

China Tax Weekly Update

ISSUE 14 | April 2017



Reference: Guo Fa [2017]

No. 23

Issuance date: 31 March

2017

Effective date: N/A

Relevant industries: All

Relevant companies:
Enterprises located in
Shanghai FTZ

Relevant taxes: N/A

Potential impacts on
businesses:

- Operational costs reduced

You may click [here](#) to access
full content of the circular.

New reform plans for Shanghai Free Trade Zone

The State Council on 31 March 2017 issued Guo Fa [2017] No. 23 setting out a new reform plan for the Shanghai Pilot Free Trade Zone (FTZ), which may also indicate the direction of future nationwide reform efforts.

Prior to this, the Shanghai FTZ reform efforts were set out in a [general plan](#) in 2013 and a [further plan](#) in 2015, including enhanced procedures for trade and investment facilitation. The new 2017 plan builds on existing efforts and puts forward some innovative measures, *inter alia*, in relation to: (i). cross-border services and trade management; (ii). free trade port areas; (iii). financial services supporting the “Belt and Road” initiative; and (iv). offshore tax structuring.

Improved supervision of innovative industries	<ul style="list-style-type: none"> • Facilitate access to substances, such as human body tissue, and bio and blood products, for use in experiments related to development of bio-medicines. This is for projects conducted within global research and development (R&D) collaboration networks, where the substances are brought into China by way of special import licenses. • Improve customs supervision processes to facilitate the operation integrated circuit (IC) industry global supply chains. • Develop a list setting out used electromechanical devices which are allowed to be imported for re-manufacturing purposes [<i>i.e.</i> rebuilding a product to original specifications]. Allow special computing machines, engineering equipment, communication devices, to be imported for re-manufacturing. • Consider introduction of a market-oriented insurance system, <i>e.g.</i> expansion of insurance product coverage to meet the needs of certain sectors, such as pharmaceutical production, and make required changes to insurance supervisory regime.
Facilitate cross-border services and trade	<ul style="list-style-type: none"> • Facilitate cross-border provision of high-end services, such as finance and insurance, travel, education and health. Facilitate temporary importation of goods in respect of which local services (<i>e.g.</i> repairs, testing) are provided. • Develop a supervision model for cross-border digital products trading, which ensures both safety and efficiency.

Facilitate cross-border services and trade (cont'd)	<ul style="list-style-type: none"> • Eliminate/relax restrictions on cross-border service provision whether the services are provided remotely from overseas or through staff on the ground in China.
Set up free trade port areas	<ul style="list-style-type: none"> • Set up free trade port areas inside certain special customs supervision zones, such as in Yangshan Bonded Port Zone and Shanghai Pudong Airport Comprehensive Bonded Zone. • Eliminate/simplify physical controls on goods imported into free trade port areas, streamline declaration procedures, and rely more upon information technology based surveillance. • Develop new systems to manage finance, foreign exchange, investment and exit-entry of goods in the free trade port areas in line with international best practice.
Improve financial services supporting the "Belt and Road" initiative	<ul style="list-style-type: none"> • Shanghai FTZ plans to: (i). enhance strategic cooperation with offshore RMB markets outside China; (ii). develop further the issuance of RMB bonds and asset securitized products by foreign institutions and enterprises; (iii). support foreign companies in expanding their businesses by making use of Shanghai's capital markets; (iv). Encourage foreign central banks, sovereign wealth funds and investors, from countries along the Belt and Road, to invest in onshore RMB-denominated assets; and (v). encourage foreign investors to issue RMB-denominated financial products, and support projects covered by the "Belt and Road" initiative. • Shanghai FTZ will encourage Shanghai-based insurers to offer financial products such as construction insurance, life insurance and cargo insurance to provide risk protection for key projects alongside the Belt and Road.
Offshore tax structuring	<ul style="list-style-type: none"> • Explore the possibility of facilitating the use of internationally competitive offshore tax structuring arrangements, to serve the innovative development of trade in services, without resulting in base erosion and profit shifting.

