Goodman Logistics (HK) Limited
ARBN 155 911 149
and its subsidiaries
Consolidated financial statements for the year ended 30 June 2014

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The directors have pleasure in submitting their annual financial report together with the audited financial statements of Goodman Logistics (HK) Limited ("the Company") and its subsidiaries (collectively referred to as the "Consolidated Entity") for the year ended 30 June 2014.

Incorporation and principal place of business

Goodman Logistics (HK) Limited was incorporated in Hong Kong on 18 January 2012 and has its principal place of business at Suite 2008, Three Pacific Place, 1 Queen's Road East, Hong Kong.

On 22 August 2012, the Company became a party to the stapling deed with Goodman Limited ("GL") and Goodman Industrial Trust ("GIT"), and together the three entities and their subsidiaries are known as Goodman Group. Goodman Group is listed on the Australian Securities Exchange ("ASX").

Principal activities

The principal activities of the Consolidated Entity are investment in directly and indirectly held industrial property, fund management, property management services and development management. The principal activities and other particulars of the subsidiaries are set out in note 14 to the financial statements.

Financial statements

The results of the Consolidated Entity for the year ended 30 June 2014 and the state of the Company and the Consolidated Entity's affairs at that date are set out in the financial report on pages 5 to 46.

No dividends were declared during the year.

Share capital

Details of the movements in share capital of the Company during the year are set out in note 16 to the financial statements. These movements include the transfer of amounts standing in the share premium account to share capital on 3 March 2014. This transfer was done in accordance with the transitional provisions set out in section 37 of Schedule 11 to the new Hong Kong Companies Ordinance (Cap. 622) which abolishes the concept of authorised share capital.

Directors

The directors during the year and up to the date of this report were:

Philip Yan Hok Fan
Ian Douglas Ferrier
Gregory Leith Goodman
Philip John Pearce

State of affairs

The key changes in the Consolidated Entity's state of affairs during the year were as follows:

(a) Establishment of KWASA Goodman Germany ("KGG")

On 4 December 2013, the Consolidated Entity and Malaysia's Employees Provident Fund established a fund in Europe, KGG, with an initial combined equity commitment of €500.0 million. KGG was launched through the acquisition of a €213.0 million portfolio of German assets. The Consolidated Entity holds a 30% interest in the fund and will provide management services to the portfolio on terms generally consistent with arrangements across its existing fund management platform.

(b) Investment in Goodman Japan Development Partnership

During the year, the Consolidated Entity subscribed for a 42.5% interest in two entities under the Goodman Japan Development Partnership for a consideration of JPY 4.4 billion ($47.5 million).

Directors' interests in contracts

No contract of significance in relation to the Company's business to which the Company, its subsidiaries or any of its fellow subsidiaries was a party and in which the directors of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Directors' interest in shares

At 30 June 2014, the Company is a member of Goodman Group. As at the end of the year, the directors held the following interests in the stapled securities of Goodman Group, which are listed on the ASX:

Directors	Direct securities	Indirect securities	Total
Mr Philip Yan Hok Fan	17,103	-	17,103
Mr Ian Douglas Ferrier	141,674	-	141,674
Mr Gregory Leith Goodman	506,649	45,076,923	45,583,572
Mr Philip John Pearce	164,798	-	164,798

In addition, Mr Gregory Leith Goodman and Mr Philip John Pearce participate in the Goodman Group Long Term Incentive Plan under which they hold performance rights. Performance rights entitle participants to receive Goodman Group stapled securities without the payment of consideration subject to Goodman Group satisfying performance criteria and the participants remaining employees of Goodman Group.

As at 30 June 2014, Mr Gregory Leith Goodman and Mr Philip John Pearce held the following performance rights:

Executive Directors	Number of performance rights at the start of the year	Number of performance rights granted during the year	Number of performance rights vested during the year	Number of performance rights forfeited during the year	Number of performance rights at the end of the year	Date performance rights granted	Financial years in which grant vests
Mr Gregory Leith Goodman	-	947,368	-	-	947,368	22 Nov 13	2017 – 2019
	927,152	-	-	-	927,152	16 Nov 12	2016 – 2018
	980,000	-	-	-	980,000	25 Nov 11	2015 – 2017
	730,770	-	(243,590)	-	487,180	1 Feb 11	2014 – 2016
	520,000	-	(260,000)	-	260,000	14 May 10	2013 – 2015
Mr Philip John Pearce	-	394,737	-	-	394,737	22 Nov 13	2017 – 2019
	298,013	-	-	-	298,013	16 Nov 12	2016 – 2018
	200,000	-	-	-	200,000	30 Sep 11	2015 – 2017
	153,847	-	(51,282)	-	102,565	1 Feb 11	2014 – 2016
	152,778	-	(76,389)	-	76,389	14 May 10	2013 – 2015

Apart from the above, at no time during the year was the Company or any of its subsidiaries a party to any arrangement to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other related body corporate.

Auditors

KPMG retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of KPMG as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

Subsequent events

In the opinion of the directors, there were no events subsequent to the reporting date, and up to the date of signature of these financial statements, which would require adjustment to or disclosure in the financial statements.

Declaration by the Group Chief Executive Officer and Chief Financial Officer

The directors have been given declarations equivalent to those required of listed Australian companies by section 295A of the Corporations Act 2001 from the Group Chief Executive Officer and Chief Financial Officer for the year ended 30 June 2014.

By order of the board

Philip Pearce

Ian Douglas Ferrier, AM
Independent Chairman

Philip John Pearce
Managing Director, Greater China

Sydney, 14 August 2014

Goodman Logistics (HK) Limited and its subsidiaries
Consolidated statement of financial position
as at 30 June 2014

(expressed in Australian dollars)

		Consolidated	
		2014	**2013**
	Note	**$M**	**$M**
Current assets			
Cash	21(a)	92.6	219.0
Receivables	10	271.9	309.7
Current tax receivables	7(c)	0.2	0.1
Other assets	11	1.6	16.5
Total current assets		**366.3**	**545.3**
Non-current assets			
Receivables	10	21.2	132.9
Inventories	12(d)	399.7	290.4
Other financial assets	13	19.6	16.1
Investment properties	12(e)	87.7	82.5
Investments accounted for using the equity method	12(f)	281.7	26.2
Deferred tax assets	7(d)	0.7	1.1
Plant and equipment		6.2	6.3
Other assets	11	0.5	21.1
Total non-current assets		**817.3**	**576.6**
Total assets		**1,183.6**	**1,121.9**
Current liabilities			
Payables	15	967.3	1,011.3
Current tax payables	7(c)	16.9	17.1
Employee benefits		16.9	2.5
Provisions		0.5	0.2
Total current liabilities		**1,001.6**	**1,031.1**
Non-current liabilities			
Payables	15	4.0	1.8
Provisions		1.3	1.5
Total non-current liabilities		**5.3**	**3.3**
Total liabilities		**1,006.9**	**1,034.4**
Net assets		**176.7**	**87.5**
Equity attributable to Shareholders			
Issued share capital	16	614.6	-[1]
Share premium	16	-	606.1
Reserves	17	(540.3)	(548.9)
Retained earnings	18	94.2	24.4
Total equity attributable to Shareholders		**168.5**	**81.6**
Non-controlling interests		8.2	5.9
Total equity		**176.7**	**87.5**

1. Amounts less than $0.1 million.

Approved and authorised for issue by the board of directors on 14 August 2014

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The notes on pages 10 to 46 form part of these consolidated financial statements.

Goodman Logistics (HK) Limited and its subsidiaries
Statement of financial position
as at 30 June 2014

(expressed in Australian dollars)

		Company	
	Note	2014 $M	2013 $M
Current assets			
Cash	21(a)	1.9	2.5
Receivables	10	26.1	76.5
Total current assets		**28.0**	**79.0**
Non-current assets			
Other financial assets	13	65.7	16.1
Investments in subsidiaries	14	579.7	523.4
Total non-current assets		**645.4**	**539.5**
Total assets		**673.4**	**618.5**
Current liabilities			
Payables	15	26.2	-
Total current liabilities		**26.2**	**-**
Total non-current liabilities		**-**	**-**
Total liabilities		**26.2**	**-**
Net assets		**647.2**	**618.5**
Equity attributable to Shareholders			
Issued share capital	16	614.6	-[1]
Share premium	16	-	606.1
Reserves	17	8.1	1.0
Retained earnings	18	24.5	11.4
Total equity attributable to Shareholders		**647.2**	**618.5**

1. Amounts less than $0.1 million.

Approved and authorised for issue by the board of directors on 14 August 2014

) Directors

The notes on pages 10 to 46 form part of these consolidated financial statements.

Goodman Logistics (HK) Limited and its subsidiaries
Consolidated statement of comprehensive income
for the year ended 30 June 2014

(expressed in Australian dollars)

		Consolidated	
		2014	**2013**
	Note	**$M**	**$M**
Revenue			
Gross property income		14.5	5.1
Management income		73.6	22.3
Development income		391.1	67.7
Distributions from investments		0.8	-
		480.0	**95.1**
Property and development expenses			
Property expenses		(5.9)	(2.0)
Development expenses		(296.6)	(22.4)
		(302.5)	**(24.4)**
Other income/(losses)			
Net loss from fair value adjustments on investment properties	12(e)	-	(6.7)
Net gain on disposal of investment properties		0.1	-
Share of net results of equity accounted investments	5	19.8	(0.5)
		19.9	**(7.2)**
Other expenses			
Employee expenses		(49.0)	(27.3)
Share based payments expense	5	(13.8)	(3.8)
Administrative and other expenses		(21.1)	(10.1)
Impairment losses	5	(0.5)	(2.1)
		(84.4)	**(43.3)**
Profit before interest and tax	5	**113.0**	**20.2**
Net finance (expense)/income			
Finance income	6	2.2	4.1
Finance expense	6	(25.7)	(7.8)
Net finance expense		**(23.5)**	**(3.7)**
Profit before income tax		**89.5**	**16.5**
Income tax expense	7(a)	(4.5)	(1.3)
Profit for the year		**85.0**	**15.2**
Profit for the year attributable to:			
Shareholders	18	82.8	13.9
Non-controlling interests		2.2	1.3
Profit for the year		**85.0**	**15.2**
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Increase due to revaluation of other financial assets	13	4.9	-
Effect of foreign currency translation		(11.4)	(0.7)
Other comprehensive income for the year		**(6.5)**	**(0.7)**
Total comprehensive income for the year		**78.5**	**14.5**
Total comprehensive income for the year attributable to:			
Shareholders		76.2	12.6
Non-controlling interests		2.3	1.9
Total comprehensive income for the year		**78.5**	**14.5**

The notes on pages 10 to 46 form part of these consolidated financial statements.

