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SPRINGLAND

Springland International Holdings Limited
華地國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1700)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2017

Financial Highlights

	For the six months ended 30 June		
	2017	2016	+/-
	(unaudited)	(unaudited)	
	RMB million	RMB million	
Total Sales Proceeds ("TSP")[1]	**5,671**	5,712	-0.7%
– department store	***4,189***	*4,230*	*-1.0%*
– supermarket	***1,482***	*1,482*	-
Revenue	**2,247**	2,212	1.6%
Profit before tax	**349**	349	-0.1%
Profit attributable to owners of the parent	**227**	239	-5.0%
Earnings per share - basic (RMB: cents)	**10**	10	-
Net profit margin	**10.1%**	10.8%	-0.7pp

- **Total Sales Proceeds recorded RMB5,671 million and revenue reached RMB2,247 for the six months ended 30 June 2017. Same store sales change[2] for department store business represented a decline of 2.0% and same store sales change for supermarket business recorded a drop of 7.2%.**
- **Profit before tax basically remain unchanged at RMB349 million. Profit attributable to owners of the parent was RMB227 million, representing a decrease of 5.0%.**

1 TSP represents the sum of gross revenue from concessionaire sales, revenue from direct sales and rental income.
2 Same store sales changes represented the change in TSP for stores with operations through the comparable period.

- **Earnings per share kept at RMB10 cents.**
- **Proposed interim dividend of HK$3 cents per share.**

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2017

The board (the "Board") of directors (the "Directors") of Springland International Holdings Limited (the "Company") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the "Group") for the six months ended 30 June 2017, together with comparative figures for the previous year of 2016. The unaudited condensed consolidated interim results have been reviewed by the audit committee of the Company (the "Audit Committee").

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE SIX MONTHS ENDED 30 JUNE 2017

		For the six months ended 30 June	
	Notes	**2017**	2016
		(unaudited)	(unaudited)
		RMB'000	RMB'000
REVENUE	*4*	**2,247,475**	2,212,402
Other income and gains	*5*	**346,909**	371,036
Purchase of and changes in inventories		**(1,303,162)**	(1,293,124)
Staff costs		**(334,778)**	(327,754)
Depreciation and amortisation		**(239,508)**	(219,609)
Rental expenses		**(54,226)**	(39,141)
Other expenses		**(285,647)**	(313,333)
Finance costs	*6*	**(28,582)**	(41,766)
PROFIT BEFORE TAX		**348,481**	348,711
Income tax expense	*7*	**(121,881)**	(109,843)
PROFIT FOR THE PERIOD		**226,600**	238,868
Attributable to:			
Owners of the parent		**227,377**	239,374
Non-controlling interests		**(777)**	(506)
		226,600	238,868
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (RMB: cents)	*9*	**10**	10

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2017

	For the six months ended 30 June	
	2017	2016
	(unaudited)	(unaudited)
	RMB'000	RMB'000
PROFIT FOR THE PERIOD	**226,600**	238,868
OTHER COMPREHENSIVE LOSS		
Exchange differences on translation of foreign operations	**27,542**	(19,906)
NET OTHER COMPREHENSIVE LOSS TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS	**27,542**	(19,906)
OTHER COMPERHENSIVE LOSS FOR THE PERIOD, NET OF TAX	**27,542**	(19,906)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**254,142**	218,962
Attributable to:		
Owners of the parent	**254,919**	219,468
Non-controlling interests	**(777)**	(506)
	254,142	218,962

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
30 JUNE 2017

	Notes	**30 June 2017 (unaudited) RMB'000**	31 December 2016 (audited) RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment	*10*	**8,824,998**	8,772,195
Prepaid land premiums	*11*	**1,652,298**	1,676,148
Other intangible assets		**30,282**	29,199
Goodwill		**250,384**	250,384
Available-for-sale investments		**5,188**	2,550
Long-term prepayments		**11,395**	19,371
Deferred tax assets		**122,606**	111,290
Restricted cash	*14*	**111,015**	108,908
Time deposits	*14*	**-**	177,979
Due from the controlling shareholder	*12*	**101,646**	117,974
Total non-current assets		**11,109,812**	11,265,998
CURRENT ASSETS			
Inventories		**294,622**	417,646
Trade receivables	*13*	**8,336**	10,663
Prepayments, deposits and other receivables		**384,482**	316,945
Derivative financial instruments		**2,336**	11,487
Cash and cash equivalents	*14*	**493,806**	401,592
		1,183,582	1,158,333
Assets of a disposal group classified as held for sale		**26,400**	26,400
Total current assets		**1,209,982**	1,184,733

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
30 JUNE 2016

	Notes	30 June 2017 (unaudited) RMB'000	31 December 2016 (audited) RMB'000
CURRENT LIABILITIES			
Interest-bearing bank borrowings	*15*	**1,628,755**	1,739,204
Trade payables	*16*	**1,020,341**	1,290,133
Other payables and accruals		**2,205,742**	2,471,663
Tax payable		**51,398**	56,547
		4,906,236	5,557,547
Liabilities directly associated with the assets classified as held for sales		**4,769**	4,769
Total current liabilities		**4,911,005**	5,562,316
NET CURRENT LIABILITIES		**(3,701,023)**	(4,377,583)
TOTAL ASSETS LESS CURRENT LIABILITIES		**7,408,789**	6,888,415
NON-CURRENT LIABILITIES			
Interest- bearing bank borrowings	*15*	**397,000**	-
Medium-term notes	*17*	**302,292**	309,074
Corporate bonds	*18*	**796,220**	814,670
Long-term payables		**69,756**	62,614
Deferred tax liabilities		**574,360**	561,625
Total non-current liabilities		**2,139,628**	1,747,983
Net assets		**5,269,161**	5,140,432
EQUITY			
Equity attributable to owners of the parent			
Issued capital		**19,861**	20,127
Treasury shares		-	(112)
Reserves		**5,080,985**	4,951,352
		5,100,846	4,971,367
Non-controlling interests		**168,315**	169,065
Total equity		**5,269,161**	5,140,432

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information

Springland International Holdings Limited was incorporated as an exempted company with limited liability in the Cayman Islands on 21 June 2006 under the Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company was listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 21 October 2010.