* With regard to the relevant laws and regulations issued for FTZs in 2016, you may access KPMG *China Tax Weekly Update* ([Issue 22, June 2016](#)), ([Issue 33, August 2016](#)), ([Issue 44, November 2016](#)) and ([Issue 45, December 2016](#)) for more.

Reference: Guo Fa [2017]

No.15/16/17/18/19/20/21

Issuance date: 31 March

2017

Effective date: N/A

Relevant industries: All

Relevant companies:

Enterprises are located in the 7 new FTZs

Relevant taxes: N/A

Potential impacts on businesses:

- Operational costs reduced

You may click [here](#) to access full content of the circular.

Seven new China FTZs approved for establishment

As highlighted in KPMG [China Tax Weekly Update \(Issue 34, September 2016\)](#), Mr. Gao Hucheng, Minister of Commerce, in an interview by Xinhua News on 31 August 2016, said that seven new FTZs are to be set up in Liaoning, Zhejiang, Henan, Hubei, Chongqing, Sichuan and Shaanxi, in addition to the existing FTZs in Shanghai, Guangdong, Tianjin and Fujian.

Subsequently, the State Council approved the establishment of the FTZs and, on 31 March 2017 released the overall plans for [Liaoning FTZ](#), [Zhejiang FTZ](#), [Henan FTZ](#), [Hubei FTZ](#), [Chongqing FTZ](#), [Sichuan FTZ](#) and [Shaanxi FTZ](#) respectively. The move brings China's total number of FTZs to 11. The details of each FTZ plan are as follows:

Liaoning FTZ	<p>Liaoning FTZ will use market-oriented reforms to transform its old industrial base into a more competitive economy.</p> <p>Liaoning FTZ consists of three areas - Dalian, Shenyang and Yingkou - with respective focus on:</p> <ul style="list-style-type: none"> • Dalian area – Industries such as shipping, financial and commercial services, advanced equipment manufacturing, high-tech, circular economy [The circular economy is a concept of industrial organisation which is designed to ensure that biological and non-biological materials, used in production, ultimately do not impact negatively on the biosphere]; • Shenyang area - Modern service industries including financing and logistics, and equipment manufacturing such as motors and their components and aviation equipment; • Yingkou area - Cross-border e-commerce, finance and emerging strategic industries such as new generation information technology and high-end equipment manufacturing.
Zhejiang FTZ	<p>Zhejiang FTZ will pursue commodities trade liberalization.</p> <p>Zhejiang FTZ consists of three areas – Certain offshore islands near Zhoushan Island, and then northern and southern parts of Zhoushan Island itself – with the respective focus on:</p> <ul style="list-style-type: none"> • Zhoushan's offshore islands – build a world-class environmentally friendly petrochemical base, develop bulk commodity storage, transit and trading and bonded fuel oil supply; • Northern part of Zhoushan Island - will focus on bulk commodity trading, bonded fuel oil supply, bonded logistics, storage and manufacturing of oil and petrochemical supporting equipment; • Southern part of Zhoushan Island - will focus on bulk commodity trading, building an aviation industrial park and developing other industries, such as aquatic products trading, ocean tourism, and seawater usage.

