

Annual Report 年報 2007

Stock Code 股份代號 : 0337



SPGLAND
盛高置地

SPG LAND (HOLDINGS) LIMITED
盛高置地(控股)有限公司

“Fresh Thinking Quality Living”

SPG Land (Holdings) Limited (“SPG Land” or the “Group”): Hong Kong Stock Code: 337) is a reputable property developer that is principally engaged in the development of quality residential and hotel properties. Headquartered in Shanghai, since its corporation, the Group has successfully developed three exemplar large-scale trophy projects in Shanghai: namely Cambridge Forest Newtown, Cambridge Waters and Cambridge Watertown, and established our reputable brand name. Since our listing in October 2006, SPG Land has strategically achieved in expanding its business to the cities in Yangtze River Delta; including Wuxi, Changshu, and Suzhou, as well as some emerging and developing markets, such as Huangshan, Kunming and Haikou. With our unique residential design, exquisite living environment and innovative architectural style and outstanding sales performance, we were awarded “Shanghai Top Ten Foreign Property Developers in 18 years”. Since our listing in the Main Board of The Hong Kong Stock Exchange, our profile in the international capital market has gradually enhanced. The Group was selected as a constituent stock of the 200-Stock Hang Seng Composite Index Series and Hang Seng Freefloat Index Series in March 2007, and obtained the renowned status as the “Top 100 Property Developers in China” in the same year.

The sustained rapid growth of the PRC economy has accelerated its urbanization progress. With the increase in the disposal income of the urban population, in particular the middle-to-high income sector, the Group is committed to providing high quality products and distinctive services. Hence, the Group works with world renowned design teams for the development of its projects. Moreover, we adopt an aggressive but selective approach in enlarging the scale of our quality land bank. Our management firmly believes that our focus on quality of products and selecting sites with growing potential are conducive to the healthy and stable development of the Group in the long run.

To facilitate our business diversification and to enhance recurring income, besides the excellent track record in property development, the Group has also actively co-operated with leading hotel management groups and has achieved promising outcome. Currently, the hotel projects of the Group include the investment and development of Peninsula Hotel on the Bund in Shanghai; the Aman Shanghai on the Bund; Shanghai Cambridge Holiday Inn; and the Crowne Plaza Resort Hotel and Chedi Resort at the world-renowned scenic area of Huangshan. With regard to the development of the hotel business of the Group, all the above projects will benefit from the rapid development of tourism industry, 2008 Olympics and 2010 World Expo in Shanghai. With the increase in recurrent income from hotel operations and investment properties, it will strengthen the business foundation of the long term development of SPG Land.

“Fresh Thinking, Quality Living” is the corporate vision of SPG Land. With our international and professional background, SPG Land stands out itself from the China’s real estate market. We believe that, with our professional management, superb product quality and prudent financial operation, we will be able to devote ourselves fully to building up the better future for cities in China, creating a harmonized and humane society whole-heartedly, and at the same time will maximise the returns to our stockholders and investors!

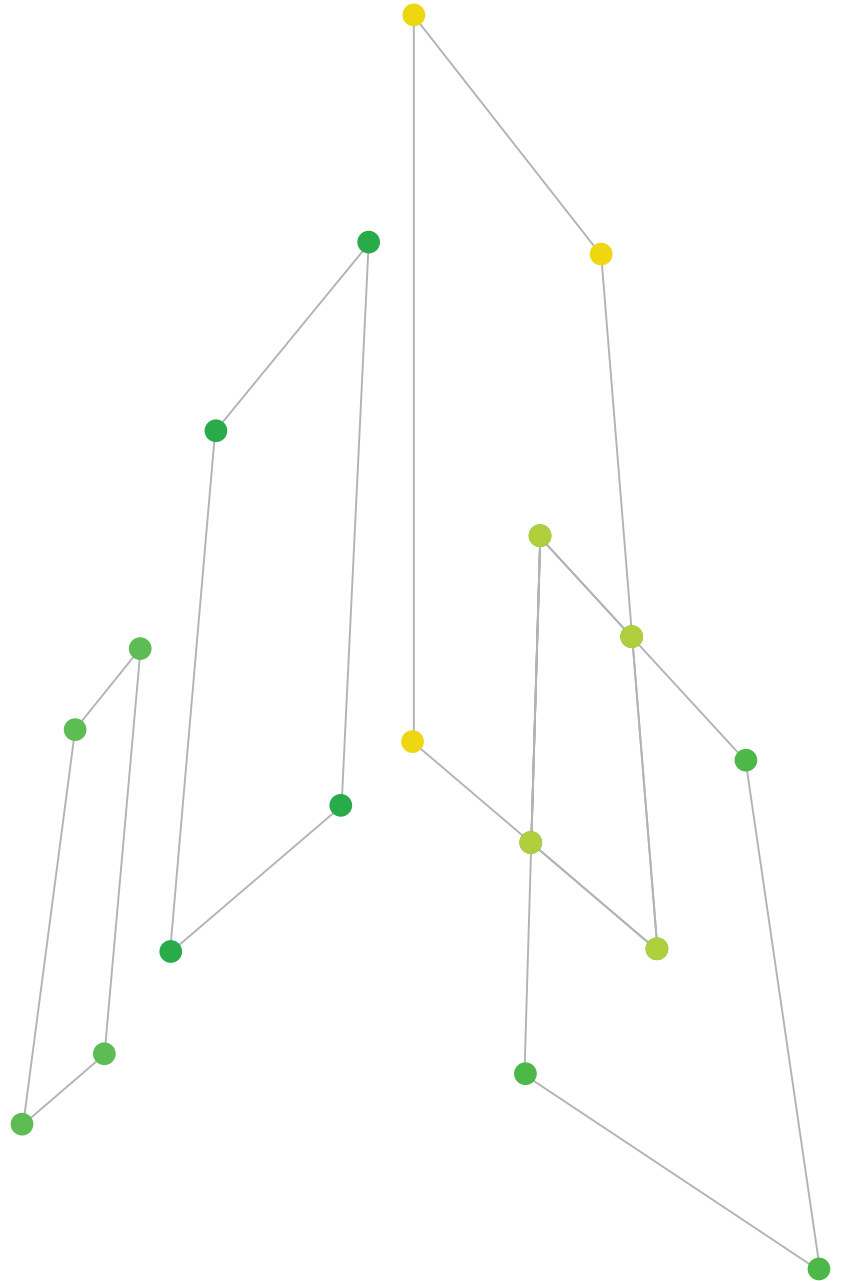
“非凡暢想， 品質空間”

盛高置地(控股)有限公司(「盛高置地」或「集團」; 香港聯交所股票編號: 337)是一家以發展優質住宅和酒店物業的著名房地產開發商, 總部設於上海。自成立以來, 集團成功發展三個著名的位於上海的大型住宅物業項目: 康橋半島、康橋水都及康橋水鄉(東方庭院), 集團品牌地位得以奠定。二零零六年十月公司上市後, 盛高置地策略性地成功將業務從上海擴展至長江三角洲包括無錫、常熟及蘇州, 及一些新興的市場所在的城市, 包括黃山、昆明和海口。盛高置地憑藉獨特的住宅設計、優美的社區環境、創新的建築風格以及出色的銷售表現, 於二零零五年獲選為「上海房地產18年十大外資房地產企業」。集團於香港聯合交易所主板正式上市後, 在國際資本市場的知名度日漸提高, 二零零七年三月正式成為恒生綜合行業指數200成份股之一, 並被納入恒生流通指數系列成份股, 同年榮獲「中國房地產百強之星」稱號。

中國經濟的持續快速發展, 致使城市化進程迅速, 城市人口特別是中高收入階層的可支配收入大幅提升, 集團致力提供優質的產品和服務, 所以盛高集團旗下的項目均與知名的國際設計師合作打造。此外, 盛高置地亦採用進取但選擇性的方式擴大優質土地儲備的規模。盛高置地管理層堅信只有專注於優質產品的開發及選擇增長潛力高的地區, 是集團長期穩健發展的要素。

為了推動業務多元化發展及為集團帶來長期經常性收入, 集團不僅在房地產開發上成績斐然, 近年集團也積極與國際一流的酒店管理集團攜手合作, 並取得了傲人的成果。現時, 集團的酒店項目包括投資及發展上海外灘半島酒店、外灘33號阿曼精品酒店項目、盛高假日酒店、以及位於黃山全球知名風景區的皇冠假日酒店及Chedi Resort。對集團酒店發展而言, 所有項目均將受益於中國高速發展的旅遊業、二零零八年奧運會及二零一零年上海世博會。通過提高日後酒店及投資物業的收入貢獻, 盛高置地將能以經常性收入基礎獲取健康的發展。

「非凡暢想 品質空間」是盛高置地的企業理念, 並憑藉國際化及專業化的背景在中國房地產市場上獨樹一幟。我們相信, 以專業的開發理念、卓越的產品品質及穩健的財務運作, 我們將全力投身建設中國城市未來, 為創造一個舒適和諧的社會空間而不斷努力, 並為股東及投資者帶來最佳回報!



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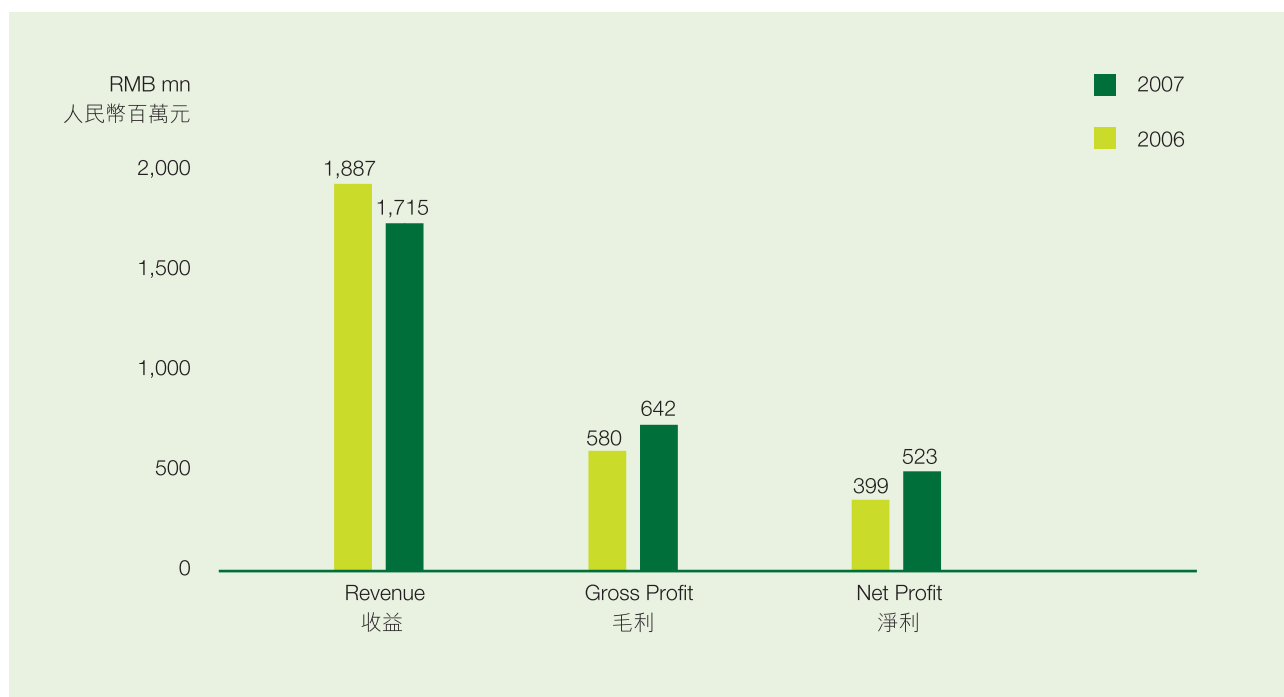
Financial Highlight

財務摘要

RESULTS HIGHLIGHTS 業績摘要

For the year ended 31 December 截至十二月三十一日止年度日

	2007 二零零七年 RMB Million 人民幣百萬元	2006 二零零六年 RMB Million 人民幣百萬元	Change 轉變
Revenue 收益	1,715	1,887	-9%
Gross profit 毛利	642	580	+11%
Profit from operating activities 來自經營活動溢利	618	486	+27%
Net Profit 淨利	523	399	+31%
Attributable to: 以下人士應佔：			
– Equity holders of the Company – 本公司股權持有人	498	391	+27%
– Minority interests – 少數股東權益	25	8	+213%
Earnings Per Share (RMB) 每股盈利 (人民幣元)			
– Basic – 基本	0.481	0.480	+0.2%
– Diluted – 攤薄	0.462	0.479	-3%



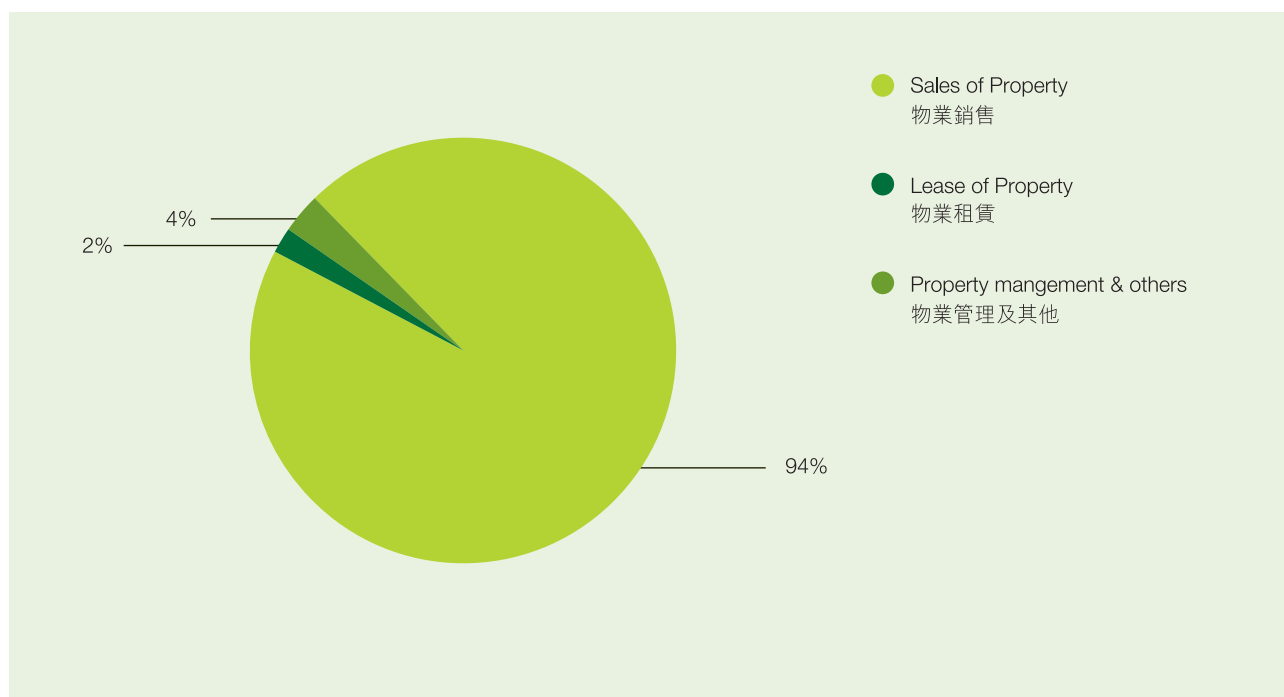
2007 REVENUE ANALYSIS 二零零七年度收益分析

	2007 二零零七年 RMB Million 人民幣百萬元	2006 二零零六年 RMB Million 人民幣百萬元	Change 轉變
Sales of property 物業銷售	1,606.7	1,791.8	-10%
Lease of property 物業租賃	29.6	32.4	-9%
Property management & others 物業管理及其他	78.2	63.3	+24%
Total 合計	1,714.5	1,887.5	-9%

As at 31 December 於十二月三十一日

	2007 二零零七年 RMB Million 人民幣百萬元	2006 二零零六年 RMB Million 人民幣百萬元	Change 轉變
Total assets 資產總額	7,548.8	5,649.3	+34%
Total liabilities 負債總額	3,935.6	2,958.9	+33%
Total Equity 權益總額	3,613.2	2,690.4	+34%

2007 REVENUE ANALYSIS 二零零七年收益分析



Key Events of the Year

年度大事回顧

2007

- Acquired an additional piece of land with GFA of approximately 230,000 sq.m. in Huangshan City near Taiping Lake in February
- Selected as a constituent stock of the 200-Stock Hang Seng Composite Index Series and Hang Seng Freefloat Index Series, effective March 2007
- Acquired another piece of land with GFA of approximately 220,000 sq.m. in Kunming in March
- Issued USD settled zero coupon convertible bonds in the aggregate principal amount of RMB 1,158 million in April
- Acquired another piece of land with GFA of approximately 308,000 sq.m. in Huangshan City near Taiping Lake in June
- Acquired a piece of land with GFA of approximately 598,000 sq.m. in Wuxi in July
- Acquired a piece of land near Yu Mountain with GFA of approximately 119,000 sq.m. in Changshu in July
- Acquired a piece of land adjoining the Shang Lake with GFA of approximately 128,800 sq.m. in Changshu in August
- Acquired a piece of land with GFA of approximately 149,000 sq.m. in Suzhou in October
- Sold 29% of the shares of two subsidiaries holding the Kunming and Shanghai Watertown projects to Mausica Investment Ltd., owned by a fund advised by Citigroup Property Investors Asia Limited in October

2007年

- 二月增購黃山太平湖住宅土地，可建建築面積約230,000平方米
- 本集團於二零零七年三月成為恒生綜合行業指數200隻成份股及恒生流通指數系列成份股之一
- 三月增購昆明另一地塊，可建建築面積約220,000平方米
- 四月發行以美元償付本金總額為人民幣11.58億元的零息可轉換債券
- 六月再增購黃山市太平湖附近另一地塊，可建建築面積約308,000平方米
- 七月收購無錫市一幅地塊，可建建築面積約598,000平方米
- 七月收購常熟市虞山附近一幅地塊，可建建築面積約119,000平方米
- 八月收購常熟市毗鄰尚湖一幅地塊，可建建築面積約128,800平方米
- 十月收購蘇州市一幅地塊，可建建築面積約149,000平方米
- 十月向Mausica Investment Limited(由花旗亞洲房地產投資有限公司提供作基金顧問之基金擁有)出售持有昆明及上海康橋水鄉項目之子公司之29%股份

Awards and Accolades

獎項及殊榮

2007

- “Top 100 Property Developers in China in 2007”
- SPG Land (Holdings) Limited recognized as “China’s Brandname Real Estate Enterprise”
- Cambridge Watertown recognized as a “Top Twenty Classic Real Estate Developments in China”
- SPG Land recognised as “Top Ten Real Estate Developers of Shanghai Real Estate Market in 2007”
- Oriental Garden recognised as “Top Ten Best Living Property of China Municipal Classic Property Index System Sample Project”
- Kunming SPG Land Grand City recognised as “Residential Housing Classic Award of 2007 China Real Estate Golden Brick Award”
- Kunming SPG Land Grand City recognised as the “Show Flat Award of the 90 m² Housing Unit Creative Design Competition in Kunming”
- Kunming SPG Land Grand City recognised as the “Creative Housing Unit Award of the 90 m² Housing Unit Creative Design Competition in Kunming”

2007年

- 「二零零七年中國房地產百強之一」
- 盛高置地(控股)有限公司榮獲「中國房地產名牌企業」
- 康橋水鄉榮獲「中國房地產20大經典樓盤」
- 盛高置地獲得「2007年度上海房地產十大品牌房企」
- 東方庭院獲得「中國城市典型地產指數系統樣本項目－十大宜居生態地產」
- 昆明盛高大城獲得「中國地產金磚獎2007年度人居經典大獎」
- 昆明盛高大城獲得「昆明市90m²戶型創新設計大賽－示範戶型大獎」
- 昆明盛高大城獲得「昆明市90m²戶型創新設計大賽－創新戶型大獎」

Awards and Accolades

獎項及殊榮

2006

- “National Trustworthy Property Developer in 2006” by the China Property Trustworthiness Research Centre
- “2006 Star Property Developer” by four major Chinese media (Xinmin Wanbao, Wen Wei Pao, Beijing Wanbao, Dongfang Zaobao)
- Cambridge Watertown accredited “BusinessWeek Architectural Record China Award” and “Tsingpu Region Model Project” and “The Best Community for the White Collar in Shanghai” awards, by four major Chinese media (Xinmin Wanbao, Wen Wei Pao, Beijing Wanbao, Dongfang Zaobao)
- Shanghai New Independence House Property Management Co., Ltd. given “Shanghai Best Estate Property Management Award”
- Shanghai New Independence House Property Management Co., Ltd. awarded as the First Class Property Management Enterprise Award
- Shanghai New Independence House Property Management Co., Ltd. passed the ISO14001:2004, OHSAS18001:1999 Three-In-One Management System

2005

- SPG Land recognized as one of the “Top 10 Foreign Property Developers in Shanghai in 18 Years ”
- Top Bank Credit Rating Enterprise in Shanghai: AAA

2006年

- 獲中國房地產誠信建設調研中心評為「2006年全國房地產誠信企業」
- 獲四大媒體評出(新民晚報, 文匯報, 北京晚報, 東方早報)評為「2006年上海房地產明星企業」
- 康橋水鄉獲商業週刊「建築實錄」中國獎及中國四大媒體評出(新民晚報, 文匯報, 北京晚報, 東方早報)頒發「青浦地標樓盤」及「最佳上海白領社區」
- 新獨院物業管理有限公司榮獲「亞洲物業管理品牌企業」
- 新獨院物業管理有限公司獲得一級資質物業管理企業稱號
- 新獨院物業管理有限公司再次通過ISO14001:2004, OHSAS18001:1999三合一管理體系的貫標認證

2005年

- 「上海房地產18年十大外資房地產企業」
- 年度貸款企業資信最高等級AAA級

Awards and Accolades

獎項及殊榮

2004

- Cambridge Watertown recognized as “Innovative Demonstration Project as Champion of New Chinese Resident”
- Cambridge Forest Newtown recognised as First Class Honour of Real Estate Developer

2003

- Cambridge Forest Newtown received “Shanghai Top Grade Villa Development Model” and “Best Potential Residence Award”
- Cambridge Waters awarded “China Residence Innovation Award”
- Shanghai New Independence House Property Management Co., Ltd. passed the ISO9001:2000 Management System

2002

- Cambridge Forest Newtown received Gold Awards in “National Landscape” and “Environment Design Match”

2001

- Cambridge Forest Newtown received 2nd Place, “Residential Housing Sales Area in Shanghai”, “Most Stylish Residence of New Century Award”, “Shanghai’s 10 Most Classic Urban Residence Award”, and “China’s 10 Most Classic Residence Award”

2000

- Cambridge Forest Newtown received “2000 China HouseDesign Award” and “Shanghai House Design Award” by theMinistry of Construction

2004年

- 康橋水鄉獲「中國住宅創新奪標中國住宅創新示範樓盤」
- 康橋半島獲得房地產開發企業一級資質

2003年

- 康橋半島獲「上海地產高檔別墅成功開發典範」稱號及「最具有升值潛力樓盤」
- 康橋水都獲「中國住宅創新奪標中國住宅創新示範樓盤」
- 新獨院物業管理有限公司通過ISO9001:2000管理體系的貫標認證

2002年

- 康橋半島獲「中國優秀環境設計大賽景觀設計金獎」及「科技進步金獎」

2001年

- 康橋半島獲「新世紀品味樓盤」稱號、「上海十大典型新都市住宅樓盤」、「中國十大典型住宅」

2000年

- 康橋半島獲建設部「創新風暴全國住宅設計奪標組委會特別金獎」及「上海優秀住宅房型獎」





Chairman's Statement

主席報告



Mr. Wang Weixian
Chairman

主席
王偉賢

2007 is a year of breakthrough and achievements for SPG Land. Since its listing in October 2006, the Group has been selected as a constituent stock in the 200-Stock Hang Seng Composite Index Series and Hang Seng Freefloat Index Series. Our land bank has increased by 113% when compared with same period last year, whereas our profit has been elevated by 31%. We were also awarded the "Top 100 Property Developers of China". As a result of the signing of the "No. 33 on The Bund" property project, SPG Land becomes the only developer in the past century to undertake successive commercial projects at The Bund in Shanghai. The realignment of business strategy in 2007 has led to an inspirational beginning of "faster, greater and stronger" company development for 2008 and the years to come.

SPG Land's parent company has been incorporated for a period of 10 years. However, it only signifies the beginning of an anticipated tremendous expansion of SPG Land which is in the beginning stage to take up the social responsibility of a publicly listed company amongst many already listed

2007年，是盛高置地歷史上濃墨重彩的一年。盛高置地從私營公司轉化為國際化公眾公司的第一年裏，被納入恒生綜合指數200只成份股，同時被納入恒生流通指數系列成份股；土地儲備同比增加113%，利潤同比增加31%；榮獲「中國房地產百強之星」；由盛高置地簽下的上海外灘33號物業項目，使得盛高置地成為百年以來唯一在上海外灘接連建造商業項目的開發商。經過戰略調整的2007年為2008年，以及盛高置地未來「更快、更高、更強」的高質、快速發展譜寫了一段令人歡心鼓舞的序曲。

從盛高置地的母公司註冊成立到現在，10年過去了。對於盛高置地而言，這一切僅僅是開始。盛高置地在肩負著公眾責任的房地產上市公司梯隊中，剛剛起跑。2007年，中國大部分房地產商上市公司都有不

developers in China. In 2007, most of the listed property developers achieved satisfactory results; the buoyant capital market also contributed to the momentum of growth of these companies. However, there are over 50,000 property developers in China which results in an intense market competition. Against the background of the continuing strong economic growth in China, the buoyant capital market, the speeding of urbanisation, the increase in the intensity of market competition and the seeking of better quality of living condition, what is the goal of SPG Land? What is the market positioning of SPG Land? The questions are warrant for serious consideration.

Our consideration should take into account of our past success and our prospect. Our vision has been globalized after 10 years of experience to develop large-scale development in Shanghai, to consolidate the resources, to identify the needs of our customers and to deliver high quality products. While our counterparts were expanding their land bank aggressively in 2007, we faithfully adhered to our strategy, which is "Headquartered in Shanghai, Establish ourselves in Yangtze River Delta, Embark on core cities of various economic zones". Being responsible to our shareholders, we maintain our prudent approach – to avoid the exceedingly expensive prime sites in the first-tier cities but identify the prime areas in the second and third-tier cities. In so doing, not only can we satisfy the needs of the residents in these cities, but also accumulate high quality sites, and at the same time mitigate financial risks as well as the policy risks. As a result, we can achieve healthy and sustainable long-term growth. In Wuxi, we acquired a 600,000 sq.m. of GFA site in the city centre. Together with international top-notch design teams, we will develop the site into a world-class commercial development, including a skyscraper signature hotel, office, entertainment centre, villa development, and top class serviced apartments. For the South-western part of China, we are developing our first large-scale development with 600,000 sq.m. of GFA "SPG Land Grand City" at the fringe of the city centre of Kunming, the provincial capital of Yunnan Province.

錯的表現，資本市場的活躍也給上市公司注入相當大的活力。同時，中國房地產企業多達5萬餘家，市場競爭激烈。在中國經濟持續強勁發展、資本市場活躍、城市化進程加快、行業競爭更激烈、居民消費力增高、且對居住品質要求日益增高的背景下，盛高置地未來目標是什麼？盛高置地的位置在哪裡？盛高置地需要思考。

思考包括解讀過去的成功以及展望未來。10年的上海大盤開發經驗使盛高置地在國際化全局視野、整合社會資源、準確把握客戶、打造高質量精品方面專有所長。在其他同行大幅擴張土地儲備的2007年，盛高置地始終遵循「根植上海，立足長三角，全國佈局重點發展區域中心城市」的戰略，秉持對股東負責、穩健發展的宗旨，穩步擴張。通過冷靜客觀分析，鎖定國內二、三線城市中心的黃金地段物業，以滿足居民提升生活品質為主訴求，獲取了多個二、三線城市的高質量土地，規避了風險性和政策性較高的投資類型土地，確保集團未來的健康營運和長遠發展。在無錫，盛高置地先後取得樓面面積達60萬平方米中心區核心地段，並聯手國際一流設計團隊打造國際化城市綜合體，包括超高層標誌性酒店、辦公商業街區、娛樂購物中心、別墅以及高級公寓等項目。在中國西南門戶——雲南省昆明市，緊鄰市區商業中心、盛高置地首個西南片區的大型房地產項目——60萬平方米的「盛高大城」也於2008年春開始發售。

Chairman's Statement

主席報告

In 2008, we aim to realize two major business transformations — one is to shift from pure residential developments to integrated urban developments, such as our projects in Wuxi, Suzhou and at the Bund, and the other one is, against the background of the accumulation of people's wealth in the last 30 years due to the open-door policy, to develop leisure and tourism resorts, such as our Taiping Lake resort development in Huangshan, villa developments in Shang Lake and Haikou.

In 2008, while the competition in China property sector will heighten, this is also the year we plan to accelerate our growth. SPG Land will continue to commit itself to social responsibilities and to lift up the expectations rested by the society. With our global vision, we will maintain prudent approach to growth, while continue to deliver high quality products, with localized operation, to meet the demand of the market. The above will contribute to the solid business foundation of SPG Land, leading us into the thriving second and the third decades of development, and many more decades to come.

WANG Weixian
Chairman
SPG Land (Holdings) Limited

Hong Kong, 26 March 2008

2008年，盛高置地將實現兩個重要轉型。一是從單純住宅類型物業開發轉向城市綜合體的運營開發，例如無錫、蘇州項目及上海外灘項目；第二個轉型是基於對中國改革開放30年帶來的人民財富積累的消费洞察，盛高置地將從單純住宅社區開發增添旅遊休閒度假地產開發，包括黃山太平湖項目、常熟項目以及海口項目等。

2008年，是中國房地產市場進入競爭更加激烈的發展之年；也是盛高置地從新的起點飛步發展的一年。盛高置地將肩負起社會寄予的責任以及厚望，堅持固有的全球化視野，保持穩健的步伐，對高質精品始終如一的訴求，以及本土化的操作，令盛高置地跨入標杆性的第二個10年，第三個10年，更多的盛高10年，造就基業常青。

盛高置地(控股)有限公司
主席
王偉賢

香港，二零零八年三月二十六日

Chief Executive's Review

行政總裁報告



Mr. Tse Sai Tung, Stones
Group Managing Director & CEO

集團董事總經理兼行政總裁
謝世東先生

It is my pleasure to report the Group's annual results for the year ended December 31, 2007, encompassing the first full year results since our successful listing on the main board of The Stock Exchange of Hong Kong Limited in October 2006.

During the year under review, SPG Land (Holdings) Limited (the "Company") and together with its subsidiaries (collectively the "Group") recorded a total revenue of approximately RMB1,714,507,000. Net profit of the Group posed a significant surge of 31% to approximately RMB523,154,000.

OPERATIONAL REVIEW

2007 was a fruitful year for the Group as we had a number of key operational achievements during the year.

本人欣然呈報本集團截至二零零七年十二月三十一日止年度的年度業績，包括自二零零六年十月本公司成功於香港聯合交易所有限公司主板上市以來的首份全年業績。

於回顧年度內，盛高置地(控股)有限公司(「本公司」)並連同其子公司(統稱「本集團」)錄得總收益約人民幣1,714,507,000元。本集團純利取得31%的可觀升幅，達至約人民幣523,154,000元。

經營回顧

本年度本公司的經營取得多項重大成就，對本集團而言，二零零七年是收獲豐盛的一年。

Land Bank Replenishment

Geographically, we succeeded in strategically extending our footprints to other economically vibrant cities in the Yangtze River Delta area and in provincial capitals and hubs of economic zones of the Southwest region. Serving to satisfy the aspiring demand for high-quality properties arising in these up-and-coming areas, the Group's strategy is to maintain a quality portfolio of land bank that is sufficient to support the Group's development pipeline for the next four to five years. The Group is continuing to develop large-scale and multi-phase residential projects in provincial capitals and other fast-growing cities, targeting the middle to upper-income groups.

Our successful acquisitions during the year resulted in the expansion of our land bank by an additional GFA of 1.7 million sq.m., augmenting the Group's land bank portfolio from approximately 1.5 million sq.m. as at the end of 2006 by 113% to about 3.2 million sq.m. Our acquisitions in 2007 include:

- *Xishan District, Kunming, Yunnan Province*
Acquired in March 2007 through listing-for-sale, the land on Southeast Second Ring Road in Kunming's Xishan District will be concurrently developed with the adjoining site that was previously acquired by the Group in November 2006. The two projects will aggregately span 171,000 sq.m. in site area and have a total planned GFA of approximately 598,000 sq.m. The site will be developed into a quality multi-phase residential and commercial project.
- *Huangshan, Anhui Province*
The Group acquired two additional pieces of land through listing-for-sale in February and June 2007, respectively, near the scenic Taiping Lake in the northern part of Huangshan City's Huangshan District. As the second and third additions to the Group's multi-phase Huangshan development, the acquired land has increased the project's aggregate site area of the comprehensive development to about 1.74 million sq.m. and its aggregate GFA to approximately 871,919 sq.m. This site will be developed into premium hotels, resort housing and other recreational facilities.

