17,719,410			17,738,678

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

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

		30 September 2019 2019年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 2019年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Analyzed into:	分析列為：		
Bank and other borrowings repayable:	須於以下期間償還的銀行及其他借貸：		
Within one year or on demand	一年內或應要求	8,748,435	8,778,903
In the second year	第二年	5,290,550	4,281,269
In the third to fifth years, inclusive	第三至第五年(包括首尾兩年在內)	2,734,789	4,141,655
Beyond five years	五年後	945,636	536,851
		17,719,410	17,738,678

The Group has entered into an asset-backed securities (“ABS”) arrangement with an independent third party by pledging of the future six years’ right of receiving management fees for certain properties under its management for a maximum of 6 years. As at 30 September 2019, an aggregate amount of RMB270,000,000 is the priority portion of the ABS which had been purchased by third parties. The net proceeds from the ABS, after deducting the issuance costs, amounted to approximately RMB263,332,000 (equivalent to HK\$291,930,000). Interest is payable quarterly in arrears. Holders of the priority portions of the ABS are entitled to receive interests which is 6.5% per annum. As at 30 September 2019, HK\$295,214,000 of the ABS are included in the non-current portions of secured bank and other borrowings.

During the period, a subsidiary of the Company repurchased part of the ABS with an aggregated principal amount of RMB270,000,000. The total consideration of the repurchase was RMB247,200,000 (equivalent to HK\$279,756,000). The carrying amount of the repurchase was RMB264,440,000 (equivalent to HK\$299,266,000), resulting in a gain on repurchase amounting to HK\$19,510,000 in the current period.

本集團與一獨立第三方訂立最長為期6年的資產支持證券(「資產支持證券」)安排，以未來6年若干物業收取管理費用權利作抵押。於2019年9月30日，第三方已購買總值為人民幣270,000,000元的優先級資產支持證券。扣除發行成本後，資產支持證券所得款項淨額約為人民幣263,332,000元(相當於約291,930,000港元)。利息於每季支付。優先級資產支持證券持有人，可享有年利率6.5%之利息。截至2019年9月30日，295,214,000港元的資產支持證券包括在有抵押銀行及其他借貸非即期部份。

於本期間，本公司的一家附屬公司回購部份資產支持證券合共本金金額為人民幣270,000,000元。回購總代價為人民幣247,200,000元(相等於279,756,000港元)。所回購之賬面值為人民幣264,440,000元(相等於299,266,000港元)，導致於本期間內錄得19,510,000港元之回購收益。

For the six months ended 30 September 2019 截至2019年9月30日止六個月

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

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

As at 30 September 2019 and 31 March 2019, all interest-bearing bank and other borrowings of the Group are denominated in RMB.

20. Senior Notes

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

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

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

19. 計息銀行及其他借貸(續)

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

於2019年9月30日及2019年3月31日，本集團計息銀行及其他借貸均以人民幣為單位。

20. 優先票據

本集團於本期間及以前期間發行以下優先票據：

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

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

Notes to Interim Condensed Consolidated Financial Information (Continued) 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

20. Senior Notes (Continued)

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

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

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

On 27 March 2019 and 12 June 2019, the Company issued senior notes with the aggregate principal amounts of US\$200,000,000 and US\$60,000,000, respectively, (collectively known as the “2019 March Notes”). The 2019 March Notes are listed on the Singapore Exchange Securities Trading Limited. The 2019 March Notes carry interest at the rate of 11.875% per annum, payable semi-annually on 27 March and 27 September in arrears, and will mature on 27 March 2021, unless redeemed earlier. The offering prices were at 99.567% and 99.566% of the principal amounts of the 2019 March Notes of US\$200,000,000 and US\$60,000,000, respectively.