Henan FTZ	<p>Henan FTZ will serve as a modern comprehensive traffic hub in the development of the Belt and Road, a pilot zone for general economic reform, and a demonstration zone for open economy measures, in China's landlocked cities.</p> <p>Henan FTZ consists of three areas – Zhengzhou, Kaifeng and Luoyang – with the respective focus on:</p> <ul style="list-style-type: none"> • Zhengzhou area – will prioritize intelligent goods terminals, high-end equipment and auto manufacturing. It will also focus on other advanced manufacturing sectors, such as the biomedical industry, as well as modern service sectors, including logistics, international commerce, cross-border e-commerce, modern financial services, service outsourcing, creative design, commerce exhibitions, animated cartoons and computer games; • Kaifeng area – will focus on development of service industries, such as service outsourcing, medical tourism, creative design, media (dissemination of culture), culture finance, art trade, logistics; • Luoyang area - will focus on high-end manufacturing, such as equipment manufacturing, robots, new materials, as well as modern services, including R&D, e-commerce, service outsourcing, international culture tourism, cultural and creative, cultural trade, cultural display.
Hubei FTZ	<p>Hubei FTZ should be built as a demonstration area for clusters of high-tech and strategic new industries.</p> <p>Hubei FTZ consists of three areas – Wuhan, Xiangyang and Yichang – with the respective focus on:</p> <ul style="list-style-type: none"> • Wuhan area - will focus on the emerging industries such as IT, biotechnology and intelligent manufacturing, as well as modern services such as international trade, financial services, modern logistics, inspection & testing, R&D, information services, professional services; • Xiangyang area - will put emphasis on the development of industries such as high-end equipment manufacturing, new energy vehicles, big data, cloud computing, trade logistics, inspection & testing; • Yichang area - will focus on development of modern services such as advanced manufacturing, biomedicine, electronic information, new materials, R&D, headquarter functions, e-commerce.
Chongqing FTZ	<p>Chongqing FTZ will serve as a major pivot to interconnect the Belt and Road Initiative and the Yangtze River economic belt and implement the strategy to develop China's western regions.</p> <p>Chongqing FTZ consists of three areas – Liangjiang, Xiyong and Guoyuan port – with the respective focus on:</p> <ul style="list-style-type: none"> • Liangjiang area – will focus on high-end industrial clusters such as cloud computing and the biomedical industry, as well as modern services such as headquarters functions, trade in services, e-commerce, warehousing and distribution, professional services, financial leasing, R&D; • Xiyong area - will put emphasis on the development of manufacturing such as electronic information, intelligent equipment as well as producer services such as bonded logistics (including transit shipment, distribution);

Chongqing FTZ (cont'd)	<ul style="list-style-type: none"> Guoyuan port – will seek to develop service industries such as international transfer of goods, container logistics and distribution.
Sichuan FTZ	<p>Sichuan FTZ will serve as a gateway to China's western region for further reform and opening up. It will enhance collaboration between inland areas and those along the coast, rivers and borders, to further stimulate the economic development of the inland areas.</p> <p>Sichuan FTZ consist of three areas – Chengdu Tianfu new area, Chengdu Qingbaijiang rail depot, and port area in the south of Sichuan (in Luzhou city) – with the respective focus on:</p> <ul style="list-style-type: none"> Tianfu new area - will focus on modern service industries, high-end manufacturing, high-tech, airport economy, port services; Qingbaijiang rail depot - will put emphasis on the depot service sectors such as collection, distribution and transshipment of international incommodities, distribution and display, bonded logistics and storage, international freight forwarding, importation of finished cars, finance as well as modern services such as information services, technology services, exhibition services; Port area in the south of Sichuan – focus on development of modern services such as shipping logistics, port trade, education and medical treatment as well as advanced manufacturing and competitive industries such as equipment manufacturing, modern medicine, food and beverage.
Shaanxi FTZ	<p>Shaanxi FTZ will be established to set an example for inland opening up, economic cooperation and cultural exchanges under the "Belt and Road" Initiative.</p> <p>Shaanxi FTZ consists of three areas – Xi'an central area, Xi'an international port area and Yangling demonstration area – with the respective focus on:</p> <ul style="list-style-type: none"> Xi'an central area - will focus on strategic emerging industries and high-tech industries, developing high-end manufacturing, aviation logistics, trade finance; Xi'an international port area - will put emphasis on the development of international trade, modern logistics, financial services, tourism and exhibition, e-commerce; Yangling demonstration area – focus on agricultural science and technology innovation.