擴充土地儲備

以地理位置而言，本公司成功將業務策略性擴展至長江三角洲經濟發達地區、省會城市及西南地區的經濟樞紐。為迎合此等新興地區對高素質物業日益增長的需求，本集團的策略為保持足以支持本集團未來四至五年發展計劃的土地儲備組合。本集團不斷於省會城市及高速發展的其他城市發展大型及多期開發的住宅項目，目標為中高收入人士。

我們於本年度內成功收購多幅土地，致使土地儲備額外擴大約1,700,000平方米的建築面積，令總面積從二零零六年十二月底的約1,500,000平方米增加113%至二零零七年十二月底的約3,200,000平方米。本集團於二零零七年的收購包括：

- *雲南省昆明市西山區*
該土地位於昆明西山區二環路東南面，於二零零七年三月通過掛牌出讓購得，將與先前本集團於二零零六年十一月在鄰近購買的地盤合併開發。兩個項目總地盤面積約為171,000平方米，而計劃總建築面積約為598,000平方米。該地塊將發展為優質的多期住宅及商業項目。
- *安徽省黃山市*
本集團分別於二零零七年二月及六月通過掛牌出讓方式於黃山市黃山區北部臨近著名風景區太平湖增購另外兩幅土地，對本集團多期黃山發展項目的土地進行第二及第三次收購。所收購的土地將該綜合項目整體發展的總地盤面積擴大至約1,740,000平方米，而其總建築面積增至約871,919平方米。此地塊將發展高級酒店、度假住宅及其他休閒設施。

- *Changshu, Jiangsu Province*

Acquired through listing-for-sale in June 2007, the first site is located in a desirable residential area of Changshu, a part of Suzhou City. With the prime location facing the Yu Mountain, the most famous and beautiful mountain in the city, the project will be developed into a prestigious development that consists of town houses, duplexes and low-rise apartments, occupying a site area of about 119,769 sq.m. and covering a total GFA of approximately 119,769 sq.m.

Later in August 2007, the Group added a second quality site in Changshu to its land bank through listing-for-sale, a site with an area of approximately 107,391 sq.m. and a buildable GFA of approximately 128,800 sq.m. The project adjoins the Shang Lake and will be developed into a high-quality residential project consisting of low-density townhouses and apartments in adherence of the Group's exacting quality standards.

- *Wuxi, Jiangsu Province*

In the heart of the city and close proximity to the central commercial and business districts, the Group's Wuxi site, acquired through tender-by-invitation in June 2007, has a site area of approximately 239,200 sq.m. and a total buildable GFA of approximately 678,000 sq.m. The site will be developed into a signature comprehensive project of the city, and will become one of the largest comprehensive developments at the city core of Wuxi, that will comprise hotel, commercial and residential components.

- *Suzhou, Jiangsu Province*

In October 2007, the Group successfully acquired the shares of an existing project company for a prime site in Suzhou Industrial Park's city centre. Occupying an area of approximately 14,893 sq.m., the site will be developed into a landmark project in Suzhou consisting of first-class high-rise serviced apartments, offices and retail properties, and have a total planned GFA of about 149,270 sq.m. The project is planned to have a direct access to the subway system now under construction.

- *江蘇省常熟市*

於二零零七年六月通過掛牌出讓購得的首幅地塊位於常熟市(蘇州的一部分)，地處優越地段。該項目面對著該城市最著名及優美的虞山，該地塊面積約為119,769平方米將發展成總建築面積約119,769平方米的高尚發展項目，包括連排別墅、複式及低層公寓。

其後於二零零七年八月，本集團通過掛牌出讓方式為其在常熟的土庫儲備添置另一幅優質土地，地塊面積約為107,391平方米，可建建築面積約為128,800平方米。該項目毗鄰尚湖，將發展成為一個優質住宅項目，包括低密度連排別墅及公寓，將遵照本集團的精細質量及標準要求進行設計及開發。

- *江蘇省無錫市*

本集團於無錫購買的地盤位於市中心並毗鄰商業中心區，地盤面積約為239,200平方米，可建總建築面積為678,000平方米，乃於二零零七年六月通過邀請投標購得該地盤。該地盤將發展為該城市標誌性的綜合項目，亦為該市中心其中一個最大型綜合發展項目，將包括酒店、商用及住宅部分。

- *江蘇省蘇州市*

於二零零七年十月，本集團成功購得位於蘇州工業園市中心黃金地段一間現有項目公司的股份。該地塊的佔地面積約為14,893平方米，將發展成為蘇州地標建築項目，包括頂級高層酒店式公寓、辦公室及零售物業，計劃總建築面積約為149,270平方米。該項目規劃可直接接通目前正處於施工中的地鐵交通系統。

Chief Executive's Review

行政總裁報告

- *Haikou, Hainan Province*
In January 2008, the Group also successfully acquired the shares of another project company in Haikou, Hainan Province, for a buildable GFA of approximately 250,886 sq.m.

Sales Performance

The Group's solid performance with regard to the sales and marketing of our residential projects during the year under review endorsed our strategy to focus on the middle to upper-middle market. In Shanghai, the Group's home-base city, our well-known "Cambridge" series of suburban, large-scale and multi-phase projects achieved encouraging contracted sales as a result of our strategic marketing decision to re-schedule most of our sales launches in the second half of 2007 in order to capture the improving market conditions. Specifically, the Group's total contracted sales in 2007 amounted to RMB2,079 million, or GFA of about 169,043 sq.m., namely from Cambridge Forest Newtown Phase VB (Trinity), Phase VD and Phase VE, Cambridge Waters Phase IIA and IIB, and Cambridge Watertown Lots 2 and 3. In addition to the improved market conditions, the Group's product quality and established brand name have enabled our projects to continuously enjoy a considerable pricing premium, as evidenced by our average selling prices hike by 88% year-on-year and with an impressive gross profit margin hike by 19%.

Development Project Progress

Of the three residential projects under the "Cambridge" brand name in Shanghai, construction of Phase VD and VE of Cambridge Forest Newtown, Phase IIC of Cambridge Waters and Phase II of Cambridge Watertown were completed during the year under review, with a total GFA of approximately 147,925 sq.m. completed and delivered to our customers. The construction progress on three of the Group's hotel development projects, The Peninsula Hotel on the Bund, Holiday Inn in Shanghai and the Crowne Plaza in Huangshan, were all progressing well and the schedule for the commencement of operations will be between late 2009 and early 2010. The Group also entered into a leasing agreement in October 2007 for the development of No.33 on the Bund in Shanghai, which will include another world-renowned hotel brand, Amanresorts, as another landmark hotel project on the Bund. This helps in keeping a balanced and high quality portfolio of both commercial and residential developments of the Group, as well as following our operational strategy of broadening the future income base to include a higher percentage of recurrent earnings.

- *海南省海口市*
於二零零八年一月，本集團亦成功收購一幅位於海南省海口市另一間項目公司的股份，可建建築面積約為250,886平方米。

銷售表現

本集團於回顧年度內有關住宅項目銷售與推廣活動的強勁表現印證了本集團專注中高收入人士市場的策略的成功。上海為本集團總部所在地城市，位於郊區的知名大型及多期開發項目「康橋」系列取得令人鼓舞的銷售收入，其中一主要原因為集團的策略性決定於二零零七年下半年推出大部分銷售面積，以掌握改善中的市場商機。本集團於二零零七年的總銷售合約收入約為人民幣2,079,000,000元，或建築面積約169,043平方米，即來自康橋半島第VB期（翠廷）、第VD期及第VE期，康橋水都第IIA期及第IIB期及東方庭院（康橋水鄉）第二號及三號地塊。除市況改善外，本集團產品的質量及樹立的品牌知名度令本公司的項目繼續享有可觀的價格優勢，平均售價按年比上揚88%及毛利率取得19%的顯著增長則是明證。

發展項目進度

上海「康橋」品牌名的三個住宅項目當中，康橋半島第VD & VE期、康橋水都第IIC期及東方庭院（康橋水鄉）第II期的施工均於回顧年度內竣工，已竣工及交付予客戶的總建築面積為147,925平方米。有關本集團的三個酒店發展項目，即上海外灘的半島酒店；上海的假日酒店及黃山的皇冠假日酒店的施工進度均進展良好，將定於二零零九年底及二零一零年初開始營業。本集團亦於二零零七年十月訂立租賃協議，以發展上海外灘第33號，其中將包括另一世界知名酒店品牌阿曼酒店，作為外灘又一地標性酒店項目。此舉將有助於保持本集團商業及住宅平衡發展及高素質組合，以及遵循拓寬日後收入基礎的經營策略，提高經常性盈利的比例。

Capital Market Activities

During the year under review, the Group also succeeded in significantly strengthening our financial position and further raised our profile in the international capital market. In April 2007, the Group leveraged the opportunities present in the burgeoning financial market by issuing US Dollar Settled Zero Coupon Convertible Bonds and encouraging responses from international investors were received. The net proceeds have mainly been used to enhance the Group's capital base and to fuel our business growth for acquiring new property development projects.

Also, in October 2007, the Group reached an agreement to cooperate with Mausica Investment Limited, advised by Citigroup Property Investors Asia Limited ("CPI"), by selling 29% of a Group's subsidiary for an approximate consideration of HK\$435 million, making CPI a co-investor in our Kunming project and Shanghai Watertown project. The transaction has enabled the Group to join hands with reputable international property fund and to fund new developments with the proceeds.

FUTURE OUTLOOK

China's economy is continuing to grow rapidly, leading to accelerated development in urbanized areas and a rise in disposable income among the urban population, particularly for the middle and upper-middle class. The inflow of foreign investment remains active amid an appreciating renminbi exchange rate. The central government continues to issue a number of regulatory policies and macro-control measures so as to prevent the property market from overheating, which, notwithstanding some short-term side-swing effects, will help in long-term healthy and steady growth of the market. The Group is confident that such macro-control measures will result in further challenges among market players. Given the Group's healthy financial position and the proven execution capabilities, the Group has and will ride the inflated opportunities arising from these market adjustments, inclusive of acquiring quality projects from these smaller and less-capitalized developers.

資本市場活動

於回顧年度，本集團成功增強本身的財務狀況，並進一步提昇本集團在國際資本市場的形象。於二零零七年四月，本集團利用當前金融市場蓬勃發展的機會，發行以美元償付的零息可轉換債券，並獲得國際投資者的熱烈響應。所得款項淨額主要用於提升本集團的資本基礎，及用以收購新物業發展項目，從而促進業務增長。

同時，於二零零七年十月，本集團簽署一項協議，透過以約435,000,000港元代價出售本集團子公司29%的權益，與花旗集團亞洲房地產投資有限公司（「CPI」）管理之公司Mausica Investment Limited合作，令CPI成為本集團昆明兩個項目及上海東方庭院項目的合作投資者。該交易令本集團與著名國際物業基金攜手合作，並利用所得現金為新發展項目提供資金。

未來展望

中國經濟繼續快速發展，致使城市化加速發展及城市人口可支配收入增長，特別是中高收入階層。外資流入在人民幣匯率升值之際依然活躍。中央政府繼續出台若干監管政策及宏觀措施，以防止物業市場過熱，儘管產生某些短期波動影響，但將有助於市場長期健康及穩健發展。本集團堅信，該等宏觀調控措施將令市場業界面臨進一步挑戰。鑑於本集團健康的財務狀況及良好的管理能力，本集團將能駕馭此等市場調整產生的不斷產生的機會，包括從規模較小或資金緊絀發展商收購優質項目。

Chief Executive's Review

行政總裁報告

As the economic growth prospect of China remains promising, discerning customers aspiring for quality properties and better quality of life continue to offer room for the Group's business expansion. The Group has strategically and successfully positioned our business activities in the cities in both primary and new markets. In 2008, the new phases of our three existing residential projects in Shanghai, namely, Phase VF of Cambridge Forest Newtown, Phase IID of Cambridge Waters and Phase III to VII of Cambridge Watertown, will be completed and delivered. At the same time, construction will commence on the Kuming project, Suzhou project, Changshu Yu Mountain project and Wuxi project, and the Group expects to have the pre-sale activities for these projects spanned throughout the year. As such, the Group's GFA available for sale will substantially be increased to approximately 610,000 sq.m. in 2008 and such increasing trend is expected to continue in the years after.

As for our hotel developments, construction will also be under way for The Peninsula Hotel and Holiday Inn in Shanghai and the Crowne Plaza in Huangshan, all of which will greatly benefit from China's robust tourism industry, the Olympics in 2008 and the World Expo in 2010. By raising the revenue contribution from our hotel and investment properties in the future, we will be able to sustain a steady cash flow from recurrent income base while expanding with a substantial growth in residential sales.

Besides, we have also adopted an optimistic yet selective approach to enlarge the size of our quality land bank. In this regard, we will be flexible to employ different means, such as project partnerships and acquisitions, to strategically replenish our land bank in cities of regional importance that have developing infrastructure, reasonable land prices and good growth potential. Our successful acquisition stories will go on in the coming years.

由於中國經濟增長前景仍然樂觀，對優質物業有要求及具備較好生活品味的客戶為本集團業務提供了擴展空間。本集團已策略性地及成功地將業務活動拓展至一些成熟的及新興的市場所在的城市。二零零八年，本集團於上海的三個現有住宅項目的新的期數將在動工階段，即康橋半島第VF期、康橋水都第IID期及康橋水鄉第III至VII期均將竣工及交付。同時，本集團將繼續進行昆明項目、蘇州項目、常熟虞山項目及無錫項目的施工工程，並預期此等項目在全年進行預售活動。因此，本集團二零零八年可供銷售的建築面積將大幅增至約610,000平方米，預期該增長趨勢在本年度後仍將持續。

對本集團酒店發展而言，上海半島酒店及上海假日酒店以及黃山皇冠假日酒店的施工工程亦在進行中，所有項目均將受益於中國高速發展的旅遊業、二零零八年奧運會及二零一零年上海世界博覽會。透過提高日後酒店及投資物業的收入貢獻，本集團將以自經常性收入基礎獲取健康的現金流量，同時住宅銷售亦因大幅增長而擴大。

此外，本集團亦採用既進取但選擇性的方式擴大我們優質土地儲備的規模。就此而言，我們會靈活地進行不同方式，諸如項目合作及收購，策略性地在具備發展中基建、合理地價及良好增長潛力的地區上佔重要地位的城市來補充我們的土地儲備。本集團的成功收購案例將不斷繼續。

The Group's experienced and professional management team will also continue to utilize its knowledge in the property development and investment market so as to implement the clear strategies that we have mapped out for on-going success in China's property industry. We believe that strategy and execution are two crucial factors in our future success. We will strive to outperform the industry peers in terms of focused business strategy, outstanding product quality and prudent financial policy so as to ensure the best returns for our stakeholders and investors.

Stones Tse

Group Managing Director and CEO

26 March, 2008

本集團經驗豐富及專業的管理團隊亦將繼續發揮其在物業開發及投資市場的經驗，以推行我們的清晰策略，為我們在中國的物業市場再闖高峯。我們相信，策略及執行將為我們未來成功的兩大因素。以專注業務發展、超卓的產品質量及審慎的財務政策而言，我們將努力超越同業對手，確保為股東及投資者帶來最佳的回報。

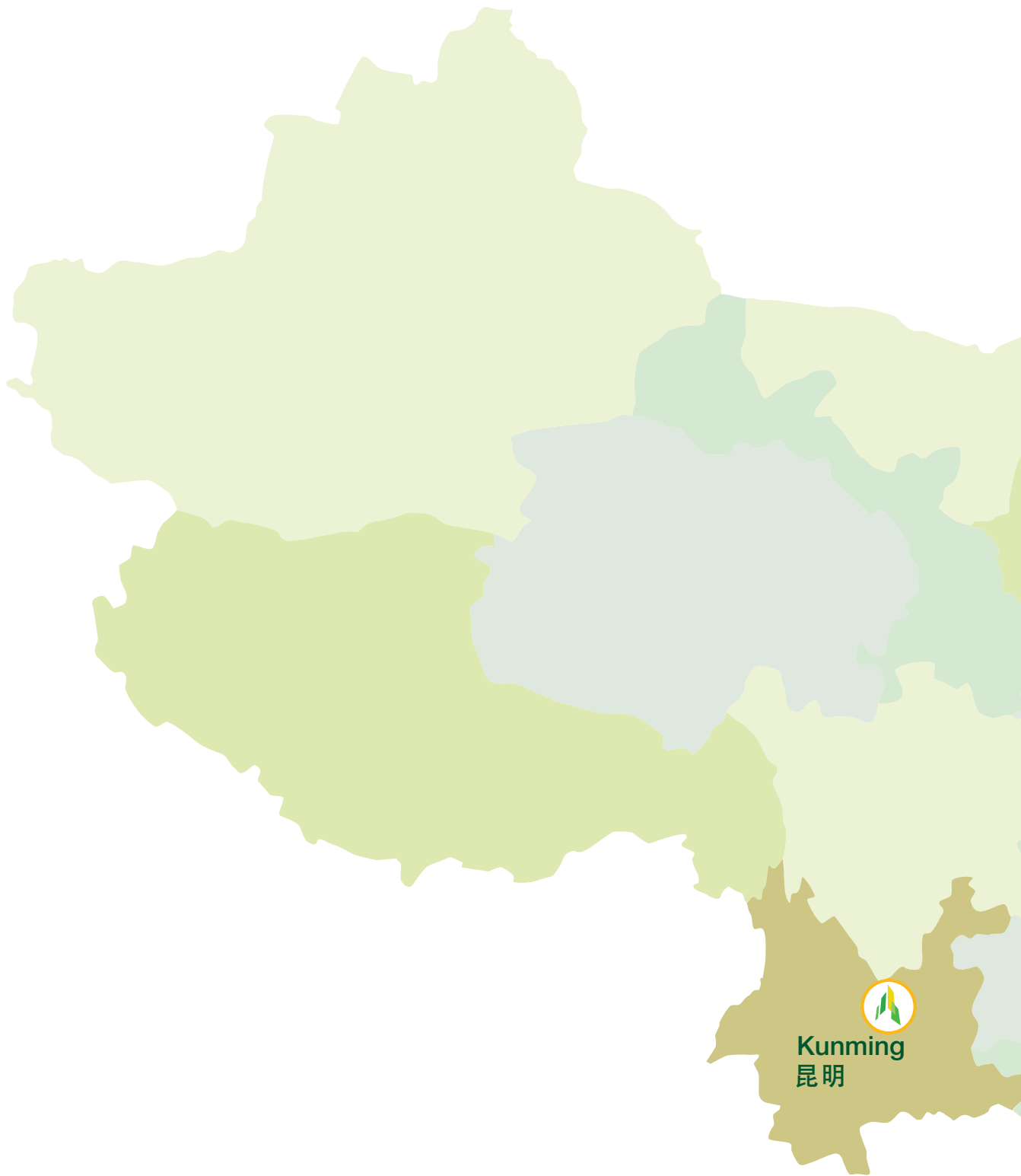
謝世東

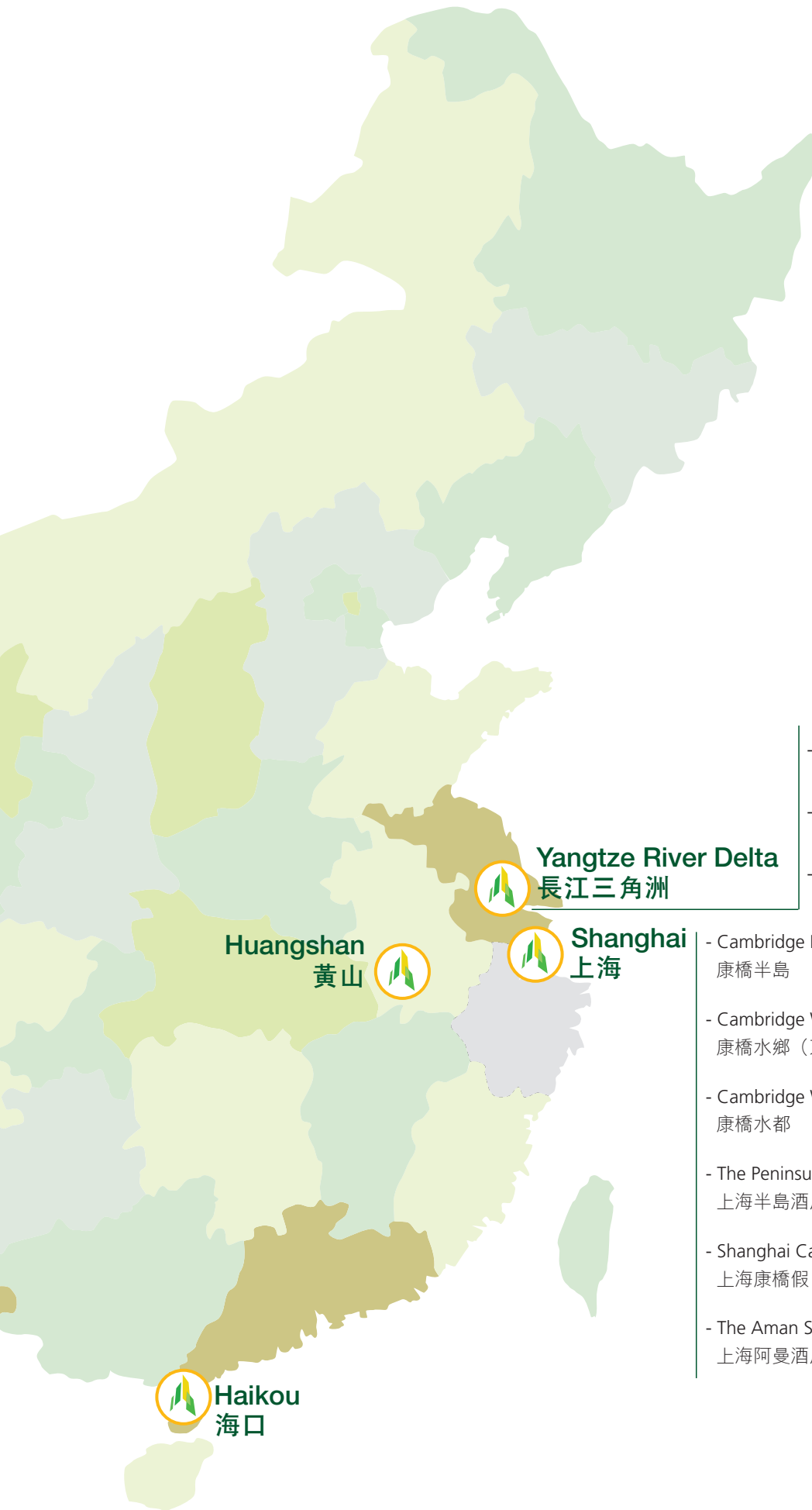
集團董事總經理兼行政總裁

二零零八年三月二十六日

Property Projects Portfolio

物業項目簡介





- Suzhou 蘇州
- Wuxi 無錫
- Changshu 常熟

Yangtze River Delta
長江三角洲

Huangshan
黃山

Shanghai
上海

- Cambridge Forest Newtown
康橋半島
- Cambridge Watertown
康橋水鄉（東方庭院）
- Cambridge Waters
康橋水都
- The Peninsula Shanghai
上海半島酒店
- Shanghai Cambridge Holiday Inn
上海康橋假日酒店
- The Aman Shanghai
上海阿曼酒店

Haikou
海口

Shanghai Projects 上海項目



Residential Projects 住宅項目

1. Cambridge Forest Newtown 康橋半島

Site area (sq.m)地點面積(平方米) : 1,600,000
 GFA (sq.m)總建築面積(平方米) : 1,160,000

Brief Introduction 項目簡短介紹 :

- One of the largest low-density residential developments in Shanghai
 上海其中一個最大的低密度住宅項目
- Within 25 minutes' driving distance to the city center
 與市中心車程在25分鐘內



2. Cambridge Watertown 康橋水鄉(東方庭院)



Site area (sq.m)地點面積(平方米) : 300,000
 GFA (sq.m)總建築面積(平方米) : 225,000

Brief Introduction 項目簡短介紹 :

- The project has 700 houses; Located in Qingpu District, west of Shanghai; 25km from Hongqiao Airport
 該項目位於上海西部的青浦區，合共有700個房屋，相距虹橋機場25公里
- Adjacent to ancient water town "Zhujiajiao"; 1700-year history and a famous tourist site; excellent ecological area
 毗鄰具有1700年歷史的水鄉古鎮「朱家角」，以優美的生態旅遊區聞名

3. Cambridge Waters 康橋水都



Site area (sq.m)地點面積(平方米) : 434,000
GFA (sq.m)總建築面積(平方米) : 615,000

Brief Introduction項目簡短介紹：

- Cambridge Waters is large-scale property development comprising mainly residential properties which are targeted at middle class customers
康橋水都是一個大型房地產發展項目，主要以中產階層為目標客戶的住宅物業項目
- Within 5 minutes to the near Metro stop and within 20 minutes to other parts of the city center through the subway
相距附近地鐵站5分鐘路程，通過地鐵前往市中心其他地點所需時間在20分鐘內

Hotel Projects 酒店項目

4. The Peninsula Shanghai 上海半島酒店



GFA (sq.m) : 92,521
總建築面積(平方米) (including 3-level basement
包括三層地下層)

Facilities include設施包括 : 235 hotel rooms, serviced
apartments, and shopping mall
235 個酒店房間，酒店式公寓及
購物商場

Brief Introduction項目簡短介紹：

- Partnership between SPG Land and Hong Kong and Shanghai Hotel Limited
盛高置地與香港上海大酒店有限公司合夥發展
- New benchmark amongst Shanghai's top-of-the-line luxury hotels
上海頂尖豪華酒店的新典範
- Shopping arcade for the top global retail brands
全球頂級零售品牌的購物中心



5. The Aman Shanghai 上海阿曼酒店

GFA (sq.m) : 27,000 – 39,000
總建築面積(平方米) (including basement包括地下層)
Facilities include設施包括 : 40 hotel rooms and shopping arcade
40 個酒店房間及購物中心

Brief Introduction項目簡短介紹：

- To develop the most luxurious resort and shopping arcade on the Bund
擬發展為外灘頂級豪華度假及購物拱廊
- To create an iconic landmark for Shanghai
締造上海代表性地標建築

Yangtze River Delta Projects 長江三角洲項目



1. Residential and Commercial Project at Suzhou 蘇州商住項目

Site area (sq.m)地點面積(平方米) : 15,000

GFA (sq.m)總建築面積(平方米) : 150,000*

* Apartment of about 55,000 sq.m; & Office/Retail of about 95,000 sq.m

住宅建築面積約55,000平方米;

及辦公室/零售商店建築面積約95,000平方米

Brief Introduction 項目簡短介紹:

- Located in the CBD of Suzhou Industrial Park, next to Jinji Lake
位於毗鄰金雞湖的蘇州工業園中心商務區
- A landmark project consisting of serviced apartment and office towers with retail outlets; one of the highest building in the proximity
是由酒店式公寓及設有零售專門店寫字樓組成的地標項目，區內最高建築之一
- Next to a subway station (to be operational by 2011)
緊鄰地鐵站(擬於二零一一年前運營)



2. Residential and Commercial Project at Wuxi 無錫住宅項目



Site area (sq.m) 地點面積 (平方米) : 239,200

GFA (sq.m) 總建築面積 (平方米) : 598,000

Brief Introduction 項目簡短介紹 :

- Located in the heart of Wuxi, and in close proximity to the central commercial and business district
位於無錫市中心，毗鄰中心商務區
- About two hours driving distance to Shanghai
距離上海約兩小時車程

3. Residential Projects at Changshu 常熟住宅項目



A. Project at Yu Mountain 虞山項目

Site area (sq.m) 地點面積 (平方米) : 119,769

GFA (sq.m) 總建築面積 (平方米) : 119,769

Brief Introduction 項目簡短介紹 :

- Situated at the fringe of Yu Mountain (虞山), facing the national park and with completed amenities and infrastructures
位於虞山邊緣，面臨國家公園，擁有完善的文化設施及基礎設施
- To be developed into a prestigious project in the area consisting of town houses, duplexes and low-rise apartments
發展由連排別墅、重疊別墅及低層公寓組成的優質住宅項目

B. Project at Shang Lake 尚湖項目

Site area (sq.m) 地點面積 (平方米) : 107,391

GFA (sq.m) 總建築面積 (平方米) : 128,800

Brief Introduction 項目簡短介紹 :

- Situated in the unique location and is adjoining the scenic Shang Lake (尚湖) to the north along with impressive mountain views
該項目位於風景優美的尚湖北側，並擁有令人嘆為觀止的山景
- To be developed into a high-quality residential project consisting of contemporary designed low-density town houses and apartments
擬發展為由設計時尚的低密度連排別墅及公寓組成的優質住宅項目

Kunming Residential Project 昆明住宅項目



Site area (sq.m)地點面積（平方米）： 171,125
GFA (sq.m)總建築面積（平方米）： 598,000

Brief Introduction 項目簡短介紹：

- To be one of the landmark developments in local market
成為當地地標發展項目之一
- To be developed into a high quality multi-phase residential and commercial project targeting to middle-class tier
擬發展為面向中產階層的優質多期發展住宅及商業項目



Haikou Residential Project 海口住宅項目



Site area (sq.m)地點面積（平方米）： 292,000
GFA (sq.m)總建築面積（平方米）： 219,000

Brief Introduction 項目簡短介紹：

- Located at the harbor front site at north part of Haikou, the capital city of Hainan province
位於海南省省會城市海口北部的一綫海景
- With the north side adjacent to a spacious ocean view and the west side near the site of a national park
位置獨特，擁有得天獨厚的風景，北面毗鄰寬闊的海洋風景，西面緊鄰國家級生態公園
- To be developed into a high quality multi-phase residential and hotel/retail project
擬發展為高質素多期發展住宅及酒店／零售項目

Other Hotel Projects in Huangshan and Shanghai 黃山及上海其他酒店項目

Huangshan Crowne Plaza Hotel 黃山皇冠假日酒店

GFA (sq.m) : 42,000

總建築面積（平方米）

Facilities include 設施包括 : 250 hotel rooms, retail shops, part of the comprehensive development consisting resort, villas, golf course and piers
250個酒店房間及零售商店是其中一包括渡假村、別墅、高爾夫球場及碼頭的大型發展項目的一部份



Shanghai Cambridge Holiday Inn 上海康橋假日酒店



GFA (sq.m)總建築面積（平方米） : 59,630

Facilities include 設施包括 : 400 hotel rooms, apartments, restaurants, conference facilities and clubhouse
400個酒店房間、公寓、餐廳、會議設施及會所





Management Discussion and Analysis

管理層討論與分析

BUSINESS REVIEW

Results and Dividends

During the year under review, the Group recorded total revenue of approximately RMB1,714,507,000 (2006: RMB1,887,458,000). Net profit amounted to RMB523,154,000 (2006: RMB399,010,000) and the portion attributable to equity holders of the Company was approximately RMB498,498,000 (2006: RMB390,818,000). Basic and diluted earnings per share attributable to equity holders of the Company amounted to RMB0.481 and RMB0.462 (2006: RMB0.480 and RMB0.479) respectively for the twelve months ended 31 December 2007. The Board has recommended the payment of a final dividend of RMB14.4 cents per share.

業務回顧

業績及股息

於回顧年度，本集團錄得總收益約人民幣1,714,507,000元（二零零六年：人民幣1,887,458,000元）。純利總計人民幣523,154,000元（二零零六年：人民幣399,010,000元），而本公司股權持有人應佔部分約為人民幣498,498,000元（二零零六年：人民幣390,818,000元）。截至二零零七年十二月三十一日止十二個月，本公司股權持有人應佔每股基本及攤薄盈利分別為人民幣0.481元及人民幣0.462元（二零零六年：人民幣0.480元及人民幣0.479元）。董事會已建議支付末期股息每股人民幣14.4分。

Property Development

During the year, the Group completed and delivered various phases of the three development projects in Shanghai with a total GFA of 147,925 sq.m. (2006: 309,598 sq.m.) as highlighted in the following table.

物業發展

於本年度內，本集團完成及交付三個位於上海總建築面積為147,925平方米（二零零六年：309,598平方米）的多期發展項目，有關概要如下表。

Project 項目	Type 類別	Development Projects Completed and Delivered in 2007 二零零七年已竣工及 交付的發展項目	
		Approximate GFA Completed 已竣工概約 建築面積 (sq.m.) (平方米)	Approximate GFA Sold & Delivered 已售出及交付 概約建築面積 (sq.m.) (平方米)
Cambridge Forest Newtown – Phase VC 康橋半島 – 第VC期	Apartment 公寓	–	16,211
Cambridge Forest Newtown – Phase VD 康橋半島 – 第VD期	Townhouse 連排別墅	9,262	7,481
Cambridge Forest Newtown – Phase VE 康橋半島 – 第VE期	Villa 別墅	15,119	12,046
Cambridge Forest Newtown – Trinity Village 康橋半島 – 翠廷別墅	Villa 別墅	–	17,665
Cambridge Waters – Phase I 康橋水都 – 第I期	Apartment 公寓	–	882
Cambridge Waters – Phase II 康橋水都 – 第II期	Apartment 公寓	70,592	67,889
Cambridge Watertown – Lot 2 & 3 康橋水鄉 – 第2地塊及第3地塊	Villa 別墅	22,117	19,901
Cambridge Watertown – Lot 2 康橋水鄉 – 第2地塊	Townhouse 連排別墅	–	5,850
Total 總計		117,090	147,925

Management Discussion and Analysis

管理層討論與分析

Property Sales Performance

With regard to the property sales results, the Group performed satisfactorily during the year under review. This was particularly reflected in the significant increase in the revenue generated from the sales of residential projects during the second half of 2007. Of the aggregate sales, the main growth driver of the Group was still represented by its three primary residential projects in Shanghai, namely, Cambridge Forest Newtown, Cambridge Waters and Cambridge Watertown, as highlighted in the following table.