The Group is principally engaged in the operation of department stores and supermarkets in Mainland China. In the opinion of the Directors, the ultimate holding company of the Group is Octopus Holdings Foundation, a company incorporated in the Cayman Islands.

2. Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2017 have been prepared in accordance with International Accounting Standards 34 "Interim Financial Reporting" issued by the International Accounting Standards Board. These financial statements are presented in Renminbi ("RMB") and all values are rounded to the nearest thousand except when otherwise indicated.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2016.

3. Operating segment information

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

- Department store segment
- Supermarket segment

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

Segment assets exclude available-for-sale investments, deferred tax assets, restricted cash, time deposits, tax recoverable, amounts due from the controlling shareholder, cash and cash equivalents, assets of a disposal group classified as held for sale and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank borrowings, medium-term notes, corporate bonds, tax payable, liabilities directly associated with the assets classified as held for sale, deferred tax liabilities 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.

3. Operating segment information (continued)

The following tables presented revenue and profit information regarding the Group's operating segments for the six months ended 30 June 2017 and 2016, respectively.

For the six months ended 30 June 2017 (unaudited)	**Department store RMB'000**	**Supermarket RMB'000**	**Total RMB'000**
Segment revenue			
Sales to external customers	**906,329**	**1,341,146**	**2,247,475**
Segment results	**356,858**	**59,891**	**416,749**
Reconciliation:			
Interest income and unallocated gains			**23,354**
Corporate and other unallocated expenses			**(63,040)**
Finance costs			**(28,582)**
Profit before tax			**348,481**

For the six months ended 30 June 2016 (unaudited)	Department store RMB'000	Supermarket RMB'000	Total RMB'000
Segment revenue			
Sales to external customers	866,424	1,345,978	2,212,402
Segment results	358,018	88,785	446,803
Reconciliation:			
Interest income and unallocated gains			28,085
Corporate and other unallocated expenses			(84,411)
Finance costs			(41,766)
Profit before tax			348,711

3. Operating segment information (continued)

The following table presents segment assets of the Group's operating segments as at 30 June 2017 and 31 December 2016, respectively:

As at 30 June 2017 (unaudited)	**Department store RMB'000**	**Supermarket RMB'000**	**Total RMB'000**
Segment assets	**9,812,467**	**1,563,291**	**11,375,758**
Reconciliation:			
Corporate and other unallocated assets			**917,636**
Assets of a disposal group classified as held for sales			**26,400**
Total assets			**12,319,794**
Segment liabilities	**2,584,287**	**775,038**	**3,359,325**
Reconciliation:			
Corporate and other unallocated liabilities			**3,686,539**
Liabilities directly associated with the assets classified as held for sale			**4,769**
Total liabilities			**7,050,633**

As at 31 December 2016 (audited)	Department store RMB'000	Supermarket RMB'000	Total RMB'000
Segment assets	9,746,224	1,691,330	11,437,554
Reconciliation:			
Corporate and other unallocated assets			986,777
Assets of a disposal group classified as held for sales			26,400
Total assets			12,450,731
Segment liabilities	2,990,995	869,004	3,859,999
Reconciliation:			
Corporate and other unallocated liabilities			3,445,531
Liabilities directly associated with the assets classified as held for sale			4,769
Total liabilities			7,310,299

3. Operating segment information (continued)

Geographical information

All of the Group's revenue is derived from customers based in Mainland China and all of the non-current assets of the Group are located in Mainland China.

Information about major customers

No revenue derived from sales to a single customer or a group of customers under the common control accounted for 10% or more of the Group's revenue for the six months ended 30 June 2017 and 2016.

4. Revenue

Revenue represents the net amount received and receivable for goods sold by the Group to external customers, less allowances for returns and trade discounts; commission income from concessionaire sales, net of sales taxes and surcharges; and other revenue that arises in the ordinary course of business.

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2017	2016
	(unaudited)	(unaudited)
	RMB'000	RMB'000
Sales of goods - direct sales	**1,483,698**	1,459,770
Commission income from concessionaire sales (*Note*)	**663,139**	666,726
Total turnover	**2,146,837**	2,126,496
Rental income	**98,175**	85,138
Provision of food and beverage service	**2,463**	768
Total revenue	**2,247,475**	2,212,402

Note:

The commission income from concessionaire sales is analyzed as follows:

	For the six months ended 30 June	
	2017	2016
	(unaudited)	(unaudited)
	RMB'000	RMB'000
Gross revenue from concessionaire sales	**4,089,301**	4,167,492
Commission income from concessionaire sales	**663,139**	666,726

5. Other income and gains

	For the six months ended 30 June	
	2017	2016
	(unaudited)	(unaudited)
	RMB'000	RMB'000
Other income		
Fee income from suppliers	**319,935**	332,557
Interest income	**10,787**	17,150
Subsidy income	**10,976**	10,870
Others	**5,211**	10,459
	346,909	371,036

6. Finance costs

	For the six months ended 30 June	
	2017	2016
	(unaudited)	(unaudited)
	RMB'000	RMB'000
Interest on short-term financing notes	**-**	10,395
Interest on medium-term notes	**7,557**	4,092
Interest on corporate bonds	**20,510**	1,020
Interest on bank borrowings wholly repayable within five years	**27,275**	52,021
Less: Interest capitalised	**(26,760)**	(25,762)
	28,582	41,766

7. Income tax expenses

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate. The Group and the Company are not liable for income tax in Hong Kong as they do not have assessable income sourced from Hong Kong during the period. The Company is a tax-exempted company incorporated in the Cayman Islands.

Under the People's Republic of China (the "PRC") Corporate Income Tax Law, the income tax rate became 25% starting from 1 January 2008. Therefore, provision for the PRC income tax has made at the applicable income tax rate of 25% (six months ended 30 June 2016: 25%) on the assessable profits of the Group's PRC subsidiaries.