20. 優先票據(續)

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

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

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

於2019年3月27日及2019年6月12日，本公司分別發行本金總額200,000,000美元及60,000,000美元的優先票據(統稱為「2019年3月票據」)。2019年3月票據於新加坡證券交易所有限公司上市。2019年3月票據按年利率11.875%計息，每半年於3月27日及9月27日支付，並將於2021年3月27日到期(除非提早贖回)。發售價分別為2019年3月票據之200,000,000美元及60,000,000美元本金總額的99.567%及99.566%。

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

20. Senior Notes (Continued)

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

		30 September 2019 2019年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 2019年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Carrying amount at the beginning of period/year	期/年初的賬面值	12,332,372	9,230,272
Additions	增加	473,241	3,449,469
Interest expenses	利息開支	553,804	867,425
Payment for interests	支付利息	(530,007)	(708,755)
Repurchase of the senior notes	回購優先票據	(291,851)	(506,039)
		(i)	
Carrying amount at the end of period/year	期/年末的賬面值	12,537,559	12,332,372
Current portion	即期部份	(4,210,442)	(2,314,682)
Non-current portion	非即期部份	8,327,117	10,017,690

(i) During the period, a subsidiary of the Company repurchased part of the senior notes with an aggregated principal amount of US\$37,600,000 (equivalent to HK\$293,280,000) from the open market. The total consideration of the repurchase was US\$35,087,000 (equivalent to HK\$273,674,000). The carrying amount of the repurchase was US\$37,417,000 (equivalent to HK\$291,851,000), resulting in a gain on repurchase amounting to HK\$18,177,000 in the current period.

As at 30 September 2019, the fair value of the senior notes amounted to HK\$11,333,905,000 (31 March 2019: HK\$11,431,686,000). The fair value was calculated by using the quoted market price of the senior notes on 30 September 2019.

20. 優先票據(續)

已於財務狀況表確認的優先票據計算如下：

(i) 於本期間，本公司的一家附屬公司於公開市場回購部份優先票據合共本金金額為37,600,000美元(相等於293,280,000港元)。回購總代價為35,087,000美元(相等於273,674,000港元)。所回購之賬面值為37,417,000美元(相等於291,851,000港元)，導致於本期間錄得18,177,000港元之回購收益。

於2019年9月30日，優先票據的公平值為11,333,905,000港元(2019年3月31日：11,431,686,000港元)。公平值乃使用優先票據於2019年9月30日的市場價格之報價計算。

Notes to Interim Condensed Consolidated Financial Information (Continued)

中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

21. Medium-Term Notes

The Group has the following medium-term notes in the current and prior periods:

- (i) On 9 May 2014, China South International Industrial Materials City (Shenzhen) Company Limited (“China South International”) completed the issuance of the first tranche of medium-term notes of 2014 (the “2014 First Tranche MTN”) with a total principal amount of RMB1,000,000,000 in the national inter-bank market of the PRC. The 2014 First Tranche MTN carry interest at the rate of 7.5% per annum, payable annually on 9 May in arrears, and matured on 9 May 2019. The amount was fully settled in May 2019.
- (ii) On 12 September 2014, China South International completed the issuance of the second tranche of medium-term notes of 2014 (the “2014 Second Tranche MTN”) with a total principal amount of RMB1,000,000,000 in the national inter-bank market of the PRC. The 2014 Second Tranche MTN carry interest at the rate of 8.4% per annum, payable annually on 12 September in arrears, and matured on 12 September 2019. The amount was fully settled in September 2019.
- (iii) On 18 April 2019, China South International completed the issuance of the first tranche of medium-term notes of 2019 (the “2019 First Tranche MTN”) with a total principal amount of RMB600,000,000 in the national inter-bank market of the PRC. The 2019 First Tranche MTN carry interest at the rate of 8.5% per annum, payable annually on 18 April in arrears, and have a term of up to 3 years at a maximum.