物業銷售表現

就物業銷售業績而言，本集團於回顧年度的表現令人滿意，特別是反映於二零零七年下半年銷售住宅項目產生的收益顯著增加。就總銷售額而言，本集團的主要增長動因仍為其於上海的三個主要住宅項目，即康橋半島、康橋水都及康橋水鄉，有關概要如下表所示。

Project 項目	Approximate area sold and delivered in 2007 二零零七年 已售及交付 的概約面積 (sq.m.) (平方米)	Approximate sales recognized in 2007 二零零七年 確認的 概約銷售額 (RMB'000) (人民幣千元)	Average selling price 平均售價 (RMB/sq.m.) (人民幣/ 平方米)
	Cambridge Forest Newtown – Phase VC 康橋半島 – 第VC期	16,211	87,075
Cambridge Forest Newtown – Phase VD 康橋半島 – 第VD期	7,481	131,090	17,523
Cambridge Forest Newtown – Phase VE 康橋半島 – 第VE期	12,046	254,253	21,106
Cambridge Forest Newtown – Trinity Village 康橋半島 – 翠廷別墅	17,665	313,560	17,750
Cambridge Waters – Phase I 康橋水都 – 第I期	882	5,519	6,263
Cambridge Waters – Phase II 康橋水都 – 第II期	67,889	487,041	7,174
Cambridge Watertown – Lot 2 & 3 康橋水鄉 – 第2地塊及第3地塊	25,751	328,180	12,744
Total 總計	147,925	1,606,718	

In terms of square metres, the total area sold and delivered for the year ended 31 December 2007 decreased by 52% to 147,925 sq.m. from 309,598 sq.m. in the previous year. Revenue from property sales amounted to RMB1,606,718,000 (2006: RMB1,791,755,000). The revenue from property sales was satisfactory as a result of the general market improvement and the resulting increase in the gross profit in the second half of 2007.

於截至二零零七年十二月三十一日止年度，已售出及交付的總面積（按平方米計）從去年的309,598平方米下降52%至147,925平方米。物業銷售收益人民幣1,606,718,000元（二零零六年：人民幣1,791,755,000元）。物業銷售收益令人滿意乃由於市場整體改善所致，致令二零零七年下半年毛利上升。

During the year under review, the total contracted sales area of the Group amounted to approximately 169,043 sq.m. (2006: 96,723 sq.m.), while total contracted sales value amounted to RMB2,079,330,000 (2006: RMB549,139,000).

Land Bank Replenishment

The Group's strategy is to maintain a quality portfolio of land bank that is sufficient to support the Group's development pipeline for four to five years. The Group is continuing to develop large-scale and multi-phase residential projects in Yangtze River Delta and in provincial capitals with regional economic importance, targeting the middle to upper-income groups. As of 31 December 2007, the Group's land bank had a total GFA of approximately 3.2 million sq.m., of which approximately 86% will be used for the development of mid to high-end residential projects, approximately 7% will be used for commercial property development and the remaining 7% will be used for hotel and recreational development.

During the twelve months ended 31 December 2007, the Group acquired approximately 1.7 million sq.m. of GFA in new development projects, augmenting its land bank portfolio from approximately 1.5 million sq.m. as at the end of 2006 by 113% to about 3.2 million sq.m.. Capital expenditure on land acquisition amounted to approximately RMB4,366 million. The successful expansion of the Group's land bank during the period under review included the acquisitions of one Kunming site, two Huangshan sites, two Changshu sites, one Suzhou site and one Wuxi site.

The Group's strategy with regard to future land acquisitions will continue to focus on the opportunities that arise in cities of regional importance that have developing infrastructure, reasonable land prices and good growth potential.

於回顧年度，本集團的總合約銷售面積為169,043平方米(二零零六年：96,723平方米)，而合約銷售總金額為人民幣2,079,330,000元(二零零六年：人民幣549,139,000元)。

土地儲備補充

本集團的策略為保持足以支持本集團四至五年發展計劃的土地儲備組合。本集團將繼續於長江三角洲及區域經濟重點的省會發展大型及多期開發的住宅項目，目標為中高收入人群。於二零零七年十二月三十一日，本集團的土地儲備總建築面積約為3,200,000平方米，其中約86%將用於發展中高端住宅項目，約7%將用於發展商業物業，其餘7%將用於發展酒店及休閒物業。

截至二零零七年十二月三十一日止十二個月內，本集團已購買建築面積約1,700,000平方米的新發展項目土地，土地儲備組合由二零零六年底的約1,500,000平方米急升至約3,200,000平方米，增加113%。購買土地的資本開支約為人民幣43.66億元。於回顧期間，本集團成功擴大其土地儲備，包括收購昆明一幅地塊、黃山兩幅地塊、常熟兩幅地塊、蘇州一幅地塊及無錫一幅地塊。

本集團的日後土地收購策略將繼續專注於屬於地區發展重點的城市出現的機會，該等地區具有完善的基礎設施、合理的地價以及良好的增長潛力。

Management Discussion and Analysis

管理層討論與分析

Hotel Development

With a view to generating long-term recurrent income, the Group has substantially invested in hotel properties while having tied-up with reputable names in the hotel industry like the Peninsula Group, the InterContinental Hotel Group and the Singapore-based Amanresorts Group. Currently, the Group's hotel projects include the ultra-luxurious Peninsula Hotel on the Bund, a crown jewel site in Shanghai; the Holiday Inn Hotel complex project in Shanghai's Pudong/Nanhui area; and the Crowne Plaza Hotel at Huangshan's world-renowned scenic area of Tai Ping Lake. Besides these projects, all of which are under construction and expected to commence operations in late 2009 and early 2010, the Group will also develop the Group's second landmark hotel project on the Bund, the Aman.

Investment Properties and Ancillary Services

To generate stable and recurrent income, the Group also holds some of its properties for leasing through its own leasing team and property agents. As at 31 December 2007, the Group leased out an aggregate GFA of approximately 91,420 sq.m. In addition, the Group operates a post-secondary college (Shanghai Sipo Polytechnic) and a training centre (Shanghai Sipo Vocational Technical Training Centre). During the year, the Group also operated one of the most prestigious kindergarten in Shanghai (The China Welfare Institute Kindergarten), supplementing the Group's developments with quality educational facilities. Such investment properties and ancillary educational business constitutes a minor but stable operation of the Group, representing 5% of the Group's total revenue for the year under review.

Property Management and Related Services

During the year under review, Shanghai New Independence House, a subsidiary of the Group providing property management services, generated property management and related services income, after intra-group elimination, amounted to approximately RMB27 million, representing an increase of 19.5% as compared the previous year. As at 31 December 2007, the Group was managing a total floor area of around 1.45 million sq.m.

酒店發展

為獲取長期經常性收入，本集團對酒店物業作出重大投資，同時與酒店業知名企業如半島酒店集團、洲際酒店集團及新加坡阿曼酒店集團密切合作。目前，本集團的酒店項目包括位於上海黃金頂級地段外灘最豪華的半島酒店；位於上海浦東／南匯區的假日酒店綜合項目；及世界知名風景區黃山太平湖的皇冠假日渡假酒店。除此等項目外，所有項目均處於施工階段並預計於二零零九年底及二零一零年初開始營業，本集團亦會於外灘發展本集團的第二個地標項目阿曼酒店。

投資物業及配套服務

為獲取穩定及經常性之收入，本集團亦持有若干物業透過其自身的租賃團隊及物業代理進行租賃。於二零零七年十二月三十一日，本集團租出的建築面積合共約91,420平方米。此外，本集團亦經營一所高等院校上海思博職業技術學院及一所培訓中心上海思博職業技術培訓中心。年內，本集團亦於上海設立其中一所最為知名的幼稚園中福會康橋幼兒園，補充本集團發展的優質教育設施。上述投資物業及配套教育業務僅構成本集團業務的小部份，但業務穩定，佔回顧年度本集團總收益的5%。

物業管理及相關服務

於回顧年度內，本集團子公司上海新獨院因提供物業管理服務而貢獻物業管理及相關服務費收入（扣除集團內部抵銷）約為人民幣27,000,000元，較去年增加19.5%。於二零零七年十二月三十一日，本集團管理的樓面面積合共約1,450,000平方米。

Strategic Cooperation

SPG Investment XII (BVI) Limited, the Company's subsidiary, sold 29% of the entire issued share capital of SPG Investment XI (BVI) Limited, a wholly owned subsidiary, to Mausica Investment Limited, a company owned by a fund advised by Citigroup Property Investors Asia Limited, in October 2007 for an approximate consideration of RMB413 million. Mausica Investment Limited becomes a co-investor in the Group's two Kunming projects and Shanghai Watertown project. The transaction reinforced the Group's cash flow position and contributed approximately RMB193 million profit to the Group during the year under review.

FINANCIAL ANALYSIS

Revenue

The total revenue for the Group for the year 2007 was RMB1,715 million. In terms of the overall unit selling price and volume of transactions, a table of analysis on the sales of properties is provided as follows:

Type 類別	2007 二零零七年		Average selling price change % 平均售價 變動%	2006 二零零六年	
	GFA sold & delivered 已售出及 交付 建築面積 (sq.m.) (平方米)	Average selling price 平均售價 (RMB/ sq.m.) (人民幣/ 平方米)		GFA sold & delivered 已售出及 交付 建築面積 (sq.m.) (平方米)	Average selling price 平均售價 (RMB/ sq.m.) (人民幣/ 平方米)
Villas 別墅	49,613	17,033	99% ↑	8,862	8,566
Apartments and townhouses 公寓及連排別墅	98,312	7,748	36% ↑	300,736	5,705
Total 總計	147,925	10,862	88% ↑	309,598	5,787

策略合作

本公司的子公司SPG Investment XII(BVI) Limited於二零零七年十月已出售全資擁有子公司SPG Investment XI(BVI)Limited全部已發行股本的29%予Mausica Investment Limited(由花旗集團亞洲投資有限公司提供意見的基金擁有的公司)，代價約為人民幣4.13億元。Mausica Investment Limited成為本集團昆明兩個項目及上海水鄉項目的合作投資者。於回顧年度，該交易使本集團的現金流狀況得以加強，並向本集團貢獻約人民幣1.93億元的溢利。

財務分析

收益

本集團於二零零七年的總收益為人民幣17.15億元。就整體單位售價及交易量而言，有關物業銷售額的分析表載列如下：

Management Discussion and Analysis

管理層討論與分析

In 2007, the Group successfully completed the development and delivered residential units in Phase V of Cambridge Forest Newtown, Phase IIB and IIC of Cambridge Waters and Lots 2 and 3 of Cambridge Watertown. Therefore, the total GFA delivered reached 147,925 sq.m. (2006: 309,598 sq.m.). The increase in average selling price was mainly due to the sales and marketing decision at the beginning of the year to schedule most of the Group's sales launches in the second half of the year under review so as to take full advantage of the improving market conditions.

Segmental Information

The Group's business is currently categorized into four operating segments – sales of property, lease of property, property management and other related services, and education. An analysis of the Group's revenue is as follows:

於二零零七年，本集團成功完成發展及交付康橋半島第V期、康橋水都第IIB及IIC期及康橋水鄉第2地塊及第3地塊的住宅單位。因此，已交付的總建築面積已達到147,925平方米(二零零六年：309,598平方米)。平均售價上升主因本年度初制定於回顧年度下半年推出本集團大部分銷售的營銷及推廣活動決定，從而充分利用改善的市況所致。

分部資料

本集團的業務現時分類為四個經營分部 – 物業銷售、物業租賃、物業管理及其他相關服務及教育。本集團的收益分析如下：

Revenue Stream 收益流	Year ended 31 December 截至十二月三十一日止年度		Change 變動
	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元	
Sales of property 物業銷售	1,606,718	1,791,755	(185,037)
Lease of property 物業租賃	29,585	32,427	(2,842)
Property management & other related services 物業管理及其他相關服務	27,243	22,801	4,442
Education 教育	50,961	40,475	10,486
Total 總計	1,714,507	1,887,458	

Sales of property remains the Group's core business activity representing 93.7% of the total revenue in 2007 while the growths in both the property management and related services (up 19.5% yoy) and education (up 26% yoy) segments were improved over 2006.

物業銷售仍為本集團的核心業務，佔二零零七年總收入的93.7%，而物業管理及其他相關服務(最高年度增長率為19.5%)及教育(最高年度增長率為26%)分部均較二零零六年有所改善。

Rental income decreased by 9% from RMB32 million to RMB30 million. The decrease was due to the disposal of Trinity Village in April 2007, a completed villa project located in Cambridge Forest Newtown, which generated rental income in 2006.

租金收入從人民幣32,000,000元下跌9%至人民幣30,000,000元。下跌乃由於二零零七年四月出售位於康橋半島的一個竣工別墅項目翠廷別墅所致，其於二零零六年產生租金收入。

Cost of Sales

Total cost of sales in 2007 decreased significantly by 18% from RMB1,307 million to RMB1,072 million, being in line with the decrease in revenue.

Gross Profit and Margin

Gross profit increased by 11% from RMB580 million in 2006 to RMB642 million in 2007. Gross profit margin for the full year rose from 31% in 2006 to 37% in 2007, which was mainly attributable to the established brandname of the group, our successful marketing strategy and price movement of projects, particularly during the second half of the year and high gross profit margin generated from the disposal of Trinity Village in Cambridge Forest Newtown.

Other Operating Income

In 2007, other operating income decreased by 42% to RMB9.2 million attributable to the reduction of government grants due to a change in policy.

Operating Expenses

In 2007, the selling and marketing costs increased to RMB66 million from RMB28 million in 2006. In order to improve the sales, substantial vigorous marketing campaigns were launched and professional property agents were appointed in year 2007.

Administrative expenses increased from RMB82 million to RMB152 million, representing a rise of 85% over the year 2006. The reason being the recruitment of more project staff and increased expenses to cope with the cross-district expansion of Group's projects.

The increase in other operating expenses was mainly attributable to the RMB3.6 million donations made and a compensation to contractors of RMB5.1 million.

Net Finance Expenses

The net finance expenses of RMB105 million in 2007 compared to net finance expenses of RMB14 million in 2006. This significant increase over the previous year was mainly attributable to the exchange losses of foreign currency assets and the interest expenses on the convertible bonds issued by the Company in April 2007.

銷售成本

二零零七年的總銷售成本大幅下跌18%，由人民幣13.07億元跌至人民幣10.72億元，與收益下降相符。

毛利及毛利率

毛利增長11%，由二零零六年人民幣5.80億元增至二零零七年人民幣6.42億元。全年毛利率由二零零六年31%增加至二零零七年37%。有關增加乃主要由於集團已建立的品牌知名度、我們成功的營銷策略及項目價格變動（尤其在本年度下半年）及出售康橋半島的翠廷別墅所錄得的毛利率較高所致。

其他經營收入

於二零零七年，其他經營收入減少42%至人民幣9,200,000元，乃因政策變化令政府補助削減所致。

經營開支

於二零零七年，銷售及市場推廣成本由二零零六年人民幣28,000,000元增加至人民幣66,000,000元。為提高銷售額，二零零七年推出大量強勁市場推廣活動及聘任專業物業代理。

行政費用由人民幣82,000,000元增至人民幣1.52億元，較二零零六年上升85%。因為招募更多項目員工及增加開支以應付本集團項目的跨域擴充事宜。

其他經營開支上升主因捐贈人民幣3,600,000元及向承建商支付補償人民幣5,100,000元所致。

融資成本淨額

二零零七年的融資開支淨額為人民幣1.05億元，而二零零六年的開支淨額為人民幣14,000,000元。融資成本淨額較去年大幅增加主要由於外幣資產匯兌虧損及本公司於二零零七年四月發行的可轉換債券產生利息開支所致。

Management Discussion and Analysis

管理層討論與分析

Share of Loss of Associates

The Group continued to suffer a net loss from share of operating results of associates in 2007 that amounted to RMB8.2 million as compared to a net loss of RMB0.3 million in 2006 from the associates. This loss was mainly attributable to the loss arose from the Peninsula Waitan project which is currently under development.

Revaluation Gains on Investment Properties

The Group recorded a revaluation gain of RMB270 million for 2007. The increase was mainly due to the general appreciation of market prices of the Group's investment properties during the year under review, as well as addition of retail properties in Cambridge Waters and the British School Phase III in Cambridge Forest Newtown into the Group's portfolio of investment properties.

Financing Activities

The Group captured the opportunities in the international capital market in April 2007, it went ahead with the issuance of RMB denominated US Dollar Settled Zero Coupon Convertible Bonds, with Morgan Stanley & Co. International plc and DBS Bank Limited as the Joint Lead Managers. The Bonds are due in 2012 with an aggregate amount of RMB1,158 million and the majority of the issue's net proceeds was used to finance the Company's acquisition of property development projects.

Income Tax

Income tax increased by 1.2 times from RMB113 million in 2006 to RMB252 million in 2007, while the effective tax rate remain the same at 18% in 2007 which was in line with that in 2006. The increases in tax amount mainly because PRC land appreciation tax of RMB101 million was levied on properties developed and sold at Cambridge Forest Newtown phase VD & VE and Cambridge Watertown during the year.

Profit Attributable to Equity Holders of the Company

The Group achieved a profit attributable to equity holders of RMB498 million (2006: RMB391 million), up RMB107 million or 27% over the previous year. Earnings per share rose by 0.2% to RMB0.481 from RMB0.480 in 2006.

應佔聯營公司虧損

於二零零七年，本集團來自因應佔聯營公司經營業績而產生的虧損淨額為數人民幣8,200,000元，而於二零零六年聯營公司的虧損淨額為人民幣300,000元。此項虧損主要來自現時仍在發展中的外灘半島酒店項目產生的損失。

投資物業重估收益

本集團於二零零七年錄得重估收益人民幣2.70億元，有關增長主要是由於在回顧年度本集團的投資物業整體市況好轉，以及康橋水都的其他零售物業及本集團投資物業組合的康橋半島英國學校三期增值所致。

融資活動

本集團於二零零七年四月把握國際融資市場之機會，遂與Morgan Stanley & Co. International plc和星展銀行（作為聯席牽頭經辦人）發行以人民幣訂值之美元償付的零息可轉換債券。債券於二零一二年到期，總金額為人民幣11.58億元，大部分發行所得款項已用於為本公司收購物業開發項目提供資金。

所得稅

所得稅增加1.2倍，由二零零六年人民幣1.13億元增加至二零零七年人民幣2.52億元，而二零零七年的有效稅率維持不變，為18%並與二零零六年的稅率一致。稅項金額上升主要由於本年度對發展及售出的物業康橋半島第VD及VE期及康橋水鄉徵收中國土地增值稅人民幣1.01億元所致。

本公司股權持有人應佔溢利

本集團錄得股權持有人應佔溢利人民幣4.98億元（二零零六年：人民幣3.91億元），較上一年度增加人民幣1.07億元或增長27%。每股盈利由二零零六年的人民幣0.480元上升0.2%至人民幣0.481元。

Net profit margin for the year under review rose from 21% in 2006 to 31% in 2007, which was mainly attributable to the Group's successful market strategy and price improvement of projects and high gross profit margin generated from the disposal of Trinity Village.

Liquidity and Financial Resources

The Group derived its sources of fund primarily from income generated from business operations, bank borrowings and cash proceeds raised from the issuance of the convertible bonds in late April 2007, which were used to finance its business operations and investment in development projects.

Net gearing (total borrowings less cash and cash equivalents including restricted cash over total equity) stood at a level of 26.4% as at 31 December 2007. The Group had total cash and cash equivalents of RMB1,105 million, total borrowings of RMB2,059 million and the stronger equity base of RMB3,613 million as at 31 December 2007 (2006: RMB2,690 million). All borrowings were in RMB. Of the total, RMB372 million was repayable within one year while RMB1,687 million was repayable after more than one year. The effective interest rate for 2007 was 6.93% (2006: 6.02%).

Credit Policy

Trade receivables mainly arose from sales and lease of properties. Receivables in respect of sales and lease of properties are settled in accordance with the terms stipulated in the sales and purchase agreements or lease agreements.

Pledge of Assets

As at 31 December 2007, the Group pledged properties and land use rights with carrying amount of RMB1,772,617,000 and cash equivalents of RMB68,357,000 to secure bank facilities granted to the Group. The total secured loan balance outstanding as at 31 December 2007 amounted to RMB1,046,210,000.

於回顧年度的純利潤率由二零零六年的21%上升至二零零七年的31%。純利潤率上升的主要原因是本集團成功的營銷策略及項目之價格改善及出售翠廷別墅產生較高毛利率所致。

流動資金及財務資源

本集團的資金來源主要來自業務營運產生的收入、銀行借款及在二零零七年四月底發行可轉換債券所籌集到的現金所得款項，該等款項用於為其業務營運及投資發展項目提供資金。

於二零零七年十二月三十一日的負債比率淨額(借款總額減去現金及現金等價物(包括受限制現金)後除以權益總額)處於26.4%水平。本集團於二零零七年十二月三十一日的現金及現金等價物合共為人民幣11.05億元，借款總額為人民幣20.59億元，鞏固股本基礎人民幣36.13億元(二零零六年：人民幣26.90億元)。本集團借款均為人民幣借貸，其中一年內到期的貸款為人民幣3.72億元，而一年後到期的貸款為人民幣16.87億元。二零零七年的實際利率為6.93厘(二零零六年：6.02厘)。

信貸政策

應收賬款主要由於銷售和租賃物業產生，有關銷售和租賃物業的應收賬款將按照買賣協議和租賃協議制定的有關條款收取。

資產抵押

於二零零七年十二月三十一日，本集團將其賬面值為人民幣1,772,617,000的物業及土地使用權及人民幣68,357,000元的現金等價物抵押，以獲取授予本集團的銀行信貸。於二零零七年十二月三十一日，尚未償還有抵押的貸款結餘總額為人民幣1,046,210,000元。

Management Discussion and Analysis

管理層討論與分析

Financial Guarantees

As at 31 December 2007, the Group provided guarantees to banks for:

財務擔保

於二零零七年十二月三十一日，本集團就以下各項向銀行提供擔保：

		As at 31 December 2007	As at 31 December 2006
		於二零零七年 十二月 三十一日	於二零零六年 十二月 三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Mortgage facilities granted to purchasers of property units	向物業單位買家按揭貸款提供責任擔保	266,038	145,405

Capital Commitment

資本承擔

		As at 31 December 2007	As at 31 December 2006
		於二零零七年 十二月 三十一日	於二零零六年 十二月 三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Property development activities:	物業發展業務：		
– Contracted but not provided for	– 已訂約但未撥備	3,872,228	818,708
– Authorized but not contracted for	– 已授權但未訂約	3,618,948	1,407,707
Total 總計		7,491,176	2,226,415

Business Forecast

The Board of the Company is optimistic with regard to the long-term development of China's property market and the Group's future prospects. The Group will launch a number of sizeable projects in 2008 that will take full advantage of its fast-growing presence in the Yangtze River Delta area and in provincial capitals or hubs of economic zones of the southwest region with higher GDP growth than the national average.

業務預測

本公司董事會對中國房地產市場的長遠發展及本集團的遠景感到樂觀。本集團將於二零零八年推出數個大型項目，充分利用其於長江三角洲，及於省會或國內生產總值高於全國平均水平的西南地區的經濟區之樞紐的快速發展。

In this respect, pre-marketing activities of the Group's Kunming projects have already been progressing well since the beginning of 2008. At the same time, the Hainan project, which the Group acquired in January 2008, will make an immediate contribution to the Company. Furthermore, the Group is scheduling for the timely launch of the Changshu and Suzhou project by the end of 2008.

Besides these property development projects in the pipeline, the Board believes that the 2010 World Expo in Shanghai will provide a stellar opportunity for the hotel industry in the city. With the Group's hotel properties in Shanghai expected to be completed by late 2009 and early 2010, the Group is well-positioned to capture the opportunities of the 2010 World Expo while strengthening the recurrent earnings contribution of the Company.

USE OF PROCEEDS FROM THE IPO AND THE ISSUANCE OF CONVERTIBLE BONDS (CB)

The Company's shares were listed on the main board of The Stock Exchange of Hong Kong Limited on 10th October 2006, and the Group raised net proceeds of approximately RMB1,322 million from the IPO ("IPO Proceeds"). In April 2007, the Group raised net proceeds of approximately RMB1,134 million from the issuance of the convertible bonds ("CB Proceeds"). The company had applied both the proceeds into the existing development projects, land acquisition as well as the repayment of borrowing, which are in compliance with the intended use of proceeds.

SIGNIFICANT ACQUISITIONS AND DISPOSALS

Save as disclosed in notes 7 and 8 of the consolidated financial statements, in 2007, the Group did not conduct any substantial acquisitions and disposals of subsidiaries and associated companies.

HUMAN RESOURCES

As at 31 December 2007, the Group employed a total 731 employees (2006: 502 employees). The Group has adopted a performance-based rewarding system to motivate its staff. In addition to a basic salary, year-end bonuses will be offered to those staff with outstanding performance. Share option schemes were adopted to attract and retain talents to contribute to the Group. In relation to staff training, the Group also provides different types of programs for its staff to improve their skills and develop their respective expertise.

就此而言，本集團昆明項目的市場推廣前期活動自二零零八年初以來一直進展順利。同時，本集團於二零零八年一月收購的海南項目將立即對本公司作出貢獻。此外，本集團現在正計劃及時於二零零八年年底推出常熟及蘇州項目。

除此等進行中的物業開展項目外，董事會認為二零一零年上海世界博覽會將會為上海的酒店業提供一個絕佳的機會。本集團於上海的酒店業務預期將於二零零九年底及二零一零年初完成，因此本集團將處於有利位置以抓住二零一零年世界博覽會的機會，並增強本公司經常性盈利所作出的貢獻。

來自首次公開招股及發行可轉換債券所得款項的用途

本公司股份於二零零六年十月十日在香港聯合交易所有限公司主板上市，本集團已從首次公開招股籌得所得款項淨額約人民幣13.22億元（「首次公開招股所得款項」）。於二零零七年四月，本集團已於發行可轉換債券籌集所得款項淨額約人民幣11.34億元（「可轉換債券所得款項」）。本公司已動用上述兩筆所得款項於現有發展項目、土地收購以及償還借款，此舉符合所得款項的既定用途。

重大收購及出售資產

除已載於綜合賬目附註7及8的事項外，二零零七年內，本集團未發生重大收購或出售子公司或聯營公司。

人力資源

於二零零七年十二月三十一日，本集團總共僱用731名僱員（二零零六年：502名僱員）。為激勵員工，本集團已採用一套與表現相掛鈎的獎勵制度。除基本薪金外，將向那些具有突出貢獻的員工提供年終花紅。購股權計劃已獲採納，以吸引及留任合資格僱員為本集團效力。有關員工培訓，本集團亦已為其員工提供不同類型的培訓課程，以提升彼等的技術及發展彼等各自的專長。





CORPORATE GOVERNANCE PRACTICES

The Board and the management of the Company treasure the shareholders' confidence and trust in the ability and vision of the management team and have pledged to maintain an open and responsive attitude in shareholders' communications that are on par with other leading corporations in the industry. The Board has been adamant in upholding best practice in corporate governance to ensure the timeliness, transparency and fairness of disclosure to maximize the Group's corporate values and will continue to enhance its disclosure practices to display an exemplary corporate governance practice.

It is the Board's belief that a sound corporate governance system has been and will remain as an instrumental element to the healthy growth of the Group.

Compliance with the CG Code

The Company has complied with the Code on Corporate Governance Practices (the "CG Code") and the rules on the Corporate Governance Report (the "CG Rules") as set out respectively in Appendices 14 and 23 to the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") for the year ended 31 December 2007, except for code provision A.4.2 with respect to the election by shareholders of all directors appointed to fill a casual vacancy at the first general meeting after their appointment, as explained in paragraph A.4.2 below.

企業管治常規

本公司董事會及管理層重視股東對管理團隊能力及遠見所持有的信心及信任，並承諾在與股東溝通方面維持與業內其他主要公司一致的開放且回應積極的做法。董事會一直堅定不移地維持最佳企業管治常規，以確保披露的及時性、透明度及公平性，從而使本集團的企業價值最大化。本集團將繼續提升其披露常規，以顯示其企業管治常規的規範性。

董事會相信，健全的企業管治體系一直並將持續有助於本集團的健康發展。

遵守企業管治常規守則

本公司截至二零零七年十二月三十一日止年度內，一直遵守分別載於香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄14及附錄23的企業管治常規守則（「企業管治常規守則」）及企業管治報告規則（「企業管治報告規則」），惟與股東於為填補臨時空缺而獲委任的董事獲委任後的首次股東大會上進行的選舉有關的第A.4.2條守則條文則除外，有關詳情載於下文第A.4.2段。

CORPORATE GOVERNANCE PRACTICES (Continued)

Compliance with the CG Code (Continued)

The following outlines how the Company has adopted and complied with the CG Code and the CG Rules to achieve good corporate governance.

A DIRECTORS

A.1 The board

Principle of Good Governance: The board should assume responsibility for leadership and control of the company and be collectively responsible for promoting the success of the company. The directors should take decisions objectively in the interests of the company.

企業管治常規 (續)

遵守企業管治常規守則 (續)

下表概述本公司如何採納及遵守企業管治常規守則及企業管治報告規則以達致良好企業管治的詳情。

A 董事

A.1 董事會

良好管治原則：董事會應承擔領導及控制公司的責任，並集體負責促進公司取得成功。董事應在符合公司利益的前提下作出客觀決定。

Code Provisions 守則條文	Compliance ? 是否遵守?	Compliance by the Company in 2007 本公司於二零零七年的遵守詳情
A.1.1		
Board meetings should be held at least four times a year. 董事會會議應至少每年舉行四次。	✓	The Board held seven meetings in 2007. Individual attendance of each director on a named basis is set out below: 董事會於二零零七年舉行七次會議。每位董事按記名方式記載的個人與會情況載列如下： <i>Executive directors: 執行董事：</i> Mr. WANG Weixian 5/7 王偉賢先生 Mr. TSE Sai Tung, Stones 7/7 謝世東先生 Mr. LAI Kin, Jerome 6/7 黎健先生 Ms. WANG Xuling (Note 1) 3/6 王煦菱女士(附註1) Mr. TAM Lai Ling (Note 2) 0/0 譚禮寧先生(附註2)

Corporate Governance Report

企業管治報告

A DIRECTORS (Continued)

A.1 The board (Continued)

A 董事 (續)

A.1 董事會 (續)

Code Provisions 守則條文	Compliance ? 是否遵守?	Compliance by the Company in 2007 本公司於二零零七年的遵守詳情
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A.1.1 (Continued)

A.1.1 (續)

Independent non-executive directors: 獨立非執行董事：

Mr. CHEONG Ying Chew, Henry 張英潮先生	4/7
Mr. FONG Wo, Felix, JP 方和先生 (太平紳士)	4/7
Mr. JIANG Simon X. 蔣小明先生	4/7
Mr. KWAN Kai Cheong 關啟昌先生	4/7

Notes:

附註：

1. Appointed on 10 July 2007. The Board held six meetings between 11 July 2007 and 31 December 2007.
於二零零七年七月十日獲委任。董事會於二零零七年七月十一日至二零零七年十二月三十一日舉行了六次會議。
2. Appointed on 3 December 2007. No Board meeting was held between 4 December 2007 and 31 December 2007.
於二零零七年十二月三日獲委任。董事會於二零零七年十二月四日至二零零七年十二月三十一日並無舉行會議。

A DIRECTORS (Continued)

A.1 The board (Continued)

A 董事 (續)

A.1 董事會 (續)

Code Provisions 守則條文	Compliance ? 是否遵守?	Compliance by the Company in 2007 本公司於二零零七年的遵守詳情
<p>A.1.2</p> <p>All directors should be given opportunity to include matters in the agenda for regular board meetings.</p> <p>所有董事應均有機會提出商討事項列入常規董事會會議議程。</p>	✓	<p>All directors are invited to include matters in the agenda for regular Board meetings.</p> <p>所有董事均獲邀請提出商討事項列入常規董事會會議議程。</p>
<p>A.1.3</p> <p>Notice of at least 14 days should be given of a regular board meeting.</p> <p>舉行常規董事會會議須至少提前14天發出通知。</p>	✓	<p>The Company generally gives 14 days prior written notice of a regular Board meeting and reasonable prior notice for all other Board meetings.</p> <p>本公司舉行常規董事會會議一般會提前14天發出書面通知，而舉行所有其他董事會會議亦會提前在合理時間發出通知。</p>
<p>A.1.4</p> <p>All directors should have access to the advice and services of the Company Secretary.</p> <p>所有董事應均可獲得公司秘書的意見及服務。</p>	✓	<p>All directors have access to the advice and services of the Company Secretary with a view to ensuring that Board procedures and all applicable rules and regulations are complied with.</p> <p>所有董事應均可獲得公司秘書的意見及服務，以確保董事會程序及所有適用規則及規例均獲遵守。</p>
<p>A.1.5</p> <p>Minutes of board meetings and meetings of board committees should be kept by a duly appointed secretary of the meeting and such minutes should be open for inspection.</p> <p>董事會會議及董事會委員會會議的紀錄應由會議正式委任的秘書保存，且該等會議紀錄應可供公開查閱。</p>	✓	<p>The minutes are kept by the Company's legal advisers and they are open for inspection by the directors and the members of the Board committees.</p> <p>會議紀錄由本公司法律顧問保存，且該等會議紀錄可供董事及董事會委員會的成員查閱。</p>

Corporate Governance Report

企業管治報告

A DIRECTORS (Continued)

A 董事 (續)

A.1 The board (Continued)

A.1 董事會 (續)

Code Provisions 守則條文	Compliance ? 是否遵守?	Compliance by the Company in 2007 本公司於二零零七年的遵守詳情
<p>A.1.6</p> <p>Minutes should record in sufficient detail the matters considered by the board and decisions reached. Draft and final versions of minutes should be sent to all directors for their comment and records within a reasonable time after the meeting.</p> <p>會議紀錄應詳細記錄下董事會所考慮事項及所達致決定的詳情。會議紀錄的初稿及終稿應在會議結束後的合理時間內寄發予所有董事，以供彼等發表意見及作出記錄。</p>	<p>✓</p>	<p>The secretary of the meeting is responsible for taking the minutes and all the matters considered and the decisions reached in the Board meeting are recorded in sufficient detail. The draft minutes are sent to the directors for comment within a reasonable time after each meeting and the final versions are sent to all directors for their records.</p> <p>大會秘書負責作出會議紀錄，會議紀錄詳細記錄下在董事會會議上所考慮事項及所達致決定的詳情。會議紀錄的初稿及終稿在每次會議結束後的合理時間內寄發予所有董事，以供彼等提供意見及存檔。</p>
<p>A.1.7</p> <p>There should be a procedure agreed by the board to enable the directors to seek independent professional advice, at the company's expense, to assist them to discharge their duties.</p> <p>本公司應制定一項由董事會商定的程序，讓董事能尋求獨立專業意見，以協助彼等履行其職責，費用由公司支付。</p>	<p>✓</p>	<p>All the directors have recourse to independent professional advice at the Company's expense.</p> <p>所有董事均可尋求獨立專業意見，費用由本公司支付。</p>

A DIRECTORS (Continued)

A.1 The board (Continued)

A 董事 (續)

A.1 董事會 (續)

Code Provisions 守則條文	Compliance ? 是否遵守?	Compliance by the Company in 2007 本公司於二零零七年的遵守詳情
<p>A.1.8</p> <p>If a substantial shareholder or a director has a conflict of interest in a matter which the board has determined to be material, a board meeting should be held (and not by way of circulation or by a committee). Independent non-executive directors who, and whose associates, have no material interest in the transaction should be present at such board meeting.</p> <p>倘主要股東或董事於董事會已釐定屬重大的事項中存在利益衝突，則應舉行董事會會議（而不是透過傳閱文件方式處理或交由委員會處理）。本身及其聯繫人並無於交易中擁有任何重大利益的獨立非執行董事均應出席有關董事會會議。</p>	<p>✓</p>	<p>The voting and quorum requirements specified in the Company's Articles of Association (the "Articles") conform with the Code's requirements.</p> <p>本公司章程細則（「細則」）所載列的投票權及法定人數規定均符合守則的規定。</p>

Corporate Governance Report

企業管治報告

A DIRECTORS (Continued)

A.2 Chairman and Chief Executive Officer

Principle of Good Governance: There should be a clear division of responsibilities at the board level — the management of the board and the day-to-day management of the business — to ensure a balance of power and authority.