	For the six months ended 30 June	
	2017	2016
	(unaudited)	(unaudited)
	RMB'000	RMB'000
Current - PRC corporate income tax charge for the period	**114,976**	109,479
Deferred	**6,905**	364
Total tax charge for the period	**121,881**	109,843

8. Dividends

	For the six months ended 30 June	
	2017	2016
	(unaudited)	(unaudited)
	RMB'000	RMB'000
Dividends on ordinary shares declared and paid during the period:		
Final dividends for 2016: HK$5 cents (2015: HK$7 cents)	**100,220**	142,332
Dividends on ordinary shares proposed (not recognized as a liabilities as at 30 June)		
Proposed interim dividend for 2017: HK$3 cents (2016: HK$3 cents)	**58,813**	61,238

9. Earnings per share attributable to the ordinary equity holders of the parent

The calculation of basic earnings per share amount is based on the profit for the period attributable to the ordinary equity holders of the parent of RMB227,377,000 (six months ended 30 June 2016: RMB239,374,000), and the weighted average number of ordinary shares of 2,306,261,351 (six months ended 30 June 2016: 2,414,357,131) in issue during the period.

The Group had no potentially dilutive ordinary shares in issue during these periods.

10. Property, plant and equipment

	30 June 2017 (unaudited) RMB'000	31 December 2016 (audited) RMB'000
Carrying amount at 1 January	**8,772,195**	8,199,356
Additions	**289,815**	1,002,083
Depreciation provided during the period/year	**(222,627)**	(409,934)
Disposals	**(14,385)**	(19,310)
Carrying amount at 30 June 2017/ 31 December 2016	**8,824,998**	8,772,195

At 30 June 2017, the application for transferring the land use right certificate to property ownership certificate for the Group's land and buildings amounting to RMB1,588,825,000 (31 December 2016: RMB1,645,975,000) was still in progress.

11. Prepaid land premiums

	30 June 2017 (unaudited) RMB'000	31 December 2016 (audited) RMB'000
Carrying amount at 1 January	**1,676,148**	1,680,781
Additions	**-**	41,014
Amortisation capitalised as property, plant and equipment during the period/ year	**(8,252)**	(19,773)
Recognised as expenses during the period/year	**(15,598)**	(25,874)
Carrying amount at 30 June 2017/ 31 December 2016	**1,652,298**	1,676,148

The leasehold land is situated in Mainland China and is held under a long-term lease.

12. Due from the Controlling Shareholder

The Group had an outstanding balance due from the controlling shareholder of RMB101,646,000 (RMB100,000,000 as principal and RMB1,646,000 as accrued interest) as at 30 June 2017 (31 December 2016: RMB118,000,000 as principal and RMB26,000 as interest prepayment). This amount is unsecured and included in the outstanding balance, the remaining principal bear interest as an annual rate of 3.5% from 1 January 2016 and shall be repaid on or before 31 December 2019.

13. Trade receivables

All of the Group's sales are on a cash basis except for certain bulk sales of merchandise which are credit sales. The credit terms offered to customers are generally one month.

None of the balances of the trade receivables at each reporting date is either past due or impaired and aged within one month based on the invoice date.

14. Cash and cash equivalents, restricted cash and time deposits

		30 June 2017 (unaudited) RMB'000	31 December 2016 (audited) RMB'000
Cash and bank balances		**326,606**	337,394
Time deposits		**278,215**	351,085
		604,821	688,479
Less:	Restricted cash with maturity date over one year	**(111,015)**	(108,908)
	Long-term time deposits at banks	**-**	(177,979)
Cash and cash equivalents		**493,806**	401,592

14. Cash and cash equivalents, restricted cash and time deposits (continued)

The Group's cash and bank balances and time deposits at each reporting date are denominated in the following currencies:

	30 June 2017 (unaudited) RMB'000	31 December 2016 (audited) RMB'000
RMB	**517,725**	601,695
US$	**57,869**	61,621
HK$	**25,991**	21,997
SGD	**3,224**	3,166
EUR	**12**	-
	604,821	688,479

Cash at banks earns interest at floating rates based on daily bank deposit rates. Time deposits are made for varying periods of between six months and five years depending on the immediate cash requirements of the Group, and earn interest at the respective time deposit rates. The bank balances are deposited with creditworthy banks. The carrying amounts of the cash and cash equivalents and time deposits approximate to their fair values.

Pursuant to the relevant rules and regulations issued by the Ministry of Commerce of the People's Republic of China, the Group was required to deposit bank balances (or through issuing the letter of bank guarantee to deposit) in the Group's designated accounts, which amount was no less than 30% of the balance of advances from customers for sales of prepaid cards. As at 30 June 2017, certain of the Group's restricted cash amounted to RMB111,015,000 (31 December 2016: RMB108,908,000) represents the above balances deposited in the Group's designated accounts.

15. Interest-bearing bank borrowings

	30 June 2017 (unaudited) RMB'000	31 December 2016 (audited) RMB'000
Bank loans:		
Secured	**-**	-
Unsecured	**2,025,755**	1,739,204
	2,025,755	1,739,204
Bank loans repayable:		
Within one year or on demand	**1,628,755**	1,739,204
Over one year but within two years	**3,000**	-
Over two years but within five years	**394,000**	-
Total bank borrowings	**2,025,755**	1,739,204
Less: Portion classified as current liabilities	**(1,628,755)**	(1,739,204)
Long-term portion	**397,000**	-

Bank loans bear interest at fixed rates or floating rates.

The Group's bank loans bore effective interest rates from 1.8% to 4.8% per annum as at 30 June 2017 and 1.8% to 4.8% per annum as at 31 December 2016.