Goodman Logistics (HK) Limited and its subsidiaries
Consolidated statement of changes in equity
for the year ended 30 June 2014

(expressed in Australian dollars)

Year ended 30 June 2013

Consolidated		Attributable to Shareholders						
		Issued share capital[1]	Share premium	Reserves	Retained earnings	Total	Non-controlling interests	Total equity
	Note	$M	$M	$M	$M	$M	$M	$M
Balance at 1 July 2012		-	-	-	-	-	-	-
Total comprehensive income for the year								
Profit for the year	18	-	-	-	13.9	**13.9**	1.3	**15.2**
Other comprehensive income for the year		-	-	(1.3)	-	**(1.3)**	0.6	**(0.7)**
Total comprehensive income for the year, net of income tax		**-**	**-**	**(1.3)**	**13.9**	**12.6**	**1.9**	**14.5**
Transfers		-	-	(10.5)	10.5	**-**	-	**-**
Contributions by and distributions to owners								
- Issue of shares to GIT	16	-	561.8	-	-	**561.8**	-	**561.8**
- Issue of shares under an Institutional Placement	16	-	40.0	-	-	**40.0**	-	**40.0**
- Issue of shares under a Security Purchase Plan	16	-	4.9	-	-	**4.9**	-	**4.9**
- Issue costs	16	-	(0.6)	-	-	**(0.6)**	-	**(0.6)**
- Equity settled share based payments transaction	17(c)	-	-	1.0	-	**1.0**	-	**1.0**
Changes in ownership interests in subsidiaries								
- Acquisition of entities from Goodman Group	3	-	-	(538.1)	-	**(538.1)**	4.0	**(534.1)**
Balance at 30 June 2013		**-**	**606.1**	**(548.9)**	**24.4**	**81.6**	**5.9**	**87.5**

1. Amounts less than $0.1 million.

Year ended 30 June 2014

Consolidated		Attributable to Shareholders						
		Share capital	Share premium	Reserves	Retained earnings	Total	Non-controlling interests	Total equity
	Note	$M	$M	$M	$M	$M	$M	$M
Balance at 1 July 2013		**-**	**606.1**	**(548.9)**	**24.4**	**81.6**	**5.9**	**87.5**
Total comprehensive income for the year								
Profit for the year	18	-	-	-	82.8	**82.8**	2.2	**85.0**
Other comprehensive income for the year		-	-	(6.6)	-	**(6.6)**	0.1	**(6.5)**
Total comprehensive income for the year, net of income tax		**-**	**-**	**(6.6)**	**82.8**	**76.2**	**2.3**	**78.5**
Transfers		-	-	13.0	(13.0)	**-**	-	**-**
Contributions by and distributions to owners								
- Issue of shares under Goodman Group's dividend reinvestment plan (DRP)	16	-	5.4	-	-	**5.4**	-	**5.4**
- Issue of shares to employees of Goodman Group under the Long Term Incentive Plan (LTIP)	16	-	3.1	-	-	**3.1**	-	**3.1**
- Reclassification due to abolishment of authorised share capital on 3 March 2014, net of accumulated issue costs	16	614.6	(614.6)	-	-	**-**	-	**-**
- Equity settled share based payments transaction	17(c)	-	-	2.2	-	**2.2**	-	**2.2**
Balance at 30 June 2014		**614.6**	**-**	**(540.3)**	**94.2**	**168.5**	**8.2**	**176.7**

The notes on pages 10 to 46 form part of these consolidated financial statements.

Goodman Logistics (HK) Limited and its subsidiaries
Consolidated cash flow statement
for the year ended 30 June 2014

(expressed in Australian dollars)

		Consolidated	
		2014	**2013**
	Note	**$M**	**$M**
Cash flows from operating activities			
Property income received		9.9	6.2
Cash receipts from development activities		546.6	220.2
Other cash receipts from services provided		71.1	31.2
Property expenses paid		(4.6)	(2.2)
Payments for development activities		(542.4)	(178.4)
Other cash payments in the course of operations		(83.2)	(32.0)
Dividends/distributions received		2.3	-
Interest received		0.2	-
Finance costs paid		(0.4)	(3.3)
Net income taxes paid		(5.3)	(3.0)
Net cash (used in)/provided by operating activities	21(b)	**(5.8)**	**38.7**
Cash flows from investing activities			
Proceeds from disposal of investment properties		0.1	2.2
Payments for investment properties		(0.5)	(8.0)
Capital return from equity investments		0.9	70.2
Payments for equity investments		(96.5)	(88.1)
Payments for plant and equipment		(0.5)	-
Payments for controlled entities, net of cash acquired		-	129.8
Net cash (used in)/provided by investing activities		**(96.5)**	**106.1**
Cash flows from financing activities			
Net (payment of)/proceeds from loans with related parties		(27.7)	51.6
Net cash (used in)/provided by financing activities		**(27.7)**	**51.6**
Net (decrease)/increase in cash held		(130.0)	196.4
Cash at the beginning of the year		219.0	-
Effect of exchange rate fluctuations on cash held		3.6	22.6
Cash at the end of the year	21(a)	**92.6**	**219.0**

The notes on pages 10 to 46 form part of these consolidated financial statements.

(expressed in Australian dollars)

1. Statement of significant accounting policies

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and accounting principles generally accepted in Hong Kong. These financial statements also comply with the applicable requirements of the Hong Kong Companies Ordinance, which for this financial year and the comparative period continue to be those of the predecessor Companies Ordinance (Cap. 32), in accordance with transitional and saving arrangements for Part 9 of the new Hong Kong Companies Ordinance (Cap. 622), "Accounts and Audit", which are set out in sections 76 to 87 of Schedule 11 to that Ordinance.

The Company has not applied any new amendments or standards that are not yet effective for the current year. A summary of the significant accounting policies adopted by the Company and the Consolidated Entity is set out below.

(b) Basis of preparation of the consolidated financial statements

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis except for investment properties and other financial assets which are stated at fair value.

As at 30 June 2014, the Consolidated Entity had net current liabilities of $635.3 million. In accordance with the stapling agreement between the Company, GL and Goodman Funds Management Limited as responsible entity for GIT, on request, each party (and its subsidiaries) must provide financial support to the other party (and its subsidiaries). The financial support to the other party (and its subsidiaries) may include:

+ lending money or providing financial accommodation;
+ guaranteeing any loan or other financing facility including providing any security;
+ entering into any covenant, undertaking, restraint, negative pledge on the obtaining of any financial accommodation or the provision of any guarantee or security in connection with any financial accommodation; and
+ entering into any joint borrowing or joint financial accommodation and providing any guarantee, security, indemnities and undertakings in connection with the relevant joint borrowing or joint financial accommodation.

A party need not do anything under the above arrangements to the extent that the party considers that it is not in the interests of Goodman Group Securityholders as a whole, or would cause a member of the party's group to contravene or breach applicable laws or particular finance arrangements.

On the basis of the above, the consolidated financial statements have been prepared on a going concern basis.

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(c) Principles of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. When assessing whether the Company has power, only substantive rights (held by the Company and other parties) are considered.

An investment in a controlled entity is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. When an entity ceases to be controlled by the Company, it is accounted for as a disposal of the entire interest in the entity, with a resulting gain or loss being recognised in the statement of comprehensive income.

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses.

1. Statement of significant accounting policies (cont)

(c) Principles of consolidation (cont)

Associates
Associates are those entities over which the Consolidated Entity exercises significant influence but not control over their financial and operating policies. In the consolidated financial statements, investments in associates are accounted for using the equity method. Investments in associates are carried at the lower of the equity accounted amount and recoverable amount. Under this method, the Consolidated Entity's share of post-acquisition gains or losses of associates is recognised in the consolidated statement of comprehensive income and its share of post-acquisition movements in reserves is recognised in consolidated reserves. Cumulative post-acquisition movements in both profit or loss and reserves are adjusted against the cost of the investment.

Joint ventures
A joint venture (JV) is an arrangement in which the Consolidated Entity has joint control, whereby the Consolidated Entity has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. In the consolidated financial statements, investments in JVs are accounted for using the equity method. Investments in JVs are carried at the lower of the equity accounted amount and recoverable amount. The Consolidated Entity's share of the JVs net profit or loss is recognised in the consolidated statement of comprehensive income from the date joint control commences to the date joint control ceases. Movements in reserves are recognised directly in the consolidated reserves.

In the Company's statement of financial position, investments in JVs are accounted for as an available for sale asset; refer to note 1(h).

Accounting for acquisitions of non-controlling interests
Acquisitions of non-controlling interests are accounted for as transactions with equity holders in their capacity as equity holders and therefore no gain or loss and no goodwill is recognised as a result of such transactions.

Transactions eliminated on consolidation
Unrealised gains resulting from transactions with JVs, including those relating to contributions of non-monetary assets on establishment, are eliminated to the extent of the Consolidated Entity's interest. Unrealised gains relating to JVs are eliminated against the carrying amount of the investment. Unrealised losses are eliminated in the same way as unrealised gains, unless they evidence an impairment of an asset.

Combination of entities or businesses under common control
Where the Consolidated Entity acquires entities or businesses from other members of Goodman Group such that all of the combining entities (businesses) are ultimately controlled by Goodman Group Securityholders both before and after the combination, the Consolidated Entity applies the pooling of interests method.

At the date of the combination of entities under common control, the assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments are made to reflect fair values, or recognise any new assets or liabilities that would otherwise be done under the acquisition method. The only goodwill that is recognised is any existing goodwill relating to either of the combining entities. Any difference between the consideration transferred and the equity "acquired" by the Consolidated Entity is reflected within equity (common control reserve).

Similar to the acquisition method, the results of the "acquired" entity are included only from the date control commenced. Comparatives are not restated to present the consolidated financial statements as if the entities had always been combined.

(d) Foreign currency translation

Functional and presentation currency
Items included in the consolidated financial statements of each of the Company's subsidiaries are measured using the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars, which is the Company's functional and presentation currency.

Transactions
Foreign currency transactions are translated to each entity's functional currency at rates approximating to the foreign exchange rates ruling at the dates of the transactions. Amounts receivable and payable in foreign currencies at the reporting date are translated at the rates of exchange ruling on that date. Resulting exchange differences are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost are translated at rates of exchange applicable at the date of the initial transaction. Non-monetary items which are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

1. Statement of significant accounting policies (cont)

(d) Foreign currency translation (cont)

Translation of controlled foreign operations
The assets and liabilities of foreign operations are translated into Australian dollars at foreign exchange rates applicable at the reporting date.

Revenue and expenses are translated at weighted average rates for the financial year. Exchange differences arising on translation are taken directly to the foreign currency translation reserve until the disposal or partial disposal of the operations.

Exchange differences arising on monetary items that form part of the net investment in a foreign operation are recognised in the foreign currency translation reserve on consolidation.

(e) Investment properties and gross property income

Investment properties comprise investment interests in land and buildings held for the purpose of leasing to produce rental income and/or for capital appreciation. Investment properties are carried at their fair value.

Components of investment properties
Land and buildings (including integral plant and equipment) comprising investment properties are regarded as composite assets and are disclosed as such in the consolidated financial statements. Investment properties are not depreciated as they are subject to continual maintenance and regularly revalued on the basis described below.

Investment property carrying values include the costs of acquiring the properties and subsequent costs of development, if applicable. Where a contract of purchase includes a deferred payment arrangement, the acquisition value is determined as the cash consideration payable in the future, discounted to present value at the date of acquisition. Costs of development include the costs of all materials used in construction, costs of managing the project, holding costs and borrowing costs incurred during the development period.

Amounts provided to customers as lease incentives and assets relating to fixed rental income increases in operating lease contracts are included within investment property values. Lease incentives are amortised over the term of the lease on a straight-line basis. The amortisation is applied to reduce gross property income.

Expenditure on direct leasing and tenancy costs is deferred and included within investment property values. Direct leasing and tenancy costs are amortised over the term of the lease in proportion to the rental income recognised in each financial year.