A 董事 (續)

A.2 主席及行政總裁

良好管治原則：在董事會的層面，兩方面的責任（即董事會的管理及業務的日常管理）應清楚區分開來，以確保權力與授權間的均衡。

Code Provisions 守則條文	Compliance ? 是否遵守?	Compliance by the Company in 2007 本公司於二零零七年的遵守詳情
A.2.1 The roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between them should be clearly established and set out in writing. 主席與行政總裁的角色應有區分，不應由一人同時兼任。彼等之間職責的劃分應清楚界定並以書面列載。	✓	Mr. WANG Weixian is the Chairman who is responsible for the overall investment and business development strategies of the Group. Mr. TSE Sai Tung, Stones is the Chief Executive Officer who is responsible for the Group's business operations and execution of the Group's long term business development policies. 王偉賢先生為主席，負責本集團的整體業務投資及發展策略。謝世東先生為行政總裁，負責本集團業務營運，並負責執行本集團的長期業務發展政策。
A.2.2 The Chairman should ensure all directors are properly briefed on issues arising at board meetings. 主席應確保所有董事均完全知悉於董事會會議上所提出的事宜。	✓	The Chairman has a clear responsibility to provide the whole Board with all the information that is required for the discharge of the Board's responsibilities. 主席的明確職責是須向董事會全體成員提供所有與履行董事會職責有關的資料。
A.2.3 The Chairman should ensure that the directors receive adequate information, which must be complete and reliable, in a timely manner. 主席應確保董事及時收到充足資料，有關資料須完整及可靠。	✓	The Chairman has been continually improving the quality and timeliness of the dissemination of information to directors. 主席一直持續改善向董事及時寄發資料及其質素。

A DIRECTORS (Continued)

A.3 Board Composition

Principle of Good Governance: The board should have a balance of skills and experience appropriate for the requirements of the business of the company. The board should include a balanced composition of executive and non-executive directors (including independent non-executive directors) so that it can effectively exercise independent judgement.

Code Provisions 守則條文

The independent non-executive directors should be expressly identified as such in all corporate communications.
所有公司通訊中，應明確說明獨立非執行董事的身份。

Compliance ? 是否遵守?

✓

Compliance by the Company in 2007 本公司於二零零七年的遵守詳情

The composition of the Board, by category of the directors, including names of Chairman, executive directors and independent non-executive directors, is disclosed in all corporate communications.
按董事(包括主席、執行董事及獨立非執行董事的姓名)分類的董事會組成於所有公司通訊中進行披露。

A 董事(續)

A.3 董事會的組成

良好管治原則：董事會應具備與公司的業務規定相適用的均衡技巧及經驗。董事會中執行董事與非執行董事(包括獨立非執行董事)的人數組成比例應保持均衡，這樣董事會方能有效地作出獨立判斷。

A.4 Appointment, Re-election and Removal

Principle of Good Governance: There should be a formal, considered and transparent procedure for the appointment of new directors. There should be plans in place for orderly succession for appointments to the board. All directors should be subject to re-election at regular intervals.

Code Provisions 守則條文

A.4.1

Non-executive directors should be appointed for a specific term, subject to re-election.
非執行董事應有特定任期，並須接受重新選舉。

Compliance ? 是否遵守?

✓

Compliance by the Company in 2007 本公司於二零零七年的遵守詳情

The term of appointment of the independent non-executive directors is one year renewable by mutual agreement on an annual basis.
獨立非執行董事的任期為一年，可每年按雙方協議進行續約。

Under the Company's Articles, one-third of all directors (whether executive or non-executive) is subject to retirement by rotation and re-election at each annual general meeting provided that every director shall be subject to retirement at least once every three years.

根據本公司細則，全體董事的三分之一(不論為執行董事還是為非執行董事)須於每屆股東週年大會上輪值告退並接受重新選舉，惟每名董事至少須每三年輪值告退一次。

Corporate Governance Report

企業管治報告

A DIRECTORS (Continued)

A.4 Appointment, Re-election and Removal (Continued)

A 董事 (續)

A.4 委任、重選及罷免 (續)

Code Provisions 守則條文	Compliance ? 是否遵守?	Compliance by the Company in 2007 本公司於二零零七年的遵守詳情
A.4.2		
<p>All directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment.</p> <p>所有為填補臨時空缺而獲委任的董事應在彼等獲委任後的首屆股東大會上接受股東的選舉。</p>	<p>Deviation explained 已作出說明的偏離事項</p>	<p>The Company's Articles provide that any director so appointed by the Board to fill a casual vacancy shall hold office until the next following annual general meeting and shall be eligible for re-election at that meeting.</p> <p>本公司細則規定，為填補臨時空缺而獲董事會委任的任何董事將任職至下屆股東週年大會結束為止，惟彼將合乎資格於大會上接受重新選舉。</p> <p>Such arrangement is considered appropriate in light of the requirement of paragraph 4(2) of Appendix 3 to the Listing Rules which requires that any person appointed by the directors to fill a casual vacancy shall hold office only until the next following annual general meeting and shall then be eligible for re-election.</p> <p>鑑於上市規則附錄三第4(2)段的規定，為填補臨時空缺而獲董事委任的任何人士將僅任職至下屆股東週年大會結束為止，惟彼將合乎資格接受重新選舉，故該項安排被視為適當。</p> <p>Under the Company's Articles, one-third of all directors (whether executive or non-executive) is subject to retirement by rotation and re-election at each annual general meeting provided that every director shall be subject to retirement at least once every three years.</p> <p>根據本公司細則，全體董事的三分之一（不論為執行董事還是為非執行董事）須於每屆股東週年大會上輪值告退並接受重新選舉，惟每名董事至少須每三年輪值告退一次。</p>
<p>Every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.</p> <p>每名董事（包括該等有特定任期的董事）應至少每三年輪值告退一次。</p>		

A DIRECTORS (Continued)**A.5** (Continued)**A 董事** (續)**A.5** (續)

Code Provisions 守則條文	Compliance ? 是否遵守?	Compliance by the Company in 2007 本公司於二零零七年的遵守詳情
<p>A.5.1</p> <p>Every newly appointed director should receive a comprehensive, formal and tailored induction, on the first occasion of his appointment, and subsequently such briefing and professional development as is necessary, to ensure that he has a proper understanding of the operations and business of the company and that he is fully aware of his responsibilities under statute and common law, the Listing Rules, applicable legal requirements and other regulatory requirements and the business and governance policies of the company.</p> <p>每名新委任的董事均會在首次接受委任時獲得全面、正式及特為其而制定的就任須知，其後亦會獲得所需的介紹及專業培訓，以確保其對公司的運作及業務均有適當的理解，以及充分知悉其本身根據法規及普通法、上市規則、適用法例規定及其他監管規定以及公司業務及管治政策所須承擔的職責。</p>	<p>✓</p>	<p>On appointment, new directors will be briefed by the Chairman and senior executives on the Group's corporate goals and objectives, activities and business, strategic plans and financial situations. They will also be provided with orientation materials package including induction of the duties and responsibilities of directors of a listed company.</p> <p>主席及高級行政人員將於新委任的董事獲委任時向彼等簡要講述本集團的企業目標及目的、活動及業務、策略性計劃及財務狀況。彼等亦將獲提供一套介紹資料(包括上市公司董事的職責及責任須知)。</p> <p>The Company aims at keeping all directors updated on the Listing Rules, statutory and regulatory requirements.</p> <p>本公司旨在讓所有董事知悉最新的上市規則、法定及監管規定。</p>

Corporate Governance Report

企業管治報告

A DIRECTORS (Continued)

A.5 (Continued)

A 董事 (續)

A.5 (續)

Code Provisions 守則條文	Compliance ? 是否遵守?	Compliance by the Company in 2007 本公司於二零零七年的遵守詳情
A.5.2		
<p>The functions of non-executive directors should at least include: 非執行董事的職能應至少包括：</p>	✓	<p>All independent non-executive directors serve on the audit and remuneration committees of the Company. 所有獨立非執行董事均出任本公司審核委員會及薪酬委員會成員。</p>
<p>(a) to bring an independent judgement at board meetings; 於董事會會議上提供獨立判斷；</p>		<p>All independent non-executive directors are invited to participate in Board meetings so that independent judgement can be brought at such meetings. 所有獨立非執行董事均獲邀參加董事會會議，以獲得彼等在該等會議上所提供的獨立判斷。</p>
<p>(b) to take the lead where potential conflicts of interests arise; 於出現潛在利益衝突的事項發揮牽頭引導作用；</p>		
<p>(c) to serve on board committees, if invited; and 應邀出任董事會委員會的成員；及</p>		
<p>(d) to scrutinise the Company's performance in achieving agreed corporate goals and objectives, and monitoring the reporting of performance. 仔細審閱公司的表現是否達致既定企業目標及目的，並監察表現的匯報情況。</p>		

A DIRECTORS (Continued)**A.5** (Continued)**A 董事** (續)**A.5** (續)

Code Provisions 守則條文	Compliance ? 是否遵守?	Compliance by the Company in 2007 本公司於二零零七年的遵守詳情
<p>A.5.3</p> <p>Every director should ensure that he can give sufficient time and attention to the affairs of the company. 每名董事應確保其有充足的時間密切關注公司的事務。</p>	✓	<p>All the directors have given prompt attention to the affairs of the Company. 所有董事均已即時關注本公司的事務。</p>
<p>A.5.4</p> <p>All directors must comply with their obligations under the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 to the Listing Rules. 所有董事須遵守彼等根據上市規則附錄十所載的上市發行人董事進行證券交易的標準守則(「標準守則」)所須承擔的責任。</p>	✓	<p>The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules regarding directors' dealing in securities. 本公司已採納上市規則附錄十所載有關董事買賣證券的標準守則。</p> <p>All the directors complied with the required standard set out in the Model Code. 所有董事均遵守了標準守則所載的所需準則。</p>

Corporate Governance Report

企業管治報告

A DIRECTORS (Continued)

A.6 Supply of and Access to Information

Principle of Good Governance: The directors should be provided in a timely manner with appropriate information in such form and of such quality as will enable them to make an informed decision and to discharge their duties and responsibilities.

A 董事 (續)

A.6 資料的提供及使用

良好管治原則：董事應及時獲提供適當的資料，有關資料的形式及質素將能讓彼等作出知情的決定並能履行彼等的職責及責任。

Code Provisions 守則條文	Compliance ? 是否遵守?	Compliance by the Company in 2007 本公司於二零零七年的遵守詳情
A.6.1		
An agenda and accompanying board papers should be sent to all directors at least 3 days before the intended date of a meeting. 會議議程及隨附的董事會文件應至少在會議既定舉行日期前三天寄發予所有董事。	✓	An agenda and the relevant paper and materials are usually sent to the directors at least 3 days before the meeting. 會議議程及相關文件及材料一般至少在會議舉行日期前三天寄發予董事。
A.6.2		
Each director should have separate and independent access to the senior management of the company to make further enquiries or to obtain more information in order to fulfil his duties properly. 每名董事應可單獨及獨立接觸本公司高級管理層人員，以為適當履行其職責而作出進一步查詢或獲取更多資料。	✓	The directors have access to the senior management of the Company whenever they feel necessary. 董事於彼等認為有需要時均可接觸本公司的高級管理層人員。
A.6.3		
All directors are entitled to have access to board papers and related materials. Where queries are raised by the directors, steps must be taken to respond as promptly and fully as possible. 所有董事均有權查閱董事會文件及相關資料。倘有董事提出問題，必須採取步驟以盡快作出盡量全面的回應。	✓	Board minutes and the related materials are available for inspection by the directors whenever requested. All efforts are made to ensure that queries of the directors are responded to promptly and fully. 董事會會議紀錄及相關資料均可應董事要求供其查閱。本公司盡力確保董事提出的問題盡快及充分獲得回應。

B. REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT

B.1 The Level and Make-up of Remuneration and Disclosure

Principle of Good Governance: There should be a formal and transparent procedure for setting policy on executive directors' remuneration and for fixing the remuneration packages for all directors. No director should be involved in deciding his own remuneration.

B. 董事及高級管理層人員的薪酬

B.1 薪酬及披露的水平及組成

良好管治原則：公司應設立正式且具透明度的程序，以制訂執行董事的薪酬政策及釐訂所有董事的薪酬組合。董事不得參與釐定其本身的酬金。

Code Provisions 守則條文	Compliance ? 是否遵守?	Compliance by the Company in 2007 本公司於二零零七年的遵守詳情
<p>B.1.1</p> <p>The company should establish a remuneration committee with specific written terms of reference. A majority of the members should be independent non-executive directors. 公司應設立薪酬委員會，並訂明特定書面職權範圍。大部分成員應為獨立非執行董事。</p>	✓	<p>The remuneration committee was established on 19 September 2006 with specific written terms of reference which deal clearly with its authority and responsibilities. The remuneration committee comprises the Chairman and all independent non-executive directors. 薪酬委員會於二零零六年九月十九日設立，並訂明特定書面職權範圍，清楚列明其權限及職責。薪酬委員會包括主席及全體獨立非執行董事。</p>
<p>B.1.2</p> <p>The committee should consult the Chairman and/or the Chief Executive Officer about their proposals relating to the remuneration of other executive directors and have access to professional advice if considered necessary. 委員會應就有關其他執行董事的薪酬諮詢主席及／或行政總裁的建議，倘認為必要，亦可獲取專業意見。</p>	✓	<p>Pursuant to the terms of the remuneration committee, the committee should consult with the Chairman and/or the Chief Executive Officer about their proposals relating to the remuneration of other executive directors. The committee is authorised to obtain such professional advice as it considers necessary. 根據薪酬委員會的職權範圍，委員會應就有關其他執行董事的薪酬諮詢主席及／或行政總裁的建議。委員會獲授權於其認為必要時獲取專業意見。</p>

B. REMUNERATION OF DIRECTORS AND SENIOR MANAGEMENT *(Continued)*

B. 董事及高級管理層人員的薪酬 (續)

B.1 The Level and Make-up of Remuneration and Disclosure *(Continued)*

B.1 薪酬及披露的水平及組成 (續)

Code Provisions 守則條文	Compliance ? 是否遵守?	Compliance by the Company in 2007 本公司於二零零七年的遵守詳情
B.1.3		
The terms of reference of the committee should include the minimum prescribed duties. 委員會的職權範圍至少應包括規定須列明的職責。	✓	The terms of reference of the committee include the minimum prescribed responsibilities. 委員會的職權範圍至少應包括規定須列明的職責。
B.1.4		
The committee should make available its terms of reference, explaining its role and authority delegated to it by the board. 委員會應公開其職權範圍，說明其角色及董事會授予其之權力。	✓	The terms of reference including, among other things, its role and authority of the committee delegated to it by the Board are made available on request. 職權範圍(包括(其中包括)委員會的角色及董事會授予其之權力)須在要求時予以公開。
B.1.5		
The committee should be provided with sufficient resources to discharge its duties. 委員會應獲提供充足資源以履行其職責。	✓	The committee can seek independent professional advice to complement its own resources to discharge its duties. 委員會可尋求獨立專業意見，以補充其本身資源從而履行其職責。

C. ACCOUNTABILITY AND AUDIT

C.1 Financial Reporting

Principle of Good Governance: The board should present a balanced, clear and comprehensible assessment of the company's performance, position and prospects.

C. 問責及核數

C.1 財務申報

良好管治原則：董事會應平衡、清晰及全面評核公司的表現、狀況及前景。

Code Provisions 守則條文	Compliance ? 是否遵守?	Compliance by the Company in 2007 本公司於二零零七年的遵守詳情
<p>C.1.1</p> <p>Management should provide such explanation and information to enable the board to make an informed assessment of the matters put before the board for approval. 管理層應向董事會提供有關提呈董事會批准的事項的解釋及資料，以讓董事會能就該等事項作出知情的評估。</p>	✓	<p>The directors are regularly provided with updates on the Company's business and the management's strategic plans, financial objectives and other actions. 董事定期獲提供有關本公司的業務及管理層的策略性計劃、財務目標及其他行動的最新資料。</p>
<p>C.1.2</p> <p>The directors should acknowledge in the Corporate Governance Report their responsibilities for preparing the accounts, and there should be a statement by the auditors about their reporting responsibilities in the auditors' report on the financial statements. 董事應在企業管治報告中陳述其編製賬目的責任，核數師亦應在有關財務報表的核數師報告中就彼等的申報責任作出聲明。</p>	✓	<p>A statement of directors' responsibilities for preparing the financial statements is set out in this Corporate Governance Report. 董事編製財務報表的責任聲明載於本企業管治報告。</p> <p>The report of the auditors states the auditors' reporting responsibilities. 核數師的申報責任於核數師報告內作出陳述。</p>

Corporate Governance Report

企業管治報告

C. ACCOUNTABILITY AND AUDIT (Continued)

C. 問責及核數 (續)

C.1 Financial Reporting (Continued)

C.1 財務申報 (續)

Code Provisions 守則條文	Compliance ? 是否遵守?	Compliance by the Company in 2007 本公司於二零零七年的遵守詳情
C.1.3		
<p>The board's responsibility to present a balanced, clear and understandable assessment extends to annual and interim reports, other price-sensitive announcements and other financial disclosures required under the Listing Rules, and reports to regulators as well as to information required to be disclosed pursuant to statutory requirements.</p> <p>董事會的責任是作出均衡、清晰及明白的評估，評估內容涉及年報及中期報告、其他有關股價敏感資料的公佈及根據上市規則規定須予披露的其他財務資料、向監管機構提交的報告以及將須根據法例規定予以披露的資料。</p>	✓	<p>The Board aims at presenting a comprehensive, balanced and understandable assessment of the Group's performance, position and prospects in all shareholder communications.</p> <p>董事會旨在就本集團的表現、狀況及前景在所有股東匯報中作出均衡、清晰及明白的評估。</p>

C. ACCOUNTABILITY AND AUDIT (Continued)

C.2 Internal Controls

Principle of Good Governance: The board should ensure that the company maintains sound and effective internal controls to safeguard shareholders' investment and the company's assets.

C. 問責及核數 (續)

C.2 內部控制

良好管治原則：董事會應確保公司維持健全及有效的內部控制，以保障股東的投資及公司的資產。

Code Provisions 守則條文	Compliance ? 是否遵守?	Compliance by the Company in 2007 本公司於二零零七年的遵守詳情
C.2.1		
<p>The directors should at least annually conduct a review of the effectiveness of the system of internal control of the company and its subsidiaries. 董事應至少每年對公司及其子公司內部控制體系的有效性進行檢討。</p>	✓	<p>The Board has overall responsibility for the system of internal control and for reviewing its effectiveness. 董事會就內部控制體系及檢討其有效性負有整體責任。</p> <p>The Chief Executive Officer and the Chief Financial Officer reports to the audit committee on key findings regarding internal controls. The audit committee, in turn, communicates any material issues to the Board. 行政總裁及首席財務官每年向審核委員會匯報兩次有關內部控制的主要調查結果，而審核委員會則向董事會匯報任何重大事項。</p> <p>Two meetings were held by the audit committee in 2007 at which the audit committee was apprised of the Group's internal control systems. 審核委員會於二零零七年舉行了兩次會議，而審核委員會已於該會議上獲知本集團的內部控制體系。</p> <p>The Board has conducted a review of the effectiveness of the system of internal control of the Company and its subsidiaries and is satisfied with the adequacy of the Group's system of internal control. 董事會已對本公司及其子公司的內部控制體系進行檢討，並對本集團內部控制體系的充足性感到滿意。</p>

Corporate Governance Report

企業管治報告

C. ACCOUNTABILITY AND AUDIT (Continued)

C.3 Audit Committee

Principle of Good Governance: The board should establish formal and transparent arrangements for considering how it applies the financial reporting and internal control principles and for maintaining an appropriate relationship with the company's auditors. The audit committee should have clear terms of reference.

C. 問責及核數 (續)

C.3 審核委員會

良好管治原則：董事會應就考慮如何應用財務申報及內部控制原則及如何維持與公司核數師的適當關係作出正式並具透明度的安排。審核委員會應具有清晰的職權範圍。

Code Provisions 守則條文	Compliance ? 是否遵守?	Compliance by the Company in 2007 本公司於二零零七年的遵守詳情
<p>C.3.1</p> <p>Minutes of audit committee meetings should be kept by a duly appointed secretary of the meeting. Draft and final versions of minutes should be sent to all committee members for their comment and records within a reasonable time after the meeting.</p> <p>審核委員會的會議紀錄應由會議正式委任的秘書保存。會議紀錄的初稿及終稿應在會議結束後的合理時間內寄發予委員會所有成員，以供彼等發表意見及作出紀錄。</p>	<p>✓</p>	<p>The minutes are kept by the Company's legal advisers. The draft minutes are sent to the committee members for comment within a reasonable time after each meeting and the final versions are sent to all members for their records.</p> <p>會議紀錄由本公司法律顧問保存。會議紀錄的初稿於每次會議結束後的合理時間內寄發予委員會成員，以供彼等發表意見，而會議紀錄的終稿則寄發予所有成員，以供彼等作為記錄。</p>
<p>C.3.2</p> <p>A former partner of the existing audit firm should not be a member of the committee for a period of one year commencing on the date of his ceasing to be a partner of the firm.</p> <p>公司的委員會不應委任任何在過去一年內為現任核數師事務所的合夥人為成員。</p>	<p>✓</p>	<p>None of the committee members is or was a partner of the existing audit firm.</p> <p>概無委員會成員現時或曾擔任現任核數師事務所的合夥人。</p>

C. ACCOUNTABILITY AND AUDIT (Continued)

C.3 Audit Committee (Continued)

C. 問責及核數 (續)

C.3 審核委員會 (續)

Code Provisions 守則條文	Compliance ? 是否遵守?	Compliance by the Company in 2007 本公司於二零零七年的遵守詳情
C.3.3		
<p>The terms of reference of the committee should include the minimum prescribed duties. 委員會的職權範圍至少應包括規定須列明的職責。</p>	✓	<p>The terms of reference of the committee include, among other things, the minimum prescribed responsibilities. 委員會的職權範圍至少包括(其中包括)規定須列明的職責。</p>
C.3.4		
<p>The committee should make available its terms of reference, explaining its role and authority delegated to it by the board. 委員會應公開其職權範圍,說明其角色及董事會授予其之權力。</p>	✓	<p>The terms of reference of the committee which, among other things, explain the role and authority delegated to it by the Board, are made available on request. 委員會的職權範圍((其中包括)說明其角色及董事會授予其之權力)須在要求時予以公開。</p>

Corporate Governance Report

企業管治報告

C. ACCOUNTABILITY AND AUDIT (Continued)

C. 問責及核數 (續)

C.3 Audit Committee (Continued)

C.3 審核委員會 (續)

Code Provisions 守則條文	Compliance ? 是否遵守?	Compliance by the Company in 2007 本公司於二零零七年的遵守詳情
<p>C.3.5</p> <p>Where the board disagrees with the audit committee's view on the selection, appointment, resignation or dismissal of the external auditors, the company should include in the Corporate Governance Report a statement from the audit committee explaining its recommendation and also the reason(s) why the board has taken a different view.</p> <p>倘董事會不同意審核委員會對甄選、委任、辭任或罷免外部核數師事宜的意見，則本公司應在企業管治報告中列載審核委員會闡述其推薦建議的聲明以及董事會持不同意見的原因。</p>	<p>✓</p>	<p>The committee recommended to the Board (which endorsed the view) that, subject to shareholders' approval at the forthcoming annual general meeting, KPMG be re-appointed as the external auditors for 2008.</p> <p>委員會向董事會建議(董事會已同意其意見)重新委任畢馬威會計師事務所為二零零八年度的外部核數師，惟須獲股東於應屆股東週年大會上批准。</p>
<p>C.3.6</p> <p>The committee should be provided with sufficient resources to discharge its duties.</p> <p>委員會應獲提供充足資源以履行其職責。</p>	<p>✓</p>	<p>The committee can seek independent professional advice to complement its own resources to discharge its duties.</p> <p>委員會可尋求獨立專業意見，以補充其本身資源從而履行其職責。</p>

D. DELEGATION BY THE BOARD

D.1 Management Functions

Principle of Good Governance: The company should have a formal schedule of matters specifically reserved to the board for its decision. The board should give clear directions to management as to the matters that must be approved by the board before decisions are made on behalf of the company.

D. 董事會權力的轉授

D.1 管理職能

良好管治原則：公司應有一個正式的預定計劃表，列載特別須董事會作決定的事項。董事會在代表公司作出決定前，應就須獲董事會批准的事項給予管理層清晰指示。

Code Provisions 守則條文	Compliance ? 是否遵守?	Compliance by the Company in 2007 本公司於二零零七年的遵守詳情
D.1.1 and D.1.2 D.1.1及D.1.2		
<p>The board should give clear directions as to the powers of management, in particular, with respect to the circumstances where management should obtain prior approval from the board before making decisions or entering into any commitments on behalf of the company. 董事會應就管理層的權力給予清晰指示，特別是於何種情況下管理層在代表公司訂立任何承諾前應事先獲得董事會的批准。</p> <p>The company should formalise the functions reserved to the board and those delegated to management. 公司應正式確定董事會應保留的職能及該等轉授予管理層的職能。</p>	✓	<p>Important matters are reserved for the Board's decision, including: 以下重要事項均由董事會保留決定權，包括：</p> <ul style="list-style-type: none">• long-term objectives and strategies 長期目標及策略• extension of the Group's activities into new business areas 將本集團的業務擴充至新業務領域• appointments to the Board and the Board committees 董事會及董事會委員會的委任• annual internal controls assessment and annual budgets 年度內部控制評估及年度預算• material acquisitions and disposals 重大收購及出售事項• material connected transactions 重大關連交易• material banking facilities 重大銀行貸款額度• announcements of interim and final results 中期及末期業績公佈• payment of dividends 派發股息

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D. DELEGATION BY THE BOARD (Continued)

D.2 Board Committees

Principle of Good Governance: board committees should be formed with specific written terms of reference that deal clearly with the committees' authority and duties.

D. 董事會權力的轉授 (續)

D.2 董事會委員會

良好管治原則：董事會委員會應訂明特定書面職權範圍，清楚列明委員會的權力及職責。

Code Provisions

守則條文

Compliance ?

是否遵守?

Compliance by the Company in 2007

本公司於二零零七年的遵守詳情

D.2.1

The board should prescribe sufficiently clear terms of reference to enable such committees to discharge their functions properly.

董事會應充分清楚地訂明該等委員會的職權範圍，以令有關委員會能適當地履行其職能。

✓

The Board has established two board committees each with specific terms of reference, namely the audit committee and remuneration committee.

董事會已成立兩個委員會：審核委員會及薪酬委員會；並訂明該等委員會的職權範圍。

D.2.2

The committees should be required to report back to the board on their decisions or recommendations.

委員會須向董事會匯報其決定或推薦建議。

✓

The minutes of the committee meetings containing the committee's decisions and/or recommendations are circulated to all members of the Board unless a conflict of interest arises. The committees are required to report back to the Board on key findings during the year.

載有委員會決定及／或推薦建議的委員會會議紀錄均向董事會所有成員傳閱，惟出現利益衝突的情況則除外。委員會須於本年度內向董事會匯報主要調查結果。

E. COMMUNICATION WITH SHAREHOLDERS

E.1 Effective Communication

Principle of Good Governance: The board should endeavour to maintain an on-going dialogue with shareholders and, in particular, use annual general meetings or other general meetings to communicate with shareholders and encourage their participation.

E. 與股東的溝通

E.1 有效溝通

良好管治原則：董事會應盡力維持與股東進行持續對話，尤其應藉股東週年大會或其他股東大會與股東進行溝通並鼓勵彼等參加會議。

Code Provisions 守則條文	Compliance ? 是否遵守?	Compliance by the Company in 2007 本公司於二零零七年的遵守詳情
E.1.1		
In respect of each substantially separate issue at a general meeting, a separate resolution should be proposed by the chairman of that meeting. 就各項重大不同的事項而言，會議主席應提呈不同的決議案。	✓	A separate resolution is proposed for each substantially separate issue. 就各項重大不同的事項均會提呈不同的決議案。
E.1.2		
The Chairman of the board should attend the annual general meeting and arrange, for the chairmen of the audit, nomination and remuneration committees (as appropriate) to be available to answer questions at the annual general meeting. 董事會主席應出席股東週年大會，並安排審核委員會、提名委員會及薪酬委員會（如適用）的主席於股東週年大會上回答提問。	✓	The Company's annual general meeting will be held on 23 May 2008. The Chairman of the Board who is also the chairman of the remuneration committee will attend such forthcoming annual general meeting and be available to answer questions thereat and will arrange for the chairman of the audit committee to be available to answer questions at the forthcoming annual general meeting. 本公司股東週年大會將於二零零八年五月二十三日舉行。董事會主席（亦為薪酬委員會主席）將出席該應屆股東週年大會並於會上回答提問，並將安排審核委員會主席於應屆股東週年大會上回答提問。

Corporate Governance Report

企業管治報告

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules.

All directors have confirmed, following specific enquiry by the Company, that they have complied with the required standard set out in the Model Code for the year ended 31 December 2007.

BOARD OF DIRECTORS

The Board comprises five executive directors and four independent non-executive directors:

Executive directors:

WANG Weixian (*Chairman*)

TSE Sai Tung, Stones

(*Group Managing Director and Chief Executive Officer*)

LAI Kin, Jerome (*Chief Financial Officer*)

WANG Xuling

(appointed on 10 July 2007)

TAM Lai Ling (*Deputy Managing Director and*

Head of Corporate Finance)

(appointed on 3 December 2007)

Independent non-executive directors:

CHEONG Ying Chew, Henry

FONG Wo, Felix, JP

JIANG Simon X.

KWAN Kai Cheong

The Board has a balance of skills and experience appropriate for the requirements of the business of the Company. The Board has extensive management experience in the property market in the PRC. The Board has the required knowledge, experience and capabilities to operate and develop the Group's business and implement the Company's business strategies. The biographical details and experience of the directors and senior management are set out on pages 74 to 81.

董事的證券交易

本公司已採納上市規則附錄十所載的標準守則。

所有董事均已在本公司作出特定查詢後確認，彼等於截至二零零七年十二月三十一日止年度內已遵守標準守則所載的規定標準。

董事會

董事會包括五名執行董事及四名獨立非執行董事：

執行董事：

王偉賢(主席)

謝世東

(集團董事總經理兼行政總裁)

黎健(首席財務官)

王煦菱

(於二零零七年七月十日獲委任)

譚禮寧(副董事總經理兼企業融資主管)

(於二零零七年十二月三日獲委任)

獨立非執行董事：

張英潮

方和太平紳士

蔣小明

關啟昌

董事會應具備與本公司的業務規定相適用的均衡技巧及經驗。董事會於中國物業市場擁有豐富管理經驗。董事會具備經營及發展本集團業務及實施本公司業務策略所需的知識、經驗及能力。董事及高級管理層人員的簡歷詳情及經驗載於第74至81頁。

BOARD OF DIRECTORS (Continued)

Each director has a duty to act in good faith in the best interests of the Company. The directors, individually and collectively, are aware of their responsibilities and accountability to shareholders and for the manner in which the affairs of the Company are managed and operated.