The Group's interest-bearing bank borrowings at each reporting date are denominated in the following currencies:

	30 June 2017 (unaudited) RMB'000	31 December 2016 (audited) RMB'000
RMB	**800,000**	310,000
US$	**1,165,002**	1,366,589
HK$	**60,753**	62,615
	2,025,755	1,739,204

16. Trade payables

An aged analysis of the trade payables at each reporting date, based on the invoice date, is as follows:

	30 June 2017 (unaudited) RMB'000	31 December 2016 (audited) RMB'000
Within three months	**830,712**	1,101,521
Over three months but within six months	**103,939**	90,563
Over six months but within one year	**43,707**	55,075
Over one year	**41,983**	42,974
	1,020,341	1,290,133

The trade payables are non-interest-bearing and are normally settled on terms of up to 60 days.

17. Medium term financing notes

In February 2016, subject to the aggregate principal amount of up to RMB2.0 billion approved by the National Association of Financial Market Institutional Investors the Group issued its first tranche of medium-term notes at par value of RMB300 million to domestic institutional investors in the PRC on 25 March 2016. The nominal interest rate is 4.78% per annum and the effective interest rate is 5.13% per annum. The term of the medium-term notes was 3 years from the date of issuance. The interest shall be paid on an annual basis. In March 2017, the Group paid the interest of first year in the amount of RMB14.34 million.

18. Corporate bonds

In May 2016, subject to the aggregate principal amount of up to RMB2.0 billion approved by the China Securities Regulatory Commission and the Shanghai Stock Exchange, the Group has issued its first tranche of corporate bonds at par value of RMB800 million to public qualified investors in the PRC on 21 June 2016. The nominal interest rate is 4.87% per annum and the effective interest rate is 5.22% per annum. The term of the financing notes was 3 years from the date of issuance. The interest shall be paid on an annual basis. In June 2017, the Group paid the interest of first year in the amount of RMB38.96 million.

19. Events after the interim reporting period

At a meeting held on 11 August 2017, the Directors declared an interim dividend of HK$3 cents per ordinary share. This proposed dividend, based on the number of shares outstanding at the date of the meeting, is not reflected as dividend payable in this interim financial statement.

MANAGEMENT DISCUSSION AND ANALYSIS

According to China's National Bureau of Statistics, China's GDP grew 6.9% and Total Retail Sales of Consumer Goods increased by 10.4% in past first half year of 2017. The economic indicators came in above expectations which indicated the China's economy is holding steady. However, the growth in retail industry was significantly weaker than the overall GDP grew. Life depends more on the internet and technology, upgrading of consumer demand, innovation and transformation of enterprises in all aspects, all the above factors forcing the adjustment in the retail industry.

Under this environment, the Company adheres to consumer demand and returns to core commercial retail. We constantly enrich merchandise mix; improve operational efficiency as well as consumer experience and also strength the cost control in order to maintain the steady growth of retail business. During the reporting period, the Group achieved total sales proceeds of RMB5.67 billion. Profits before tax was RMB349 million flat with last year correspondence period. Profits attributable to shareholders was RMB227 million and basic earnings per share in the first half of 2017 was RMB10 cents.

BUSINESS REVIEW

Under the new environment, there is a dramatic change in consumer demand and market competition. There are a lot of directions of development in retail industry including full range of online and offline integration in retail operators, scenario-based consumption and multi business alliance that provide one-stop aggregated service, smart and efficient of supply chain system. All these factors push Springland's management into a higher standard. Focusing on core business and customer orientation, Springland continuous implement new technologies and embrace new retail interesting to improve operation efficiency were the main direction for past six months of 2017.

The main tasks in the first half of the year are to clearly define store formats and find ways to improve business efficiency. Department store division has established three store formats including model department store, shopping mall and commercial property. Systematic procedure and standardized construction are set up for the three store formats. The renovation and upgrading in Wuxi Yaohan, Nantong Yaohan, Changxing Yaohan, Jiangyin Yaohan and Yanzhou Wanjiafu pave the path to meet local consumer behavior as well as characteristics and to strength their dominant in local market. Setting up of the standardize format will help the Group's expansion by coping the success store to build new benchmarking.

Springland is committed to enriching merchandise offering and meeting consumer expectation. As it introduced new visual, touch and motion elements to upgrade hardware at department stores and shopping malls, it carried out extensive brand replacement and structural adjustment to add more popular brands and online hit that were unique, stylish and trendy. This has appealed to the younger consumer groups and helped diversify the merchandise mix and boost sales. With regard to the supermarket business, Springland has expedited the phase out of old product types and brands while bringing in new product categories and brands based on the prevailing needs of clients, so as to keep product offerings at stores abreast of consumers' changing demand. With new business units such as juice bars, Daoyin ramen restaurants, general merchandise stores and cookware stores, Springland not only restructured and optimized the profit model, but also responded effectively to the new round of consumption upgrade, thereby catering the demands of consumers for quality life, supreme experience and healthy lifestyle.

For the purpose of strengthening product competitiveness, Springland expanded to upstream industry and developed advantages in the supply chain. Its efforts in developing the supply chain will allow it to have better product control, particularly for the supermarket division. During the reporting period, the supermarket division actively promoted renovation of the existing fresh food and vegetable base and the construction of the new base. Meanwhile, it expanded a number of remote direct procurement bases to boost profitability of the product category. The cold chain logistics and processing center for fresh food with a planned investment of RMB150 million has started structural construction at the beginning of the year and is expected to commence operation in 2018. Upon completion of the construction, Datonghua Supermarket will be able to provide fresher and more diverse products.

Apart from the wide range of merchandise offering, Springland also attached great importance to leveraging offline resources and building excellent customer experience. Hence, it launched the IP-BEST+ service designed for enterprises, which covered renovation service of department store functions, building and operation of online community, integrated marketing service and customized value-added services, so that consumers could enjoy convenient, personalized, flexible and transparent shopping experience.

During the reporting period, Springland continued to optimize fundamental management function. On the one hand, it adhered to its own development strategy and improved talent succession planning and talent development policy. For example, it organized training for key positions of different functions to raise professional standards. On the other hand, in view of the trend of customized store development, Springland streamlined the organizational structure to facilitate faster response to market demand and competition. While delegating power, headquarter provided timely guidance and carried out follow-up review through strict evaluation. Hence, headquarter and stores could work together for success.