Stabilised investment properties
Stabilised investment properties are completed investment properties that are capable of earning rental income. An independent valuation of stabilised investment properties is obtained at least every three years to use as a basis for measuring the fair value of the properties. The independent registered valuers determine the market value based on market evidence and assuming a willing, but not anxious, buyer and seller, a reasonable period to sell the property, and the property being reasonably exposed to the market.

At each balance date occurring between obtaining independent valuations, the directors review the carrying value of the Consolidated Entity's investment properties to be satisfied that, in their opinion, the carrying value of the investment properties reflects the fair value of the investment properties at that date. Changes in fair value are recognised directly in the statement of comprehensive income. The net of unrealised revaluations from investment properties is transferred to the asset revaluation reserve from retained earnings.

1. Statement of significant accounting policies (cont)

(e) Investment properties and gross property income (cont)

Gross property income
Gross property income comprises rental income entitlements under operating leases, net of incentives provided, plus recoverable outgoings.

Rental income entitlements under operating leases are recognised on a straight-line basis over the term of the lease contract. Where operating lease rental income is recognised relating to fixed increases in rentals in future years, an asset is recognised. This asset is a component of the relevant investment property carrying amount. The cost of lease incentives provided to customers is recognised on a straight-line basis over the life of the lease as a reduction of gross property income.

Recoverable outgoings are recognised as income when the relevant outgoings are recorded as an expense.

Investment properties under development
Investment properties under development include land, new investment properties in the course of construction and investment properties that are being redeveloped. Property under development for future use as an investment property is measured at fair value.

Deposits for investment properties
Deposits and other costs associated with acquiring investment properties that are incurred prior to the Consolidated Entity obtaining legal title are recorded at cost and disclosed as other assets in the statement of financial position.

Disposal of investment properties
The disposal of an investment property is recognised when the significant risks and rewards of ownership have been transferred. The gain or loss on disposal of investment properties is calculated as the difference between the carrying amount of the property at the time of the disposal and the proceeds on disposal (less transaction costs and any provision for future rental guarantees) and is included in the statement of comprehensive income in the period of disposal. Any previously unrealised valuation gains or losses are transferred from the asset revaluation reserve to retained earnings.

(f) Management income

Fee income derived from fund management and property services is recognised progressively as the services are provided. Any performance related fund management income is recognised on attainment of the performance related conditions.

1. Statement of significant accounting policies (cont)

(g) Development activities

Development income
Development income comprises fee income from development management contracts, income from fixed price construction contracts and income from disposal of inventories.

Fee income from development management services is recognised progressively as the services are provided in proportion to the stage of completion by reference to costs incurred. Any performance related development management income is recognised on attainment of the performance related conditions.

Certain development management arrangements are assessed as being fixed price construction contracts rather than a rendering of services. Revenue and expenses relating to construction contracts are recognised in the statement of comprehensive income in proportion to the stage of completion of the relevant contracts. The stage of completion is assessed by reference to costs incurred to date as a percentage of estimated total costs for each contract. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognised immediately in the statement of comprehensive income.

The disposal of inventory is recognised when the significant risks and rewards of ownership have been transferred. The gain or loss on disposal of inventories is calculated as the difference between the carrying amount of the asset at the time of disposal and the proceeds on disposal (less transaction costs and any provision for future rental guarantees) and is included in the statement of comprehensive income in the period of disposal.

Construction contract receivables
Construction contract receivables, which are presented in receivables in the statement of financial position, are stated at cost plus profit recognised to date less an allowance for foreseeable losses and less progress billings. Cost includes all expenditure related directly to specific projects and an allocation of fixed and variable overheads incurred, relating to the Consolidated Entity’s construction contract activities based on normal operating activity.

Inventories
Inventories relate to land and property developments that are held for sale or development and sale in the normal course of the Consolidated Entity’s business. Where property developments are forecast to be completed and sold more than 12 months after the balance date, then the inventories are classified as non-current.

Work in progress in relation to land subdivision and development projects includes the costs of acquisition, planning, management and development and holding costs such as interest and taxes. Work in progress is carried at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the normal course of business, less the estimated costs of completion and selling expenses.

1. Statement of significant accounting policies (cont)

(h) Financial instruments

Non-derivative financial assets
The Consolidated Entity initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the trade date at which the Consolidated Entity becomes a party to the contractual provisions of the instrument.

The Consolidated Entity derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the right to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Consolidated Entity is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Consolidated Entity has legal right to offset the amounts and intends to either settle on a net basis or to realise the asset and settle the liability simultaneously.

Loans and receivables
Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest rate method, less allowance for impairment of doubtful debts, except where the receivables are interest free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less allowance for impairment of doubtful debts.

Loans and receivables comprise trade and other receivables.

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less.

Available for sale financial assets
Available for sale financial assets are non-derivative financial assets that are designated as available for sale and that are not classified in any of the previous categories of financial assets. Subsequent to initial recognition, they are measured at fair value and changes therein, other than impairment losses (refer to note 1(j)), are recognised in the statement of comprehensive income and presented in the asset revaluation reserve in equity. When such an asset is derecognised, the cumulative gain or loss in equity is transferred to profit or loss.

Available for sale financial assets comprise investments in equity securities (other financial assets).

Non-derivative financial liabilities
The Consolidated Entity initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities are recognised initially on the trade date at which the Consolidated Entity becomes a party to the contractual provisions of the instrument.

The Consolidated Entity derecognises a financial liability when the contractual obligations are discharged or cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Consolidated Entity has legal right to offset the amounts and intends to either settle on a net basis or to realise the asset and settle the liability simultaneously.

The Consolidated Entity has classified non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest rate method.

Other financial liabilities comprise interest bearing liabilities, bank overdrafts and trade and other payables.

Bank overdrafts that are repayable on demand and form an integral part of the Consolidated Entity's cash management are included as a component of cash and cash equivalents for the purpose of the consolidated cash flow statement.

Issued capital
Ordinary shares
Ordinary shares of the Company are classified as equity. Incremental costs directly attributable to issues of ordinary shares and options are recognised as a deduction from equity, net of any tax effects.

1. Statement of significant accounting policies (cont)

(i) Finance costs

Expenditure incurred in obtaining debt finance is offset against the principal amount of the interest bearing liability to which it relates, and is recognised as a finance cost on an effective yield basis over the life of the facility or until the facility is significantly modified. Where a facility is significantly modified, any unamortised expenditure in relation to that facility and incremental expenditure incurred in modifying the facility are recognised as a finance cost in the financial year in which the significant modification occurs.

Finance costs relating to a qualifying asset are capitalised as part of the cost of that asset using a weighted average cost of debt. Qualifying assets are assets which take a substantial time to get ready for their intended use or sale. All other finance costs are expensed using the effective interest rate method.

(j) Impairment

Non-financial assets
The carrying amounts of the Consolidated Entity's assets (except investment properties, refer to note 1(e); inventories, refer to note 1(g); and deferred tax assets, refer to note 1(o)) are reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the asset is written down to the recoverable amount. The impairment is recognised in the statement of comprehensive income in the reporting period in which it occurs.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of comprehensive income, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation, with any excess recognised through the statement of comprehensive income.

Impairment losses recognised in respect of cash-generating units are allocated to the carrying amount of any identified intangible asset and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

Financial assets
A financial asset is assessed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the financial asset is written down to the present value of the estimated future cash flows discounted at the original effective interest rate, or in the case of an available for sale financial asset, to its fair value. The impairment is recognised in profit or loss in the reporting period in which it occurs.

When a decline in the fair value of an available for sale financial asset has been recognised directly in equity and there is objective evidence that the asset is impaired, the cumulative loss that had been recognised directly in equity is transferred to profit or loss. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount
The recoverable amount of the Consolidated Entity's receivables carried at amortised cost is calculated as the present value of estimated future cash flows, discounted at the original effective interest rate (i.e. the effective interest rate computed at initial recognition of these financial assets). Receivables with a short duration are not discounted.

Impairment of receivables is not recognised until objective evidence is available that a loss event has occurred. Significant receivables are individually assessed for impairment.

The recoverable amount of other assets is the greater of their fair value less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

1. Statement of significant accounting policies (cont)

(j) Impairment (cont)

Reversals of impairment
An impairment loss in respect of an investment in an equity instrument classified as available for sale is not reversed through profit or loss. If the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed, with the amount of the reversal recognised in profit or loss.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Impairment losses, other than those referred to above, are reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimate used to determine the recoverable amount.

Where a group of assets working together supports the generation of cash inflows, the recoverable amount is assessed in relation to that group of assets.

In assessing recoverable amounts of non-current assets, the relevant cash flows are discounted to their present value.

(k) Provisions

A provision is recognised when there is a legal, equitable or constructive obligation as a result of a past event and it is probable that a future sacrifice of economic benefits will be required to settle the obligation, the timing or amount of which is uncertain.

If the effect is material, a provision is determined by discounting the expected future cash flows (adjusted for expected future risks) required to settle the obligation at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability most closely matching the expected future payments. The unwinding of the discount is treated as part of the expense related to the particular provision.

Dividends payable
Provisions for dividends payable are recognised in the reporting period in which the dividends are declared.

Rental guarantees
A provision for rental guarantees is recognised when it is expected that the Consolidated Entity will be obliged to make payments in the future to meet rental income targets guaranteed to third parties under the terms of asset disposal contracts. The provision is measured at the present value of the estimated future payments.

(l) Segment reporting

The Consolidated Entity reports the results and financial position of its operating segments based on the internal reports regularly reviewed by the Goodman Group Chief Executive Officer in order to assess each segment's performance and to allocate resources to them.

An operating segment is a component of the Consolidated Entity that engages in business activities from which it may earn revenues and incur expenses. All operating segments' operating results are regularly reviewed by the Group Chief Executive Officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Goodman Group Chief Executive Officer include items that are directly attributable to a segment and the portion that can be allocated to the segment on a reasonable basis. Unallocated items include fair value adjustments and impairments, interest and tax expense, interest bearing receivables and payables, receivables from and payables to GL and GIT, provision for dividends to Shareholders, corporate assets, head office expenses and income tax assets and liabilities.

1. Statement of significant accounting policies (cont)

(m) Related parties

(i) A person, or a close member of that person's family, is related to the Company if that person:
  (1) has control or joint control over the Company;
  (2) has significant influence over the Company; or
  (3) is a member of the key management personnel of the Company or the Company's parent.

(ii) An entity is related to the Company if any of the following conditions applies:
  (1) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
  (2) one entity is an associate or JV of the other entity (or an associate or JV of a member of a group of which the other entity is a member);
  (3) both entities are JVs of the same third party;
  (4) one entity is a JV of a third entity and the other entity is an associate of the third entity;
  (5) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company;
  (6) the entity is controlled or jointly controlled by a person identified in (i); or
  (7) a person identified in (i)(1) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(n) Employee benefits

Wages, salaries and annual leave
Liabilities for wages and salaries, including non-monetary benefits, and annual leave that are expected to be settled within 12 months of the reporting date, represent present obligations resulting from employees' services provided to the reporting date. These are calculated at undiscounted amounts based on remuneration wage and salary rates that the Company expects to pay as at reporting date including related on-costs, such as workers' compensation insurance and payroll tax.

Defined contribution superannuation funds
Obligations for contributions to defined contribution superannuation funds are recognised as an expense as incurred.