Regular board meetings are scheduled in advance for 2008 to give the directors an opportunity to attend. Directors can attend board meetings either in person or by electronic means of communication.

Directors have timely access to relevant information prior to each board meeting to enable them to make an informed decision and to discharge their duties and responsibilities.

The Company has received an annual confirmation of independence from each of the independent non-executive directors. The Company is of the view that all the independent non-executive directors meet the guidelines for assessing independence set out in Rule 3.13 of the Listing Rules and considers them to be independent.

To the best knowledge of the Company, there is no financial, business, family or other material or relevant relationship among members of the Board or between the Chairman and the Chief Executive Officer.

The Company provides directors with directors' and officers' liability insurance coverage to protect them from loss as a result of any legal proceeding against the Company.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Mr. WANG Weixian is the Chairman and Mr. TSE Sai Tung, Stones serves as the Chief Executive Officer. The role of the Chairman is separate from that of the Chief Executive Officer so as to delineate their respective areas of responsibility. They receive significant support from the directors and the senior management team.

董事會 (續)

各董事均有責任本著符合本公司最佳利益的原則真誠行事。董事均個別及共同知悉彼等對股東的責任及問責性以及管理和經營本公司事務的方式。

須事先確定舉行二零零八年度常規董事會會議的時間，以讓董事有機會出席。董事可親身或透過電子通訊方式出席董事會會議。

於舉行各董事會會議前，董事有權適時獲得相關資料，以令彼等能作出知情決定及履行彼等的職責及責任。

本公司已收到每名獨立非執行董事的年度獨立性確認函。本公司認為，所有獨立非執行董事均符合上市規則第3.13條所載評估獨立性的指引，並認為彼等均具獨立性。

就本公司所知，董事會成員之間或主席與行政總裁之間概無任何財務、業務、家庭或其他重大或相關關係。

本公司為董事提供董事及高級職員責任保險，以保障彼等不會因任何針對本公司的法律訴訟而須遭受損失。

主席及行政總裁

王偉賢先生為主席，而謝世東先生則為行政總裁。主席的角色與行政總裁相互分開，以便清楚劃分彼等各自的責任範圍。彼等獲董事及高級管理團隊大力支持。

CHAIRMAN AND CHIEF EXECUTIVE OFFICER (Continued)

The Chairman is responsible for the overall business and investment strategies of the Group. The Chairman is also responsible for overseeing effective functioning of the Board and application of good corporate governance practices and procedures. The Chief Executive Officer is responsible for managing the Group's overall operations and execution of the Group's long term business development policies. The Board, led by the Chairman, sets the overall directions, strategies and policies of the Group. Under the leadership of the Chief Executive Officer, the management is responsible for executing the Board's strategy and implementing its policies through the day-to-day management and operations of the Company.

The Board delegates appropriate aspects of its management and administrative functions to the management who shall report to the Board. The Board reviews on a periodic basis such delegations to ensure that they remain appropriate.

NON-EXECUTIVE DIRECTORS

The independent non-executive directors of the Company have diversified backgrounds and industry skills and one member has an appropriate accounting qualification as required by the Listing Rules. With their expertise, they offer experience, independent judgement and advice on the overall management of the Company. Their responsibilities include maintaining a balance between the interests of all shareholders of the Company as a whole.

They are members of the audit and remuneration committees.

The term of appointment of the independent non-executive directors is one year renewable by mutual agreement on an annual basis. Under the Company's Articles, one-third of all directors (whether executive or non-executive) is subject to retirement by rotation and re-election at each annual general meeting provided that every director shall be subject to retirement at least once every three years.

主席及行政總裁 (續)

主席負責本集團的整體業務及投資策略。主席亦負責監察董事會的有效運作及良好企業管治常規和程序的運用情況。行政總裁負責管理本集團的整體運營以及執行本集團的長期業務發展政策。董事會由主席領導，董事會負責制訂本集團的整體方向、策略及政策。在行政總裁的領導下，管理層負責執行董事會策略並透過本公司的日常管理及營運實施其政策。

董事會授予須向其匯報的管理層適當的管理及行政職能。董事會定期檢討該等授權，以確保有關授權仍屬適當。

非執行董事

本公司的獨立非執行董事具有不同的背景及行業技巧，其中一名成員擁有上市規則所規定的適當會計資格。憑藉彼等的專長，彼等為本公司的整體管理提供經驗、獨立判斷及意見。彼等的責任包括維持本公司所有股東之間整體利益的平衡。

彼等均為審核委員會及薪酬委員會成員。

獨立非執行董事的任期為一年，可每年按雙方協議進行續約。根據本公司細則，全體董事（不論為執行董事還是為非執行董事）的三分之一須於每屆股東週年大會上輪值告退並接受重新選舉，惟每名董事須至少每三年輪值告退一次。

REMUNERATION OF DIRECTORS

The Board established the remuneration committee on 19 September 2006 with specific written terms of reference which deal clearly with its authority and responsibilities. The committee is responsible for formulating and reviewing the remuneration policy and specific remuneration packages of all executive directors. In formulating the remuneration policy, the committee takes into consideration factors such as salaries paid by comparable companies, employment conditions and responsibilities, and individual performance of the directors, senior management, and the general staff. The committee can seek independent professional advice to complement its own resources to discharge its duties.

The remuneration committee comprises Mr. WANG Weixian, who is the chairman of the committee and all the independent non-executive directors.

Two meetings were held by the remuneration committee in 2007 to discuss remuneration related matters. All members attended the meeting.

Details of the emoluments and options of each director, on a named basis, are set out in note 16 to the financial statements.

NOMINATION OF DIRECTORS

The Board selects and recommends candidates for directorship having regard to the balance of skills and experience appropriate to the Company's business. It applied these criteria to identify the two executive directors appointed respectively in July 2007 and December 2007 who contribute accounting and related financial management expertise and extensive business management and public company board experiences.

董事薪酬

董事會於二零零六年九月十九日設立薪酬委員會，並訂明特定書面職權範圍，清楚列明其權限及職責。該委員會負責制訂及檢討薪酬政策及所有執行董事的具體薪酬範圍。在制訂薪酬政策時，委員會考慮多方面的因素，比如可資比較公司所支付的薪金、僱傭條件及責任以及董事、高級管理層人員及一般職員的個人表現。委員會可尋求獨立專業意見，以補充其本身資源從而履行其職責。

薪酬委員會成員包括王偉賢先生（為委員會的主席）及所有獨立非執行董事。

薪酬委員會於二零零七年舉行了兩次會議，以討論與薪酬相關的事宜。所有成員均出席了有關會議。

每名董事按姓名列載的酬金及購股權詳情載於財務報表附註十六。

董事提名

董事會視乎就本公司業務而言適合的技能與經驗之平衡而遴選及推薦董事候選人。董事會已運用該等準則分別於二零零七年七月及二零零七年十二月委任了兩位執行董事，該等執行董事提供了會計及相關財務管理專業知識以及豐富的業務管理及上市公司董事會經驗。

AUDIT COMMITTEE

The Board established the audit committee on 19 September 2006 with specific written terms of reference which deal clearly with its authority and responsibilities. The committee is responsible for formulating and reviewing the financial and internal control principles of the Company. The committee is also responsible for making recommendation to the Board on the appointment, re-appointment and removal of the external auditors, approving the remuneration and terms of engagement of the external auditors and considering any questions of resignation or dismissal of such auditors. The committee can seek independent professional advice to complement its own resources to discharge its duties.

The committee comprises all the independent non-executive directors. Mr. KWAN Kai Cheong is the chairman of the committee.

Two meetings were held by the audit committee in 2007. All members attended the meetings. The committee reviewed, together with the senior management and the external auditors, the financial statements for the year ended 31 December 2007, the accounting principles and practices adopted by the Company, statutory compliance, other financial reporting matters and the internal control system.

FINANCIAL REPORTING

The Board aims at presenting a comprehensive, balanced and understandable assessment of the Group's performance, position and prospects. Management provides such explanation and information to enable the Board to make an informed assessment of the matters put before the Board for approval.

The directors acknowledge their responsibilities for preparing the financial statements for the Group.

The statement of the external auditors of the Company regarding their responsibilities for the financial statements of the Group is set out in the report of the auditors on page 106.

審核委員會

董事會於二零零六年九月十九日設立審核委員會，並訂明特定書面職權範圍，清楚列明其權限及職責。該委員會負責制訂及檢討本公司的財務及內部控制原則。委員會亦負責就委任、重新委任及罷免外部核數師、批准聘用外部核數師的酬金及條款以及省覽任何有關該等核數師的辭任或解聘問題向董事會作出推薦建議。委員會可尋求獨立專業意見，以補充其本身資源從而履行其職責。

該委員會成員包括所有獨立非執行董事。關啟昌先生為該委員會的主席。

審核委員會於二零零七年舉行了兩次會議。所有成員均出席了有關會議。該委員會會同高級管理層人員及外部核數師一起審閱截至二零零七年十二月三十一日止年度的財務報表、本公司採納的會計原則及實務、法規遵守情況、其他財務申報事宜及內部控制體系。

財務申報

董事會旨在就本集團的表現、狀況及前景作出全面、均衡及明白的評估。管理層提供有關解釋及資料，以讓董事會能於批准有關事項前對該等事項作出知情的評估。

董事承認彼等編製本集團財務報表的責任。

本公司外部核數師有關彼等對本集團財務報表所承擔責任而發表的聲明載於第106頁的核數師報告。

INTERNAL CONTROLS

The Board has overall responsibility for maintaining a sound and effective system of internal control and for reviewing its effectiveness, particularly in respect of the controls on financial, operational, compliance and risk management, to safeguard shareholders' investment and the Group's assets.

The Board is satisfied with the adequacy of the system of internal control of the Company.

AUDITORS REMUNERATION

KPMG, the external auditors of the Company, is primarily responsible for providing audit services in connection with annual financial statements of the Group for the year ended 31 December 2007.

For the year ended 31 December 2007, the total remuneration in respect of statutory audit services provided by KPMG for the Group amounted to RMB2,461,000.

The audit committee recommended to the Board (which endorsed the view) that, subject to shareholders' approval at the forthcoming annual general meeting, KPMG be re-appointed as the external auditors for the Company for 2008.

SHAREHOLDINGS INFORMATION

As at 31 December 2007:

Authorised share capital: HK\$1,000,000,000, comprising 10,000,000,000 ordinary shares of HK\$0.1 each.

Issued and fully paid-up capital: HK\$103,750,000 comprising 1,037,500,000 ordinary shares of HK\$0.1 each.

Class of shares: one class of ordinary shares of HK\$103,750,000 each with equal voting rights.

內部控制

董事會對維持健全及有效的內部控制體系以及檢討其有效性(尤其是有關財務、營運、合規情況及風險管理的監控)負有全部責任,以保障股東投資及本集團資產。

董事會對本公司內部控制體系的充足性感到滿意。

核數師酬金

本公司外部核數師畢馬威會計師事務所主要負責提供與本集團截至二零零七年十二月三十一日止年度的年度財務報表有關的審核服務。

截至二零零七年十二月三十一日止年度,有關畢馬威會計師事務所向本集團提供的法定審核服務的酬金總額為人民幣2,461,000元。

審核委員會向董事會建議(董事會已同意其意見)重新委任畢馬威會計師事務所為本公司二零零八年度的外部核數師,惟須獲股東於應屆股東週年大會上批准。

股權資料

於二零零七年十二月三十一日:

法定股本:1,000,000,000 港元,包括10,000,000,000 股每股面值0.1 港元的普通股。

已發行及繳足股本:103,750,000 港元,包括1,037,500,000 股每股面值0.1 港元的普通股。

股份類別:一類103,750,000 港元每股具有相同投票權的普通股。

Directors and Senior Management Profiles

董事及高級管理層人員簡介

WANG Weixian, 43, is the Chairman and the founder of the Group. Mr. Wang is the Chairman of Starwaly Properties (Group) Pty Ltd., which he founded in Australia in February 1999, as holding company for various property development projects of the Group in the PRC. Mr. Wang has over 15 years of experience in finance, construction, property investment and development. Mr. Wang graduated from South China University of Technology with a Bachelor degree in Building Material and University of Technology Sydney with a Bachelor degree of Commerce. Mr. Wang is a member of the Political Consultative Conference of the Nanhui District of Shanghai and a councilor of Shanghai Soong Ching Ling Foundation (上海宋慶齡基金會).

TSE Sai Tung, Stones, 49, is the Group Managing Director and Chief Executive Officer. Before joining the Group, Mr. Tse was the Executive Director and Managing Director of two listed real estate development companies. Mr. Tse graduated from the University of Hong Kong with a Bachelor degree of Science in Engineering, the University of Warwick of the United Kingdom with a Master's degree of Business Administration and Macquarie University of Australia with a Doctorate in Business Administration. Mr. Tse, presently a member of the Hong Kong Institution of Engineers and the Chartered Institute of Building of the United Kingdom, has over 26 years of experience in real estate investment and development, project management, sales and marketing.

LAI Kin, Jerome, 59, is the Group Chief Financial Officer. Mr. Lai, who graduated from the University of Toronto with a Bachelor degree of Commerce, is a fellow of the Hong Kong Institute of Certified Public Accountants and a chartered accountant of The Canadian Institute of Chartered Accountants. Mr. Lai has over 30 years of experience in accounting, management, strategic planning, auditing and taxation. Before joining the Group, Mr. Lai was the Senior Vice-President of the finance, treasury and administration functional unit of the Hong Kong Exchanges and Clearing Limited and Executive Director of the finance and management services division of The Stock Exchange of Hong Kong Limited overseeing finance matters. Mr. Lai had also served as the Financial Controller at China Light & Power Company Limited.

王偉賢，43歲，任集團主席，為本集團創始人。1999年2月，王先生在澳洲創立以房地產投資為主的Starwaly Properties (Group) Pty Ltd (本集團於中國的多個物業發展項目的控股公司)，任董事長。王先生在財務、建築、物業投資及發展方面擁有逾十五年經驗。王先生擁有華南理工大學建築材料學士學位和悉尼理工大學商學學士學位，並為上海市南匯區政協委員及上海宋慶齡基金會理事。

謝世東，49歲，任集團董事總經理兼行政總裁。於加盟本集團前，謝先生曾任兩家上市房地產發展公司的執行董事和董事總經理。謝先生持有香港大學工程學士學位、英國華威大學工商管理碩士學位和澳洲麥克裡大學工商管理博士學位，現為香港工程師學會和英國特許建造學會會員。謝先生在地產投資、物業發展、項目管理、銷售與市場推廣方面積逾二十六年經驗。

黎健，59歲，任集團首席財務官。黎先生持有多倫多大學商學士學位，是香港會計師公會資深會員及加拿大特許會計師。黎先生在會計、管理、策略規劃、審計及稅務方面有逾三十年豐富經驗。在加盟本集團前，曾就職香港交易及結算所有限公司任主管財務的高級副總裁、香港聯合交易所的財務總監及香港中華電力有限公司的財務總監。

WANG Xuling, 46, is the Group Executive Director. Ms. Wang graduated from Jinan University (Guangzhou). Before joining the Group, Ms. Wang was the Deputy General Manager and Executive Director of Mission Hills Group (Mission Hills Golf Club). Ms. Wang has over 12 years of experience in the news and media industry.

TAM Lai Ling, 44, is the Executive Director, Deputy Managing Director and Head of Corporate Finance of the Group. Mr. Tam received his Bachelor degree (First Class Honours) in Mechanical Engineering from University College London, and has Ph.D. from University of Cambridge. Mr. Tam is a holder of Chartered Financial Analyst. Before joining the Group, Mr. Tam was the Deputy Managing Director and Chief Financial Officer of one of the major property development companies in China. Mr. Tam has extensive experience in corporate finance transactions in Hong Kong and Mainland China.

CHEONG Ying Chew, Henry, 60, an independent non-executive Director, has over 30 year experience in the securities industry. He has been a director of the Worldsec Group of Companies which he founded in 1991. Mr. Cheong currently serves as the Deputy Chairman of Worldsec Limited, a company listed on the London Stock Exchange.

王煦菱，46歲，任集團執行董事。王女士畢業於暨南大學，在加盟本集團前，曾就任香港駿豪集團（觀瀾湖高爾夫球會）集團執行董事，副總經理並主理房地產營銷業務。王女士在加入香港駿豪集團前十二年一直從事報紙媒體工作。

譚禮寧，44歲，任集團執行董事、副董事總經理兼企業融資主管。譚禮寧先生曾獲得英國倫敦大學學院工程學（一級榮譽）學士及劍橋大學博士，同時具有註冊財務分析師的專業資格。在加入集團以前，譚禮寧先生曾為中國境內主要上市房地產開發商副董事總經理兼首席財務官。譚禮寧先生對於香港及中國境內之企業融資交易具有豐富經驗。

張英潮，60歲，獨立非執行董事，擁有逾30年證券業經驗，於一九九一年創立和昇集團，並出任和昇集團的董事。張先生目前擔任倫敦證券交易所上市公司Worldsec Limited的副主席。

Directors and Senior Management Profiles

董事及高級管理層人員簡介

FONG Wo, Felix, JP, 57, is a practicing solicitor in Hong Kong and qualified in Canada and England. He is also appointed by the Ministry of Justice of China as one of the China-Appointed Attesting Officers in Hong Kong. Mr. Fong is a founder of Arculli Fong & Ng, a law firm in Hong Kong who has practiced law for over 27 years, including 8 years in Toronto. Mr. Fong is a member of Guangdong Provincial Committee of Chinese People's Political Consultative Conference, a director of China Overseas Friendship Association and a director of Shanghai Chinese Overseas Friendship Association. He is also the chairman of the Hong Kong Liquor Licensing Board, a member of the Advisory Council on Food and Environmental Hygiene of the Government of the Hong Kong SAR, a member of the Hong Kong Film Development Council, a member of the Hong Kong Betting and Lotteries Commission, a member of the Town Planning Board and a director of the Hong Kong Basic Law Institute. Mr. Fong is a member of the first Selection Committee for the purposes of electing the Chief Executive for Hong Kong Special Administrative Region, a founding member of Canadian International School of Hong Kong and a visiting professor of the School of Law of Sun Yat-sen University, PRC.

JIANG Simon X., 54, an independent non-executive Director, is the founder and Chairman of CyberCity International Limited as well as Chairman of some of its subsidiaries. For the past five years, Dr. Jiang has mainly been involved in private equity investment activities in Hong Kong and mainland China. At the same time, he was a board member of Zi Corporation, a Canadian information technology company listed on NASDAQ, and an advisory board member of Capital International Inc.

KWAN Kai Cheong, 58, an independent non-executive Director, holds a Bachelor of Accountancy (Honours) degree from the University of Singapore and is a member of the Institute of Chartered Accountants in Australia. He is also a Fellow of the Hong Kong Institute of Directors. Mr. Kwan is presently President of Morrison & Company Limited, which is a business consultancy firm.

方和，太平紳士，57歲，香港執業律師，彼亦獲得加拿大及英國執業律師資格，彼亦為中國司法部認可在香港的中國委託公證人之一，彼乃香港夏佳理方和吳正和律師事務所之創辦人。方先生已執業超過27年，其中8年在多倫多執業。方先生為中國人民政治協商會議廣東省委員會委員，中華海外聯誼會理事及上海海外聯誼會理事。彼亦為香港酒牌局主席、香港政府食物及環境衛生諮詢委員會成員、香港電影發展局委員、香港博彩及獎券事務委員會成員、城市規劃委員會成員及香港基本法研究中心理事。方先生為香港特別行政區首屆首長推選委員會委員、香港加拿大國際學校創辦人及中國中山大學法學院客座教授。

蔣小明，54歲，獨立非執行董事，亦為CyberCity International Limited的創辦人兼主席及其若干子公司的主席。蔣博士過去五年主要從事中港兩地的私人股本投資業務，亦出任在納斯達克上市的加拿大資訊科技公司字源公司的董事，以及Capital International Inc.的顧問委員會成員。

關啟昌，58歲，獨立非執行董事，持有新加坡大學會計學(榮譽)學士學位，亦為澳洲特許會計師公會的會員及香港董事學會的資深會員。關先生現為商業顧問公司Morrison & Company Limited的總裁。

LO Yee Har Susan, 49, is the joint company secretary of the Company. Ms. Lo is a director of Corporate Services Department of Tricor Services Limited and a fellow member of both the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Chartered Secretaries. Ms. Lo has over 20 years of experience in the corporate secretarial area and is currently the company secretary of five companies listed on the Stock Exchange.

LEE Mei Yi, 40, is the joint company secretary of the Company. Ms. Lee is a senior manager of Corporate Services Department of Tricor Services Limited and an associate member of both the Institute of Chartered Secretaries and Administrators and the Hong Kong Institute of Chartered Secretaries. Ms. Lee has over 10 years of experience in the corporate secretarial area.

MAO Yongming, 54, is the Vice-President of the Group. Mr. Mao, who has over 26 years of experience in sales, property development and investment, is a member of the Political Consultative Conference of Huangshan Municipality and a standing committee member of the Political Consultative Conference of the Huangshan District of Huangshan Municipality.

Wang Huiren, 65, is the Vice-President of the Group and General Manager-Shanghai Oriental Cambridge Property Development Co., Ltd which is one of subsidiaries of the Group. Mr. Wang graduated from East China University of Politics and Law, majoring in law. Before joining the Group, Mr. Wang worked in Shanghai Government for years.

Zhang Mingzhi, 53, is the Vice-President of the Group and General Manager-Investment and Finance Department. Ms. Zhang graduated from East China Normal University, majoring in Mathematics, and has obtained a Master's degree of Business Administration from AIOU-Asia International Open University (MACAU). Ms. Zhang, who has over 14 years of experience in China's financial industry and project investment and management, was the former Director of one of first approved funds management corporations, was Director and Chairman appointed by several project companies and was the former General Manager of Assets Department of a Trust & Investment company.

盧綺霞，49歲，本公司的聯席公司秘書。盧女士為卓佳專業商務有限公司企業服務部總監，亦為英國特許秘書及行政人員公會及香港特許秘書公會資深會員。盧女士擁有逾20年的公司秘書經驗，現時為五家聯交所上市公司的公司秘書。

李美儀，40歲，本公司的聯席公司秘書。李女士為卓佳專業商務有限公司企業服務部高級經理，並為英國特許秘書及行政人員公會及香港特許秘書公會會員。李女士擁有逾10年的公司秘書經驗。

毛永明，54歲，任集團副總裁。毛先生在銷售，房地產開發和投資方面有逾二十六年經驗。毛先生是黃山市政協委員，黃山市黃山區政協常委。

王匯仁，65歲，任集團副總裁，兼任集團屬下上海東方康橋房地產發展有限公司總經理。王先生畢業於政法大學法律系，加入本集團前長期在上海市政府工作。

張明芝，53歲，任集團副總裁兼投資金融部總經理。張女士於華東師範大學數學專業畢業、獲亞洲澳門國際公開大學工商管理碩士學位。張女士擁有逾十四年中國金融業及項目投資與管理的經歷，曾任中國首批基金管理公司的董事和多個項目公司的董事、董事長，並曾任一家中國信託投資公司的資產信託總部總經理。

Directors and Senior Management Profiles

董事及高級管理層人員簡介

ZHANG Haibo, 40, is the Vice-President of the Group. Mr. Zhang, graduated from Tong Ji University with a Bachelor degree in Architectural Engineering, is a qualified senior engineer. Mr. Zhang has over 16 years of experience in real estate development, engineering and corporate management. Mr. Zhang was the Deputy General Manager, Executive Deputy General Manager and General Manager of major operating subsidiaries of the Company.

WANG Guoguang, 47, is the Vice-President of the Group. Mr. Wang has obtained a Master's degree of Business Administration from the Macau University of Science and Technology. Mr. Wang has over 22 years of experience in construction quantity surveying, property investment assessment, property development and management. Before joining the Group, Mr. Wang held a position at the Shanghai branch of China Construction Bank and served as the Executive Deputy General Manager of a subsidiary of COSCO Property Group.

ZHU Yong, 39, is the Regional General Manager of the Group. Mr. Zhu, graduated from the University of Hunan with a Bachelor degree of Engineering in Industrial and Civil Construction Engineering and a Master's degree of Engineering in Construction and Civil Engineering, is a registered property assessor of the PRC, a qualified engineer in architectural engineering and a first degree builder of the PRC. Mr. Zhu has over ten years of experience in property development and management.

REN Ruixia, 39, is the Regional General Manager of the Group. Ms. Ren graduated from the Tianjin University with a Bachelor degree in Architectural Structure, and Tsing Hua University with a Master's degree in Business Administration, Ms. Ren has over 17 years' experience in property development and management. Ms. Ren was the Assistant to General Manager, Executive Deputy General Manager and Regional Executive Deputy General Manager of major operating subsidiaries of the Company.

張海波，40歲，任集團副總裁。張先生持有同濟大學建築工程學士學位，具有高級工程師資格，並在房地產開發、工程、公司管理方面積逾十六年經驗。張先生歷任集團屬下各項目公司副總經理、常務副總經理、總經理職位。

王國光，47歲，任集團副總裁。王先生持有澳門科技大學工商管理碩士學位，在建築工料測量、房地產投資評估、房地產開發和管理等方面有逾二十二年經驗。在加盟本集團前，曾就職中國建設銀行上海市分行，並在中遠置業集團下屬一家子公司任職常務副總經理。

朱雍，39歲，任集團屬下區域公司總經理。朱先生持有湖南大學工業與民用建築工程專業工學學士學位，湖南大學建築與土木工程專業工程碩士學位，同時具有國家註冊房地產估價師資格，建築工程專業工程師職稱及全國一級建造師資格。朱先生具有十多年的房地產開發和管理經驗。

任瑞霞，39歲，任集團屬下區域公司總經理。任女士持有天津大學建築結構學士學位及清華大學工商管理碩士學位。在房地產開發和管理等方面有逾十七年經驗。任女士歷任集團屬下各項目公司總經理助理、常務副總經理、區域常務副總經理職位。

GAO Yudi, 55, is the Executive Director and Education Director of SIPO Polytechnic which is one of subsidiaries of the Group. Ms. Gao graduated from East China Normal University, majoring in Chinese. Ms. Gao has over 20 years' experiences in education and held positions from teacher to Vice-Principal of one of the famous senior high schools in Shanghai. Ms. Gao was nominated a title of "Shanghai Top-Level Teacher".

QU Biao, Frank, 47, is the General Manager of Group Hotel Investment & Management. Mr. Qu graduated from Hotel Management department of Shanghai Institute of Tourism (now as Tourism School of Shanghai Normal University), and had his executive education in the Hotel School of Cornell University in US. Mr. Qu who has over 20 years' experience for hotel development, pre-opening & operation with Starwood, Inter-continental and Four Season's hotel groups. Before joining the group, he was a Deputy General Manager of Four Seasons Hotel, Shanghai.

CHAN Min, Jimmy, 52, is the General Manager of Group Design Management. Mr. Chan graduated from the University of Hong Kong with a Bachelor degree of Architectural Studies, the University of Michigan (USA) with a Master's degree in Architecture, the Chinese University of Hong Kong with a Master's degree in Executive Business Administration. Mr. Chan is a Registered Hong Kong Architect and has over 25 years' experience in property design, development, and marketing promotion, project management.

WANG Lei, Lorna, 44, is the General Manager of Group Human Resources Management. Ms. Wang graduated from East China University of Science & Technology with a Bachelor degree in Engineering, and Tsing Hua University with a Master's degree in Business Administration. Ms. Wang has over 17 years' experience in recruitment, training and human resources management. Before joining the Group, Ms. Wang has held senior HR positions in various industries including consulting, manufacture and etc.

LEI Yu, Rain, 35, is the Legal Director of the Group. Mr. Lei graduated from Fudan University with a Bachelor degree of Law and MPA. Mr. Lei is a qualified lawyer of China, with nearly 10 years' legal management experience.

皋玉蒂，55歲，任集團屬下上海思博教育發展有限公司執行董事及教育總監。皋女士畢業於華東師範大學中文系，擁有逾二十年的教學經驗，曾擔任上海市著名中學教師及至副校長職務，並獲得「上海市特級教師」稱號。

瞿彪，47歲，任集團酒店投資總經理，瞿先生畢業於上海旅遊高等專科學校飯店管理系(現上海師範大學)，並於美國康奈爾大學酒店管理學院學習飯店管理課程，瞿先生在酒店業先後服務於與喜達屋集團，洲際集團，四季集團等旗下的酒店達二十多年，曾經擔任上海四季酒店副總經理，有著豐富的酒店籌建，開業和管理經驗。

陳敏，52歲，任集團規劃設計總經理。陳先生持有香港大學建築學學士學位，美國密西根大學建築碩士學位和香港中文大學行政人員工商管理碩士學位，為香港註冊建築師及香港建築師學會會員。陳先生在房地產設計、發展、策劃、市場推廣和項目管理方面積逾二十五年經驗。

王蕾，44歲，任集團人力資源總經理。王蕾女士持有華東理工大學工程學士學位，清華大學工商管理碩士學位。王女士擁有逾十七年人力資源管理經驗。在加入集團以前，王蕾女士曾在不同行業包括企業管理諮詢、製造業等單位擔任人力資源方面的高級管理職位。

雷雨，35歲，任集團法務總監。雷先生畢業於復旦大學，並獲法學學士和管理學碩士學位，為中國合資格律師，擁有近十年的法務管理經驗。

Directors and Senior Management Profiles

董事及高級管理層人員簡介

Lu Xin, 45, is the General Manager of Group Cost Control Management. Mr. Lu has obtained a Master's degree of Business Administration from the Macau University of Science and Technology and is one of the members of the Royal Institution of Chartered Surveyor and The Chartered Institution of Building. Mr. Lu got the licenses of registered cost engineer, senior engineer, and Chinese registered career manager specialist grade. Mr. Lu was fully experienced in property development, professional construction electrical design, and construction project investment assessment, Mr. Lu has over 10 years' experience in project cost control.

KAN Souk Ting, Tina, 44, is the General Manager of Group Marketing & Sales. Ms. Kan received her Bachelor degree in Land Management from University of Reading, UK. Ms. Kan is an associate member of both Royal Institution and Hong Kong Institution of Chartered Surveyors. Ms. Kan has over 15 years' of investment consultancy experience with leading surveyor firm. Before joining the Group, She has held senior management positions in a number of HK publicly listed property company.

LEUNG Yau Wan, John, 48, is the Financial Controller of the Group. Mr. Leung received his Master's Degree in Accounting Studies from University of New England, Australia, and received his Master's Degree in Business Administration from University of East Asia. Mr. Leung is a CPA member of the CPA Australia, member of Hong Kong Institute of Certified Public Accountants, and fellow member of the Association of Taxation and Management Accountants, Australia. Before joining the Group, Mr. Leung was the General Manager of Finance, Eastern China Region of a HK publicly listed construction materials Company, the Deputy General Manager & Financial Controller of a Beijing property development company, a Director & CFO of a PRC state owned enterprise in Hong Kong. Prior to that, Mr. Leung worked for one of the Fortune 500 companies in Hong Kong and Shanghai as Director and Country Finance Head.

陸欣，45歲，任集團成本控制總經理。陸先生獲得澳門科技大學工商管理學碩士學位，並擁有英國皇家特許測量師會員資格和英國皇家特許建造師會員資格及註冊造價工程師資格、高級工程師資格、中國註冊職業經理人特級資格，並曾從事過房地產開發、建築專業配套設計、建設項目投資評估等多項工作，在項目成本控制領域有十多年的工作經驗。

簡淑婷，44歲，任集團營銷總經理。簡淑婷女士持有英國瑞丁大學土地管理專業學士學位。現為英國皇家特許測量師、香港特許測量師並獲得香港地產經紀人執照。簡淑婷女士擁有超過15年測量公司／地產投資公司工作經歷。在加入集團以前，簡淑婷女士曾在某香港地產上市公司擔任高級管理職位。

梁又穩，48歲，任集團財務總監。梁先生畢業於澳大利亞新英格蘭大學獲會計學碩士學位，同時還擁有東亞大學的工商管理碩士學位，為澳洲會計師公會的註冊會計師，香港會計師公會的註冊會計師，澳大利亞稅務管理會計師協會資深會員。在加入集團以前，梁先生曾任一家香港上市建築材料公司的華東區財務總經理，地產公司副總經理及財務總監，及一家中國國營企業的董事和首席財務官。另外梁又穩先生還曾經在一家世界五百強企業擔任董事和中國區財務主管。

Liu Xinrong, 36, is the Internal Audit Director & Co-Financial Controller of the Group. Ms Liu graduated from Wuhan University of Technology, majoring in Industrial Enterprise Management. Ms. Liu is a qualified accountant of PRC. Ms. Liu has over 10 years' of experience in finance management, development and company management. Ms. Liu was the Financial Controller of the Group, and Executive Deputy General Manager of the project company, which is one of the subsidiaries of the Group.

Cheung Kwok Keung, Stephen, 53, is the Project Director of Group Hotel Investment & Management. Mr. Cheung received his Bachelor degree in Architecture and Architectural Studies from University of Hong Kong. Mr. Cheung is a Member of the Hong Kong Institute of Architects, Registered Hong Kong Architect and Authorized Person. Mr. Stephen Cheung has more than 20 years' extensive experience in consultancy, architectural design and project management. Before joining the Group, Mr. Cheung has held senior management position in a HK publicly listed property company.