PROSPECTS

Looking ahead, uncertainty still pervades the economy. The sluggish global economy will continue to weigh on export and the process of urbanization will bring profound adjustment of the real estate market and investment. Nonetheless, given the potential and resilience of the economy in the first half of the year, Springland believes that the market is likely to bottom out in 2017 as it transits from the "new stage" to the "normal stage" under the "New Norm". In particular, it is expected that the policies and measures of the PRC government to safeguard people's livelihood will lead to steady growth of citizens' income, which will result in higher living standards and level of consumer activities such as shopping, traveling and catering. This will not only provide strong support to economic growth, but also boost the retail industry. Against this background, Springland will seek to adapt and act in keeping with the trend.

Springland believes that professional capability has contributed to our long-term success in the highly competitive market. Through developing new operating model for business integration, new sales model for transition from sales of merchandise to scenario-based sales practices, new organizational structure to streamline management functions and enhance responsiveness to market trend, new appraisal and incentive system to offer customized proposals for specific markets, and new consumption environment for differentiated business portfolio and brand image, Springland, a retailer focusing on the sales of merchandise, will actively promote innovation in pursuit of sustainable and steady profit growth.

FINANCIAL REVIEW

TSP and Revenue

The Group's TSP were RMB5,671 million for the six months ended 30 June 2017. TSP of the department store business decreased to RMB4,189 million, representing a decline of 1.0% and same store sales dropped by approximately 2.0% from the same period in 2016. TSP of supermarket business was RMB1,482 million, basically flat compared to correspondence period 2016 and same store sales dropped by approximately 7.2%.

	For the six months ended 30 June					
	2017			2016		
	Department store business	**Supermarket business**	**Total**	Department store business	Supermarket business	Total
			(RMB'million)			
Revenue	**906**	**1,341**	**2,247**	866	1,346	2,212
Add/ (less)						
Provision of food and beverage services	**(2)**	**-**	**(2)**	(1)	-	(1)
Commission income from concessionaire sales	**(638)**	**(25)**	**(663)**	(643)	(24)	(667)
Gross revenue from concessionaire sales	**3,923**	**166**	**4,089**	4,008	160	4,168
TSP	**4,189**	**1,482**	**5,671**	4,230	1,482	5,712
Representing:						
Direct sales	**203**	**1,281**	**1,484**	167	1,292	1,459
Gross revenue from concessionaire sales	**3,923**	**166**	**4,089**	4,008	160	4,168
Rental income	**63**	**35**	**98**	55	30	85
TSP	**4,189**	**1,482**	**5,671**	4,230	1,482	5,712
Same store sales change	**-2.0%**	**-7.2%**		-9.0%	-9.1%	

For the six months ended 30 June 2017, the revenue of the Group amounted to RMB2,247 million, representing an increase of 1.6% from RMB2,212 million, as compared to the same period of 2016. Revenue from the department store business increased to approximately RMB906 million, representing an increase of 4.6% and revenue from the supermarket business decreased to approximately RMB1,341 million, representing a decrease of 0.4% as compared to the same period last year.

Department store business:

For the six months ended 30 June 2017, TSP from the department store business dropped 1.0% to RMB4,189 million (six months ended 30 June 2016: RMB4,230 million), and same store sales dropped by approximately 2.0%. During the period, gross revenue from concessionaire sales contributed approximately 93.7% (six months ended 30 June 2016: 94.7%) and direct sales contributed approximately 4.8% (six months ended 30 June 2016: 4.0%) to TSP in respect of the department store business.

TSP by top five stores

The aggregate contribution to TSP from the five largest department stores decreased to 52.9% in the current period from approximately 53.9% in the same comparable period in 2016.

TSP by merchandise categories

The proportion of sale proceeds of department stores from various merchandise categories for the six months ended 30 June 2017 and the corresponding period in 2016 are as follows: fashion and apparel accounted for approximately 38.1% (same period 2016: 39.3%); merchandise related to cosmetics and accessories accounted for approximately 31.2% (same period 2016: 29.4%); footwear accounted for approximately 8.7% (same period 2016: 9.5%); and the remaining categories, including athletic apparel and casual wear, children’s and home furnishing, household and electronic appliances, rental income and others, accounted for the remaining 22.0% (same period 2016: 21.8%).

Commission rate from concessionaire sales and comprehensive gross margin[3]

For the six months ended 30 June 2017, the commission rate from concessionaire sales was 16.3%, representing a growing of 0.3 percentage points from 16.0% of the same period in 2016. The increase was mainly due to improvement in sales quality. The Group intends to maintain the stability of its commission rate by conducting periodic reviews and enhancing the merchandise mix to reflect the changing consumer demands. The Comprehensive Gross Margin was 21.8% for the six months ended 30 June 2017 (six months ended 30 June 2016: 21.4%).

[3] Comprehensive Gross Margin = comprehensive gross profit / TSP. Comprehensive gross profit = gross profit of direct sales + commission income from concessionaire sales + rental income + other income (services fee collected from concessionaires and suppliers)

Supermarket business:

For the six months ended 30 June 2017, TSP of supermarket business maintained RMB1,482 million being flat compared to corresponding period in 2016. It resulted from the net off of drop in same store sales of 7.2% and sales contributed from the newly opened supermarkets. During the period, direct sales contributed approximately 86.4% (six months ended 30 June 2016: 87.2%) and concessionaire sales contributed approximately 11.2% (six months ended 30 June 2016: 10.8%) of TSP of the supermarket business.

TSP by top five stores

The aggregate contribution to TSP generated from the five largest supermarkets decreased to 30.6% for the six months ended 30 June 2017 from approximately 33.8% for the same comparable period in 2016.