Share based payment transactions
The fair value of rights and options over stapled securities, granted to employees of the Consolidated Entity by Goodman Group, at the grant date is recognised as a share based payment expense in the results of the Consolidated Entity with a corresponding increase in equity. The share based payment expense is calculated over the period to the vesting date and is adjusted to reflect the actual number of rights or options for which the related service and non-market vesting conditions are expected to be met. The fair values of rights and options are measured at the grant date using a combination of Monte Carlo simulations and Black Scholes pricing models.

(o) Income tax

Income tax for the period comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case the relevant amounts of tax are recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits. Apart from differences which arise on initial recognition of assets and liabilities, all deferred tax liabilities and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

1. Statement of significant accounting policies (cont)

(p) Changes in accounting policies

The HKICPA has issued several amendments to HKFRSs that are first effective for the current accounting period of the Consolidated Entity. Of these, the following developments are relevant to the Consolidated Entity's financial statements:

+ Amendments to HKAS 1, *Presentation of financial statements – Presentation of items of other comprehensive income*;
+ HKFRS 10, *Consolidated financial statements*;
+ HKFRS 11, *Joint arrangements*;
+ HKFRS 12, *Disclosure of interests in other entities*; and
+ HKFRS 13, *Fair value measurement*.

Amendments to HKAS 1, Presentation of financial statements – Presentation of items of other comprehensive income

The amendments require entities to present separately the items of other comprehensive income that would be reclassified to profit or loss in the future if certain conditions are met from those that would never be reclassified to profit or loss. The presentation of other comprehensive income in the consolidated statement of comprehensive income in these financial statements has been modified accordingly on page 7.

HKFRS 10, Consolidated financial statements

HKFRS 10 replaces the requirements in HKAS 27, Consolidated and separate financial statements relating to the preparation of consolidated financial statements and HK-SIC 12 Consolidation – Special purpose entities. It introduces a single control model to determine whether an investee should be consolidated, by focusing on whether the entity has power over the investee, exposure or rights to variable returns from its involvement with the investee and the ability to use its power to affect the amount of those returns.

The Consolidated Entity assessed the impact of the new accounting standard on its principal equity accounted investments and concluded the adoption does not change any of the control conclusions reached by the Consolidated Entity in respect of its involvement with other entities as at 1 July 2013.

HKFRS 11, Joint arrangements

HKFRS 11, which replaces HKAS 31, Interests in joint ventures, divides joint arrangements into joint operations and joint ventures. Entities are required to determine the type of an arrangement by considering the structure, legal form, contractual terms and other facts and circumstances relevant to their rights and obligations under the arrangement. Joint arrangements which are classified as joint operations under HKFRS 11 are recognised on a line-by-line basis to the extent of the joint operator's interest in the joint operation. All other joint arrangements are classified as joint ventures under HKFRS 11 and are required to be accounted for using the equity method in the Consolidated Entity's financial statements. Proportionate consolidation is no longer allowed as an accounting policy choice.

The Consolidated Entity assessed the impact of the new accounting standard on its joint arrangements and concluded the joint arrangements should be classified as joint ventures and continue to be accounted for using the equity method.

HKFRS 12, Disclosure of interests in other entities

HKFRS 12 brings together into a single standard all the disclosure requirements relevant to an entity's interests in subsidiaries, associates and unconsolidated structured entities. The disclosures required by HKFRS 12 are generally more extensive than those previously required by the respective standards. To the extent that the requirements are applicable to the Consolidated Entity, the Consolidated Entity has provided those disclosures in note 12(f).

HKFRS 13, Fair value measurement

HKFRS 13 replaces existing guidance in individual HKFRSs with a single source of fair value measurement guidance. HKFRS 13 also contains extensive disclosure requirements about fair value measurements for both financial instruments and non-financial assets and liabilities. To the extent that the requirements are applicable to the Consolidated Entity, the Consolidated Entity has provided those disclosures in notes 12(c), 12(e) and 22(d). The adoption of HKFRS 13 does not have any material impact on the fair value measurements of the Consolidated Entity's assets and liabilities.

1. Statement of significant accounting policies (cont)

(q) Accounting standards issued but not yet effective

Up to the date of these financial statements, the HKICPA has issued a few amendments and a new standard which are not yet effective for the year ended 30 June 2014 and which have not been adopted in these financial statements. These include the following which may be relevant to the Consolidated Entity:

	Effective for accounting periods beginning on or after
Amendments to HKAS 32, *Offsetting financial assets and financial liabilities*	1 January 2014
Amendments to HKAS 39, *Novation of derivatives and continuation of hedge accounting*	1 January 2014
HKFRS 9, *Financial instruments*	1 January 2018

The Consolidated Entity is in the process of making an assessment of what the impact of these amendments is expected to be in the period of initial application. So far, it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements.

2. Critical accounting estimates used in the preparation of the consolidated financial statements

The preparation of consolidated financial statements requires estimates and assumptions concerning the application of accounting policies and the future to be made by the Consolidated Entity. Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year can be found in the following notes:
+ Note 12 – Property assets; and
+ Note 22 – Financial risk management.

The accounting impacts of revisions to estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Measurement of fair values

A number of the Consolidated Entity's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Consolidated Entity uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy and have been defined as follows:
+ Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
+ Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
+ Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Further information about the assumptions made in measuring fair values is included in the following notes:
+ Note 12 – Property assets; and
+ Note 22 – Financial risk management.

3. Acquisition of entities from Goodman Group

In the prior year, the Company acquired subsidiaries in Greater China and Continental Europe from GL and GIT as set out below:

(a) Acquisition of entities in Greater China

Entity acquired	Principal activity	Date of acquisition
Goodman China Limited	Property management and development management consultancy services	11 Sep 2012
Goodman China Asset Management Limited	Fund management	22 Oct 2012
Goodman Developments Asia	Investment and property development	28 Jun 2013
Goodman Asia Limited	Fund and property management services	28 Jun 2013

(b) Acquisition of entities in Continental Europe

Entity acquired	Principal activity	Date of acquisition
Goodman Management Holdings (Lux) Sàrl	Intermediate holding company	21 Sep 2012
GELF Management (Lux) Sàrl	Fund management	21 Sep 2012
GPO Advisory (Lux) Sàrl	Property management services	21 Sep 2012
Goodman Property Opportunities (Lux) Sàrl SICAR	Property investment and development	21 Sep 2012

The Company applied the pooling of interest method to account for the acquisition of subsidiaries from GL and GIT (refer to note 1(c)). The difference between the consideration paid and carrying value of the net assets of the entities acquired, amounting to $538.1 million, was transferred to the common control reserve.

4. Segment reporting

The Consolidated Entity is based in Hong Kong and has separately managed divisions in Asia and Continental Europe. The activities and services undertaken by the divisions include:

+ direct and indirect ownership of investment properties;
+ fund management and property services; and
+ development.

Information about reportable segments

	Asia		Continental Europe		Total	
	2014	2013	2014	2013	2014	2013
Consolidated statement of comprehensive income	**$M**	**$M**	**$M**	**$M**	**$M**	**$M**
External revenues						
Gross property income	3.3	-	11.2	5.1	14.5	5.1
Management income	38.8	3.3	34.8	19.0	73.6	22.3
Development income	28.8	6.4	362.3	61.3	391.1	67.7
Distributions from investments	0.8	-	-	-	0.8	-
Total external revenues	**71.7**	**9.7**	**408.3**	**85.4**	**480.0**	**95.1**
Reportable segment profit before tax	**58.7**	**6.1**	**71.8**	**38.1**	**130.5**	**44.2**
Other material non-cash items not included in reportable segment profit before tax						
Net loss from fair value adjustments on investment properties	-	-	-	(6.7)	-	(6.7)
Share of net gains/(losses) from fair value adjustments in equity accounted investments	12.2	-	(1.5)	(0.8)	10.7	(0.8)
Impairment losses	-	-	(0.5)	(2.1)	(0.5)	(2.1)
Other key components of financial performance included in reportable segment profit before tax						
Share of net results of equity accounted investments (before fair value adjustments)	7.0	-	2.1	0.3	9.1	0.3

4. Segment reporting (cont)

	Asia		Continental Europe		Total	
	2014	2013	2014	2013	2014	2013
Consolidated statement of financial position	**$M**	**$M**	**$M**	**$M**	**$M**	**$M**
Reportable segment assets	**685.6**	**494.9**	**455.3**	**546.4**	**1,140.9**	**1,041.3**
Investments accounted for using the equity method (included in reportable segment assets)	225.9	20.2	55.8	6.0	281.7	26.2
Total non-current assets	463.8	325.3	353.5	251.3	817.3	576.6
Reportable segment liabilities	**43.3**	**55.2**	**57.4**	**75.7**	**100.7**	**130.9**

Reconciliation of reportable segment revenue, profit or loss, assets and liabilities

	2014	2013
	$M	**$M**
Revenue		
Total revenue for reportable segments	480.0	95.1
Consolidated revenue	**480.0**	**95.1**
Profit or loss		
Total profit before tax for reportable segments	130.5	44.2
Other non-cash items not included in reportable segment profit before tax	10.2	(9.6)
Unallocated amounts: other corporate expenses	(13.9)	(10.6)
Unallocated amounts: share based payments expense	(13.8)	(3.8)
Net finance expense - refer to note 6	(23.5)	(3.7)
Consolidated profit before income tax	**89.5**	**16.5**

	2014	2013
	$M	**$M**
Assets		
Total assets for reportable segments	1,140.9	1,041.3
Other unallocated amounts[1]	42.7	80.6
Consolidated total assets	**1,183.6**	**1,121.9**
Liabilities		
Total liabilities for reportable segments	100.7	130.9
Other unallocated amounts[1]	906.2	903.5
Consolidated total liabilities	**1,006.9**	**1,034.4**

1. Other unallocated amounts comprise principally receivables from and payables to GL and GIT.

5. Profit before interest and tax

	Consolidated	
	2014	2013
	$M	**$M**
Profit before interest and tax has been arrived at after crediting/(charging) the following items:		
Share of net results of equity accounted investments	19.8	(0.5)
Share based payments expense	(13.8)	(3.8)
Depreciation of plant and equipment	(1.7)	(0.9)
Impairment losses on receivables	(0.5)	(2.1)
Auditor's remuneration	(0.6)	(0.3)
Salaries, wages and other benefits	(48.2)	(26.8)
Contributions to defined contribution retirement plans	(0.8)	(0.5)
Operating lease expense	(5.9)	(2.6)

6. Finance income and expense

	Consolidated	
	2014	**2013**
	$M	**$M**
Finance income		
Interest income on loans to:		
- Related parties	2.0	2.2
- Other parties	0.2	-
Foreign exchange gain	-	1.9
	2.2	**4.1**
Finance expense		
Interest expense on loans from related parties	(43.8)	(14.6)
Other borrowing costs	(0.5)	(0.4)
Foreign exchange loss	(0.4)	-
Capitalised borrowing costs	19.0	7.2
	(25.7)	**(7.8)**
Net finance expense	**(23.5)**	**(3.7)**

Borrowing costs were capitalised to inventories and investment properties under development during the financial year at rates between 4.5% and 5.8% per annum (2013: 3.0% and 3.7% per annum).