21. 中期票據

本集團於本期間及以前期間尚有以下中期票據在發行：

- (i) 華南國際工業原料城(深圳)有限公司(「華南國際」)於2014年5月9日完成在中國銀行間市場發行2014年第一期中期票據，本金總額為人民幣1,000,000,000元。2014年第一期中期票據年利率為7.5%，每年於5月9日支付，並將於2019年5月9日到期。其金額已於2019年5月全數支付。
- (ii) 華南國際於2014年9月12日完成在中國銀行間市場發行2014年第二期中期票據，本金總額為人民幣1,000,000,000元。2014年第二期中期票據年利率為8.4%，每年於9月12日支付，並將於2019年9月12日到期。其金額已於2019年9月全數支付。
- (iii) 華南國際於2019年4月18日完成在中國銀行間市場發行2019年第一期中期票據，本金總額為人民幣600,000,000元。2019年第一期中期票據年利率為8.5%，每年於4月18日支付，期限最長為3年。

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

21. Medium-Term Notes (Continued)

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

21. 中期票據(續)

已於財務狀況表確認的中期票據計算如下：

		30 September 2019 2019年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 2019年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Carrying amount at the beginning of period/year	期／年初的賬面值	2,459,903	5,251,644
Additions	增加	661,169	-
Repayment	償還	(2,217,200)	(2,352,443)
Interest expenses	利息開支	81,826	242,968
Payment for interests	支付利息	(179,940)	(348,574)
Exchange realignment	匯兌調整	(118,694)	(333,692)
Carrying amount at the end of period/year	期／年末的賬面值	687,064	2,459,903
Current portion	即期部份	-	(2,459,903)
Non-current portion	非即期部份	687,064	-

The fair value of the medium-term notes as at 30 September 2019 amounted to HK\$693,461,000 (31 March 2019: HK\$2,430,103,000). The fair value was calculated by using the quoted market price of the medium-term notes on 30 September 2019.

於2019年9月30日，中期票據的公平值為693,461,000港元（2019年3月31日：2,430,103,000港元）。公平值乃使用中期票據於2019年9月30日的市場價格之報價計算。

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

22. Corporate Bonds

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

22. 企業債券

已於財務狀況表確認的企業債券計算如下：

		30 September 2019 2019年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 2019年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Carrying amount at the beginning of period/year	期／年初的賬面值	562	1,978,294
Redemption	贖回	(534)	(1,866,186)
Interest expenses	利息開支	-	26,368
Payment for interests	支付利息	-	(122,409)
Exchange realignment	匯兌調整	(28)	(15,505)
Carrying amount at the end of period/year	期／年末的賬面值	-	562

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

23. Domestic Company Bonds

The Group has the following domestic company bonds in the current and prior periods:

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

On 2 August 2019 and 5 August 2019, China South International completed the issuance of the first and second tranche of domestic company bonds of 2019 (collectively known as the "2019 First and Second Tranche DCB") with a total principal amount of RMB1,400,000,000 on the Shenzhen Stock Exchange of the PRC. The 2019 First and Second Tranche DCB carry interest at the rate of 8.00% per annum, payable annually on 1 August and 5 August in arrears respectively, and have a term of up to 3 years at a maximum.

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

23. 境內公司債券

本集團於期內及以前期間有以下境內公司債券：

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

華南國際分別於2019年8月2日及2019年8月5日完成於深圳證券交易所發行本金合共總額為人民幣1,400,000,000元的2019年第一期及第二期境內公司債券。2019年第一期及第二期境內公司債券年利率為8.00%，分別每年於8月1日及8月5日支付，期限最長為3年。

已於財務狀況表確認的境內公司債券計算如下：

		30 September 2019 2019年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 2019年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Carrying amount at the beginning of period/year	期／年初的賬面值	1,733,161	5,644,169
Additions	增加	1,566,839	-
Repayment	償還	(1,584,380)	(3,497,400)
Interest expenses	利息開支	32,092	288,370
Payment for interests	支付利息	(108,529)	(320,945)
Exchange realignment	匯兌調整	(83,120)	(381,033)
Carrying amount at the end of period/year	期／年末的賬面值	1,556,063	1,733,161

The fair value of the domestic company bonds as at 30 September 2019 amounted to HK\$1,572,806,000 (31 March 2019: HK\$1,623,959,000). The fair value was calculated by using the quoted market price of the domestic company bonds on 30 September 2019.