TSP by merchandise categories

The proportion of sale proceeds of supermarkets from various merchandise categories for the six months ended 30 June 2017 and the corresponding period in 2016 are as follow: fresh food accounted for approximately 40.3% (same period 2016: 40.4%); dry foods accounted for approximately 32.7% (same period 2016: 32.3%), non-food accounted for approximately 22.6% (same period 2016: 23.0%); and the remaining categories, including rental income and others, accounted for the remaining 4.4% (same period 2016: 4.3%).

Direct sales margin and comprehensive gross margin

Revenue from direct sales in the supermarket business decreased from RMB1,292 million for the six months ended 30 June 2016 to RMB1,281 million for the six months ended 30 June 2017, representing a decrease of 0.9%. For the six months ended 30 June 2017, direct sales margin for supermarket business was 12.6%, representing a growing of 0.8 percentage points from 11.8% of the corresponding period in 2016 and Comprehensive Gross Margin was 23.9%, representing a decrease of 0.3 percentage point from 24.2% for the same period in 2016. The increase in direct sales margin was due to the improvement of operational quality.

Other income and gains

Other income and gains included fee income from suppliers, government subsidy income, interest income and other gains. For the six months ended 30 June 2017, fee income from suppliers decreased to RMB320 million (30 June 2016: RMB333 million). Fee income from suppliers including promotion fees, management fees paid by suppliers for participating in the promotional activities, reimbursing electricity charge and material, etc.

Purchases of and changes in inventories

Purchases of and changes in inventories represented the cost of merchandise that purchased from suppliers for resale under the direct sales business model. For the six months ended 30 June 2017, purchases of and change in inventories increased to approximately RMB1,303 million, representing an increase of 0.8% as compared to the same period last year. The growth was due to the increase in direct sales.

Expenses

	For the six months ended 30 June									
	2017					2016				
	Department store business	**Super market business**	**Head quarter**	**Total**	**% of TSP**	Department store business	Super market business	Head quarter	Total	% of TSP
	(RMB million)					(RMB million)				
Staff costs	**159**	**139**	**36**	**334**	**5.9%**	158	126	44	328	5.7%
Depreciation & amortization	**193**	**45**	**2**	**240**	**4.2%**	174	44	2	220	3.9%
Rental expenses	**12**	**40**	**2**	**54**	**1.0%**	3	33	3	39	0.7%
Other expenses	**193**	**70**	**23**	**286**	**5.0%**	211	67	35	313	5.5%
Total	**557**	**294**	**63**	**914**	**16.1%**	546	270	84	900	15.8%

Expenses consisted of staff costs, depreciation and amortisation, rental and other expenses. Other expenses mainly include utility expenses, advertising and promotion expenses, losses on disposal of property, plant and equipment, impairment of goodwill, office expenses, maintenance costs, travelling expenses, entertainment expenses, property tax and government surcharges, foreign exchange (gains)/loss, loss in change of fair value and other miscellaneous expenses.

For the six months ended 30 June 2017, total expenses of the Group as a percentage of TSP increased to approximately 16.1% (six months ended 30 June 2016: 15.8%) and total expenses increased by 1.6% to RMB914 million (six months ended 30 June 2016: RMB900 million). The growth was primarily attributable to the increase in the number of stores in expansion of stores network, including a new opening of Anqin Yaohan Lifestyle Shopping Mall in December 2016, which resulted in the rise in staff costs, depreciation and amortization.

However, the Group's department stores and supermarkets that are sited in self-owned properties reached 95.0% and 34.9% of the gross floor areas respectively. The self-owned properties mitigated rental cost increases.

Operations profit and operating margin

An analysis of the profit for the period was as follows:

	For the six months ended 30 June 2017	2016
	(RMB million)	
Operating profits by business unit:		
Department store	**357**	358
Supermarket	**60**	89
	417	447
Head office and non-operating and unallocated expenses		
Other unallocated gains	**13**	11
Net finance expenses	**(18)**	(25)
Corporate and other unallocated expenses	**(63)**	(84)
Profit before tax	**349**	349
Income tax expenses	**(122)**	(110)
Profit for the period	**227**	239

Operations profit for the Group (excluding interest and unallocated gains, corporate and other unallocated expenses and finance costs) decreased to RMB417 million for the six months ended 30 June 2017 from RMB447 million for the corresponding period in 2016, representing a decrease of 6.7%.

For the six months ended 30 June 2017, operations profit for the department store business drop by 0.3% to RMB357 million (six months ended 30 June 2016: RMB358 million) and operation margin as a percentage of TSP for department stores maintained at 8.5% (six months ended 30 June 2016: 8.5%). For the supermarket business, profit from operations decreased by approximately 32.5% to RMB60 million (six months ended 30 June 2016: RMB89 million) and operating margin as a percentage of TSP decreased to approximately 4.0%, representing a drop of 2 percentage point from 6.0% for the same period last year. The drop in operating margin was due to the loss of the newly opening stores and the stores are in ramp up period.

Net finance expenses

Net finance expenses comprised finance charge on interest-bearing borrowings net interest income from surplus cash.

Total finance costs decreased from RMB42 million to RMB28 million during the six months ended 30 June 2017 compared with the corresponding period last year. The decrease in net finance expenses and finance costs were due to the decrease in total interest expenses. During the six months ended 30 June 2017, approximately RMB27 million (six months ended 30 June 2016: RMB26 million) of the interest expenses has been capitalized as property under development.

Profit before tax

Profit before tax kept at approximately RMB349 million for the six months ended 30 June 2017, basically the same with the corresponding period last year.

Income tax expenses

Income tax expenses for the six months ended 30 June 2017 increased RMB12 million from the same period in 2016. The effectively tax rate staged at 35.0% (six months ended 30 June 2016: 31.5%).

Profit for the period and earning per share

Profit for the period reached approximately RMB227 million for the six months ended 30 June 2017 (six months ended 30 June 2016: RMB239 million), representing a decline of approximately 5.0% from the same comparable period in 2016.