7. Income tax expense

(a) Taxation in the consolidated statement of comprehensive income represents:

	Consolidated	
	2014	**2013**
	$M	**$M**
Current tax expense - Hong Kong profits tax		
Current year	(1.7)	(0.1)
Adjustment for prior periods	0.7	-
	(1.0)	**(0.1)**
Current tax expense - overseas		
Current year	(3.5)	(1.1)
Adjustment for prior periods	0.3	-
	(3.2)	**(1.1)**
Deferred tax expense		
Origination and reversal of temporary differences	0.2	(0.1)
Derecognition of previously recognised tax losses	(0.5)	-
	(0.3)	**(0.1)**
Total income tax expense	**(4.5)**	**(1.3)**

The provision for Hong Kong profits tax for the 2014 financial year is calculated at 16.5% (2013: 16.5%) of the estimated assessable profits for the year. Taxation for overseas subsidiaries is charged at the appropriate current rates of taxation ruling in the relevant countries.

7. Income tax expense (cont)

(b) Reconciliation between income tax expense and accounting profit at applicable tax rates

	Consolidated	
	2014	2013
	$M	$M
Profit before income tax	89.5	16.5
Notional tax on profit before income tax, calculated at the rates applicable to profits in the countries concerned	(26.3)	(4.8)
(Increase)/decrease in income tax due to:		
- Current year losses for which no deferred tax asset was recognised	(6.6)	(5.5)
- Non-assessable income	28.7	9.7
- Non-deductible expense	(3.6)	(0.7)
- Utilisation of previously unrecognised tax losses	2.3	-
- Adjustment for prior periods	1.0	-
Income tax expense	**(4.5)**	**(1.3)**

(c) Net income tax payable

	Consolidated		Company	
	2014	2013	2014	2013
	$M	$M	$M	$M
Net balance at the beginning of the year	(17.0)	-	-	-
(Increase)/decrease in current net tax payable due to:				
- Acquisition of controlled entities	-	(16.9)	-	-
- Net income taxes paid	5.3	3.0	-	-
- Net income tax expense on current year's profit	(5.2)	(1.2)	-	-
- Adjustment for prior periods	1.0	-	-	-
- Other	(0.8)	(1.9)	-	-
Net balance at the end of the year	**(16.7)**	**(17.0)**	**-**	**-**
Current tax receivables	0.2	0.1	-	-
Current tax payables	(16.9)	(17.1)	-	-
	(16.7)	**(17.0)**	**-**	**-**

(d) Deferred tax assets and liabilities

Deferred tax assets of $0.7 million (2013: $1.1 million) arising from tax losses were recognised in the consolidated statement of financial position.

No deferred tax has been recorded by the Company in the current year (2013: $nil).

8. Dividends

No dividends were declared or paid to equity shareholders of the Company during the year (2013: $nil).

9. Profit attributable to equity shareholders of the Company

The consolidated profit attributable to equity shareholders of the Company includes a profit of $13.1 million (2013: $11.4 million) which has been dealt with in the financial statements of the Company.

10. Receivables

	Consolidated		Company	
	2014	**2013**	**2014**	**2013**
	$M	**$M**	**$M**	**$M**
Current				
Trade receivables	5.7	7.3	-	-
Other receivables	53.6	61.0	-	-
Construction contract receivables	60.8	133.4	-	-
Amounts due from related parties	109.1	27.4	-	76.5
Loans to related parties	42.7	80.6	26.1	-
	271.9	**309.7**	**26.1**	**76.5**
Non-current				
Loans to related parties	21.2	130.5	-	-
Other receivables	-	2.4	-	-
	21.2	**132.9**	**-**	**-**

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable mentioned above. All non-current receivables of the Consolidated Entity are due within five years from the reporting date. There is no material difference between the carrying values and the fair values of receivables.

Trade receivables

As at 30 June 2014, trade receivables of $0.1 million were impaired (2013: $nil). The ageing analysis of these trade receivables (before impairment) is as follows:

	Consolidated		Company	
	2014	**2013**	**2014**	**2013**
	$M	**$M**	**$M**	**$M**
Overdue by:				
Up to 1 month	-	0.2	-	-
1 month to 4 months	-	0.5	-	-
Greater than 4 months	0.1	0.3	-	-
	0.1	**1.0**	**-**	**-**

Other receivables

At 30 June 2014, none of the other receivables balance was overdue or impaired (2013: $nil).

Amounts due from related parties

At 30 June 2014, none of the amounts due from related parties was overdue or impaired (2013: $nil). Amounts due from related parties are typically repayable within 30 days but at 30 June 2014, the balance includes an amount of $94.3 million due from Goodman China Logistics Holding Limited (GCLH) in relation to development activities that is only due and payable on completion of the developments. The amounts due from related parties are unsecured.

Loans to related parties

Loans to related parties principally relate to loans to fellow subsidiaries of GL and loans to associates and JVs. Refer to note 19(b) for details of loans to related parties. At 30 June 2014, loans to related parties of $9.4 million have been impaired (2013: $8.9 million). The loans to related parties are unsecured.

11. Other assets

	Consolidated		Company	
	2014	2013	2014	2013
	$M	$M	$M	$M
Current				
Prepayments	1.6	16.5	-	-
	1.6	**16.5**	**-**	**-**
Non-current				
Other property assets	0.5	21.1	-	-
	0.5	**21.1**	**-**	**-**

12. Property assets

(a) Types of property assets

The Consolidated Entity's investment in property assets include both investment properties (held for capital appreciation and gross property income) and inventories (held for development and sale).

The Consolidated Entity holds both investment properties and inventories either directly or through its investments in managed funds (both associates and JVs).

Investment properties are carried at fair value and inventories are carried at the lower of cost or net realisable value. The calculation of both fair value and net realisable value requires estimates and assumptions which are continually evaluated and are based on historical experience and expectations of future events that are believed to be reasonable under the circumstances. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of investment properties and inventories (both directly held and in managed funds) are set out below.

(b) Summary of the Consolidated Entity's investment in property assets

		Consolidated		Company	
		2014	2013	2014	2013
	Note	$M	$M	$M	$M
Directly held property:					
Inventories					
Current		-	-	-	-
Non-current	12(d)	399.7	290.4	-	-
		399.7	**290.4**	**-**	**-**
Investment properties					
Stabilised investment properties	12(e)	39.6	39.4	-	-
Investment properties under development	12(e)	48.1	43.1	-	-
		87.7	**82.5**	**-**	**-**
Property held by managed funds:					
Investments accounted for using the equity method					
Associates	12(f)	-	20.2	-	-
JVs	12(f)	281.7	6.0	-	-
		281.7	**26.2**	**-**	**-**

(c) Estimates and assumptions in determining property carrying values

Inventories

Inventories relate to land and property developments that are held for sale or development and sale in the normal course of the Consolidated Entity's business.

External valuations are not performed for inventories but instead valuations are determined using the Consolidated Entity's feasibility studies supporting the land and property developments. The end values of the developments in the feasibility studies are based on assumptions such as capitalisation rates, letting up periods and incentives that are consistent with those observed in the relevant market. Where the feasibility study calculations indicate that the forecast cost of a completed development will exceed the net realisable value, then the inventory is impaired.

12. Property assets (cont)

(c) Estimates and assumptions in determining property carrying values (cont)

Stabilised investment properties

Stabilised investment properties refer to investment properties which are not under development. Stabilised investment properties are carried at their fair value. Fair value is based on current prices in an active market for similar properties in the same location and condition and subject to similar lease and other contracts. The current price is the estimated amount for which a property could be exchanged between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgably, prudently and without compulsion.

Approach to determination of fair value

The approach to determination of fair value of investment properties is applied to both properties held directly on the Consolidated Entity's statement of financial position and properties within funds managed by the Consolidated Entity.

Valuations are determined based on assessments and estimates of uncertain future events, including upturns and downturns in property markets and availability of similar properties, vacancy rates, market rents and capitalisation and discount rates. Recent and relevant sales evidence and other market data are taken into account. Valuations are either based on an external, independent valuation or on an internal valuation.

External valuations are undertaken only where market segments were observed to be active. Such a determination is made based on the criteria set out below:

+ function of the asset (distribution/warehouse or suburban office);
+ location of asset (city, suburb or regional area);
+ carrying value of asset (categorised by likely appeal to private investors (including syndicates), national and institutional investors); and
+ categorisation as primary or secondary based on a combination of location, weighted average lease expiry, quality of tenant covenant (internal assessment based on available market evidence) and age of construction.

Each property asset is assessed and grouped with assets in the same or similar market segments. Information on all relevant recent sales is also analysed using the same criteria to provide a comparative set. Unless three or more sales are observed in an individual market segment (taken together with any comparable market segments as necessary), that market segment is considered inactive.

Where a market segment is observed to be active, then external, independent valuations are performed for stabilised investment properties where there has been more than a 25 basis point movement in capitalisation rates and/or there has been a material change in tenancy profile and/or there has been significant capital expenditure and/or it has been three years since the previous external, independent valuation. For all other stabilised investment properties in an active market segment, an internal valuation is performed based on observable capitalisation rates and referenced to independent market data.

Where a market segment is observed to be inactive, then no external, independent valuations are performed and internal valuations are undertaken based on discounted cash flow (DCF) calculations. The DCF calculations are prepared over a 10 year period. The key inputs considered for each individual calculation are rental growth rates, discount rates, market rental rates and letting up incentives. Discount rates are computed using the 10 year bond rate or equivalent in each jurisdiction plus increments to reflect country risk, tenant credit risk and industry risk. Where possible, the components of the discount rate are benchmarked to available market data.

12. Property assets (cont)

(c) Estimates and assumptions in determining property carrying values (cont)

Market assessment
At 30 June 2014, all markets in which the Consolidated Entity operated were observed to be active and no adjustments were made to the carrying value of stabilised investment properties arising from internal valuations using DCF calculations. Overall weighted average capitalisation rates for the divisional portfolios (including managed funds) are set out in the table below:

	Total portfolio weighted average capitalisation rate	
	30 Jun 2014	**30 Jun 2013**
Division	**%**	**%**
China	**8.4**	8.7
Logistics - Continental Europe	**7.2**	7.9

Investment properties under development

External valuations are generally not performed for investment properties under development, but instead valuations are determined using the Consolidated Entity's feasibility studies supporting the properties under development. The end values of the developments in the feasibility studies are based on assumptions to determine capitalisation rates, letting up periods and incentives that are consistent with those observed in the relevant market adjusted for a profit and risk factor. This profit and risk factor is dependent on the function, location and size of the development and is generally in a market range of 10.0% to 15.0%.

(d) Inventories

	Consolidated		Company	
	2014	**2013**	**2014**	**2013**
	$M	**$M**	**$M**	**$M**
Development land	399.7	290.4	-	-
	399.7	**290.4**	**-**	**-**

During the current and prior financial year, there were no impairments of development land.

12. Property assets (cont)

(e) Investment properties

Reconciliation of carrying amount of directly held investment properties

	Consolidated		Company	
	2014	**2013**	**2014**	**2013**
	$M	**$M**	**$M**	**$M**
Carrying amount at the beginning of the year	82.5	-	-	-
On acquisition of controlled entities	-	77.5	-	-
Capital expenditure	2.8	10.3	-	-
Carrying value of properties sold	-	(2.2)	-	-
Transfers to inventories	-	(5.1)	-	-
Net loss from fair value adjustments	-	(6.7)	-	-
Effect of foreign currency translation	2.4	8.7	-	-
Carrying amount at the end of the year	**87.7**	**82.5**	**-**	**-**
Analysed as:				
Stabilised investment properties	39.6	39.4	-	-
Investment properties under development	48.1	43.1	-	-
	87.7	**82.5**	**-**	**-**

At 30 June 2014, all the Consolidated Entity's investment properties are located in Continental Europe.