Lee Hang Yuk, 53, is the Customer Service Director of the Group and General Manager of Shanghai New Independence House Property Management Co., Ltd. Mr. Lee received his Master's degree in Business Administration from University of Shanghai and attended in programs of University of Hong Kong. Mr. Lee worked as a Police Officer of Royal Hong Kong Police Force for years and has more than 15 years extensive experience in property management. Before joining the group, Mr. Lee worked as the Property General Manager of Savills Property Services (Shanghai) and the General Manger of Beijing Financial Street Synergis Property Management Co. Ltd.

YOU Defeng, 32, is the Assistant Financial Controller of the Group. Mr. You graduated from Shanghai University of Finance and Economics, majoring in business administration. Mr. You is a qualified accountant of PRC. Mr. You was the Finance Manager, Deputy Finance Manager of the major operating subsidiaries of the Company.

劉欣戎，36歲，任集團內審總監兼聯席財務總監。劉女士畢業於武漢工業大學工業企業經濟管理專業，會計師職稱，在房地產財務管理、開發、公司管理方面具有十多年的管理經驗。劉女士歷任集團財務總監、集團屬下某項目公司常務副總經理。

張國強，53歲，任集團酒店投資項目總監。張國強先生獲得香港大學建築和建築研究學士學位。現為香港建築師學會會員，香港註冊建築師及特許認可人士。張國強先生擁有超過二十年的在諮詢，建築設計，項目管理方面的豐富經驗，在加入本集團以前，張國強先生曾在一間香港地產上市公司擔任高級管理職位。

李恒旭，53歲，任集團客服總監兼新獨院物業管理有限公司總經理。李恒旭先生畢業於上海大學獲工商管理碩士學位，並於香港大學進修相關課程。李恒旭先生曾在香港皇家警察服務多年，擁有超過十五年的物業管理經驗。李恒旭先生在加入本集團前，曾擔任第一太平戴維斯物業顧問(上海)有限公司物業總經理職務及北京金融街新昌物業管理有限公司總經理。

游德鋒，32歲，任集團公司財務副總監。游先生畢業於上海財經大學工商管理專業本科，會計師職稱。游先生歷任集團項目公司財務部經理、財務總監。

Report of the Board of Directors

董事會報告

REPORT OF THE DIRECTORS

The Directors of the Company are pleased to present their annual report together with the audited consolidated accounts of the Group for the year ended 31 December 2007.

PRINCIPAL ACTIVITIES

The Company is an investment holding company. Its subsidiaries are principally engaged in property development, property and hotel investment, property management and education.

An analysis of the Group's sales and operating results for the year by principal activities is set out in note 6 to the consolidated accounts.

MAJOR CUSTOMERS AND SUPPLIERS

The Directors believe that the five largest customers of the Group accounted for about 1% of the Group's sales in the year while the five largest suppliers of the Group accounted for about 16% of the Group's purchases in the year.

Save for the association with certain related companies as set out in Note 45 to the consolidated accounts, none of the Directors, their associates or any shareholders (which to the knowledge of the Directors owned more than 5% of the Company's share capital) has a beneficial interest in the Group's five largest customers or five largest suppliers.

RESULTS

The results of the Group for the year ended 31 December 2007 are set out on page 108.

DIVIDENDS

The Directors recommend the payment of a final dividend of RMB0.144 per share, totalling approximately RMB149,549,000.

CLOSURE OF REGISTER OF MEMBERS

The annual general meeting of the Company will be held on 23 May 2008. A notice convening the annual general meeting will be published and dispatched to the shareholders of the Company in the manner as required by the Listing Rules in due course.

董事會報告

本公司董事欣然提呈其年報連同本集團截至二零零七年十二月三十一日止年度的經審核綜合賬目。

主要業務

本公司為一家投資控股公司。其子公司主要從事物業發展、物業和酒店投資、物業管理及教育。

本集團按主要業務劃分的年度銷售額及經營業績分析載於綜合賬目附註6。

主要客戶及供應商

董事相信，本集團五大客戶佔本集團年內銷售額約1%，而本集團五大供應商佔本集團年內採購額約16%。

除與載於綜合賬目附註45的某些關連公司的關聯外，概無董事、彼等的聯繫人或任何股東（就董事所知擁有超過本公司股本5%者）於本集團五大客戶或五大供應商中擁有實益權益。

業績

本集團截至二零零七年十二月三十一日止年度的業績載於第108頁。

股息

董事會建議派付末期股息每股人民幣0.144元，合計約人民幣149,549,000元。

暫停辦理股份過戶登記手續

本公司的股東週年大會將於二零零八年五月二十三日舉行。召開股東週年大會之通告將按照上市規則之規定於稍後刊登及寄發予本公司股東。

The register of members of the Company will be closed from Wednesday, 21 May 2008 to Friday, 23 May 2008, both days inclusive, during which period no transfer of shares will be registered. In order to determine who are entitled to the proposed final dividend and to attend the annual general meeting of the Company to be held on 23 May 2008, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Tuesday, 20 May 2008.

FIXED ASSETS

Details of the movements in fixed assets during the year are set out in note 20 to the consolidated accounts.

ISSUE OF CONVERTIBLE BONDS

On 27 April 2007, the Company completed the issue of RMB1,158 million aggregate principal amount of USD settled zero coupon convertible bonds due 2012 with the right to convert into ordinary shares of the Company.

BORROWINGS AND INTEREST CAPITALISED

Borrowings repayable on demand or within one year are classified under current liabilities. Details of the long-term borrowings are set out in note 34 to the consolidated accounts. Interest and other borrowing costs capitalised by the Group during the year are set out in note 24 to the consolidated accounts.

MOVEMENTS OF SHARE CAPITAL

During the year, details of the movements in the share capital are set out in note 39 to the consolidated accounts.

RESERVES

Details of the movements in reserves during the year are set out in note 40 to the consolidated accounts.

As at 31 December 2007, the aggregate amount of reserves available for distribution to equity shareholders of the Company was RMB2,289,471,000 (2006: RMB2,386,950,000).

本公司將於二零零八年五月二十一日(星期三)至二零零八年五月二十三日(星期五)(包括首尾兩天)暫停辦理股份過戶登記手續,期間將不會辦理任何股份過戶登記手續。為確定符合擬派付末期股息及出席將於二零零八年五月二十三日舉行之股東週年大會之資格,所有過戶文件連同有關股票,必須於二零零八年五月二十日(星期二)下午四時半前,送交本公司香港之股份過戶登記分處卓佳證券登記有限公司,地址為香港皇后大道東二十八號金鐘匯中心二十六樓。

固定資產

年內,固定資產變動詳情載於綜合賬目附註20。

發行可轉換債券

於二零零七年四月二十七日,本公司完成發行本金總額人民幣11.58億元於二零一二年到期附帶權利可轉換為本公司普通股的以美元償付零息可轉換債券。

借貸及利息資本化

應要求或須於一年內償還的借貸被分類為流動負債。長期借貸詳情載於綜合賬目附註34。年內本集團資本化的利息及其他借貸成本載於綜合賬目附註24。

股本變動

年內,股本變動的詳情載於綜合賬目附註39。

儲備

年內,儲備變動詳情載於綜合賬目附註40。

於二零零七年十二月三十一日,可供分派予本公司股權持有人的儲備總額為人民幣2,289,471,000元(二零零六年:人民幣2,386,950,000元)。

Report of the Board of Directors

董事會報告

DONATIONS

The donations made by the Group during the year amounted to RMB3,664,000 (2006: RMB30,000).

FIVE-YEAR FINANCIAL SUMMARY

A five-year financial summary of the Group is set out on pages 234 to 236.

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

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

Executive Directors

Mr. WANG Weixian (*Chairman*)

Mr. TSE Sai Tung, Stones

(*Group Managing director
and CEO*)

Mr. LAI Kin, Jerome

(*CFO*)

Ms. WANG Xuling (appointed on 10 July 2007)

Mr. TAM Lai Ling (appointed on
(*Deputy Managing Director
and Head of Corporate Finance*) 3 December 2007)

Independent Non-Executive Directors

Mr. CHEONG Ying Chew, Henry

Mr. FONG Wo, Felix, JP

Mr. JIANG Simon X.

Mr. KWAN Kai Cheong

In accordance with the Company's Articles of Association, one third of the Directors retire from office by rotation provided that every Director shall be subject to retirement at least once every three years.

In accordance with the Company's Articles of Association, all the Directors appointed by the Board during the year retire at the next annual general meeting but they are eligible for re-election.

None of the Directors has a service contract with the Company or any of its subsidiaries which is not terminable within one year without payment of compensation other than statutory compensation.

捐獻

年內，本集團作出的捐獻達人民幣3,664,000元(二零零六年：人民幣30,000元)。

五年財務摘要

本集團的五年財務摘要載於第234至236頁。

董事及董事服務合約

年內及截至本報告日期為止，本公司董事為：

執行董事

王偉賢先生(主席)

謝世東先生

(*集團董事總經理
兼行政總裁*)

黎健先生

(*首席財務官*)

王煦菱女士 (於二零零七年七月十日獲委任)

譚禮寧先生 (於二零零七年十二月三日獲委任)
(*副董事總經理兼
企業融資主管*)

獨立非執行董事

張英潮先生

方和先生(太平紳士)

蔣小明先生

關啟昌先生

根據本公司的組織章程細則，三份一董事須輪席告退，且每位董事須服從每三年至少引退一次的規定。

根據本公司的組織章程細則，所有於年內由董事會委任的董事須於其被委任後之下一屆股東週年大會上告退，惟彼合資格膺選連任。

概無董事與本公司或其任何子公司訂立不可於一年內終止且毋須支付賠償(法定賠償除外)的服務合約。

INDEPENDENT NON-EXECUTIVE DIRECTORS' CONFIRMATION OF INDEPENDENCE

The Company has received independence confirmation from each of the Independent Non-Executive Directors and considers them to be independent.

DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance in relation to the Company's business to which the Company, its subsidiaries, its fellow subsidiaries or its holding companies was a party and in which a Director 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' INTERESTS IN COMPETING BUSINESS

In order to eliminate Directors' interests in business competing with the Group, on 19 September 2006, Mr. WANG Weixian entered into a deed of non-competition with the Company (the "Deed"). As at the date of this report, none of the Directors of the Company is considered to have interests in businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group.

In accordance with the terms of the Deed, Mr. WANG Weixian has provided the Company with an annual confirmation that he and his associates (other than the Group) have complied with the terms of the Deed.

The Independent Non-Executive Directors of the Company have reviewed the matters relating to the compliance and enforcement of the Deed by Mr. WANG Weixian and his associates (other than the Group) and confirmed that Mr. WANG Weixian and his associates (other than the Group) have complied with the Deed.

獨立非執行董事的獨立性確認函

本公司已收到每名獨立非執行董事的獨立性確認函，並認為彼等均具獨立性。

董事於合約的權益

於年底或年內任何時間，本公司概無訂立涉及本公司、其子公司、其同系公司或其控股公司業務，且本公司董事直接或間接於當中擁有重大權益的重要合約。

董事於競爭業務的權益

為剔除董事在與本集團有抵觸的競爭業務中的權益，於二零零六年九月十九日，王偉賢先生與本公司訂立一份不競爭契約（「契約」）。截至本報告日期，概無本公司董事被視為在屬於或可能與本集團業務競爭的業務中擁有直接或間接的權益。

根據契約的條款，王偉賢先生已就其及其聯繫人士（本集團除外）遵守契約之條款向本公司發出一份年度確認書。

本公司獨立非執行董事已審閱有關王偉賢先生及其聯繫人士（本集團除外）已遵守及執行契約的規定並確認王偉賢先生及其聯繫人士（本集團除外）已遵守契約的規定。

Report of the Board of Directors

董事會報告

CONNECTED TRANSACTIONS

Pursuant to Chapter 14A of the Listing Rules, the following connected transactions require disclosure in the annual report of the Company. The connected transactions which also constitute related party transactions are set out in note 45 to the consolidated accounts.

1. Non-exempt continuing connected transactions subject to the reporting and announcement requirements

Sales commission payable to Shanghai Yunjie Real Estate Consultancy Co., Ltd. ("Shanghai Yunjie")

On 22 April 2004, the Group entered into a sales agency agreement ("Sales Agency Agreement") with Shanghai Yunjie pursuant to which the Group appointed Shanghai Yunjie as its sales agent of properties developed by the Group for a term commenced on the date of the said sales agency agreement and expiring on the date when all such properties have been sold. Shanghai Yunjie is principally engaged in the provision of property agency services in the PRC and does not provide agency services to other property developers.

Shanghai Yunjie, a company established in the PRC, is owned as to approximately 88.89% by Mr. Mao Yongming and approximately 11.11% by an independent third party. Mr. Mao Yongming, being a director of various subsidiaries of the Company, is a connected person of the Company under the Listing Rules. Shanghai Yunjie, being an associate of Mr. Mao Yongming, is also a connected person of the Company. Accordingly, transactions between the Group and Shanghai Yunjie constitute connected transactions of the Company upon the listing of the Company's shares on the Stock Exchange.

關連交易

根據上市規則第14A章，下列關連交易須於本公司年報中披露。同時亦為關連方交易的關連交易載於綜合賬目附註45。

1. 須遵守申報及公佈規定的非豁免持續關連交易

應付上海雲杰房地產諮詢服務有限責任公司(「上海雲杰」)的銷售佣金

二零零四年四月二十二日，本集團與上海雲杰訂立銷售代理協議(「銷售代理協議」)，委任上海雲杰為本集團所發展的物業的銷售代理，代理期起自銷售代理協議所述直至所有該等物業售罄為止。上海雲杰主要於中國提供物業代理業務，而並無向其他物業發展商提供代理服務。

上海雲杰為在中國成立的公司，分別由毛永明先生及一名獨立第三方擁有約88.89%及11.11%權益。毛永明先生為本公司多家子公司的董事，故根據上市規則屬於本公司的關連人士。上海雲杰乃毛永明先生的關連方，故亦是本公司的關連人士。因此，在本公司股份於聯交所上市後，本集團與上海雲杰的交易構成本公司的關連交易。

1. Non-exempt continuing connected transactions subject to the reporting and announcement requirements (Continued)

Sales commission payable to Shanghai Yunjie Real Estate Consultancy Co., Ltd. ("Shanghai Yunjie") (Continued)

On 12 September 2006, the Group and Shanghai Yunjie entered into a termination agreement whereby the parties agreed to terminate the Sales Agency Agreement. On the same date, the Group entered into a framework agreement with Shanghai Yunjie pursuant to which the Group agrees to appoint Shanghai Yunjie as its sales agent of properties developed by it for a term commencing from 10 October 2006 (the "Listing Date") and ending 31 December 2008 ("Yunjie Transaction"). Under the Yunjie Transaction, the Group has agreed to pay Shanghai Yunjie commission in respect of the value of the properties sold by Shanghai Yunjie for each particular property project at a rate to be agreed between the Group and Shanghai Yunjie provided that the average commission payable shall not exceed 1% of the aggregate value of the properties sold by Shanghai Yunjie under different property projects of the Group.

On 1 January 2007, the Group and Shanghai Yunjie entered into an agreement whereby the parties agreed that as and when the sales commission calculated in accordance with the above mentioned framework agreement payable to Shanghai Yunjie for the period commencing 1 January 2007 reached a specified amount, the said framework agreement shall be terminated. As the total sales commission payable to Shanghai Yunjie since 1 January 2007 reached the specified amount in October 2007, the said framework agreement was terminated in October 2007.

The Directors also confirmed that the commission of 1% is in line with the market practice and in compliance with the guideline promulgated by Shanghai Price Department and Shanghai Municipal Housing, Land and Resource Administration Bureau on 28 August 2003.

Under Rule 14A.34 of the Listing Rules, the Yunjie Transaction constitutes a continuing connected transaction of the Company and is subject to the reporting and announcement requirements but exempt from independent shareholders' approval requirement.

The Yunjie Transaction for the year ended 31 December 2007 amounted to RMB9,725,000 (2006: RMB7,172,000) which has not exceeded the maximum aggregate annual sales commission payable to Shanghai Yunjie in respect of the year ended 31 December 2007 as disclosed in the prospectus issued by the Company on 26 September 2006 (the "Prospectus").

1. 須遵守申報及公佈規定的非豁免持續關連交易 (續)

應付上海雲杰房地產諮詢服務有限責任公司(「上海雲杰」)的銷售佣金(續) 二零零六年九月十二日，本集團與上海雲杰訂立終止協議，據此，雙方同意終止銷售代理協議。同日，本集團與上海雲杰訂立框架協議，據此，本集團同意委任上海雲杰為其所發展物業的銷售代理，委任期由二零零六年十月十日(「上市日期」)起至二零零八年十二月三十一日止(「雲杰交易」)。根據雲杰交易，本集團同意就上海雲杰按本集團與上海雲杰就各項特定物業項目協定之價格所出售物業之價值向上海雲杰支付有關的佣金，惟應付佣金不得超過上海雲杰根據本集團不同物業項目所出售物業總值的1%。

於二零零七年一月一日，本集團與上海雲杰訂立一項協議，雙方同意從二零零七年一月一日起，根據上述框架協議計算的應付上海雲杰的銷售佣金達到指定金額時，則上述框架協議將獲終止。於二零零七年十月，由於自二零零七年一月一日起應付予上海雲杰的銷售佣金總額達到指定金額，上述框架協議於二零零七年十月予以終止。

董事亦確認1%佣金符合市場慣例及上海市物價局及上海市房屋土地資源管理局於二零零三年八月二十八日頒佈的指引。

根據上市規則第14A.34條，雲杰交易屬於本公司的持續關連交易，故須遵守申報及公佈規定，但可豁免遵守獨立股東批准規定。

雲杰交易於截至二零零七年十二月三十一日止年度的總額為人民幣9,725,000元(二零零六年：人民幣7,172,000元)，未超過本公司於二零零六年九月二十六日刊印的售股章程(「售股章程」)所披露截至二零零七年十二月三十一日止年度應付上海雲杰的年度銷售佣金總額的上限。

2. Non-exempt continuing connected transaction subject to reporting, announcement and shareholders' approval requirements

Purchases from Shanghai Sendao Xinxing Men Chuang Co. Ltd. ("Sendao")

Sendao supplied doors and windows to the Group and provided the installation services in respect thereof for the development and construction of the property projects of the Group.

Sendao, a company established in the PRC, is an indirect subsidiary of a Company which is owned as to 90% by the brother-in-law of Mr. Wang Weixian. Mr. Wang, being a Director and a substantial shareholder of the Company, is a connected person of the Company. The brother-in-law of Mr. Wang is an associate of Mr. Wang. Sendao, being a company in the equity capital of which the brother-in-law of Mr. Wang is directly or indirectly interested so as to exercise or control the exercise of 30% or more of the voting power at general meetings, is regarded as an associate of Mr. Wang. Accordingly, transactions between the Group and Sendao constitute connected transactions of the Company upon the listing of the Company's shares on the Stock Exchange.

On 12 September 2006, the Group entered into a framework agreement with Sendao pursuant to which the Group agrees that, for a term commencing from the Listing Date and ending on 31 December 2008, it may, from time to time, award individual supply contracts to Sendao for the supply of doors and windows and provision of installation services to the Group ("Sendao Transaction") provided that the terms and conditions offered by Sendao through a tender process are on normal commercial terms and not less favourable than those offered by independent third parties.

Under Rule 14A.35 of the Listing Rules, the Sendao Transaction constitutes a continuing connected transaction of the Company and is subject to the reporting, announcement and the independent shareholders' approval requirements.

2. 須遵守申報、公佈及股東批准規定的非豁免持續關連交易

向上海森島新型門窗有限公司(「森島」)作出的採購

森島就本集團發展及興建的物業項目而向本集團供應門窗及提供相關安裝服務。

森島與一間於中國成立的公司，為王偉賢先生的妹夫擁有90%權益的公司之間接子公司。本公司董事兼主要股東王先生為本公司關連人士。王先生妹夫為王先生的聯繫人。由於森島之股本由王先生的妹夫直接或間接擁有，而彼可於股東大會行使或控制30%或以上的投票權，故森島屬王先生的聯繫人。因此，在本公司股份於聯交所上市後，本集團與森島的交易構成本公司的關連交易。

於二零零六年九月十二日，本集團與森島訂立框架協議，據此，本集團同意自上市日期起至二零零八年十二月三十一日期間，不時向森島授出個別供應合約，以向本集團供應門窗及提供安裝服務(「森島交易」)，惟森島透過投標程序所提供的條款及條件均屬一般商業條款，且不遜於獨立第三方所提供者。

根據上市規則第14A.35條，森島交易屬於本公司的持續關連交易，故須遵守申報及公佈規定，和遵守獨立股東批准規定。

2. Non-exempt continuing connected transaction subject to reporting, announcement and shareholders' approval requirements

(Continued)

Purchases from Shanghai Sendao Xinxing Men Chuang Co. Ltd. ("Sendao") (Continued)

The Sendao Transaction for the year ended 31 December 2007 amounted to RMB23,602,000 (2006: RMB18,615,000) which has not exceeded the maximum aggregate annual purchases payable to Sendao in respect of the year ended 31 December 2007 as disclosed in the Prospectus.

The Company has applied to the Stock Exchange for a waiver from strict compliance with Rule 14A.42(3) of the Listing Rules and the Stock Exchange has agreed to grant such waiver to the Company from compliance with the announcement and, if applicable, the independent shareholders approval requirement in relation to each of the Yunjie Transaction and the Sendao Transaction.

The Independent Non-Executive Directors of the Company have reviewed the Yunjie Transaction and the Sendao Transaction ("Continuing Connected Transactions") and were of the opinion that:

- (a) the Continuing Connected Transactions had been:
- (i) carried out in the ordinary and usual course of business of the Group;
 - (ii) conducted either on normal commercial terms or, if there are not sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to the Company than terms available to or from (as appropriate) independent third parties; and
 - (iii) entered into in accordance with the terms of the relevant engagement/commission agreements on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole; and

2. 須遵守申報、公佈及股東批准規定的非豁免持續關連交易(續)

向上海森島新型門窗有限公司(「森島」)作出的採購(續)

森島交易於截至二零零七年十二月三十一日止的年度總額為人民幣23,602,000元(二零零六年:人民幣18,615,000元),未超過售股章程所披露截至二零零七年十二月三十一日止年度應付森島的年度採購費用總額的上限。

本公司已向聯交所申請豁免嚴格遵守上市規則第14A.42(3)條,而聯交所已同意批准本公司豁免就雲傑交易及森島交易各項遵守公佈及(如適用)獨立股東批准的規定。

本集團獨立非執行董事已審閱關於雲杰交易和森島交易(「持續關連交易」)並認為:

- (a) 此等持續關連交易是:
- (i) 在本集團的一般及正常業務下進行;
 - (ii) 按一般商業條款進行或倘並無足夠可供比較者以鑑定有關交易是否按一般商業條款進行,則按不遜於本集團給予獨立第三方或獨立第三方提供予本集團之條款(視適用者而定)訂立;及
 - (iii) 根據相關訂約/佣金協議的條款(該等條款乃屬公平合理及符合本公司股東之整體利益)訂立的;及

Report of the Board of Directors

董事會報告

2. Non-exempt continuing connected transaction subject to reporting, announcement and shareholders' approval requirements

(Continued)

Purchases from Shanghai Sendao Xinxing Men Chuang Co. Ltd. ("Sendao") (Continued)

- (b) the aggregate amount of the Continuing Connected Transactions for the financial year ended 31 December 2007 did not exceed the annual caps of RMB20,000,000 (for the Yunjie Transaction) and RMB26,770,000 (for the Sendao Transaction).

Based on the work performed, the auditors of the Company have confirmed that the Continuing Connected Transactions (a) have been approved by the Board of Directors of the Company; (b) have been entered into in accordance with the terms of the relevant agreements governing the transactions; and (c) have not exceeded the caps disclosed in the Prospectus.

In respect of the continuing connected transactions and connected transactions, the Company has complied with the disclosure requirements under the Listing Rules in force from time to time.

SPECIFIC PERFORMANCE OBLIGATIONS OF THE CONTROLLING SHAREHOLDER

No specific performance obligations of the controlling shareholder are required to be disclosed under paragraph 13.18 of Chapter 13 of the Listing Rules of the Stock Exchange.

SHARE OPTIONS

On 19 September 2006, the Company adopted a share option scheme (the "Share Option Scheme").

A summary of the Share Option Scheme is set out below:

1. Purpose of the Share Option Scheme:

The purpose of the Share Option Scheme is to recognize and acknowledge the contributions of the participants to the growth of the Group by granting options to them as incentives or rewards.

2. 須遵守申報、公佈及股東批准規定的非豁免持續關連交易(續)

向上海森島新型門窗有限公司(「森島」)作出的採購(續)

- (b) 截至二零零七年十二月三十一日止的財政年度的持續關連交易總額並未超過人民幣20,000,000元(以雲杰交易而言)和人民幣26,770,000元(以森島交易而言)。

基於所作出的調查工作，本集團核數師確認如下：持續關連交易(a)已獲本公司董事會批准；(b)已遵照監管該等交易的相關交易協議訂立；及(c)並未超過售股章程所披露的上限。

就持續關連交易及關連交易而言，本公司一直遵守不時生效的上市規則的披露規定。

控股股東的具體履行義務責任

概無控股股東的具體履行義務責任須根據聯交所上市規則第13章第13.18段予以披露。

購股權

於二零零六年九月十九日，本公司已採納購股權計劃(「購股權計劃」)。

購股權計劃摘要載列如下：

1. 購股權計劃的目的：

通過授予參與者購買權作為鼓勵或獎賞，承認並答謝彼等為本集團的發展作出的貢獻。

SHARE OPTIONS (Continued)

2. Participants of the Share Option Scheme:

The Board may, in its discretion, offer to grant options to subscribe for such number of shares as the Board may determine to the following participants:

- (i) any executive and employee of the Group; or
- (ii) any director (including non-executive directors and independent non-executive directors) of the Group; or
- (iii) any consultant, adviser and/or agent of the Group.

3. Total number of shares available for issue under the Share Option Scheme and % of issued share capital at 26 March 2008:

The maximum number of shares in respect of which options may be granted under the Share Option Scheme must not in aggregate exceed 103,750,000 shares (approximately 10.00% of issued share capital).

4. Maximum entitlement of each participant under the Share Option Scheme:

The maximum entitlement for each participant is that the total number of shares of the Company issued and to be issued upon exercise of the options granted to each participant (including both exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares of the Company in issue. Any grant of further options above this limit shall be subject to certain requirements as stipulated in the rules of the Share Option Scheme.

5. The period within which the shares must be taken up under an option:

Subject to the rules of the Share Option Scheme, options may be exercised by a participant, in whole or in part, at any time during the period commencing from the date of grant and expiring at 5:00 p.m. on the business day (i) preceding the fifth anniversary of the date of grant or (ii) preceding the expiry of the Share Option Scheme, whichever is the earlier.

購股權 (續)

2. 購股權計劃的參與者：

董事會可酌情向以下參與者授出可認購一定數量股的購股權，認購的數量將由董事會決定：

- (i) 本集團內任何行政人員及僱員；或
- (ii) 本集團內任何董事（包括非執行董事和獨立非執行董事）；或
- (iii) 本集團內任何顧問、指導師和／或代理人。

3. 根據購股權計劃可供發行的股份總數及於二零零八年三月二十六日佔已發行股本的百分比：

就購股權計劃和本集團其他任何購股權計劃內可能授出的購股權而言，最高的股份數目計不能超過103,750,000股股份（約為已發行股本的10.00%）。

4. 根據購股權計劃，各參與者的最高權利：

各參與者的最高權利為於任何十二個月的期間，於授予各參與者的購股權獲行使（包括已行使、已註銷及尚未行使的購股權）時，已發行及將予發行的本公司股份總數，不得超過本公司已發行的股份總數1%。任何授出的進一步購股權超過此限額，須受購股權計劃規則訂明的若干規定的限制。

5. 股份必須根據購股權賦予的期間內認購：

受購股權計劃規則所規範，參與者可於授出日期起至(i)授出日期第五個週年的前一個營業日或(ii)購股權計劃屆滿日期的前一個營業日(以較早者為準)下午五時正屆滿時的期間內，全部或部份行使購股權。

SHARE OPTIONS (Continued)

6. The minimum period for which an option must be held before it can be exercised:

No option may be exercised until the expiry of 12 months after the date of grant. A grantee may be required to achieve such performance targets as determined by the Board before any options granted under the Share Option Scheme can be exercised.

7. The amount payable on application or acceptance of the option and the period within which payments or calls must or may be made, or loans for such purposes must be paid:

Nil

8. The basis of determining the exercise price:

The subscription price of a share in respect of any particular option granted under the Share Option Scheme shall be such price as the Board in its absolute discretion shall determine, save that such price shall at least be the higher of:

- (i) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of offer, which must be a day on which the Stock Exchange is open for the business of dealing in securities ("Business Day"); and
- (ii) the average of the closing prices of the shares as stated in the Stock Exchange's daily quotations sheets for the five Business Days immediately preceding the date of offer.

or (where applicable) such price as from time to time adjusted pursuant to the Share Option Scheme.

9. The remaining life of the Share Option scheme:

The Share Option Scheme is valid and effective for a period of 10 years commencing on 19 September 2006 and will expire at 5:00 p.m. on the Business Day preceding the tenth anniversary thereof.

購股權 (續)

6. 購股權於行使前必須持有的最少期間：

概不得於授出日期起計十二個月屆滿前行使任何購股權。承授人於行使根據購股權計劃授出的任何購股權前，可能需要達到董事會厘定的有關表現目標。

7. 申請或接納購股權應付的金額以及須或應作出付款或催繳通知的期限或就此而言，須償還貸款的期限：

無

8. 釐定行使價的基準：

根據購股權計劃授出的購股權所涉及的股份認購價將由董事會全權酌情釐定，惟不得低於下列較高者：

- (i) 授出建議當日在聯交所每日報價表所示股份的收市價，而授出建議日期必須為聯交所開市進行買賣證券的日子（「營業日」）；及
- (ii) 緊隨授出建議當日前五個營業日在聯交所每日報價表所示的股份平均收市價。

或（如適用）根據購股權計劃而不時調整的價格。

9. 購股權計劃的餘下年期：

購股權計劃的有效期為十年，由二零零六年九月十九日開始，至十週年當日前的營業日下午五時正屆滿。

SHARE OPTIONS (Continued)

Details of the share options granted pursuant to the Share Option Scheme which remained outstanding as at 31 December 2007 are as follows:

購股權 (續)

根據購股權計劃授出而於二零零七年十二月三十一日尚未行使的購股權詳情如下：

Director 董事	Date of Grant 授出日期	Exercise price per share 每股行使價	Options outstanding as at 1 January 2007 於二零零七年 一月一日 尚未行使的購股權	Options granted during the year ended 31 December 2007 截至二零零七年 十二月三十一日 止年度內已 授出的購股權	Options outstanding as at 31 December 2007 於二零零七年 十二月三十一日 尚未行使的購股權
Mr. TAM Lai Ling 譚禮寧先生	3 December 2007 二零零七年十二月三日	HK\$6.526 港元	—	10,000,000 ¹	10,000,000
Employees 僱員	10 October 2007 二零零七年十月十日	HK\$6.300 港元	—	640,000 ²	640,000
			—	10,640,000	10,640,000

Notes

附註

- | | | | | | |
|---|------|---|---|------|---|
| 1 | (a) | The options shall vest in tranches in the following manner on the following dates of vesting: | 1 | (a) | 購股權將於下列歸屬日期以下列方式分批歸屬： |
| | (i) | 25% of the options shall vest on 3 December 2007 (the "First Tranche"); and | | (i) | 25%的購股權將於二零零七年十二月三日歸屬(「首批」)；及 |
| | (ii) | 25% of the Option shall vest on 3 December 2008, 3 December 2009 and 3 December 2010, respectively (the "Subsequent Tranches"). | | (ii) | 25%的購股權將分別於二零零八年十二月三日、二零零九年十二月三日及二零一零年十二月三日歸屬(「其後各批」)。 |
| | (b) | The options may be exercised during the period commencing from 3 December 2007 and expiring at 5:00 p.m. on the Business Day immediately preceding 3 December 2012 except that no option vested in the First Tranche or the Subsequent Tranches can be exercised until the expiry of 12 months after the respective dates of vesting. | | (b) | 購股權可自二零零七年十二月三日起計至緊接二零一二年十二月三日前之營業日下午五時正屆滿之期間內行使，惟已歸屬於首批或其後各批的購股權不得於各自歸屬日期起計的12個月內予以行使。 |
| | (c) | The closing price of the shares immediately before the date on which the options were granted was HK\$6.34. | | (c) | 緊接授出購股權日期前股份的收市價為6.34港元。 |

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SHARE OPTIONS (Continued)

2. (a) The options shall vest in tranches in the following manner on the following dates of vesting:
 - (i) 30% of the options shall vest on 10 October 2007 (the "First Option Tranche");
 - (ii) 30% of the options shall vest on 10 October 2008 (the "Second Option Tranche"); and
 - (iii) 40% of the options shall vest on 10 October 2009 (the "Third Option Tranche" and, together with the "Second Option Tranche", the "Succeeding Tranches").
 - (b) The Board may at its absolute discretion adjust the percentage of the options to be vested in the Succeeding Tranches either upwards or downwards based on the option holder's performance in the year immediately preceding the vesting of the options in the relevant Succeeding Tranches as determined by the Board except that such adjustment shall not affect the vesting of the options in the First Option Tranche.
 - (c) The options may be exercised during the period commencing from 10 October 2007 and expiring at 5:00 p.m. on the Business Day immediately preceding 10 October 2012 except that no option shall be exercised until the expiry of 12 months after the respective dates of vesting.
 - (d) The closing price of the shares immediately before the date on which the options were granted was HK\$6.25.
3. No option granted under the Share Option Scheme was exercised, cancelled or lapsed during the year ended 31 December 2007.
 4. Save as disclosed above, during the year ended 31 December 2007, no option has been granted under the Share Option Scheme.