於2019年9月30日，境內公司債券的公平值達1,572,806,000港元(2019年3月31日：1,623,959,000港元)。公平值乃使用境內公司債券於2019年9月30日的市場價格之報價計算。

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

24. Share Capital

24. 股本

		30 September 2019 2019年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 2019年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Issued and fully paid	已發行及繳足：		
8,107,228,848 (31 March 2019: 8,117,130,848) ordinary shares	8,107,228,848股(2019年3月31日： 8,117,130,848股)普通股	7,222,312	7,222,312

A summary of movements in the Company's share capital is as follows:

本公司的股本變動摘要如下：

		Number of shares in issue 已發行股份數目	Share capital 股本 HK\$'000 千港元
At 31 March 2019 and at 1 April 2019	於2019年3月31日及2019年4月1日	8,117,130,848	7,222,312
Shares repurchased (note)	股份回購(附註)	(9,902,000)	-
At 30 September 2019	於2019年9月30日	8,107,228,848	7,222,312

Note: The Company repurchased a total of 9,902,000 shares at prices ranging from HK\$1.03 to HK\$1.07 per share on The Stock Exchange of Hong Kong Limited on 1 August 2019 and 2 August 2019. The amount of HK\$10,379,000 in connection with the share repurchase was paid from the distributable profits of the Company. All 9,902,000 shares repurchased were cancelled on 12 September 2019.

附註：本公司分別於2019年8月1日及2019年8月2日以每股港幣1.03元至港幣1.07元的價格於香港聯合交易所有限公司回購總數為9,902,000的股份。從有關回購股份的款項港幣10,379,000元已從本公司的可分配利潤中支付。全數9,902,000股回購的股份已於2019年9月12日被註銷。

25. Share Options

The Company has adopted a share option scheme on 4 September 2009 (the "2009 Share Option Scheme") to provide incentives and reward to selected eligible persons which include directors, employees, officers, agents, consultants or representatives of the Group for their contribution or potential contribution to the Company or its subsidiaries. The Share Option Scheme became effective on 30 September 2009 and has expired on 13 September 2019.

25. 購股權

本公司已於2009年9月4日採納購股權計劃(「2009年購股權計劃」)，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，並於2019年9月13日終止。

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

25. Share Options (Continued)

Another share option scheme (the “2019 Share Option Scheme”) was approved by the shareholders in annual general meetings and became effective on 13 September 2019 and, unless otherwise cancelled or amended, will remain in force for 10 years from that date. Pursuant to the terms of the 2019 Share Option Scheme, the Company may grant options at its discretion, to any eligible persons which include executive and non-executive directors, employees, officers, agents or consultants of the Company or any subsidiary for their contribution or potential contribution to the Group. No option has been granted under the Share Option Scheme since its adoption.

The following share options were outstanding under the 2009 Share Option Scheme during the period:

25. 購股權(續)

另一項購股權計劃(「2019年購股權計劃」)於股東周年大會上獲得股東批准，並於2019年9月13日生效，且由該日起生效十年(除非取消或作出修訂)。根據2019年購股權計劃的條款，本公司可酌情向(本公司或任何附屬公司之董事(包括執行或非執行董事)、僱員、高級職員、代理或顧問)任何合資格人士授予購股權，以對他們對本集團的貢獻或潛在貢獻。自該購股權計劃採納以來，概無根據該購股權計劃授出購股權。

於期內根據2009年購股權計劃尚未行使之購股權如下：

		30 September 2019 2019年9月30日		31 March 2019 2019年3月31日	
		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 period/year	於期/年初	2.3684	316,290	2.4815	408,790
Granted during the period/year	期/年內授出	–	–	1.8100	25,500
Lapsed during the period/year	期/年內失效	4.0355	(100,800)	2.8959	(95,500)
Forfeited during the period/year	期/年內沒收	–	–	1.5522	(22,500)
At end of period/year	於期/年末	1.5886	215,490	2.3684	316,290