For the six months ended 30 June 2017, the net profit margin in term of TSP was 4.0% (six months ended 30 June 2016: 4.2%) and the net profit margin in term of revenue was 10.1% (six months ended 30 June 2016: 10.8%). Basic earnings per share attributable to ordinary equity holders of the parent was RMB10 cents for the period.

EQUITY AND FINANCING

Equity

At 30 June 2017, the equity attributable to owners of the parent amounted to RMB5,101 million, representing an increase of RMB130 million from 31 December 2016.

During the six months ended 30 June 2017, the Company repurchased 17.8 million shares for a total consideration of approximately HK$28.7 million.

Funding model

The Group has actively diversified the funding sources, maintained strong long-term relations with lenders as well as investors and has spread out maturities to reduce refinancing risk.

The Group obtained approval from the National Association of Financial Market Institutional Investors to issue medium term financing notes in one or more tranches with an aggregate principal amount of up to RMB2.0 billion with a term of 3 years from the date of issuance to domestic institutional investors in the PRC. The Group also obtained approval from the China Securities Regulatory Commission and the Shanghai Stock Exchange to issue the domestic corporate bonds in one or more tranches with an aggregate principal amount of up to RMB2.0 billion with a term of no more than 5 years from the date of issuance to qualified investors in the PRC.

On 25 March 2016, the Group issued the first tranche of medium term financing notes at par value of RMB300 million with the nominal interest rate of 4.78% per annum and the effective interest rate of 5.13% per annum. The medium term financing notes are issued to institutional investors in the Inter-bank Bond Market in the PRC. On 21 June 2016, the Group also issued the first tranche of corporate bonds at par value of RMB800 million with a term of 3 years with the nominal interest rate of 4.87% per annum and the effective interest rate of 5.22% per annum. The corporate bonds are issued to qualified investors in the PRC as well as listed and traded on the Shanghai Stock Exchange.

Debt Management

As at 30 June 2017, total interest bearing borrowings of the Group were RMB3,124 million, higher than 31 December 2016 by RMB261 million. The Group decreased borrowing denominated in foreign currencies and increased the interest bearing RMB borrowing to lower foreign exchange risk. The Group maintained an appropriate mix of fixed/floating interest rate loans and maturity profile to mitigate interest rate and re-financing risks. The table below shows the proportion of floating and fixed rates for bank borrowings, financing notes and corporate bonds.

	30 June 2017		31 December 2016	
	(RMB million)	% of total	(RMB million)	% of total
Floating rates US$ bank loans	**1,165**	**37.3%**	1,366	47.7%
Floating rates HK$ bank loans	**61**	**2.0%**	63	2.2%
Fixed rates RMB bank loans	**800**	**25.6%**	310	10.8%
Fixed rated financing notes and corporate bonds	**1,098**	**35.1%**	1,124	39.3%
Total borrowings	**3,124**	**100%**	2,863	100%

Liquidity, foreign exchange and interest rate exposure

The Group's financing and treasury activities are centrally managed and controlled at the corporate level. The Group conducted its retail business in the PRC and its revenues and expenses were denominated in RMB. The Group relies principally on cash flow generated from its operating activities as a primary source of liquidity. The Group has always pursued a stable treasury management policy and is in a strong liquidity position with sufficient standby banking facilities and cash to cope with daily operations and capital demand for future development. Certain of the Group's bank balances, bank borrowings and deposits were denominated in HK$, SGD or US$ which exposed the Group to foreign exchange risks attributable to fluctuations in exchange rates between HK$, SGD or US$ and RMB.

The Group manages its foreign exchange risk and interest rate exposure by performing regular reviews of the Group's interest rate and net foreign exchange exposures. The Group's exposure to the risk of changes in market interest rates related primarily to the Group's bank loans with floating interest rates. The Group also uses derivative financial instruments for controlling or hedging foreign exchange risk exposures. Full amount of HK$ bank loan and a portion of US$ bank loan borrowing have been hedged by capped forward cross currency swap contracts.

Gearing

The Group has been carefully and healthy in using debt gearing to expand the business in accordance with the business strategy. At 30 June 2017, the Group's gearing ratio stayed at 53% (31 December 2016: 54%). The gearing ratio is calculated by net debt (including bank borrowings, medium term financing notes, corporate bonds, trade payables and other payables and accruals less restricted cash, time deposits and cash and cash equivalents) divided by the capital plus net debt of the Group.

Capital expenditure and capital commitment

Capital expenditure of the Group during the six months ended 30 June 2017 amounted to approximately RMB292 million (31 December 2016: RMB1,053 million). Capital expenditure consists of additions of property, plant and equipment and prepaid land premiums.

Capital commitment as of 30 June 2017 amounted to RMB752 million (31 December 2016: RMB757 million), representing mainly construction items which contracted but not provided for Xishan and Wuhu projects.

Cash and cash equivalents and time deposits

Cash and cash equivalents and time deposits Cash at banks earns interest at floating rates based on daily bank deposit rates. Time deposits are made for varying periods of between one months and five years depending on the immediate cash requirements of the Group and earn interest at the respective time deposit rates. The bank balances are deposited with creditworthy banks.

Restricted cash

Pursuant to the relevant rules and regulations issued by the Ministry of Commerce of the PRC, the Group was required to deposit bank balances in the Group's designated accounts or through issuing the letter of bank guarantee, total amount of which shall not be less than 30% of the balance of advances from customers for sales of prepaid cards. As at 30 June 2017, the Group has deposited cash in the amount of RMB111 million (31 December 2016: RMB109 million) in the Group's designated accounts.

CONTINGENT LIABILITIES

As at 30 June 2017 and 31 December 2016, the Group had no material contingent liabilities.

HUMAN RESOURCES

As at 30 June 2017, the Group employed a total of 8,314 staff, including 3,663 served the department store division and 4,533 served the supermarket division (31 December 2016: 9,086 staff, including 3,988 served the department store division and 4,933 served the supermarket division).

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public.

CONNECTED TRANACTIONS

During the six months ended 30 June 2017, the Group entered into the following continuing connected transactions.