購股權 (續)

2. (a) 購股權將於下列歸屬日期以下列方式分批歸屬：
 - (i) 30%的購股權將於二零零七年十月十日歸屬(「首批購股權」)；
 - (ii) 30%的購股權將於二零零八年十月十日歸屬(「第二批購股權」)；及
 - (iii) 40%的購股權將於二零零九年十月十日歸屬(「第三批購股權」及連同「第二批購股權」，稱為「後續各批」)。
 - (b) 董事會可按有關後續各批購股權持有人於董事會決定購股權歸屬時間前一年內的表現，全權酌情向上或向下調整歸屬於後續各批購股權持有人的購股權百分比，惟有關調整不得影響首批購股權的歸屬。
 - (c) 購股權可自二零零七年十月十日起計至緊接二零一二年十月十日前的營業日下午五時正屆滿之期間內行使，惟購股權不得於各自歸屬日期起計的12個月內予以行使。
 - (d) 緊接授出購股權日期前股份的收市價為6.25港元。
3. 截至二零零七年十二月三十一日止年度內，概無任何購股權計劃項下的購股權已獲行使、註銷或失效。
 4. 除上文所披露者外，於截至二零零七年十二月三十一日止年度內，概無根據購股權計劃授出任何購股權。

SHARE OPTIONS (Continued)

On 19 September 2006, the Company also approved and adopted a share option scheme entitling the Board of Directors to grant share options at its discretion before the listing of the shares ("Pre-IPO Share Option Scheme"). A summary of the Pre-IPO Share Option Scheme is set out below:

1. Purpose of the Pre-IPO Scheme:

The purpose of the Pre-IPO Share Option Scheme is to recognize and acknowledge the contributions of the participants to the growth of the Group and/or the listing of the shares of the Company on the Stock Exchange by granting options to them as incentives or rewards.

2. Participants of the Pre-IPO Scheme:

The Board may, in its discretion, offer to grant options to subscribe for such number of shares as the Board may determine to any executive, director and/or employee of the Group who is in full-time employment of the Group at the time when an option is granted.

3. Total number of shares available for issue under the Pre-IPO Share Option Scheme and % of issued shared capital at 26 March 2008:

18,540,000 shares being the maximum number of shares in respect of which options may be granted under the Pre-IPO Share Option Scheme have been fully granted. Such shares represented approximately 1.79% of the issued share capital.

4. Maximum entitlement of each participant under the Pre-IPO Share Option Scheme:

There is no restriction on the number of shares of the Company issued and to be issued upon exercise of the options granted to each participant in any 12-month period.

購股權 (續)

於二零零六年九月十九日，本公司當時的股東亦批准及採納一項購股權計劃，賦予董事會權力可於股份上市前酌情授出購股權（「首次公開招股前購股權計劃」）。首次公開招股前購股權計劃之概要載列如下：

1. 首次公開招股前購股權計劃的目的：

首次公開招股前購股權計劃旨在向參與者授出購股權作為獎勵或嘉許，以肯定及表揚彼等對本集團發展及／或本公司股份於聯交所上市的貢獻。

2. 首次公開招股前購股權計劃的參與者：

當購股權獲授出時，董事會可酌情向本集團任何主管人員、董事及／或僱員（須為本集團全職僱員）授出可認購董事會指定數目新股份的購股權。

3. 根據首次公開招股前購股權計劃可供發行的股份總數及於二零零八年三月二十六日佔已發行股本的百分比：

就根據首次公開招股前購股權計劃可能授出的購股權而言，最高的股份數目（18,540,000股）已全部授出。約為已發行股本的1.79%。

4. 根據首次公開招股前購股權計劃，各參與者的最高權利：

於任何十二個月的期間，對於在授予各參與者的購股權獲行使時已發行及將予發行的本公司股份總數並無任何限制。

SHARE OPTIONS (Continued)

5. The period within which the shares must be taken up under an option:

Subject to the rules of the Pre-IPO Share Option Scheme, an option may be exercised by a participant, in whole or in part, at any time during the period commencing from the date of grant and ending on such date as the Board may determine in granting the option but in any event not exceeding 5 years from 19 September 2006 being the date of grant of the option.

6. The minimum period for which an option must be held before it can be exercised:

No option may be exercised until the expiry of 12 months after the date of vesting (provided that 25% of the options which was vested on the date of grant shall not be exercisable within 12 months from the Listing Date). A grantee may be required to achieve such performance targets as determined by the Board before any options granted under the Pre-IPO Share Option Scheme can be exercised.

7. The amount payable on application or acceptance of the option and the period within which payments or calls must or may be made, or loans for such purposes must be paid:

Nil

8. The basis of determining the exercise price:

- (i) 25% of the options shall vest on the date of grant at a price of HK\$3.824 representing 80% of HK\$4.78 being the price of the Company's shares offered under the Prospectus ("Offer Price"); and
- (ii) 25% of the options shall vest on each of the first, second and third anniversary of the date of grant at a price of HK\$4.302 representing 90% of the Offer Price.

購股權 (續)

5. 股份必須根據購股權認購的期間：

受首次公開招股前購股權計劃規則所規範，參與者可於授出日期起至董事會於授出購股權時所釐定的日期止的期間內（但無論如何不得超過自二零零六年九月十九日（即購股權授出日期）起計五年）全部或部份行使購股權。

6. 購股權於行使前必須持有的最少期間：

概不得於歸屬日期起計十二個月屆滿前行使任何購股權（惟於授出日期所歸屬的25%購股權於上市日期起計十二個月內不得行使）。承授人於行使根據首次公開招股前購股權計劃授出的任何購股權前，可能需要達到董事會可能指定的任何表現目標。

7. 申請或接納購股權應付的金額以及須或應作出付款或催繳通知的期限或就此而言，須償還貸款的期限：

無

8. 釐定行使價的基準：

- (i) 25%的購股權須於授出當日按3.824港元的價格歸屬，而該價格相當於本公司於售股章程中的股份發售價（「發售價」）4.78港元的80%；及
- (ii) 25%的購股權須於授出當日起計滿一週年、兩週年及三週年當日分別按4.302港元的價格歸屬，而該價格相當於發售價的90%。

SHARE OPTIONS (Continued)**9. The remaining life of the Pre-IPO Share Option Scheme**

The Scheme was valid and effective for the period commencing on 19 September 2006 and expired on 9 October 2006.

Details of the share options granted on 19 September 2006 pursuant to the Pre-IPO Share Option Scheme which remained outstanding as at 31 December 2007 are as follows:

購股權 (續)**9. 首次公開招股前購股權計劃的餘下年期**

該計劃的有效期由二零零六年九月十九日開始，至二零零六年十月九日屆滿。

有關根據首次公開招股前購股權計劃於二零零六年九月十九日授出的購股權(於二零零七年十二月三十一日尚未行使)的詳情如下：

			Options outstanding as at 1 January 2007 於二零零七年 一月一日尚未 行使的購股權	Options granted during the year ended 31 December 2007 於截至二零零七年 十二月三十一日 年度已授出的購股權	Options outstanding as at 31 December 2007 於二零零七年 十二月三十一日 尚未行使的購股權
		Date of grant 授出日期			
Director Mr. LAI Kin, Jerome	董事 黎健先生	19 September 2006 二零零六年九月十九日	7,500,000	—	7,500,000
Employees	僱員	19 September 2006 二零零六年九月十九日	11,040,000	—	11,040,000
			18,540,000	—	18,540,000

Report of the Board of Directors

董事會報告

SHARE OPTIONS (Continued)

Notes:

1. Pursuant to the rules of the Pre-IPO Share Option Scheme, 25% of the options shall vest on the date of grant ("First Tranche") at an option price of HK\$3.824 per share. 25% of the options shall vest on each of the first, second and third anniversary of the date of grant ("Subsequent Tranches") at an option price of HK\$4.302 per share. The Board may at its absolute discretion adjust the percentage of the options to be vested in the Subsequent Tranches either upwards or downwards based on the performance of the option holder in the year immediately preceding the vesting of the options in the relevant Subsequent Tranches as determined by the Board except that such adjustment shall not affect the vesting of options in the First Tranche.
2. Pursuant to the rules of the Pre-IPO Share Option Scheme, options may be exercised by a participant, in whole or in part, at any time during the period commencing from the date of grant and ending on such date as the Board may determine in granting the option but in any event not exceeding 5 years from 19 September 2006 being the date of grant of the options. No option may be exercised until after the expiry of 12 months after the vesting date (provided that an option vested in the First Tranche shall not be exercisable within 12 months from the Listing Date).
3. No option granted under the Pre-IPO Share Option Scheme was exercised, cancelled or lapsed during the year ended 31 December 2007.

購股權 (續)

附註：

1. 根據首次公開招股前購股權計劃的條款，25%的購股權將於授出當日按購股權價格每股3.824港元歸屬(「首批」)。25%的購股權將於授出當日起計滿一週年、兩週年及三週年當日分別按購股權價格每股4.302港元歸屬(「其後各批」)。董事會可按其後各批購股權持有人於董事會決定有關購股權歸屬時間前一年內的表現，全權酌情向上或向下調整歸屬於該等其後各批購股權持有人的購股權百分比，惟有關調整不得影響首批購股權的歸屬。
2. 根據首次公開招股前購股權計劃的條款，參與者可於自授出當日起至董事會可予釐定授出購股權日期止期間內任何時間全面或部份行使購股權，惟無論如何不得超過自二零零六年九月十九日(即授出購股權當日)起計的五年期間內行使。購股權須於直至歸屬日期後起計12個月期間屆滿後方可予以行使(惟已歸屬於首批的購股權不得於自上市日期起計的12個月期間內予以行使)。
3. 並無已根據首次公開招股前購股權計劃授出的購股權已於截至二零零七年十二月三十一日止年度內獲行使、被註銷或失效。

DIRECTORS' INTERESTS IN SECURITIES

As at 31 December 2007, the interests of each Director and chief executive of the Company in the equity or debt securities of the Company or any associated corporation (within the meaning of the Securities and Futures Ordinance ("SFO")) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to the Company and the Stock Exchange were as follows:

(i) Long position in shares of the Company:

Name of Director	Capacity and nature of interest	Number of Shares	Approximate percentage of shareholding
董事名稱	身份及權益性質	股份數量	持股量概約百分比
Mr. Wang Weixian 王偉賢先生	Interest of controlled corporation (Note 1) 受控制公司權益 (附註1)	620,932,622	59.84
	Beneficiary of discretionary trust (Note 2) 全權信託受益人 (附註2)	107,817,067	10.39
Mr. Tse Sai Tung, Stones 謝世東先生	Interest of controlled corporation (Note 3) 受控制公司權益 (附註3)	11,249,873	1.08
Ms. Wang Xuling 王煦菱女士	Interest of controlled corporation (Note 4) 受控制公司權益 (附註4)	10,000,438	0.96
	Beneficiary of discretionary trust (Note 2) 全權信託受益人 (附註2)	107,817,067	10.39

Note 1: Mr. Wang Weixian is deemed to be interested in an aggregate of 620,932,622 Shares which are held by SPG Investment Holdings Ltd., Brilliant Bright Investment Limited and Prestige Glory Enterprises Limited, respectively.

(a) 494,382,087 Shares are held by SPG Investment Holdings Ltd. which is in turn entirely beneficially owned by Mr. Wang Weixian.

董事於證券的權益

於二零零七年十二月三十一日，本公司董事及行政總裁於本公司或任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」））的股份或債務證券中擁有(a)須根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所的權益（包括根據證券及期貨條例的有關條款董事被當作或視作擁有的權益及短倉）；或(b)有規定須根據證券及期貨條例第352條記錄於該條例所述登記冊的權益；或(c)有規定須根據上市發行人董事進行證券交易的標準守則而須知會本公司及聯交所的權益如下：

(i) 於本公司股份的長倉：

附註1：王偉賢先生被認為享有合共620,932,622股股份之權益。該等股份分別由SPG Investment Holdings Ltd.、Brilliant Bright Investment Limited及Prestige Glory Enterprises Limited所持有。

(a) 為數494,382,087股股份乃由SPG Investment Holdings Ltd.持有，該公司繼而由王偉賢先生完全實益擁有。

Report of the Board of Directors

董事會報告

DIRECTORS' INTERESTS IN SECURITIES (Continued)

(i) Long position in shares of the Company:

(Continued)

- (b) 126,550,535 Shares are held by Prestige Glory Enterprises Limited which is entirely beneficially owned by Mr. Wang Weixian.

Note 2: Each of Mr. Wang Weixian and Ms. Wang Xuling is deemed to be interested in 107,817,067 Shares, which are held by Brilliant Bright Investment Limited which is a wholly-owned subsidiary of HSBC International Trustee Limited as trustee of a discretionary trust of which family members of Mr. Wang Weixian including Mr. Wang Weixian and Ms. Wang Xuling are discretionary objects.

Note 3: Mr. Tse Sai Tung, Stones is deemed to be interested in 11,249,873 shares, which are held by Easternflair Investment Limited which is in turn entirely beneficially owned by Mr. Tse Sai Tung, Stones.

Note 4: Ms. Wang Xuling is deemed to be interested in 10,000,438 shares, which are held by Boom Rich Investments Limited which is in turn entirely beneficially owned by Ms. Wang Xuling.

(ii) Long position in underlying shares of the Company:

Name of Director 董事名稱	Capacity and nature of interest 身份及權益性質	Description of equity derivatives 股權衍生工具明細	Number of underlying shares 相關股份數目
Mr. LAI Kin, Jerome 黎健先生	Beneficial owner 實益擁有人	Share option 購股權 (Note 1) (附註1)	7,500,000
Mr. TAM Lai Ling 譚禮寧先生	Beneficial owner 實益擁有人	Share option 購股權 (Note 2) (附註2)	10,000,000

Note 1: These share options were granted under the Pre-IPO Share Option Scheme. A summary of the terms of the Pre-IPO Share Option Scheme and details of the share options granted thereunder are set out in the paragraph headed "Share Options" in this report.

董事於證券的權益 (續)

(i) 於本公司股份的長倉：(續)

- (b) 為數126,550,535股股份乃由Prestige Glory Enterprises Limited持有，該公司由王偉賢先生完全實益擁有。

附註2：王偉賢先生及王煦菱女士均被視為擁有107,817,067股股份的權益，該等股份由Brilliant Bright Investment Limited持有，其為HSBC International Trustee Limited全資擁有子公司，作為王偉賢先生家族成員為酌情權益對象的全權信託之信託人，包括王偉賢先生及王煦菱女士。

附註3：謝世東先生被認為享有合共11,249,873股股份權益。該等股份為謝世東先生完全實益擁有的Easternflair Investment Limited所持有。

附註4：王煦菱女士被視為擁有10,000,438股股份的權益，上述股份由王煦菱女士完全實益擁有的Boom Rich Investments Limited持有。

(ii) 於本公司相關股份的長倉：

附註1：該等購股權是在首次公開招股前購股權計劃中被授予的。首次公開招股前購股權計劃的條款的概要和據此所授出的購股權的詳情，列載於本報告「購股權」一段。

DIRECTORS' INTERESTS IN SECURITIES (Continued)

(ii) Long position in underlying shares of the

Company: (Continued)

Note 2: These shares options were granted under the Share Option Scheme. A summary of the terms of the Share Option Scheme and details of the share options granted thereunder are set out in the paragraph headed "Share Options" in this report.

Save as disclosed above, as at 31 December 2007, none of the Directors, chief executives of the Company and their respective associates had any personal, family, corporate or other interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

Apart from the foregoing, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors or any of their spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, and no Directors or chief executives or their respective spouses or children under 18 years of age had been granted any right to subscribe for equity or debt securities of the Company nor exercised any such right.

董事於證券的權益 (續)

(ii) 於本公司相關股份的長倉：(續)

附註2：此等購股權乃根據購股權計劃授出。購股權計劃的條款的概要及據此所授出的購股權的詳情載於本報告「購股權」一段。

除上文所披露者外，於二零零七年十二月三十一日，本公司董事、行政總裁及彼等各自的聯繫人於本公司或其任何相關法團（定義見證券及期貨條例第XV部）的股份、相關股份或債券中概無擁有須根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所的權益（包括該等根據證券及期貨條例的有關條款被當作或視作擁有的權益和淡倉），或有規定須根據證券及期貨條例第352條記錄於該條例所述登記冊的權益，或有規定須根據標準守則而知會本公司及聯交所的權益。

除上述者外，於年內任何時間，本公司或其任何子公司並無訂立任何安排，以令董事或彼等的任何配偶或十八歲以下的子女可透過購買本公司或任何其他法人團體的股份或債券而獲得利益，以及董事或行政總裁或彼等各自的配偶或十八歲以下的子女概無已獲授可認購本公司股份或債務證券的任何權利，亦無行使任何有關權利。

Report of the Board of Directors

董事會報告

SUBSTANTIAL SHAREHOLDERS

Other than interests disclosed in the section headed "Directors' Interests in Securities" above, as at 31 December 2007, according to the register of interests kept by the Company under section 336 of the SFO, the following entities had interests or short positions in the shares of the Company which fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO:

主要股東

除上文「董事於證券的權益」一節所披露的權益外，於二零零七年十二月三十一日，根據本公司根據證券及期貨條例第336條須存置的權益登記冊所記錄，下列實體於本公司股份中擁有將須根據證券及期貨條例第XV部第2及第3分部向本公司披露的權益或淡倉：

Name of shareholder 股東名稱	Capacity and nature of interest 身份及權益性質	Number of shares 股份數量	Approximate percentage of shareholding 持股量概約百分比
SPG Investment Holdings Ltd.	Beneficial owner (Note 1) 實益擁有人（附註1）	494,382,087	47.65
Brilliant Bright Investment Limited	Beneficial owner 實益擁有人	107,817,067	10.39
Prestige Glory Enterprises Limited	Beneficial owner (Note 1) 實益擁有人（附註1）	126,550,535	12.20
HSBC International Trustee Limited	Trustee (Note 2) 受託人 （附註2）	107,817,067	10.39

Note 1: Mr. Wang Weixian is a director of SPG Investment Holdings Ltd. and Prestige Glory Enterprises Limited.

附註1：王偉賢先生乃SPG Investment Holdings Ltd.及Prestige Glory Enterprises Limited之董事。

Note 2: These shares are held by Brilliant Bright Investment Limited which is a wholly-owned subsidiary of HSBC International Trustee Limited as a trustee of a discretionary trust of which family members of Mr. Wang Weixian including himself are discretionary objects.

附註2：此等股份為Brilliant Bright Investment Limited所持有。Brilliant Bright Investment Limited是HSBC International Trustee Limited全資擁有的子公司，而HSBC International Trustee Limited為一項全權信託的受託人，其全權信託受益人為王偉賢先生（包括其本人）的家族成員。

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year.

REMUNERATION POLICY

The remuneration policy of the employees of the Group is formulated by the Remuneration Committee which takes into account individual performance, qualifications and competence.

The remuneration of the Executive Directors of the Company are decided by the Remuneration Committee, having regard to the Company's operating results, individual performance and comparable market statistics. The remuneration of the Non-Executive Directors (including the Independent Non-executive Directors) of the Company are recommended by the Remuneration Committee.

The Company has adopted the Pre-IPO Share Option Scheme and the Share Option Scheme to provide incentive to the directors and eligible employees of the Group, details of the said schemes are set out in the paragraph headed "Share Options" above.

PURCHASE, SALE OR REDEMPTION OF LISTED SHARES

During the year ended 31 December 2007, neither the Company nor any of its subsidiaries had purchased, redeemed or sold any of the Company's listed shares.

PRE-EMPTIVE RIGHTS

No pre-emptive rights exist in the Cayman Islands being the jurisdiction in which the Company is incorporated.

FOREIGN EXCHANGE FLUCTUATIONS

The Group conducts its business almost exclusively in Renminbi and does not have any direct exposure to foreign exchange fluctuations. In the event that the value of Renminbi appreciates, the Group would be indirectly affected.

管理合約

年內，概無訂立或存在有關本公司業務整體或任何重大部分的管理及行政合約。

薪酬政策

本集團僱員的薪酬政策由薪酬委員會經考慮個人表現、資格及能力後制訂。

本公司執行董事的酬金由薪酬委員會視乎本公司的營運業績、個人表現及可資比較的市場數據而釐定。本公司非執行董事（包括獨立非執行董事）的酬金則由薪酬委員會建議。

本公司已採納首次公開招股前購股權計劃及購股權計劃以激勵本集團董事及合資格僱員，上述計劃詳情載於上文「購股權」一段。

購買、出售或贖回上市股份

於截至二零零七年十二月三十一日止年度，本公司或其任何子公司概無購買、贖回或出售本公司任何上市股份。

優先購買權

本公司註冊成立的司法權區開曼群島並不存在優先購買權。

外匯波動

本集團的業務幾乎全部以人民幣結算，故並無直接承受外匯波動的風險。若人民幣升值，本集團會間接受到影響。

Report of the Board of Directors

董事會報告

FOREIGN EXCHANGE FLUCTUATIONS *(Continued)*

For the time being, Renminbi is not a freely convertible currency. The PRC government may adopt measures which could result in a material difference between the exchange rate of Renminbi in future and that prevailing or in the past. Appreciation in Renminbi would have a positive effect on the value of any dividend to be declared by the Group in Renminbi, when translating into Hong Kong dollars. However, the Group may expose to exchange loss when converting any remaining portion of IPO proceeds from Hong Kong dollars into Renminbi.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company adopted the Model Code as set out in Appendix 10 to the Listing Rules as its code of conduct for dealings in securities of the Company by Directors. Based on specific enquiry by the Company, all Directors have confirmed that they have complied with the required standard of dealings set out in the Model Code throughout the year of 2007.

CORPORATE GOVERNANCE

Principal corporate governance practices adopted by the Company are set out in the Corporate Governance Report.

AUDIT COMMITTEE

The Company's audit committee is composed of all the four Independent Non-Executive Directors of the Company. The audit committee has reviewed with the management the accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters including a review of the audited consolidated accounts for the year ended 31 December 2007.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its Directors, the Directors confirm that the Company has maintained throughout the year of 2007 the amount of public float as required under the Listing Rules.

外匯波動 (續)

現時，人民幣並非可自由兌換的貨幣。中國政府可能會採取措施，令未來人民幣與現行或過去的匯率出現重大差異。若人民幣升值，本集團任何以人民幣宣派的股息於換算或兌換為港元時將會增值。然而，本集團在首次公開招股所得款項餘額由港元兌換成人民幣時可能會產生外匯損失。

上市公司董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載標準守則作為董事買賣本公司證券的行為守則。根據本公司所作出的特定查詢，所有董事均確認，彼等已於二零零七年內遵守標準守則所載規定的買賣標準。

企業管治

本公司所採納的主要企業管治守則載於企業管治報告。

審核委員會

本公司審核委員會由四名本公司獨立非執行董事組成。審核委員會與管理層已檢討本集團的會計原則及實務，並討論了內部控制系統及財務匯報事宜，包括審閱截至二零零七年十二月三十一日止年度的經審核綜合賬目。

足夠公眾持股量

根據本公司的公開資料及據本公司董事所知，董事確認，本公司已於二零零七年內維持上市規則規定的公眾持股量。

AUDITORS

The consolidated accounts for the year have been audited by KPMG. A resolution for the re-appointment of KPMG as the Company's auditors for the ensuing year is to be proposed at the forthcoming annual general meeting.

On behalf of the Board

WANG Weixian

Chairman

Hong Kong, 26 March 2008

核數師

本年度綜合賬目已由畢馬威會計師事務所審核。重新委聘畢馬威會計師事務所為本公司來年核數師的決議案將於應屆股東週年大會上提呈。

代表董事會

主席

王偉賢

香港，二零零八年三月二十六日

Report of the Auditors

核數師報告

Independent auditors' report to the shareholders of SPG Land (Holdings) Limited

(Incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of SPG Land (Holdings) Limited ("the Company") and its subsidiaries (hereinafter collectively referred to as "the Group") set out on pages 108 to 233, which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 December 2007, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory notes.

DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these financial statements in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, 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 as to whether the financial statements are free of material misstatement.

致盛高置地(控股)有限公司 (於開曼群島註冊成立的有限公司) 全體股東的獨立核數師報告

本核數師(以下簡稱「我們」)已審核附隨載於第108頁至233頁盛高置地(控股)有限公司(以下簡稱「貴公司」)及其子公司(以下簡稱「貴集團」)的綜合財務報表,其中包括於二零零七年十二月三十一日的綜合及公司資產負債表、截止該日止年度的綜合利潤表、綜合權益變動表和綜合現金流量表以及主要會計政策概要和其他財務報表附註。

董事就財務報表須承擔的責任

貴公司董事須負責根據國際會計準則委員會頒佈的國際財務報告準則及香港公司條例披露規定編製及真實和公允地呈報該等財務報表。這責任包括設計、實施及維護與編製及真實和公允地呈報財務報表相關的內部控制,以確保財務報表不存在重大錯誤陳述(不論是否因舞弊或錯誤引起);選擇並應用適當的會計政策;及按情況作出合理的會計估計。

核數師的責任

我們的責任是根據審核的結果,對該等財務報表發表意見,並僅向全體股東報告。除此之外,本報告書不可用作其他用途。我們不會就本報告內容向任何其他人士負責或承擔任何責任。

我們根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範,並規劃及執行審核,以合理確定該等財務報表是否不存有任何重大錯誤陳述。

AUDITORS' RESPONSIBILITY *(Continued)*

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements 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 financial statements.

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2007, and of the Group's profit and cash flows for the year then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

KPMG

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong
26 March 2008

核數師的責任 (續)

審核涉及執程序以獲取有關財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於舞弊或錯誤而導致財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製及真實和公允地呈報財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的有效性發表意見。審核亦包括評價董事所採用的會計政策的適當性及所作出的會計估計的合理性，以及評價財務報表的整體呈報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等綜合財務報表已真實和公允地反映於二零零七年十二月三十一日時貴集團及貴公司財務狀況，以及貴集團截至該日止年度的溢利及現金流量，並已按照國際財務報告準則和香港公司條例的披露規定適當地編制。

畢馬威會計師事務所

執業會計師
香港中環
遮打道10號
太子大廈8樓
二零零八年三月二十六日

Consolidated Income Statement

綜合利潤表

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

		Note 附註	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Revenue	收益	9	1,714,507	1,887,458
Cost of sales	銷售成本		(1,072,298)	(1,307,483)
Gross profit	毛利		642,209	579,975
Other operating income	其他經營收入	10	9,237	15,858
Selling and marketing costs	銷售及市場推廣成本		(65,592)	(28,281)
Administrative expenses	行政費用		(151,743)	(81,546)
Other operating expenses	其他經營開支	11	(9,115)	(213)
Net gain on disposal of equity interest in subsidiaries	出售子公司股權的收益淨額	8	193,112	—
Results from operating activities	來自經營活動的溢利		618,108	485,793
Finance income	融資收入		46,359	23,092
Finance expenses	融資成本		(155,560)	(36,640)
Fair value changes on financial derivatives	衍生金融工具的公允價值變動	36	4,440	—
Net finance expenses	融資成本淨額	14	(104,761)	(13,548)
Share of loss of associates	應佔聯營公司虧損		(8,239)	(318)
Profit before revaluation gains on investment properties and income tax	未計投資物業重估收益及所得稅前溢利		505,108	471,927
Revaluation gains on investment properties	投資物業重估收益	22	269,626	39,882
Profit before income tax	除所得稅前溢利		774,734	511,809
Income tax expense	所得稅開支	15(ii)	(251,580)	(112,799)
Profit for the year	年度溢利		523,154	399,010
Attributable to:	以下人士應佔：			
Equity holders of the Company	本公司股權持有人		498,498	390,818
Minority interests	少數股東權益		24,656	8,192
Profit for the year	年度溢利		523,154	399,010
Dividends payable to equity holders of the Company attributable to the year	應付本公司股權持有人年度應佔股息	18	—	90,056
Dividends declared during the year	年內宣派股息			
Dividends proposed after the balance sheet date	資產負債表日後擬派股息		149,549	—
Earnings per share	每股盈利			
Basic earnings per share (RMB)	每股基本盈利 (人民幣元)	19	0.481	0.480
Diluted earnings per share (RMB)	每股攤薄盈利 (人民幣元)	19	0.462	0.479

The notes on pages 114 to 233 form part of these financial statements.

第114至233頁之附註乃該等財務報告的組成部分。

Consolidated Balance Sheet and Company Balance Sheet

綜合資產負債表和公司資產負債表

As at 31 December 2007

於二零零七年十二月三十一日

		Group 本集團		Company 本公司	
		2007	2006	2007	2006
		二零零七年	二零零六年	二零零七年	二零零六年
		RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元
Note					
附註					
Assets	資產				
Property, plant and equipment	物業、廠房及設備	20	246,039	226,856	—
Land use rights	土地使用權	21	64,173	74,280	—
Properties under development	發展中物業	24	2,356,458	758,434	—
Investment properties	投資物業	22	698,000	333,700	—
Investment properties under development	發展中投資物業	23	—	40,907	—
Interests in associates	聯營公司權益	26	982,507	944,134	—
Investment in subsidiaries	子公司權益	27	—	—	3,164,184
Financial derivatives	衍生金融工具	36	46,171	—	46,171
Deferred tax assets	遞延稅項資產	33(ii)	73,728	64,148	—
Total non-current assets	非流動資產總額		4,467,076	2,442,459	3,210,355
Properties under development	發展中物業	24	642,593	505,290	—
Completed properties held for sale	已建成待售物業	25	253,976	387,533	—
Inventories	存貨	28	81	2,108	—
Investments	投資	29	730	3,319	—
Trade, other receivables and advance deposits	應收帳款、其他應收款及預付按金	30	1,079,483	647,901	656,238
Restricted cash	受限制現金	31	241,593	841,717	68,357
Cash and cash equivalents	現金及現金等價物	32	863,237	818,974	137,138
Total current assets	流動資產總額		3,081,693	3,206,842	861,733
Total assets	資產總額		7,548,769	5,649,301	4,072,088
Equity	權益				
Share capital	股本	39	105,571	105,571	105,571
Share premium	股份溢價	40	2,084,437	2,084,437	2,084,437
Reserves	儲備		685,931	549,831	454,980
Retained earnings/ (accumulated losses)	保留溢利/ (累計虧損)		432,656	(65,233)	(103,405)
Total equity attributable to equity holders of the Company	本公司股權持有人應佔權益總額		3,308,595	2,674,606	2,541,583
Minority interests	少數股東權益		304,577	15,830	—
Total equity	權益總額		3,613,172	2,690,436	2,541,583

The notes on pages 114 to 233 form part of these financial statements.

第114至233頁之附註乃該等財務報表的組成部分。

Consolidated Balance Sheet and Company Balance Sheet

綜合資產負債表和公司資產負債表

As at 31 December 2007

於二零零七年十二月三十一日

		Note 附註	Group 本集團		Company 本公司	
			2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Liabilities	負債					
Interest bearing loans	計息貸款	34	372,400	1,111,390	—	—
Trade, other payables and advance receipts	應付帳款、其他 應付款及預收款項	35	1,238,662	848,026	431,200	27,015
Tax payable	應付稅項	33(i)	332,421	185,934	—	—
Total current liabilities	流動負債總額		1,943,483	2,145,350	431,200	27,015
Interest bearing loans	計息貸款	34	678,810	789,470	—	—
Convertible bonds	可轉換債券	36	1,007,549	—	1,007,549	—
Financial derivatives	衍生金融工具	36	91,756	—	91,756	—
Deferred tax liabilities	遞延稅項負債	33(iii)	213,999	24,045	—	—
Total non-current liabilities	非流動負債總額		1,992,114	813,515	1,099,305	—
Total liabilities	負債總額		3,935,597	2,958,865	1,530,505	27,015
Total equity and liabilities	權益及負債總額		7,548,769	5,649,301	4,072,088	2,530,452
Net current assets	流動資產淨額		1,138,210	1,061,492	430,533	1,033,310
Total assets less current liabilities	總資產減 流動負債		5,605,286	3,503,951	3,640,888	2,503,437

Approved and authorised for issue by the board of directors on
26 March 2008.

於二零零八年三月二十六日獲董事會批准
及授權刊發。

Wang Weixian
王偉賢

Chairman of the Board of Directors
董事會主席

Tse Sai Tung, Stones
謝世東

Group Managing Director and Chief Executive Officer
集團董事總經理兼行政總裁

The notes on pages 114 to 233 form part of these financial
statements.