Measurement of fair value

(i) Fair value hierarchy

Investment properties comprise stabilised investment properties and investment properties under development. The fair value measurement for investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation technique used (refer to note 1(e) and note 2).

(ii) Valuation techniques and inputs used in Level 3 fair value measurements

The following table shows the valuation technique used in measuring the fair value of investment properties, as well as the significant unobservable inputs used.

	Valuation technique	Significant unobservable inputs	Weighted average
Investment properties - Continental Europe	Income capitalisation approach	Market rent per annum	A$250/sqm
		Capitalisation rate	7.7%

The estimated fair value would increase if market rents were higher and/or if capitalisation rates were lower. The estimated fair value would decrease if the net market rents were lower and/or if the capitalisation rates were higher.

12. Property assets (cont)

(f) Investments accounted for using the equity method

(i) Investments in associates

The Consolidated Entity's investment in associate is set out below:

		Consolidated share of associate's result recognised		Consolidated ownership interest		Consolidated investment carrying amount	
Name	Country of incorporation	2014 $M	2013 $M	2014 %	2013 %	2014 $M	2013 $M
Property development associate							
GCLH[1]	Cayman Islands	-	-	-	20.0	-	20.2

1. During the year, the directors reassessed the classification of the investment in GCLH and the investment has been reclassified from investment in an associate to investments in JVs. The investment continues to be accounted for using the equity method and therefore this reclassification does not have any material impact on the financial position and the financial result of the Consolidated Entity.

The reconciliation of the carrying value at the beginning to the carrying value at the end of the year is set out as follows:

	Consolidated	
Movements in carrying amount of investment in an associate	**2014 $M**	**2013 $M**
Carrying amount at the beginning of the year	20.2	-
Transfer to investments in JVs	(20.2)	-
Acquisitions	-	18.3
Effect of foreign currency translation	-	1.9
Carrying amount at the end of the year	**-**	**20.2**

Summary financial information of investment in an associate

The table below includes further information regarding the Consolidated Entity's investment in an associate.

	GCLH	
	2014 $M	**2013 $M**
Summarised statement of financial position		
Total current assets	-	81.6
Total non-current assets	-	704.8
Total current liabilities	-	34.1
Total non-current liabilities	-	640.2
Net assets (100%)	**-**	**112.1**
Consolidated ownership interest	-	20.0%
Consolidated share of net assets	-	22.4
Acquisition costs	-	2.0
Foreign currency translation reserve	-	(4.2)
Carrying amount of interest in investment in associate	-	20.2
Summarised statement of comprehensive income		
Revenue	-	22.0
Profit after tax and revaluations	-	33.1
Other comprehensive income	-	-
Total comprehensive income (100%)	**-**	**33.1**
Dividends received by the Consolidated Entity	**-**	**0.4**

12. Property assets (cont)

(f) Investments accounted for using the equity method (cont)

(ii) Investments in JVs

The Consolidated Entity's principal JVs are set out below:

		Consolidated share of JVs result recognised		Consolidated ownership interest		Consolidated investment carrying amount	
Name	**Country of establishment/ incorporation**	**2014 $M**	**2013 $M**	**2014 %**	**2013 %**	**2014 $M**	**2013 $M**
Property investment JVs							
GCLH[1]	Cayman Islands	**19.2**	-	**20.0**	**-**	**179.9**	-
KGG	Luxembourg	**2.2**	-	**30.0**	**-**	**50.0**	-
Goodman Japan Development Partnership (GJDP)	Japan	**-**	-	**42.5**	**-**	**46.0**	-
Other JVs		**(1.6)**	(0.5)			**5.8**	6.0
		19.8	**(0.5)**			**281.7**	**6.0**

1. Refer to note 12(f)(i).

The reconciliation of the carrying value at the beginning to the carrying value at the end of the year is set out as follows:

	Consolidated	
Movements in carrying amount of investments in JVs	**2014 $M**	**2013 $M**
Carrying amount at the beginning of the year	6.0	-
Share of net results after tax (before revaluations)	9.1	0.3
Share of fair value adjustments on investment properties	10.7	(0.8)
Share of net results after tax	19.8	(0.5)
Transfer from investment in an associate	20.2	-
Reclassification of loan to GCLH[1]	110.6	-
Acquisitions:		
- On acquisition of controlled entities	-	1.2
- Other acquisitions	134.8	76.6
Capital return	-	(70.2)
Reclassified to other financial assets	-	(1.8)
Distributions received and receivable	(1.4)	-
Effect of foreign currency translation	(8.3)	0.7
Carrying amount at the end of the year	**281.7**	**6.0**

1. During the year, the directors reviewed the classification of the loan provided to GCLH and determined that it would be more appropriate to include the receivable balance as part of the equity accounted investment in the JV.

Summary financial information of JVs

The following table summarises the financial information of the material JVs as included in their own financial statements. The table also reconciles the summarised financial information to the carrying amount of the Consolidated Entity's interest in the JVs.

12. Property assets (cont)

(a) Investments accounted for using the equity method (cont)

(ii) Investments in JVs (cont)

	GCLH		KGG		GJDP	
	2014	2013	2014	2013	2014	2013
	$M	$M	$M	$M	$M	$M
Summarised statement of financial position						
Current assets						
Cash and cash equivalents	92.7	-	8.8	-	12.2	-
Other current assets	7.5	-	2.4	-	-	-
Total current assets	**100.2**	**-**	**11.2**	**-**	**12.2**	**-**
Total non-current assets	**1,022.2**	**-**	**311.3**	**-**	**96.5**	**-**
Current liabilities						
Other current liabilities	59.1	-	4.2	-	0.4	-
Total current liabilities	**59.1**	**-**	**4.2**	**-**	**0.4**	**-**
Non-current liabilities						
Financial liabilities (excluding trade payables and other provisions)	134.5	-	153.9	-	-	-
Other non-current liabilities	48.9	-	-	-	-	-
Total non-current liabilities	**183.4**	-	**153.9**	-	**-**	-
Net assets (100%)	**879.9**	**-**	**164.4**	**-**	**108.3**	**-**
Consolidated ownership interest (%)	20.0	-	30.0	-	42.5	-
Consolidated Entity's share of net assets	176.0	-	49.3	-	46.0	-
Acquisition costs	3.9	-	0.7	-	-	-
Carrying amount of interest in JV	**179.9**	**-**	**50.0**	**-**	**46.0**	**-**
Summarised statement of comprehensive income						
Revenue	42.8	-	11.7	-	-	-
Interest income	0.2	-	-	-	-	-
Interest expense	(5.6)	-	(2.6)	-	-	-
Income tax expense	(4.0)	-	(0.7)	-	-	-
Profit and total comprehensive income (100%)	95.8	-	7.2	-	-	-
Consolidated Entity's share of profit and total comprehensive income	**19.2**	**-**	**2.2**	**-**	**-**	**-**
Distributions and dividends received by the Consolidated Entity	**0.7**	**-**	**0.7**	**-**	**-**	**-**

13. Other financial assets

	Consolidated		Company	
	2014	**2013**	**2014**	**2013**
	$M	**$M**	**$M**	**$M**
Available for sale equity securities				
Investment in unlisted securities, at fair value[1]	19.6	16.1	19.6	16.1
Investment in JV, at fair value	-	-	46.1	-
	19.6	**16.1**	**65.7**	**16.1**

1. Principally relates to the Consolidated Entity's 10.0% (2013: 10.0%) interest in Goodman Japan Limited. During the current financial year, a fair value gain of $4.9 million on investment in unlisted securities was recognised in other comprehensive income. Refer to note 22 for assumptions made in measuring fair value of the unlisted securities.

14. Investments in subsidiaries

	Company	
	2014	**2013**
	$M	**$M**
Unlisted shares, at cost	579.7	523.4
Less: Impairment loss	-	-
	579.7	**523.4**

The following list contains only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Consolidated Entity. The class of shares held is ordinary unless otherwise stated.

			Interest held	
		Country of	**2014**	**2013**
Significant controlled companies	**Principal activities**	**incorporation**	**%**	**%**
Goodman Developments Asia	Investment and property development	Cayman Islands	100.0	100.0
Goodman Asia Limited	Fund and property management services	Hong Kong	100.0	100.0
Goodman China Limited	Property management and development management consultancy services	Hong Kong	100.0	100.0
Goodman China Asset Management Limited	Fund management	Cayman Islands	100.0	100.0
GELF Management (Lux) Sàrl	Fund management	Luxembourg	100.0	100.0
Goodman Management Holdings (Lux) Sàrl	Intermediate holding company	Luxembourg	100.0	100.0
GPO Advisory (Lux) Sàrl	Property management services	Luxembourg	100.0	100.0
Goodman Midnight Logistics (Lux) Sàrl	Investment holding company	Luxembourg	100.0	100.0
Goodman Property Opportunities (Lux) Sàrl SICAR	Property investment and development	Luxembourg	94.0	94.0

15. Payables

	Consolidated		Company	
	2014	**2013**	**2014**	**2013**
	$M	**$M**	**$M**	**$M**
Current				
Trade payables	29.1	42.5	-	-
Other payables and accruals	52.9	77.5	2.7	-
Loans from related parties	885.3	891.3	23.5	-
	967.3	**1,011.3**	**26.2**	**-**
Non-current				
Other payables and accruals	4.0	1.8	-	-
	4.0	**1.8**	**-**	**-**

Loans from related parties

Loans from related parties principally relate to loans from subsidiaries of GL and GIT. Refer to note 19(b) for details of loans from related parties.

16. Share capital

	2014	2013	2014	2013
	Number of shares		$M	$M
Authorised share capital - refer to (a)				
Ordinary shares of HK$0.0001 each - refer to (b)	-	100,000,000,000	-	1
Ordinary shares, issued and fully paid				
At 1 July	1,713,233,947	1	-[1]	-[1]
Shares issued to CHESS Depositary Nominees Pty Limited	-	1,605,107,474	-	-[1]
Shares issued to employees of Goodman Group	5,508,862	2,456,129	-[1]	-[1]
Shares issued under Goodman Group's DRP	8,943,167	-	-[1]	-
Shares issued under Goodman Group's Institutional Placement	-	94,117,700	-	-[1]
Shares issued under the Security Purchase Plan	-	11,552,643	-	-[1]
At 30 June	**1,727,685,976**	**1,713,233,947**	-[1]	-[1]
Share premium			615.2	606.7
Reclassification due to abolishment of authorised share capital on 3 March 2014 - refer to (c)			(615.2)	-
Share capital			615.2	-
Accumulated issue costs			(0.6)	(0.6)
Total issued share capital			**614.6**	**606.1**

1. Amounts less than $0.1 million.

(a) Under the new Hong Kong Companies Ordinance (Cap. 622), which commenced operation on 3 March 2014, the concept of authorised share capital no longer exists.

(b) In accordance with section 135 of the new Hong Kong Companies Ordinance (Cap. 622), the Company's shares no longer have a par or nominal value with effect from 3 March 2014. There is no impact on the number of shares in issue or the relative entitlement of any of the members as a result of this transition.