Reference: SAT
Announcement [2017] No. 7
Issuance date: 30 March
2017
Effective date: 1 May 2017

Relevant industries: All
Relevant companies:
Enterprises listed in
"Thousand Enterprises
Initiative" and member
enterprises
Relevant taxes: N/A

Potential impacts on
businesses:
• Risks of being challenged
due to non-compliance
issues increased

You may click [here](#) to access
full content of the circular.

SAT "Thousand Enterprises Initiative" information collection measures

On 30 March 2017, the State Administration of Taxation (SAT) issued Announcement [2017] No. 7. This sets out the *Measures to Administer the Information Collection for Enterprise Groups falling under the "Thousand Enterprises Initiative"* (the "Measures"), which will take effect from 1 May 2017.

The SAT launched the "Thousand Enterprise Initiative" in July 2015. This programme covers about 1,000 representative large enterprises from different industries, including MNEs, state-owned enterprises and private enterprises. The chosen enterprises are given priority access to tax officials at provincial and state level. The idea is that these enterprises can reach beyond the lower level tax authorities, formally responsible for their affairs, and resolve matters at the provincial level. There has been a focus on building up services at the provincial level, with tax authorities encouraged to grant rulings to large enterprises on request, and to assist them with improving their tax control systems. On the whole, it is hoped that this approach will result in more effective tax management and lower disputes. The *quid pro quo* is that covered enterprises must provide not only tax return and financial statement data, but also information on electronic accounting ledgers and vouchers. This data becomes a key input into tax authority risk analysis models with risk indicators for different industries.

The following matters, in relation to information collected from the covered enterprises, are clarified in the above-mentioned SAT measures:

- The SAT clarifies that enterprise/group headquarters of firms covered by the Thousand Enterprises Initiative shall update and provide their group information on an annual basis. The updated information shall be submitted to the tax authorities at provincial level before 31 May each year.
- The SAT clarifies that information, such as the enterprise name, taxpayer registration number, uniform social credit code, group name, name of enterprise at a higher/parent level, as well as other tax-related information of covered enterprise, shall be included in the Thousand Enterprises information collection form (This is separate from the CIT return).
- Covered enterprise/group headquarters shall identify their member enterprises on an annual basis. Relevant information on the member enterprises shall be submitted to the tax authorities at provincial level before the filing deadline in October each year.
- Where an enterprise group fails to submit information as required, provides a false information, or refuses to provide information, it shall be subject to sanctions under the *Tax Collection and Administration Law*. These lapses shall be recorded by tax authorities and taken on board when conducting tax credit assessment of that enterprise group.

* For more information about the policies in relation to thousand enterprises and improvement of tax services for large enterprises, please read KPMG *China Tax Weekly Update (Issue 4, February 2016)* and *(Issue 42, November 2016)*.

For any enquiries, please send to our public mailbox: taxenquiry@kpmg.com or contact our partners/directors in each China/HK offices.