On 30 April 2014, indirect wholly owned subsidiaries of the Company, Jiangsu Springland International Holdings (Group) Ltd ("Jiangsu Springland") and Wuxi Xishan Yaohan Lifestyle Center Co., Ltd ("Xishan Yaohan"), as sellers entered into agreements (the "Disposal Agreements") with Mr. Chen Jianqiang whereby Jiangsu Springland disposed the Financial Product and Xishan Yaohan disposed the Deposit for RMB180 million and RMB100 million respectively to Mr. Chen. The consideration in the amount of RMB280 million were agreed be paid on or before 31 December 2014.
On 16 December 2014, Jiangsu Springland, Xishan Yaohan and Mr. Chen entered into the supplemental agreements and extended the payment date for the outstanding consideration under the Disposal Agreements of RMB182 million to 31 December 2016. On 1 December 2016, Jiangsu Springland, Xishan Yaohan and Mr. Chen entered into another supplemental agreements and further extended the payment date for the outstanding consideration of RMB118 million to 31 December 2019. Starting from 1 January 2015, interest is charged on the amount due from Mr. Chen under the Disposal Agreements with an interest rate of 3.5% per annum. During the six months ended 30 June 2017, Mr. Chen has paid RMB18 million to the Group as principal and interest of the outstanding consideration under the Disposal Agreements.

Mr. Chen, the Chairman and the controlling shareholder of the Company, is a connected person of the Company under the Listing Rules. Accordingly, loan for the outstanding consideration under the Disposal Agreement and its supplemental agreements constituted continuing connected transactions of the Company under the Listing Rules. Details of the transactions have been set out in the announcements dated 2 May 2014, 16 December 2014 and 1 December 2016 issued by the Company.

CORPORATE GOVERNANCE CODE

The Company complied with the code provisions set out in the Code on Corporate Governance Practice (the "Corporate Governance Code") under Appendix 14 to the Listing Rules on the Stock Exchange throughout the six months ended 30 June 2017. No incident of non-compliance by Directors was noted by the Company in the period.

THE MODEL CODE FOR SECURITIES TRANSACTIONS

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 on the Stock Exchange as its code of conduct regarding Directors' securities transactions. Directors are reminded of their obligations under the Model Code on a regular basis. Specific confirmation has been obtained from each Director to confirm compliance with the required standards set out in the Model Code throughout the six months ended 30 June 2017.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the six months ended 30 June 2017, pursuant to the general mandate given to the Directors of the Company, the Company repurchased a total of 17,773,000 ordinary shares of HK$0.01 each of the Company on the Stock Exchange at an aggregate consideration of approximately HK$28.7 million. During the six months ended 30 June 2017, 17,773,000 shares repurchased during the period and 12,987,000 treasury shares were cancelled. The number of issued shares of the Company as of 30 June 2017 and the date of this announcement is 2,300,000,000. Particulars of the shares repurchased during the six months ended 30 June 2016 are as follows:

Month of repurchase	No. of shares of HK$0.01 each	Price per share		Aggregate consideration	Aggregate consideration equivalent to
		Highest	Lowest		
		HK$	HK$	HK$'000	RMB'000
March 2017	2,750,000	1.43	1.35	3,850	3,418
April 2017	3,000,000	1.44	1.40	4,247	3,762
May 2017	8,123,000	1.87	1.41	13,275	11,693
June 2017	3,900,000	1.88	1.84	7,308	6,343
	17,773,000			28,680	25,216

The Directors consider that the repurchases were made for the benefit of the Company and its shareholders as a whole with a view to enhancing the earnings per share and net asset value per share of the Company. Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the period.

DIRECTORS' RESPONSIBILITY IN RESPECT OF FINANCIAL STATEMENTS

The Directors acknowledge their responsibility for preparing the interim financial statements of the Company. The Directors consider that in preparing the unaudited condensed consolidated interim financial statements, the Company has used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgments and estimates, and that all applicable accounting standards have been followed. The Directors are not aware of any material or significant exposures exist, other than as reflected in this announcement. The Directors therefore have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The unaudited condensed consolidated interim financial statements are continually prepared on a going concern basis.

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and the unaudited condensed consolidated interim financial statements for the six months ended 30 June 2017. The Audit Committee is appointed by the Board of Directors and has three members, all of whom are Independent Non-executive Directors, being Dr. Lin Zhijun (chairman), Dr. Zhang Weijiong and Mr. Cheung Yat Ming.

INTERIM DIVIDEND

The Board proposed to pay an interim dividend of HK$3 cents per ordinary share of the Company for the six months ended 30 June 2017 to the shareholders whose names appear on the register of members of the Company on 21 September 2017. It is expected that the interim dividend will be paid on or about 3 October 2017.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 18 September 2017 to 21 September 2017 (both days inclusive) during which period no transfer of share(s) will be effected. In order to qualify for the interim dividend, all transfer documents, accompanied by the relevant share certificates, must be lodged with Computershare Hong Kong Investor Services Limited, the Company's Hong Kong branch share registrar and transfer office, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 15 September 2017.

DISCLOSURE OF INFORMATION ON WEBSITES

This announcement will be published on the websites of the Stock Exchange and the Company (www.springlandgroup.com.cn). The interim report for the six months ended 30 June 2017 will be dispatched to shareholders of the Company and published on the above mentioned websites in due course.

ACKNOWLEDGEMENT

I would like to take this opportunity to thank all the Directors, senior management and staff members of the Group for their invaluable contribution to the Group. My gratitude also goes to all the shareholders and business partners for their constant care and support.

By order of the Board
Chen Jianqiang
Chairman

Hong Kong, 11 August 2017

As at the date of this announcement, the Board comprises three executive directors, namely Mr. Chen Jianqiang, Mr. Tao Qingrong and Mr. Yu Yaoming; one non-executive director, namely Mr. Fung Hiu Chuen, John; and three independent non-executive directors, namely Dr. Lin Zhijun, Dr. Zhang Weijiong and Mr. Cheung Yat Ming.