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

25. 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:

25. 購股權(續)

於報告期末，未行使購股權的行使價及行使期如下：

Number of options 購股權數目 '000 千股	Exercise price 行使價 HK\$ per share 每股港元	Exercise period 行使期
39,995	1.528	13-01-2016 to 12-01-2021 2016年1月13日至2021年1月12日
39,995	1.528	13-01-2017 to 12-01-2022 2017年1月13日至2022年1月12日
13,000	1.75	22-08-2016 to 21-08-2021 2016年8月22日至2021年8月21日
16,250	1.75	22-08-2017 to 21-08-2022 2017年8月22日至2022年8月21日
3,250	1.75	22-08-2018 to 21-08-2023 2018年8月22日至2023年8月21日
40,000	1.52	03-07-2017 to 02-07-2022 2017年7月3日至2022年7月2日
40,000	1.52	03-07-2018 to 02-07-2023 2018年7月3日至2023年7月2日
4,000	1.81	13-04-2018 to 12-04-2023 2018年4月13日至2023年4月12日
11,500	1.81	13-04-2019 to 12-04-2024 2019年4月13日至2024年4月12日
7,500	1.81	13-04-2020 to 12-04-2025 2020年4月13日至2025年4月12日
215,490		

Notes to Interim Condensed Consolidated Financial Information (Continued) 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

25. Share Options (Continued)

The Group recognized a share option expense of HK\$1,006,000 (six months ended 30 September 2018: HK\$13,568,000) during the six months ended 30 September 2019.

At the end of the reporting period, the Company had 215,490,000 share options outstanding under the 2009 Share Option Scheme, which represented approximately 2.66% 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 215,490,000 additional ordinary shares of the Company and additional share capital of HK\$342,330,000 (before issue expenses).

26. Contingent Liabilities

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

25. 購股權(續)

截至2019年9月30日止六個月，本集團確認購股權開支合共1,006,000港元(截至2018年9月30日止六個月：13,568,000港元)。

於報告期末，根據2009年購股權計劃，本公司有215,490,000份未行使購股權，相當於本公司當日已發行股份約2.66%。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215,490,000股額外普通股及額外股本342,330,000港元(扣除發行開支前)。

26. 或然負債

於報告期末，財務報表內未有撥備的或然負債如下：

	30 September 2019 2019年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 2019年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Guarantees given to banks in connection with facilities granted to third parties*	14,516,281	15,218,964

* 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 for repaying the outstanding loans together with accrued interest thereon and any penalty owed by the defaulted purchasers and lessees to banks. The Group is then entitled to take over the legal titles and usage rights of the related properties. For trade center units and residential properties sold, the guarantee period commences from the dates of grant of the relevant loans and ends when the purchasers obtain the building ownership certificates which will then be pledged to the banks. For residential and commercial properties under finance leases, the guarantees will be released along with the full repayment of loan principals by the lessees.

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

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

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

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

27. Commitments

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

27. 承擔

於報告期末，本集團有以下承擔：

		30 September 2019 2019年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 2019年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Contracted, but not provided for: Properties under development	已訂約但未撥備： 發展中物業	13,970,708	15,530,925

**28. Related Party Transactions
 Compensation of key management personnel
 of the Group:**

**28. 關連人士交易
 本集團主要管理人員薪酬：**

		For the six months ended 30 September 截至9月30日止六個月	
		2019 2019年 HK\$'000 千港元 (Unaudited) (未經審核)	2018 2018年 HK\$'000 千港元 (Unaudited) (未經審核)
Short term employee benefits	短期僱員福利	12,315	13,515
Post-employment benefits	離職後福利	36	36
Share-based payments	以權益結算的購股權開支	64	10,256
Total compensation paid to key management personnel	支付予主要管理人員的 薪酬總額	12,415	23,807