Khoonming Ho Head of Tax, KPMG Asia Pacific Tel. +86 (10) 8508 7082 khoonming.ho@kpmg.com	Northern China David Ling Head of Tax, Northern Region Tel. +86 (10) 8508 7083 david.ling@kpmg.com	Christopher Xing Tel. +86 (10) 8508 7072 christopher.xing@kpmg.com	Tanya Tang Tel. +86 (25) 8691 2850 tanya.tang@kpmg.com	Jean Li Tel. +86 (755) 2547 1128 jean.li@kpmg.com	Barbara Forrest Tel. +852 2978 8941 barbara.forrest@kpmg.com
Lewis Lu Head of Tax, KPMG China Tel. +86 (21) 2212 3421 lewis.lu@kpmg.com	Andy Chen Tel. +86 (10) 8508 7025 andy.m.chen@kpmg.com	Irene Yan Tel. +86 (10) 8508 7508 irene.yan@kpmg.com	Rachel Tao Tel. +86 (21) 2212 3473 rachel.tao@kpmg.com	Sisi Li Tel. +86 (20) 3813 8887 sisi.li@kpmg.com	John Kondos Tel. +852 2685 7457 john.kondos@kpmg.com
Beijing/Shenyang David Ling Tel. +86 (10) 8508 7083 david.ling@kpmg.com	Cheng Chi Tel. +86 (10) 8508 7606 cheng.chi@kpmg.com	Sheila Zhang Tel. +86 (10) 8508 7507 sheila.zhang@kpmg.com	Janet Wang Tel. +86 (21) 2212 3302 janet.z.wang@kpmg.com	Mabel Li Tel. +86 (755) 2547 1164 mabel.li@kpmg.com	Kate Lai Tel. +852 2978 8942 kate.lai@kpmg.com
Tianjin Eric Zhou Tel. +86 (10) 8508 7610 ec.zhou@kpmg.com	Conrad TURLEY Tel. +86 (10) 8508 7513 conrad.turley@kpmg.com	Tiansheng Zhang Tel. +86 (10) 8508 7526 tiansheng.zhang@kpmg.com	John Wang Tel. +86 (571) 2803 8088 john.wang@kpmg.com	Kelly Liao Tel. +86 (20) 3813 8668 kelly.liao@kpmg.com	Travis Lee Tel. +852 2143 8524 travis.lee@kpmg.com
Qingdao Vincent Pang Tel. +86 (532) 8907 1728 vincent.pang@kpmg.com	Milano Fang Tel. +86 (532) 8907 1724 milano.fang@kpmg.com	Tracy Zhang Tel. +86 (10) 8508 7509 tracy.h.zhang@kpmg.com	Jennifer Weng Tel. +86 (21) 2212 3431 jennifer.weng@kpmg.com	Patrick Lu Tel. +86 (755) 2547 1187 patrick.c.lu@kpmg.com	Irene Lee Tel. +852 2685 7372 irene.lee@kpmg.com
Shanghai/Nanjing/Chengdu Anthony Chau Tel. +86 (21) 2212 3206 anthony.chau@kpmg.com	John Gu Tel. +86 (10) 8508 7095 john.gu@kpmg.com	Central China	Grace Xie Tel. +86 (21) 2212 3422 grace.xie@kpmg.com	Grace Luo Tel. +86 (20) 3813 8609 grace.luo@kpmg.com	Alice Leung Tel. +852 2143 8711 alice.leung@kpmg.com
Hangzhou John Wang Tel. +86 (571) 2803 8088 john.wang@kpmg.com	Rachel Guan Tel. +86 (10) 8508 7613 rachel.guan@kpmg.com	Anthony Chau Head of Tax, Eastern & Western Region Tel. +86 (21) 2212 3206 anthony.chau@kpmg.com	Eric Zhou Tel. +86 (10) 8508 7610 ec.zhou@kpmg.com	Ling Lin Tel. +86 (755) 2547 1170 ling.lin@kpmg.com	Jocelyn Lam Tel. +852 2685 7605 jocelyn.lam@kpmg.com
Guangzhou Lilly Li Tel. +86 (20) 3813 8999 lilly.li@kpmg.com	Helen Han Tel. +86 (10) 8508 7627 h.han@kpmg.com	Yasuhiro Otani Tel. +86 (21) 2212 3360 yasuhiro.otani@kpmg.com	Jie Xu Tel. +86 (21) 2212 3678 jie.xu@kpmg.com	Maria Mei Tel. +86 (592) 2150 807 maria.mei@kpmg.com	Ivor Morris Tel. +852 2847 5092 ivor.morris@kpmg.com