(c) In accordance with the transition provisions set out in section 37 of Schedule 11 to the new Hong Kong Companies Ordinance (Cap. 622), on 3 March 2014, any amount standing to the credit of the share premium account has become part of the Company's share capital.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

On 22 August 2012, GIT paid a subscription amount of HK$4,567,164,781 ($561.8 million) for the issue of 1,605,107,474 shares by the Company to CHESS Depositary Nominees Pty Limited ("CDN") (in addition to the one share already held). CDN issued corresponding CHESS Depositary Interests ("CDIs") to GIT. Later that day, GIT carried out a distribution in specie of all its CDI interests to its unitholders so that the CDIs were stapled to each GIT unit and GL share.

17. Reserves

		Consolidated		Company	
		2014	2013	2014	2013
	Note	$M	$M	$M	$M
Asset revaluation reserve	17(a)	7.4	(10.5)	4.9	-
Foreign currency translation reserve	17(b)	(12.8)	(1.3)	-	-
Employee compensation reserve	17(c)	3.2	1.0	3.2	1.0
Common control reserve	17(d)	(538.1)	(538.1)	-	-
Total reserves		**(540.3)**	**(548.9)**	**8.1**	**1.0**

The movements in reserves of the Consolidated Entity and the Company are analysed below:

	Consolidated		Company	
	2014	2013	2014	2013
	$M	$M	$M	$M
(a) Asset revaluation reserve				
Balance at the beginning of the year	(10.5)	-	-	-
Increase due to revaluation of other financial assets	4.9	-	4.9	-
Transfers from retained earnings	13.0	(10.5)	-	-
Balance at the end of the year	**7.4**	**(10.5)**	**4.9**	**-**
Refer to note 1(e) for the accounting policy relating to this reserve.				
(b) Foreign currency translation reserve				
Balance at the beginning of the year	(1.3)	-	-	-
Net exchange differences on conversion of foreign operations	(11.5)	(1.3)	-	-
Balance at the end of the year	**(12.8)**	**(1.3)**	**-**	**-**
Refer to note 1(d) for the accounting policy relating to this reserve.				
(c) Employee compensation reserve				
Balance at the beginning of the year	1.0	-	1.0	-
Equity settled share based payments transaction	2.2	1.0	2.2	1.0
Balance at the end of the year	**3.2**	**1.0**	**3.2**	**1.0**
Refer to note 1(n) for the accounting policy relating to this reserve.				
(d) Common control reserve				
Balance at the beginning of the year	(538.1)	-	-	-
Acquisition of entities from Goodman Group	-	(538.1)	-	-
Balance at the end of the year	**(538.1)**	**(538.1)**	**-**	**-**
Refer to note 1(c) for the accounting policy relating to this reserve.				

18. Retained earnings

	Consolidated		Company	
	2014	2013	2014	2013
	$M	$M	$M	$M
Balance at the beginning of the year	24.4	-	11.4	-
Profit for the year	82.8	13.9	13.1	11.4
Transfers to asset revaluation reserve	(13.0)	10.5	-	-
Balance at the end of the year	**94.2**	**24.4**	**24.5**	**11.4**

19. Related party transactions

(a) Directors' remuneration

Directors' remuneration disclosed pursuant to section 78 of Schedule 11 to the new Hong Kong Companies Ordinance (Cap. 622), with reference to section 161 of the predecessor Hong Kong Companies Ordinance (Cap. 32) is as follows:

	Consolidated	
	2014	2013
	$M	$M
Directors' fees	0.8	0.7
Salaries, allowances and benefits in kind	2.0	1.9
Discretionary bonuses	3.8	3.8
Retirement scheme contribution	-	0.1
Share based payments	3.5	2.7
	10.1	**9.2**

(b) Transactions with related parties

Transactions and amounts due from related parties

	Revenue from disposal of assets		Management services and development activities income		Amounts due from related parties	
	2014	2013	2014	2013	30 Jun 2014	30 Jun 2013
	$M	$M	$M	$M	$M	$M
JVs						
GCLH	16.8	-	29.6	9.6	94.3	-
KGG	103.2	-	4.0	-	0.7	-
	120.0	**-**	**33.6**	**9.6**	**95.0**	**-**
Related parties of GL and GIT						
Goodman Hong Kong Logistics Fund	-	-	20.5	-	4.5	3.3
Goodman Trust Australia	-	-	2.0	1.9	0.3	0.4
Goodman European Logistics Fund	120.8	9.8	29.6	22.8	8.4	21.8
Goodman Princeton Holdings (Lux) Sàrl	83.0	7.2	1.8	0.9	0.5	1.1
Other related parties	-	-	1.4	1.4	0.4	0.8
	203.8	**17.0**	**55.3**	**27.0**	**14.1**	**27.4**

19. Related party transactions (cont)

(b) Transactions with related parties (cont)

Financing arrangements with related parties

	Loans to related parties[1]		Loans from related parties[1]		Interest income/(expense) charged on loans to/from related parties	
	30 Jun 2014 $M	30 Jun 2013 $M	30 Jun 2014 $M	30 Jun 2013 $M	2014 $M	2013 $M
JVs						
GCLH	-	110.6	-	-	-	-
Üllő One 2008 Kft	4.3	5.9	-	-	0.3	0.2
Üllő Two 2008 Kft	2.1	1.9	-	-	0.1	0.1
Other JVs	4.0	-	-	-	0.2	-
	10.4	**118.4**	**-**	**-**	**0.6**	**0.3**
GL, GIT and their controlled entities	**42.7**	**80.6**	**(885.3)**	**(891.3)**	**(43.8)**	**(14.6)**
Related parties of GL and GIT	**10.8**	**12.1**	**-**	**-**	**1.4**	**1.9**

1. Loans by the Consolidated Entity to/from associates, JVs and other related parties have generally been provided on an arm's length basis. At 30 June 2014, details in respect of the principal loan balances are set out below:
   + the shareholders in GCLH have provided interest free loans to GCLH in proportion to their respective equity interests. This loan, which was included in loans to related parties in the prior year, was reclassified to investments in JVs in the current year (refer to note 12(f)(ii));
   + a shareholder loan of $9.6 million (2013: $8.8 million) was provided to Goodman Pyrite Logistics (Lux) Sàrl, a controlled entity of Goodman European Logistics Fund, and incurred interest at 6.9% per annum;
   + loans from subsidiaries of GL and GIT amounting to $885.3 million (2013: $891.3 million) are repayable on demand. Of this amount, $877.2 million (2013: $884.7 million) is interest bearing and $8.1 million (2013: $6.6 million) is non-interest bearing. The interest bearing loans incur interest at rates ranging from 2.9% to 7.5% (2013: 2.9% to 7.5%) per annum; and
   + loans to GIT and its subsidiaries amounting to $42.7 million (2013: $80.6 million) are repayable on demand. Of this amount, $26.9 million (2013: $64.4 million) is interest bearing and $15.8 million (2013: $16.2 million) is non-interest bearing. The interest bearing loan incurs interest at rates ranging from 2.9% to 3.5% (2013: 1.1%) per annum.

20. Equity settled share based transactions

Goodman Group provides equity based remuneration through the issue of shares under the Long Term Incentive Plan (LTIP). Details of the LTIP scheme are set out below.

Long Term Incentive Plan
The LTIP, which provides for the issue of performance rights, was first approved at the 2009 Annual General Meeting of Goodman Group and subsequently at the 2012 Annual General Meeting. Each performance right issued under the LTIP entitles an employee to acquire a Goodman Group stapled security for nil consideration subject to the vesting conditions having been satisfied. The LTIP also provides for the issue of options, though this has not been utilised to date. If options were to be issued, it would entitle an employee to acquire a Goodman Group stapled security on payment of the exercise price for the option subject to the vesting conditions having been satisfied.

Under the terms of the LTIP and decisions made by the directors of Goodman Group in accordance with the plan, the issues of performance rights on 27 September 2013 and 22 November 2013 to employees and directors respectively were subject to the following broad terms:

+ the exercise of 25% of the total performance rights will be conditional on Goodman Group achieving a total Securityholder return (TSR) in excess of that achieved by 50% of listed entities in the S&P/ASX 100 index and the exercise of 75% of the total performance rights will be conditional on Goodman Group achieving an operating earnings per share (EPS) outcome at least at the target level notified to the market over a three year 'testing period' which ends on 30 June 2016 and continued employment (subject to special circumstances e.g. death, total and permanent disability, redundancy or retirement). To the extent that Goodman Group achieves the aggregate target operating EPS, 100% of the tranche will vest; to the extent Goodman Group exceeds the 51st percentile in TSR, there are proportionate increases in vesting of performance rights up to 100% at the 76th percentile under the grants made pursuant to the rules and disclosed to the market;
+ performance rights lapse on the earlier of approximately five years from the offer or the termination of the employee's employment (unless such termination is due to special circumstances); and
+ performance rights vest in three equal tranches on 1 September 2016, 1 September 2017 and 3 September 2018.

Share based payments expense included in profit or loss was as follows:

	Consolidated	
	2014	**2013**
	$M	**$M**
Share based payments expense:		
- Equity settled	10.2	2.2
- Cash settled	3.6	1.6
	13.8	**3.8**

At 30 June 2014, a liability of $3.8 million (2013: $1.6 million) was recognised in relation to cash settled performance rights.

20. Equity settled share based transactions (cont)

Long Term Incentive Plan (cont)

The movement in the number of equity settled and cash settled Goodman Group performance rights is as follows:

	Number of rights	
	2014	**2013**
Outstanding at the beginning of the year	7,238,216	-
Issued	5,081,549	7,238,216
Vested	(1,247,503)	-
Forfeited	(1,080,572)	-
Outstanding at the end of the year	**9,991,690**	**7,238,216**
Exercisable at the end of the year	**-**	**-**

The model inputs for Goodman Group performance rights awarded during the current financial year include the following:

	Rights issued on 22 Nov 2013	**Rights issued on 27 Sep 2013**
Fair value at measurement date ($)	3.67	3.66
Security price ($)	4.97	4.93
Exercise price ($)	-	-
Expected volatility (%)	21.6	23.6
Rights expected weighted average life (years)	3.8	3.9
Dividend/distribution yield per annum (%)	5.10	4.92
Average risk free rate of interest per annum (%)	3.6	3.4

The fair value of services received in return for performance rights granted under Goodman Group's LTIP is measured by reference to the fair value of the performance rights granted. The estimate of the fair value of the services received is measured as follows:

+ relative TSR tranche: these rights have been valued using a Monte Carlo model which simulated total returns for each of the ASX 100 stocks and discounted the future value of any potential future vesting performance rights to arrive at a present value. The model uses statistical analysis to forecast total returns, based on expected parameters of variance and co-variance; and
+ operating EPS tranche: these rights have been valued as a granted call option, using the standard Black Scholes model with a continuous dividend yield.