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

29. Fair Value and Fair Value Hierarchy of Financial Instruments

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

29. 金融工具之公平值及公平值層級

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

		Carrying amounts 賬面值		Fair values 公平值	
		30 September 2019 2019年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 2019年 3月31日 HK\$'000 千港元 (Audited) (經審核)	30 September 2019 2019年 9月30日 HK\$'000 千港元 (Unaudited) (未經審核)	31 March 2019 2019年 3月31日 HK\$'000 千港元 (Audited) (經審核)
Senior notes	優先票據	12,537,559	12,332,372	11,333,905	11,431,686
Medium-term notes	中期票據	687,064	2,459,903	693,461	2,430,103
Corporate bonds	企業債券	–	562	–	554
Domestic company bonds	境內公司債券	1,556,063	1,733,161	1,572,806	1,623,959
		14,780,686	16,525,998	13,600,172	15,486,302

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

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

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、其他應收款項及其他資產、金融負債包括貿易及其他應付款項、計息銀行及其他借貸的即期部分之公平值與其各自之賬面值相若，主要因為該等工具於短期內到期。

本集團管理層負責釐定金融工具公平值計量之政策及程序。管理層直接向董事及審核委員會報告。於各報告日期，管理層分析金融工具之價值變動並釐定估值中適用的主要元素。估值由董事審核及批准。估值過程及結果由審核委員會每年討論兩次，以便呈列於中期及年度財務報告。

Notes to Interim Condensed Consolidated Financial Information (Continued) 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

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

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

The fair values of the non-current portion of other long term receivables and interest-bearing bank and other borrowings have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk in interest-bearing bank and other borrowings as at 30 September 2019 was assessed to be insignificant. The fair values of the non-current portion of other long term receivables and interest-bearing bank and other borrowings are not materially different from their carrying amounts.

The fair values of senior notes, medium-term notes and domestic company bonds were calculated by using the quoted market prices on 30 September 2019.

As at 30 September 2019, the Group's financial instruments which comprised financial assets at fair value through profit or loss were measured at fair value. The Group's financial assets at fair value through profit or loss comprised listed and unlisted investments, structured bank deposits with floating interest rates. The fair values of listed investments were based on quoted market prices. The fair values of the unlisted investments have been estimated using valuation methodology according to the price of recent investments. The fair values of structured bank deposits with floating interest rates were measured using valuation techniques including the Hull-White model and net present value of the cash flows model. The models incorporate various market observable inputs including the interest rate yield curve and foreign exchange forward rate.

29. 金融工具之公平值及公平值層級(續)

金融資產及負債的公平值按可在自願雙方(強迫或清盤銷售除外)在現有交易中進行交換的工具之金額入賬。估計公平值時所用之方法及假設載述如下：

其他長期應收款項、計息銀行及其他借貸之非即期部分的公平值乃透過使用當前可供金融工具使用之現行利率按類似條款、信用風險及餘下到期日、折讓預期未來現金流量而計算。於2019年9月30日，本集團自身計息銀行及其他借貸之不履約風險被評定為並不重大。其他長期應收款項及計息銀行及其他借貸非即期部分的公平值與賬面值相差不大。

優先票據、中期票據及境內公司債券之公平值乃使用2019年9月30日的市場價值之報價計算。

於2019年9月30日，本集團之金融工具包括透過損益以公平值列賬之金融資產以公平值計算。本集團之透過損益以公平值列賬之金融資產包括上市與非上市投資及浮動利率的結構性銀行存款。上市投資的公平值乃根據市場價格釐定。非上市投資的公平值乃根據最近投資的價格使用估值方法估算。浮動利率的結構性銀行存款的公平值乃根據包括赫爾懷特模型及現金流淨現值模型等估值方法計量。該等模型納入包括利率收益曲線及外匯遠期匯率等多項市場可觀察元素。

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

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

Fair value hierarchy

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

Assets measured at fair value:

		Fair value measurement using 使用於公平值計量			
		Quoted prices in active markets 活躍市場之 報價 (Level 1) (第1級) HK\$'000 千港元 (Unaudited) (未經審核)	Significant observable inputs 重大可觀察 元素 (Level 2) (第2級) HK\$'000 千港元 (Unaudited) (未經審核)	Significant unobservable inputs 重大不可觀察 元素 (Level 3) (第3級) HK\$'000 千港元 (Unaudited) (未經審核)	Total 總額 HK\$'000 千港元 (Unaudited) (未經審核)
As at 30 September 2019	於2019年9月30日				
Listed investments	上市投資	41,228	–	–	41,228
Unlisted investment	非上市投資	–	–	12,551	12,551
Structured bank deposits with floating interest rate	浮動利率的結構性 銀行存款	–	111,055	–	111,055
		41,228	111,055	12,551	164,834

29. 金融工具之公平值及公平值層級(續)

公平值層級

本集團運用下列層級，以取決及披露金融工具之公平值：

按公平值計量之資產：

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

29. Fair Value and Fair Value Hierarchy of Financial Instruments (Continued)
 Fair value hierarchy (Continued) 29. 金融工具之公平值及公平值層級(續)
 公平值層級(續)

		Fair value measurement using 使用於公平值計量			
		Quoted prices in active markets 活躍市場之 報價 (Level 1) (第1級) HK\$'000 千港元 (Audited) (經審核)	Significant observable inputs 重大可觀察 元素 (Level 2) (第2級) HK\$'000 千港元 (Audited) (經審核)	Significant unobservable inputs 重大不可觀察 元素 (Level 3) (第3級) HK\$'000 千港元 (Audited) (經審核)	Total 總額 HK\$'000 千港元 (Audited) (經審核)
As at 31 March 2019	於2019年3月31日				
Listed investments	上市投資	50,208	–	–	50,208
Unlisted investment	非上市投資	–	–	12,965	12,965
Structured bank deposits with floating interest rate	浮動利率的結構性 銀行存款	–	233,160	–	233,160
		50,208	233,160	12,965	296,333

Liabilities measured at fair value:

The Group did not have any financial liabilities measured at fair value as at 30 September 2019 and 31 March 2019.

During the period, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfer into or out of Level 3 (six months ended 30 September 2018: Nil).

按公平值計量之負債：

於2019年9月30日及2019年3月31日，本集團並無以公平值計量的金融負債。

期內，公平值計量於第1級與第2級之間並無轉換及無轉入或轉出至第3級(截至2018年9月30日六個月止：無)。

Notes to Interim Condensed Consolidated Financial Information (Continued)
 中期簡明綜合財務資料附註(續)

For the six months ended 30 September 2019 截至2019年9月30日止六個月

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

Fair value hierarchy (Continued)

Liabilities for which fair values are disclosed:

As at 30 September 2019

29. 金融工具之公平值及公平值層級(續)

公平值層級(續)

已披露公平值之金融負債：

於2019年9月30日

		Fair value measurement using quoted prices in active markets (Level 1) 使用於活躍市場 之報價的公平值計量 (第1級) HK\$'000 千港元 (Unaudited) (未經審核)
Senior notes	優先票據	11,333,905
Medium-term notes	中期票據	693,461
Domestic company bonds	境內公司債券	1,572,806
		13,600,172

As at 31 March 2019

於2019年3月31日

		Fair value measurement using quoted prices in active markets (Level 1) 使用於活躍市場 之報價的公平值計量 (第1級) HK\$'000 千港元 (Audited) (經審核)
Senior notes	優先票據	11,431,686
Medium-term notes	中期票據	2,430,103
Corporate bonds	企業債券	554
Domestic company bonds	境內公司債券	1,623,959
		15,486,302

30. Approval of Interim Condensed Consolidated Financial Information

This interim condensed consolidated financial information was approved and authorized for issue by the board of directors of the Company on 20 November 2019.

30. 批准中期簡明綜合財務資料

本公司董事會於2019年11月20日批准及授權刊發此等中期簡明綜合財務資料。



華南城

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