Fuzhou/Xiamen Maria Mei Tel. +86 (592) 2150 807 maria.mei@kpmg.com	Michael Wong Tel. +86 (10) 8508 7085 michael.wong@kpmg.com	Johnny Deng Tel. +86 (21) 2212 3457 johnny.deng@kpmg.com	Cheng Dong Tel. +86 (21) 2212 3410 cheng.dong@kpmg.com	Eileen Sun Tel. +86 (755) 2547 1188 eileen.gh.sun@kpmg.com	Malcolm Prebble Tel. +852 2684 7472 malcolm.j.prebble@kpmg.com
Shenzhen Eileen Sun Tel. +86 (755) 2547 1188 eileen.gh.sun@kpmg.com	Josephine Jiang Tel. +86 (10) 8508 7511 josephine.jiang@kpmg.com	Marianne Dong Tel. +86 (21) 2212 3436 marianne.dong@kpmg.com	Hanson Zhou Tel. +86 (21) 2212 3318 hanson.zhou@kpmg.com	Michelle Sun Tel. +86 (20) 3813 8615 michelle.sun@kpmg.com	David Siew Tel. +852 2143 8785 david.siew@kpmg.com
Hong Kong Karmen Yeung Tel. +852 2143 8753 karmen.yeung@kpmg.com	Henry Kim Tel. +86 (10) 8508 5000 henry.kim@kpmg.com	Chris Ge Tel. +86 (21) 2212 3083 chris.ge@kpmg.com	Chris Ho Tel. +86 (21) 2212 3406 chris.ho@kpmg.com	Lixin Zeng Tel. +86 (20) 3813 8812 lixin.zeng@kpmg.com	Murray Sarelius Tel. +852 3927 5671 murray.sarelius@kpmg.com
	Li Li Tel. +86 (10) 8508 7537 li.li@kpmg.com	Johnny Wong Tel. +86 (21) 2212 3380 henry.wong@kpmg.com	Cheng Dong Tel. +86 (21) 2212 3410 cheng.dong@kpmg.com	Hong Kong	John Timpany Tel. +852 2143 8790 john.timpany@kpmg.com
	Lisa Li Tel. +86 (10) 8508 7638 lisa.h.li@kpmg.com	Robert Xu Tel. +86 (21) 2212 3124 robert.xu@kpmg.com	Yang Yang Tel. +86 (21) 2212 3372 yang.yang@kpmg.com	Ayesha M. Lau Head of Tax, Hong Kong Tel. +852 2826 7165 ayesha.lau@kpmg.com	Lachlan Wolfers Tel. +852 2685 7791 lachlan.wolfers@kpmg.com
	Thomas Li Tel. +86 (10) 8508 7574 thomas.li@kpmg.com	William Zhang Tel. +86 (21) 2212 3415 william.zhang@kpmg.com	William Zhang Tel. +86 (21) 2212 3415 william.zhang@kpmg.com	Michelle Zhou Tel. +86 (21) 2212 3458 michelle.b.zhou@kpmg.com	Chris Abbiss Tel. +852 2826 7226 chris.abbiss@kpmg.com
	Larry Li Tel. +86 (10) 8508 7658 larry.y.li@kpmg.com	Hanson Zhou Tel. +86 (21) 2212 3318 hanson.zhou@kpmg.com	Yiwen Chen Tel. +86 (20) 3813 8615 yiwen.chen@kpmg.com	Bin Yang Tel. +86 (20) 3813 8605 bin.yang@kpmg.com	Steve Man Tel. +852 2978 8976 steve.man@kpmg.com
	Simon Liu Tel. +86 (10) 8508 7565 simon.liu@kpmg.com	Chris Ho Tel. +86 (21) 2212 3406 chris.ho@kpmg.com	Yixin Zeng Tel. +86 (20) 3813 8812 lixin.zeng@kpmg.com	Malcolm Prebble Tel. +852 2684 7472 malcolm.j.prebble@kpmg.com	Curtis Ng Tel. +852 2143 8709 curtis.ng@kpmg.com