21. Notes to the consolidated cash flow statement

(a) Reconciliation of cash

Cash as at the end of the year as shown in the consolidated cash flow statement is reconciled to the related items in the consolidated statement of financial position as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	$M	$M	$M	$M
Cash assets	**92.6**	**219.0**	**1.9**	**2.5**

(b) Reconciliation of profit for the year to net cash (used in)/provided by operating activities

	Consolidated	
	2014	2013
	$M	$M
Profit for the year	**85.0**	**15.2**
Non-cash items		
Depreciation of plant and equipment	1.7	0.9
Share based payments expense	13.8	3.8
Net loss from fair value adjustments on investment properties	-	6.7
Impairment losses	0.5	2.1
Share of net results of equity accounted investments	(19.8)	0.5
Net finance expense	23.5	3.7
Income tax expense	4.5	1.3
Operating profit before changes in working capital and provisions	**109.2**	**34.2**
Changes in assets and liabilities during the year:		
- Increase in receivables	(20.0)	(2.9)
- (Increase)/decrease in inventories	(132.6)	4.3
- Decrease in other assets	36.8	6.2
- (Decrease)/increase in payables	(2.1)	3.2
- Increase in provisions (including employee benefits)	6.8	-
	(1.9)	**45.0**
Distributions received from equity accounted investments	1.6	-
Net finance costs paid	(0.2)	(3.3)
Net income taxes paid	(5.3)	(3.0)
Net cash (used in)/provided by operating activities	**(5.8)**	**38.7**

22 Financial risk management

The Consolidated Entity's capital management and financial risk management processes are managed as part of the wider Goodman Group. There are established policies, documented in Goodman Group's financial risk management (FRM) policy document, to ensure both the efficient use of capital and the appropriate management of the exposure to financial risk.

The Goodman Group Investment Committee is the primary forum where strategic capital and financial management requirements are discussed and decisions made in accordance with the FRM policy. The committee meets at least every week during the financial year.

Financial risk management

The Consolidated Entity's key financial risks are market risk (including foreign exchange and interest rate risk), liquidity risk and credit risk.

(a) Market risk

Foreign exchange risk

The Consolidated Entity is exposed to foreign exchange risk through its investments in Hong Kong, China, Japan and Continental Europe. Foreign exchange risk represents the loss that would be recognised from fluctuations in currency prices against the Australian dollar as a result of future commercial transactions, recognised assets and liabilities and principally, net investments in foreign operations.

Goodman Group manages foreign currency exposure on a consolidated basis. In managing foreign currency risks, Goodman Group aims to reduce the impact of short-term fluctuations on earnings and net assets. However, over the long term, permanent changes in foreign exchange will have an impact on both earnings and net assets.

Goodman Group's capital hedge policy for each overseas region is to hedge between 70% and 95% of foreign currency denominated assets with foreign currency denominated liabilities. This is achieved by borrowing in the same functional currency as the investments to form a natural economic hedge against any foreign currency fluctuations and/or using derivatives such as cross currency interest rate swaps.

Exposure to currency risk

The following table details the Consolidated Entity's and the Company's exposure at the end of the year to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate. For presentation purposes, the amounts of the exposure are shown in Australian dollars, translated using the spot rate at the year end date.

Consolidated		**Exposure to foreign currencies (expressed in Australian dollars)**							
		2014				**2013**			
		HKD	**USD**	**EUR**	**JPY**	**HKD**	**USD**	**EUR**	**JPY**
	Note	**$M**	**$M**	**$M**	**$M**	**$M**	**$M**	**$M**	**$M**
Receivables	10	5.8	144.3	143.0	-	24.9	163.5	209.7	-
Cash and cash equivalents	21(a)	18.3	65.7	6.9	1.7	15.5	98.0	105.3	0.2
Payables	15	(1.4)	(528.7)	(457.6)	(46.7)	(1.0)	(435.5)	(564.3)	(0.3)
		22.7	**(318.7)**	**(307.7)**	**(45.0)**	**39.4**	**(174.0)**	**(249.3)**	**(0.1)**

Company		**Exposure to foreign currencies (expressed in Australian dollars)**							
		2014				**2013**			
		HKD	**USD**	**EUR**	**JPY**	**HKD**	**USD**	**EUR**	**JPY**
	Note	**$M**	**$M**	**$M**	**$M**	**$M**	**$M**	**$M**	**$M**
Receivables	10	4.2	-	21.9	-	4.4	0.9	7.0	(0.3)
Cash and cash equivalents	21(a)	-	-	0.2	1.7	-	-	2.3	0.2
Payables	15	-	-	-	(23.0)	-	-	-	-
		4.2	**-**	**22.1**	**(21.3)**	**4.4**	**0.9**	**9.3**	**(0.1)**

Sensitivity analysis

At 30 June 2014, if the Australian dollar had strengthened by 5% (2013: 5%), with all other variables, in particular interest rates, held constant, the Consolidated Entity's result attributable to Shareholders would have decreased by A$5.3 million (2013: A$1.3 million). If the Australian dollar had weakened by 5% (2013: 5%), with all other variables, in particular interest rates, held constant, the Consolidated Entity's result attributable to Shareholders would have increased by A$5.9 million (2013: A$1.5 million).

22. Financial risk management (cont)

(a) Market risk (cont)

Interest rate risk

The Consolidated Entity's interest rate risk primarily arises from variable rate borrowings with related parties.

Sensitivity analysis

At 30 June 2014, if interest rates on borrowings had been 100 basis points per annum (2013: 100 basis points per annum) higher/lower, with all other variables held constant, the Consolidated Entity's result attributable to Shareholders for the financial year would have been A$8.5 million lower/higher (2013: A$7.3 million lower/higher).

Price risk

The Consolidated Entity is not exposed to price risk.

(b) Liquidity risk

Liquidity risk is the risk that the Consolidated Entity will not be able to meet its financial obligations as they fall due. The Consolidated Entity's objective is to maintain sufficient liquidity resources for working capital, meet its financial obligations and liabilities, pay distributions and provide funds for capital expenditure and investment opportunities. Management seeks to achieve these objectives through the preparation of regular forecast cash flows to understand the application and use of funds and through the identification of future funding, primarily through loans from related parties of Goodman Group.

22. Financial risk management (cont)

(b) Liquidity risk (cont)

The contractual maturities of financial liabilities are set out below:

Consolidated

	Carrying amount $M	Contractual cash flows $M	Up to 12 months $M	1 - 2 year(s) $M	2 - 3 years $M	3 - 4 years $M	4 - 5 years $M	More than 5 years $M
30 Jun 2014								
Trade and other payables	86.0	86.0	82.0	4.0	-	-	-	-
Loans from related parties	885.3	885.3	885.3	-	-	-	-	-
Total	**971.3**	**971.3**	**967.3**	**4.0**	**-**	**-**	**-**	**-**

	Carrying amount $M	Contractual cash flows $M	Up to 12 months $M	1 - 2 year(s) $M	2 - 3 years $M	3 - 4 years $M	4 - 5 years $M	More than 5 years $M
30 Jun 2013								
Trade and other payables	121.8	121.8	120.0	1.8	-	-	-	-
Loans from related parties	891.3	891.3	891.3	-	-	-	-	-
Total	**1,013.1**	**1,013.1**	**1,011.3**	**1.8**	**-**	**-**	**-**	**-**

22. Financial risk management (cont)

(c) Credit risk

Credit risk represents the loss that would be recognised if counterparties failed to perform as contracted.

The maximum exposure to credit risk on financial assets, excluding investments, of the Consolidated Entity which have been recognised on the consolidated and the Company's statement of financial position, is the carrying amount (refer to note 10).

The Consolidated Entity has a policy of assessing the creditworthiness of all potential customers and is not materially exposed to any one customer. The Consolidated Entity evaluates all customers' perceived credit risk and may require the lodgement of rental bonds or bank guarantees, as appropriate, to reduce credit risk. In addition, all rents are payable monthly in advance.

From time to time, the Consolidated Entity also makes loans to associates and JVs, typically to fund development projects. In making its investment decisions, the Consolidated Entity will undertake a detailed assessment of the development feasibility and credit risks associated with the relevant counterparties.

(d) Fair values of financial instruments

Except for investments in unlisted securities which are carried at fair value, the Consolidated Entity's and Company's financial instruments are carried at cost or amortised cost. The carrying amount of the Consolidated Entity's and Company's financial instruments carried at cost or amortised cost were not materially different from their fair values as at 30 June 2014 and 2013.

(i) Valuation techniques and significant unobservable inputs

The fair value measurement for available for sale equity securities has been categorised as a Level 3 fair value. The following table shows the valuation technique used in measuring fair value as well as the significant unobservable inputs used.

Type	**Valuation technique**	**Significant unobservable inputs**	**Inter-relationship between significant unobservable inputs and fair value measurement**
Equity securities - Goodman Japan Limited	Discounted cash flows: The valuation model was determined by discounting the future cash flows generated from continuing operations. The future cash flows were based on fund and development forecasts and then estimating a year five terminal value using a terminal growth rate and an appropriate discount rate.	• Average annual development of 155,000 sqm • Risk adjusted discount rate of 8.0% per annum • Five year terminal value growth rate of nil	The estimated fair value would increase/(decrease) if: • the level of development activity and terminal value growth rate were higher/(lower) • the risk-adjusted discount rate were lower/(higher)

22. Financial risk management (cont)

(d) Fair values of financial instruments

(ii) Reconciliation of Level 3 fair values

	Consolidated	
	2014	**2013**
	$M	**$M**
Carrying amount at the beginning of the year	16.1	-
Acquisitions	0.1	16.1
Capital return	(0.9)	-
Gain included in other comprehensive income		
- Net change in fair value	4.9	-
Effect of foreign currency translation	(0.6)	-
Carrying amount at the end of the year	**19.6**	**16.1**

23. Commitments

	Consolidated		Company	
	2014	**2013**	**2014**	**2013**
	$M	**$M**	**$M**	**$M**
Non-cancellable operating lease commitments				
Future operating lease commitments not provided for in the financial statements and payable:				
- Within one year	8.7	7.5	-	-
- One year or later and no later than five years	12.9	13.1	-	-
- Later than five years	2.0	2.1	-	-
	23.6	**22.7**	**-**	**-**

At 30 June 2014, the Consolidated Entity was also committed to $162.5 million (2013: $95.8 million) expenditure in respect of inventories and other development activities.

Commitment to invest in funds managed by Goodman Group

At 30 June 2014, subject to the unanimous approval by the JV partners of the relevant property acquisition and/or development for which the funding is required, Goodman Group was committed to invest $153.9 million (2013: $92.1 million) into GCLH to fund property acquisitions and development and $321.4 million into GJDP to fund development projects.

Non-cancellable operating lease receivable from investment property customers

	Consolidated		Company	
	2014	**2013**	**2014**	**2013**
	$M	**$M**	**$M**	**$M**
Non-cancellable operating lease commitments receivable:				
- Within one year	6.4	3.3	-	-
- One year or later and no later than five years	3.3	13.0	-	-
- Later than five years	-	5.1	-	-
	9.7	**21.4**	**-**	**-**

24. Subsequent events

In the opinion of the directors, there were no events subsequent to reporting date, and up to the date of signature of these consolidated financial statements, which would require adjustment to or disclosure in the consolidated financial statements.

KPMG

Independent auditor's report
to the shareholders of Goodman Logistics (HK) Limited
(incorporated in Hong Kong with limited liability)

We have audited the consolidated financial statements of Goodman Logistics (HK) Limited ("the Company") and its subsidiaries (together "the Group") set out on pages 5 to 46, which comprise the consolidated and Company statements of financial position as at 30 June 2014, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Directors' responsibility for the consolidated financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 80 of Schedule 11 to the new Hong Kong Companies Ordinance (Cap. 622), and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

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

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

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 30 June 2014 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

KPMG

KPMG
Certified Public Accountants
8th Floor, Prince's Building
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Central, Hong Kong

14 August 2014