	Alan O'Connor Tel. +86 (10) 8508 7521 alan.oconnor@kpmg.com	Henry Wong Tel. +86 (21) 2212 3380 henry.wong@kpmg.com	Chris Ho Tel. +86 (21) 2212 3406 chris.ho@kpmg.com	Yvette Chan Tel. +852 2847 5108 yvette.chan@kpmg.com	David Siew Tel. +852 2143 8785 david.siew@kpmg.com
	Vincent Pang Tel. +86 (10) 8508 7516 +86 (532) 8907 1728 vincent.pang@kpmg.com	Henry Wong Tel. +86 (21) 2212 3380 henry.wong@kpmg.com	Yiwen Chen Tel. +86 (20) 3813 8615 yiwen.chen@kpmg.com	John Timpany Tel. +852 2143 8790 john.timpany@kpmg.com	Steve Man Tel. +852 2978 8976 steve.man@kpmg.com
	Naoko Hirasawa Tel. +86 (10) 8508 7054 naoko.hirasawa@kpmg.com	Michael Li Tel. +86 (21) 2212 3463 michael.y.li@kpmg.com	Yiwen Chen Tel. +86 (20) 3813 8615 yiwen.chen@kpmg.com	Yvette Chan Tel. +852 2847 5108 yvette.chan@kpmg.com	Curtis Ng Tel. +852 2143 8709 curtis.ng@kpmg.com
	Shirley Shen Tel. +86 (10) 8508 7586 yinghua.shen@kpmg.com	Karen Lin Tel. +86 (21) 2212 4169 karen.w.lin@kpmg.com	Sam Fan Tel. +86 (20) 3813 8605 sam.kh.fan@kpmg.com	Rebecca Chin Tel. +852 2978 8987 rebecca.chin@kpmg.com	Erica Chan Tel. +852 3927 5572 erica.chan@kpmg.com
	Joseph Tam Tel. +86 (10) 8508 7605 laiyu.tam@kpmg.com	Christopher Mak Tel. +86 (21) 2212 3409 christopher.mak@kpmg.com	Joe Fu Tel. +86 (755) 2547 1138 joe.fu@kpmg.com	Wade Wagatsuma Tel. +852 2685 7806 wade.wagatsuma@kpmg.com	Adam Zhong Tel. +852 2685 7559 adam.zhong@kpmg.com
	Joyce Tan Tel. +86 (10) 8508 7666 joyce.tan@kpmg.com	Henry Ngai Tel. +86 (21) 2212 3411 henry.ngai@kpmg.com	Penny Chen Tel. +86 (20) 3813 8606 penny.chen@kpmg.com	Natalie To Tel. +852 2143 8509 natalie.to@kpmg.com	Karmen Yeung Tel. +852 2143 8753 karmen.yeung@kpmg.com
	Jessica Xie Tel. +86 (10) 8508 7540 jessica.xie@kpmg.com	Ruqiang Pan Tel. +86 (21) 2212 3118 ruqiang.pan@kpmg.com	Fiona He Tel. +86 (20) 3813 8623 fiona.he@kpmg.com	Matthew Fenwick Tel. +852 2143 8761 matthew.fenwick@kpmg.com	Erica Chan Tel. +852 3927 5572 erica.chan@kpmg.com
	Cynthia Xie Tel. +86 (10) 8508 7543 cynthia.py.xie@kpmg.com	Amy Rao Tel. +86 (21) 2212 3208 amy.rao@kpmg.com	Angie Ho Tel. +86 (755) 2547 1276 angie.ho@kpmg.com	Sandy Fung Tel. +852 2143 8821 sandy.fung@kpmg.com	Adam Zhong Tel. +852 2685 7559 adam.zhong@kpmg.com
	Wayne Tan Tel. +86 (28) 8673 3915 wayne.tan@kpmg.com	Cloris Li Tel. +86 (20) 3813 8829 cloris.li@kpmg.com	Charles Kinsley Tel. +852 2826 8070 charles.kinsley@kpmg.com	Stanley Ho Tel. +852 2826 7296 stanley.ho@kpmg.com	Becky Wong Tel. +852 2978 8271 becky.wong@kpmg.com

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2017 KPMG, a Hong Kong partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. © 2017 KPMG Advisory (China) Limited, a wholly foreign owned enterprise in China and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.