第114至233頁之附註乃該等財務報表的組
成部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

	Issued capital 已發行股本 RMB'000 人民幣千元 (note 39) (附註39)	Share premium 股份溢價 RMB'000 人民幣千元 (note 40(b)) (附註40(b))	Merger reserves 合併儲備 RMB'000 人民幣千元 (note 40(c)) (附註40(c))	Capital reserves (undistributable) 資本儲備 (不可分派) - convertible 可轉換債券 儲備 RMB'000 人民幣千元 (note 36) (附註36)	PRC statutory reserves 法定儲備 RMB'000 人民幣千元 (note 40(e)) (附註40(e))	Revaluation reserve 重估儲備 RMB'000 人民幣千元 (note 40(d)) (附註40(d))	Translation reserve 匯兌儲備 RMB'000 人民幣千元 (note 40(f)) (附註40(f))	Retained earnings 保留溢利 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元	Minority interests 少數股東權益 RMB'000 人民幣千元	Total equity 總權益 RMB'000 人民幣千元
Balance at 1 January 2006	455,474	—	—	—	51,385	25,589	—	(365,065)	167,383	22,638	190,021
Issue of shares	—	—	—	—	—	—	—	—	82	—	82
Nominal value of share capital of the subsidiaries acquired	82	—	—	—	—	—	—	—	82	—	82
Issue of shares for acquisition of subsidiary (note 7, 39)	(455,474)	—	455,392	—	—	—	—	—	(82)	—	(82)
Capitalisation issue	42	867,740	—	—	—	—	—	—	867,782	—	867,782
Issue of new shares by global offering	76,317	(76,317)	—	—	—	—	—	—	—	—	—
Placing and listing expenses	29,130	1,363,261	—	—	—	—	—	—	1,392,391	—	1,392,391
Equity settled share-based transactions	—	(70,247)	—	—	—	—	—	—	(70,247)	—	(70,247)
Foreign currency translation differences	—	—	—	10,916	—	—	—	—	10,916	—	10,916
Transfer to reserves	—	—	—	—	—	5,619	5,619	(930)	5,619	—	5,619
Profit for the year	—	—	—	—	930	—	—	390,818	390,818	8,192	399,010
Dividends declared to equity holders	—	—	—	—	—	—	—	(90,056)	(90,056)	—	(90,056)
Dividends paid to minority interests	—	—	—	—	—	—	—	—	—	(15,000)	(15,000)
Balance at 31 December 2006	105,571	2,084,437	455,392	—	52,315	25,589	5,619	(65,233)	2,674,606	15,830	2,690,436
Equity settled share-based transactions	—	—	—	—	—	—	—	—	25,002	—	25,002
Equity component of convertible bonds	—	—	—	110,623	—	—	—	—	110,623	—	110,623
Foreign currency translation differences	—	—	—	—	—	—	(134)	—	(134)	—	(134)
Acquisition of interest in subsidiaries from minority interests	—	—	—	—	—	—	—	—	—	(1,131)	(1,131)
Disposal of equity interest in subsidiaries (note 8)	—	—	—	—	—	—	—	—	—	—	—
Acquisition of subsidiary (note 7)	—	—	—	—	—	—	—	—	—	219,694	219,694
Transfer to reserves	—	—	—	—	609	—	—	(609)	—	55,528	55,528
Profit for the year	—	—	—	—	—	—	—	498,498	498,498	24,656	523,154
Dividends declared to equity holders	—	—	—	—	—	—	—	—	—	—	—
Dividends paid to minority interests	—	—	—	—	—	—	—	—	—	(10,000)	(10,000)
Balance at 31 December 2007	105,571	2,084,437	455,392	110,623	52,924	25,589	5,485	432,656	3,308,595	304,577	3,613,172

The notes on pages 114 to 233 form part of these financial statements. 第 114 至 233 頁之附註乃該等財務報表的組成部分。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2007

截至二零零七年十二月三十一日止年度

		Note 附註	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Operating activities	經營業務			
Profit for the year	本年度溢利		523,154	399,010
Adjustments for:	調整項目：			
Depreciation	折舊		23,254	23,801
Reversal for bad and doubtful debts	轉回呆壞帳		(200)	(16,191)
Amortisation of land use rights	土地使用權攤銷		1,440	1,487
Change in fair value of investment properties	投資物業 公允價值改變	22	(269,626)	(39,882)
Net finance expense	融資成本淨額		104,761	13,548
Share of loss of associates	應佔聯營公司虧損		8,239	318
(Gain)/loss on disposal of property, plant and equipment	處置物業、廠房及 設備(收益)/虧損		(110)	106
Net gain on disposal of subsidiaries	出售子公司之收益淨額	8	(193,112)	—
Gains on acquisition of interests in subsidiaries from minority interests	向少數權益股東收購 子公司權益之收益	10(ii)	(1,131)	—
Equity-settled share-based payment expenses	股權結算的股份支付 開支	12	25,002	10,916
Income tax expense	所得稅開支		251,580	89,393
Operating profit before changes in working capital	營運資金變動前的 經營溢利		473,251	482,506
Decrease/(increase) in restricted cash	受限制現金減少 /(增加)		600,124	(786,634)
Increase in trade, other receivables and advance deposits	應收帳款、其他應收 款項及預付按金增加		(826,745)	(290,474)
(Increase)/decrease in properties under development and completed properties held for sale	發展中物業及已建成 待售物業(增加) /減少		(401,681)	848,003
Increase/(decrease) in trade, other payables and advance receipts	應付帳款、其他應付 款項及預收款項增加 /(減少)		145,227	(1,386,326)
Income tax paid	支付所得稅		(34,559)	(18,705)
Net cash outflow from operating activities	經營業務所用 現金淨額		(44,383)	(1,151,630)

The notes on pages 114 to 233 form part of these financial statements.

第114至233頁之附註乃該等財務報表的組成部分。

			2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
		Note 附註		
Investing activities	投資活動			
Proceeds from sale of property, plant and equipment	出售物業、廠房及設備所得款項		388	908
Proceeds from sale of investments	出售投資所得款項		11,274	6,243
Proceeds from disposal of equity interests in subsidiaries	出售子公司股權所得款項	8	347,238	—
Proceeds from assignment and transfer of rights and obligations in a trust agreement	轉讓信託合同的權利及義務之所得款項		—	152,385
Interest received	已收利息		37,674	19,916
Acquisition of subsidiary, net of cash acquired	收購子公司，扣除購入現金	7	(329,115)	—
Purchase of property, plant and equipment	購買物業、廠房及設備		(45,518)	(22,562)
Investments in associates	於聯營公司的投資		(46,612)	(13,665)
Advance payment under a trust agreement for investment	根據信託協議支付的投資預付款項		—	(150,000)
Purchase of land use rights	購買土地使用權		(2,500)	—
Additions to investment properties	增加投資物業		—	(1,047)
Additions to investment properties under development	增加發展中投資物業		(26,310)	(5,657)
Net cash outflow from investing activities	投資活動所用現金淨額		(53,481)	(13,479)
Financing activities	融資活動			
Proceeds from shares issuance	發行股份所得款項		—	1,392,391
Proceeds from issue of convertible bonds	發行可轉換債券所得款項	36	1,158,000	—
Proceeds from bank borrowings	銀行借貸所得款項		1,014,290	1,491,630
Cost of issuing shares, net of interest income	扣除利息收入後股份發行成本		—	(70,247)
Payment of transaction costs on issue of convertible bonds	支付發行可轉換債券的交易成本	36	(23,187)	—
Repayment of bank borrowings	償還銀行借貸		(1,878,940)	(715,109)
Interest paid	已付利息		(103,826)	(88,249)
Dividends paid	已付股息		(10,000)	(79,067)
Net cash inflow from financing activities	融資活動產生的現金流入淨額		156,337	1,931,349
Net increase in cash and cash equivalents	現金及現金等價物增加淨額		58,473	766,240
Cash and cash equivalents at 1 January	於一月一日的現金及現金等價物		818,974	52,734
Effect of foreign exchange rate changes	匯率變動的影響		(14,210)	—
Cash and cash equivalents at 31 December	於十二月三十一日的現金及現金等價物		863,237	818,974

The notes on pages 114 to 233 form part of these financial statements.

第114至233頁之附註乃該等財務報表的組成部分。

Notes to the Consolidated Financial Statements

綜合財務報表附註

1. GENERAL INFORMATION AND GROUP REORGANISATION

The Company was incorporated in the Cayman Islands on 13 April 2006 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The companies comprising the Group underwent a reorganisation (the "Reorganisation") to rationalise the Group's structure in preparation for the listing of the Company's shares on the Main Board of The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"). On 30 June 2006, the Company became the holding company of the subsidiaries now comprising the Group. Details of the Reorganisation are set out in the Prospectus of the Company dated 26 September 2006.

The Company's shares were listed on the Hong Kong Stock Exchange on 10 October 2006.

2. BASIS OF PREPARATION

The Group is regarded as a continuing entity resulting from the Reorganisation of entities under common control. The consolidated financial statements have been prepared on the basis that the Company was the holding company of the Group for both years presented, rather than from the date of the Reorganisation. Accordingly, the consolidated results of the Group for the years ended 31 December 2006 and 2007 include the results of the Company and its subsidiaries from 1 January 2006, or their respective dates of incorporation or at the date that common control was established, if later, as if the current group structure had been in existence throughout the two years presented. The consolidated balance sheets at 31 December 2006 and 2007 are a consolidation of the balance sheets of the Company and its subsidiaries at the respective balance sheet dates. All material intra-group transactions and balances have been eliminated on consolidation. In the opinion of the directors, the consolidated financial statements prepared on this basis present fairly the results of operations and the state of affairs of the Group as a whole.

1. 一般資料及集團重組

本公司於二零零六年四月十三日根據開曼群島公司法第22章(一九六一年經合併及修訂的第3條法例)在開曼群島註冊成立為受豁免有限公司。為籌備本公司股份於香港聯合交易所有限公司(「聯交所」)主板上市,包括在本集團內的公司進行了一項重組(「重組」),以使本集團的架構合理化。於二零零六年六月三十日,本公司成為本集團現時屬下各子公司的控股公司。有關重組的詳情載於本公司於二零零六年九月二十六日刊發的售股章程。

本公司股份於二零零六年十月十日在香港聯交所上市。

2. 編製基準

本集團被視作由若干被共同控制的實體經重組而形成的持續經營實體。本綜合財務報表乃基於本公司在所呈報的兩個年度(而非自重組之日起計)均為本集團的控股公司的基準編製而成。因此,本集團截至二零零六年及二零零七年十二月三十一日止年度的綜合業績包括本公司及其子公司自二零零六年一月一日或彼等各自的註冊成立日期或本公司建立共同控制日期(以較後者為準)起計的業績,猶如現行集團架構於所呈列的兩個年度期間就一直存在。於二零零六年及二零零七年十二月三十一日的綜合資產負債表乃將本公司及其子公司於其各自結算日的資產負債表合併而成。所有重大集團內部交易及結餘均已於合併賬目時予以抵銷。董事認為,按上述基準編製而成的綜合財務報表能公允反映本集團整體的經營業績及財務狀況。

2. BASIS OF PREPARATION (Continued)

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRSs”).

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except that derivative financial instruments, investment properties and investments are measured at fair value.

The methods used to measure fair values are discussed further in note 5.

(c) Functional and presentation currency

These consolidated financial statements are presented in Renminbi (“RMB”), which is the Group’s functional currency. All financial information presented in RMB has been rounded to the nearest thousand.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

2. 編製基準 (續)

(a) 合規聲明

本綜合財務報表乃根據國際財務報告準則(「國際財務報告準則」)編製而成。

(b) 計量基準

除衍生金融工具、投資物業及有關投資是按公允價值計量外，本綜合財務報表乃根據歷史成本基準編製而成。

計量公允價值所用方法進一步於附註5進行討論。

(c) 功能及呈列貨幣

該等綜合財務報表以人民幣(「人民幣」)呈列，人民幣乃本集團的功能貨幣。所有以人民幣呈列的財務資料均約整至最接近的千元。

(d) 所用估計及判斷

編製符合國際財務報告準則的財務報表需要管理層作出判斷、估計及假設，而該等判斷、估計及假設會影響會計政策的採用及所呈報的資產、負債及收支金額。實際結果可能與該等估計有所不同。

該等估計和相關假設會持續予以審閱。會計估計的修訂會在對估計作出修訂的期間和任何受影響的未來期間確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2. BASIS OF PREPARATION (Continued)

(d) Use of estimates and judgements (Continued)

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are described in the following notes:

- Note 7 — acquisition of subsidiaries
- Note 22 — valuation of investment properties
- Note 33 — deferred taxation
- Note 38 — measurement of share-based payments
- Note 41 — provisions and contingencies
- Note 36 — valuation of liability component, equity component and financial derivatives of convertible bonds
- Note 42 — valuation of financial instruments
- Note 43 — lease classification

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all years presented in these consolidated financial statements, and have been applied consistently by Group entities.

Certain comparative amounts have been reclassified to conform with the current year's presentation (see note 15(i)).

2. 編製基準 (續)

(d) 所用估計及判斷 (續)

尤其是，有關在應用會對已於財務報表內確認的金額有最重大影響的會計政策時所對重大領域所作出存有不確定性估計及關鍵判斷的資料於如下附註進行概述：

- 附註7 — 收購子公司
- 附註22 — 投資物業估值
- 附註33 — 遞延稅項
- 附註38 — 股份支付計量
- 附註41 — 撥備及或有負債
- 附註36 — 可轉換債券的負債部分、權益部分及衍生金融工具之估值
- 附註42 — 金融工具估值
- 附註43 — 租賃分類

3. 主要會計政策

下文所載的會計政策已於該等綜合財務報表內呈列的所有年度內貫徹應用，所有集團實體亦已貫徹應用該等會計政策。

若干比較數字已獲重新分類，以符合現行年度的呈列基準(見附註15(i))。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

(ii) Acquisitions from entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group's controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group equity except that any share capital of the acquired entities is recognised as part of merger reserves. Any cash paid for the acquisition is recognised directly in equity.

3. 主要會計政策 (續)

(a) 合併基準

(i) 子公司

子公司指受本集團控制的公司。本公司如有權直接或間接控制公司的財務和經營政策而從其業務獲得利益，即擁有該公司的控制權。在評估控制權時，現時可行使或可轉換的潛在投票權將計算在內。子公司的財務報表由控制權開始當日起計入綜合財務報表，直到控制權結束為止。子公司的會計政策於需要時亦作出變動，以確保與本集團所採納的政策保持一致。

(ii) 從受共同控制的實體進行收購

因轉讓受控制本集團的股東控制的實體的權益而產生的業務合併將予以入賬，猶如該項收購於所呈列最早可資比較期間或(如時間較後，則於本公司建立共同控制日期)起就已發生。獲收購的資產及負債按以往於本集團控股股東的綜合財務報表內確認的賬面值進行確認。獲收購實體的各項權益計入集團實體內的相應部份，惟獲收購實體的任何股本則作為合併儲備的一部份予以確認。任何就收購事項支付的現金直接於權益內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of consolidation (Continued)

(iii) Associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20 and 50 percent of the voting power of another entity. Associates are accounted for using the equity method and are initially recognised at cost. The consolidated financial statements include the Group's share of the gains and losses and equity movements of associates, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an associate, the carrying amount of the interest is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

(iv) Goodwill

Goodwill represents the excess of the cost of a business combination or an investment in an associate over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not amortised but is tested annually for impairment (see note 3(m)). In respect of associates, the carrying amount of goodwill is included in the carrying amount of the interest in the associate.

3. 主要會計政策 (續)

(a) 合併基準 (續)

(iii) 聯營公司

聯營公司指本集團對其財務和經營政策有重大影響力但並無控制權的公司。倘本集團持有另一實體的20%至50%投票權，則假定可發揮重大影響力。聯營公司採用權益法列賬，且初步按成本確認。本集團應佔聯營公司的盈虧及權益變動由可開始發揮重大影響力當日起經調整其會計政策與本集團一致後計入綜合財務報表，至重大影響結束當日止。倘本集團應佔聯營公司的虧損超逾權益，則本集團的賬面值將減至零，且不會確認進一步虧損，惟本集團負有責任或代接受投資的公司付款則除外。

(iv) 商譽

商譽是指企業合併的成本或於聯營公司的投資超過本集團在被收購者的可辨別資產、負債及或有負債的公允價值淨額中所佔份額的部分。

商譽按成本減累計減值虧損列帳。商譽被分配至現金產生單位，不作攤銷，並於每年評估有否減值（見附註3(m)）。就聯營公司而言，商譽的帳面值計入於聯營公司投資的帳面值。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of consolidation (Continued)

(iv) Goodwill (Continued)

Any excess of the Group's interests in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of a business combination or an investment in an associate or a joint venture is recognised immediately in profit or loss.

On disposal of a cash-generating unit, an associate or a joint venture during the year, any attributable amount of purchased goodwill is included in the calculation of the profit or loss on disposal.

(v) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expense arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(vi) Investment in subsidiaries

In the Company's balance sheet, an investment in subsidiary is stated at cost less impairment losses (see note 3(m)), unless the investment is classified as held for sale (or included in a disposal group that is classified as held for sale).

3. 主要會計政策 (續)

(a) 合併基準 (續)

(iv) 商譽 (續)

本集團所佔被收購者可識別資產、負債及或有負債公允價值淨額的權益超出業務合併的成本或於聯營公司或合營公司的投資額的部份，即時在損益中確認。

倘於年內出售現金產生單位、聯營公司或合營公司，則計算出售損益時，應將收購產生的商譽的金額亦計算在內。

(v) 於合併時獲抵銷的交易

集團內部結餘及交易以及因集團內部交易而產生的任何未變現收入及開支均於編製綜合財務報表時抵銷。因與聯營公司的交易而產生的未變現收益則與有關投資相互抵銷，惟獲抵銷的數額須以本集團於接受投資的公司內所用的權益為限。未變現虧損的抵銷方法與未變現收益相同，惟僅限於在沒有出現減值跡象的情況下進行。

(vi) 於子公司的投資

於本公司資產負債表中，子公司的投資以成本扣除減值虧損入賬（見附註3(m)），分類為持作待售的投資（或計入在分類為持作待售的出售組別）除外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the exchange rates at the dates of the transactions. Monetary assets and liabilities dominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between the amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in profit or loss.

(ii) Foreign operations

The assets and liabilities of foreign operations outside the People's Republic of China ("PRC"), including goodwill and fair value adjustments arising on consolidation, are translated to RMB at the foreign exchange rates at the reporting date. The income and expenses of foreign operations are translated to RMB at exchange rates at the dates of the transactions.

Foreign exchange differences arising on retranslation are recognised directly in the foreign currency translation reserve ("FCTR"). When a foreign operation is disposed of, in part or in full, the relevant amount in FCTR is transferred to profit or loss.

3. 主要會計政策 (續)

(b) 外幣

(i) 外幣交易

外幣交易按交易日的匯率換算為各集團實體的功能貨幣。於報告日期以外幣結算的貨幣資產與負債按當日的匯率重新換算為功能貨幣。因貨幣項目所產生的外幣損益為於該期間開始時功能貨幣內已攤銷的成本、於該期間內就實際利率及付款作出的調整與有關期間結束時已按匯率換算的外幣內已攤銷的成本間的差額。以外幣結算及以公允價值計量的非貨幣資產與負債於釐定公允價值當日按匯率重新換算為功能貨幣。因重新換算所產生的外幣差額計入損益。

(ii) 境外業務

中華人民共和國(「中國」)以外境外業務的資產與負債(包括因合併所產生的商譽及公允價值調整)均於結算日按當時的外匯匯率換算為人民幣。境外業務的收入及開支按與於交易日當時的匯率相近的匯率換算為人民幣。

重新換算產生的匯兌差異乃直接於外幣換算儲備(「FCTR」)中確認。當境外業務被部分或全部出售時，外幣換算儲備的相關金額會轉撥至損益。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Foreign currency (Continued)

(ii) Foreign operations (Continued)

Foreign exchange gains and losses arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognised directly in equity in the FCTR.

(c) Financial instruments

(i) Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity, trade, other receivables and advance deposits, cash and cash equivalents, loans and borrowings, and trade, other payables and advance receipts.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment loss.

A financial instrument is recognised if the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e., the date that the Group commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

3. 主要會計政策 (續)

(b) 外幣 (續)

(ii) 境外業務 (續)

倘境外業務的收支並無計劃且在可預見未來不大可能發生，則應收或應付境外業務的貨幣項目產生的匯兌盈虧被認為構成境外業務的淨投資一部分，並直接於外幣換算儲備內權益中確認。

(c) 金融工具

(i) 非衍生金融工具

非衍生金融工具包括權益投資、應收帳款、其他應收款項及預付按金、現金及現金等價物、貸款及借款以及應付賬款、其他應付款項及預收款項。

非衍生金融工具最初按公允價值確認，另加並非按公允價值計量於損益處理的工具有關的任何直接應佔交易成本。於最初確認後，非衍生金融工具乃使用實際利率法按已攤銷的成本減任何減值虧損計量。

倘本集團成為有關工具合約條文的訂約方，則須確認一項金融工具。倘本集團來自金融資產現金流量的合約權利屆滿或倘本集團在沒有保留對資產的控制權或絕大部份風險及回報的情況下將金融資產轉讓給另一合約方，則須終止確認金融資產。通過常規方法買賣金融資產須於交易當日（即本集團承諾進行購買或出售資產的日期）入賬。倘本集團於合約內所列明的責任屆滿或須予履行或被取消，則須終止確認金融負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Financial instruments (Continued)

(i) Non-derivative financial instruments (Continued)

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Accounting for finance income and expense is discussed in note 3(u).

(ii) Convertible bonds

Convertible bonds issued by the Company that contain liability, conversion option and redemption option components are classified separately into a liability component, an equity component and embedded derivative components consisting of the redemption options respectively. Derivatives embedded in a Non-derivative host contract are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contract. On initial recognition, the fair value of the liability component is determined using the prevailing market interest of similar non-convertible bonds. The derivative components are carried at fair value on the balance sheet with any changes in fair value being charged or credited to the income statement in the period when the change occurs. The difference between the proceeds of issue of the convertible bonds and the fair values of the liability component and embedded derivatives related to the redemption options represents the embedded option for the bondholders to convert the bonds into equity and is included in equity.

3. 主要會計政策 (續)

(c) 金融工具 (續)

(i) 非衍生金融工具 (續)

現金及現金等價物包括現金結餘及活期存款。就編撰現金流量表而言，現金及現金等價物亦包括須於要求時償還及屬於本集團現金管理部份的銀行透支。

融資收入及成本的入賬於附註3(u)內討論。

(ii) 可轉換債券

本公司所發行的可轉換債券包括負債、轉換權及贖回權等各部分，且分別被獨立分類為負債部分、權益部分及嵌入式衍生工具部分（由贖回權組成）。當內置於非衍生主合約的衍生工具的風險及特點不與主合約的風險及特點密切相關時，其被視為獨立衍生工具。於最初確認時，負債部分的公允價值乃按同類不可轉換債券的現行市場利率釐定。衍生工具部分以公允價值列賬於資產負債表，任何公允價值變動將在發生變動期間自利潤表扣除或記入利潤表中。發行可轉換債券所得收益與負債部分及嵌入式衍生工具（與贖回權有關）的公允價值之間的差額，代表債券持有人可將債券轉換為權益的內含轉換權，將被計入權益。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Financial instruments (Continued)

(ii) Convertible bonds (Continued)

Subsequent to initial recognition, the liability component of the convertible bonds is carried at amortised cost using the effective interest method. The difference between the interest so calculated and the interest paid is added to the carrying amount of the liability component. Embedded derivatives are remeasured to fair value through profit or loss at subsequent reporting dates. The equity component, represented by the option to convert the liability component into ordinary shares of the Company, remains in capital reserve until the embedded option is exercised (at which time the convertible bonds equity component will be transferred to share capital and share premium). Where the option remains unexercised at the expiry date, the balance remaining in capital reserve will be released to retained profits. No gain or loss is recognised in the income statement upon conversion or expiration of the option.

Transaction costs that relate to the issue of convertible bonds are allocated to the liability component, embedded derivatives and equity component of the convertible bonds in proportion to the allocation of proceeds. Transaction costs relating to the liability component are included in the carrying amount of the liability component and amortised over the period of the convertible bonds using the effective interest method. The portion relating to the embedded derivatives is charged directly to the income statement. Transaction costs relating to the equity component are charged directly to capital reserve.

3. 主要會計政策 (續)

(c) 金融工具 (續)

(ii) 可轉換債券 (續)

於最初確認後，可轉換債券的負債部分乃以實際利率法按已攤銷成本列賬。所計算出的利息與所支付的利息之差額加入負債部分的賬面值。嵌入式衍生工具於其後報告日期經損益重新按公允價值計量。權益部分(即將負債部分轉換為本公司普通股的期權)將存留於資本儲備內，直至內置期權獲行使(此時，可轉換債券權益部分將被轉撥至股本及股份溢價)。倘期權於屆滿期仍未獲行使，資本儲備內的結餘將撥至保留溢利。期權的轉換或屆滿均不會於利潤表內確認任何損益。

與發行可轉換債券相關的交易成本乃按所得款項的分配比例分配至可轉換債券的負債部分、嵌入式衍生工具部分及權益部分。與負債部分相關的交易成本乃計入負債部分的賬面值內，並於可轉換債券期間以實際利率法攤銷。與嵌入式衍生工具相關的交易成本乃直接自利潤表中扣除。與權益部分相關的交易成本乃直接自股本儲備中扣除。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Financial instruments (Continued)

(ii) Convertible bonds (Continued)

If the convertible bonds are redeemed by the Company before maturity, the Company will allocate the consideration paid and any transaction costs for redemption to the liability and equity components of the convertible bonds at the date of transaction in the same way as when the convertible bonds were issued. The amount of resulting gain or loss in relation to the liability component is recognised in profit or loss and the amount of resulting gain or loss in relation to the equity component is recognised in equity.

(iii) Share capital

Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity.

(d) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation (see (iv) below) and impairment losses (see note 3(m)).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, and other costs directly attributable to bringing the asset to a working condition for its intended use.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

3. 主要會計政策 (續)

(c) 金融工具 (續)

(ii) 可轉換債券 (續)

倘本公司於到期前贖回可轉換債券，則本公司將於交易日期按發行可轉換債券所使用之相同方式將已支付的代價及任何贖回交易成本分配至可轉換債券的負債及權益部分。就負債部分所產生的損益金額乃於損益內確認，而就權益部分所產生的損益金額則於權益中確認。

(iii) 股本

直接應佔發行普通股及購股權的增加成本乃作為權益的一項扣除額予以確認。

(d) 物業、廠房及設備

(i) 確認及計量

物業、廠房及設備項目按成本減累計折舊(見下文(iv))及減值虧損(見附註3(m))入帳。

成本包括直接因收購該項目而動用的支出。自建資產的成本包括原材料及直接勞工成本以及使資產達至作既定用途的營運狀態的任何其他成本。

倘物業、廠房及設備的項目其中部份有不同可使用年期，則該等部份列作物業、廠房及設備的個別項目。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Property, plant and equipment (Continued)

(i) Recognition and measurement (Continued)

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within "other income" in profit or loss.

(ii) Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified as investment property. Any gain arising on remeasurement is recognised directly in equity. Any loss is recognised immediately in profit or loss.

(iii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iv) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives.

3. 主要會計政策 (續)

(d) 物業、廠房及設備 (續)

(i) 確認及計量 (續)

出售一項物業、廠房及設備項目之收益及虧損乃通過對比出售事項之所得款項與物業、廠房及設備的賬面值釐定，並於損益中的「其他收入」中按淨值入賬。

(ii) 重新分類至投資物業

當一項物業的用途從業主自用轉變為投資物業時，則須按公允價值重新計量該項物業，並作為投資物業重新分類。重新計量時所產生的任何損益直接於權益內確認。任何虧損直接於損益中確認。

(iii) 其後成本

如果物業、廠房及設備任何一項的替換部份所具有的未來經濟利益將可能流入本集團且其成本可以可靠地計量時，則該等成本應予發生時計入物業、廠房及設備的帳面價值。物業、廠房及設備日常服務的成本於產生期間在損益中確認。

(iv) 折舊

折舊乃按物業、廠房及設備任何一項各部份的估計可使用年期以直線法在損益中確認。租賃資產則按租賃期及其可使用年期的較短者折舊。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Property, plant and equipment (Continued)

(iv) Depreciation (Continued)

The estimated useful lives for the current and comparative periods are as follows:

Buildings situated on leasehold land	20 years
Motor vehicles	5 years
Fixtures, fittings and equipment	3–5 years
Leasehold improvements	Shorter of leasehold period and 5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

(e) Land use rights

Land use rights represent lease prepayments for acquiring rights to use land in PRC with periods ranging from 40 to 70 years. Land use rights granted with consideration are recognised initially at acquisition cost. Land use rights are classified and accounted for in accordance with the intended use of the properties erected on the related land.

For properties that are held for own use and investment properties under development, the corresponding lease prepayments are separately stated as land use rights in the balance sheet. Land use rights for properties held for own use are stated at cost, less accumulated amortisation and any impairment losses (see note 3(m)). Amortisation is charged to profit or loss on a straight-line basis over the period of the land use rights. Land use rights for investment properties under development are stated at cost less any impairment losses (see note 3(m)).

For investment properties, the corresponding land use rights are classified and accounted for as part of the investment properties, which are carried at fair value as described in note 3(f).

For properties that are developed for sale, the corresponding land use rights are classified and accounted for as part of the properties.

3. 主要會計政策 (續)

(d) 物業、廠房及設備 (續)

(iv) 折舊 (續)

估計可使用年期如下：

建於租賃土地上的樓宇	20年
汽車	5年
裝置、傢俱及設備	3至5年
租賃物業裝修	租賃期或5年 (以較短者為準)

折舊法、可使用年期及剩餘價值會於報告日期重新評估。

(e) 土地使用權

土地使用權指收購中國40至70年的土地使用權租賃預付款項。支付款項後獲得的土地使用權首先按收購成本確認。土地使用權根據有關土地上所建物業的擬定用途分類及入帳。

就持作自用物業及發展中投資物業而言，有關租賃預付款項在資產負債表中單獨列作土地使用權。持作自用物業的土地使用權按成本減累計攤銷及任何減值虧損(見附註3(m))入帳。攤銷按土地使用權年期以直線法在損益中扣除。發展中投資物業的土地使用權按成本減任何減值虧損(見附註3(m))入帳。

就投資物業而言，有關土地使用權分類及列為投資物業的一部份，並按附註3(f)所述方法以公允價值列帳。

就待售物業而言，土地使用權分類及列為物業的一部份。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Investment properties

Investment properties are properties held either to earn rental income or for capital appreciation or for both, but not for sales in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured at fair value with any change therein recognised in profit or loss.

The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

Rental income from investment properties is accounted for as described in note 3(r).

When the use of an investment property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting. When the Group begins to redevelop an existing investment property for continued future use as investment property, the property remains an investment property measured based on the fair value model, and is not reclassified as property, plant and equipment during the redevelopment.

(g) Investment property under development

Property that is being constructed or developed for future use as investment property is classified as investment property under development and stated at cost until construction or development is complete, at which time it is reclassified together with the relevant land use right cost (see note 3(e)) and subsequently accounted for as investment property. At the date of transfer, any gain or loss arising on remeasurement is recognised in profit or loss.

3. 主要會計政策 (續)

(f) 投資物業

投資物業為持有目的在於獲取長期租金收入或資本增值的物業，而用於在正常業務過程中出售、用於生產或提供貨物或服務或作行政用途的物業則不屬於投資物業。投資物業按公允價值計量，由此產生的任何變動於損益中確認。

公允價值根據市值釐定，而市值乃指物業於估值當日經過適當推銷，由自願買方及自願賣方公平磋商，在知情及自願的情況下審慎交易而可取得的估計金額。

投資物業的租金收入按附註3(r)所述方法入帳。

當一項投資物業的用途轉變導致須按物業、廠房及設備進行重新分類時，則其於重新分類當日的公允價值成為其後會計處理的成本。倘本集團開始重新發展現有投資物業供日後持續用作投資物業，則該物業繼續按公允價值模式計量為投資物業，而不會在重新發展期間分類為物業、廠房及設備。

(g) 發展中投資物業

現正在建或發展供日後用作投資物業的物業分類為發展中投資物業，並按成本列帳，直至建築開發完成為止，屆時將重新分類並連同有關土地使用權成本(見附註3(e))於其後入帳列為投資物業。於轉撥當日，因重新計量所產生的任何損益在利潤表確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Investment property under development (Continued)

All costs directly associated with the construction of an investment property, and all subsequent capital expenditures for the development qualifying as development costs are capitalised.

(h) Properties under development

Properties under development comprise property developed for own use or for sale. The development cost of property comprises costs of land use rights for properties under development for sale (see note 3(e)), construction costs, borrowing costs (see note 3(s)) and professional fees incurred during the development period. Properties under development are carried at cost, less any impairment loss (see note 3(m)).

Properties under development which are intended to be held for sale and expected to be completed within twelve months from the balance sheet date are shown as current assets.

Properties under development which are intended to be held for own use, or for sale and expected to be completed beyond twelve months from the balance sheet date are shown as non-current assets.

(i) Completed properties held for sale

Completed properties remaining unsold at the end of each period are stated at the lower of cost and net realisable value.

Cost of completed properties held for sale comprises development costs attributable to the unsold properties.

Net realisable value is determined by reference to the sale proceeds of properties sold in the ordinary course of business, less applicable variable selling expenses, or by management estimates based on prevailing marketing conditions.

3. 主要會計政策 (續)

(g) 發展中投資物業 (續)

直接與在建投資物業有關的所有成本及合資格列為發展成本的後續開發成本予以資本化。

(h) 發展中物業

發展中物業包括發展作自用及出售的物業。物業的發展成本包括待售物業的土地使用權成本(見附註3(e))、建築成本、借貸成本(見附註3(s))及發展期間產生的專業費用等。發展中物業按成本減任何減值虧損(見附註3(m))入帳。

擬作銷售用途及預期於結算日起十二個月內完成的發展中物業列作流動資產。

擬作自用或銷售及預期於結算日起十二個月後完成的發展中物業列作非流動資產。

(i) 已建成待售物業

已建成待售物業於各期末按成本或可變現淨值兩者的較低者入帳。

已建成待售物業的成本包括待售物業應佔的發展成本。

可變現淨值乃參考在日常業務中出售物業的銷售所得款項減適用的必要的銷售開支後釐定，或由管理層按當時市況估計。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Investments at fair value through profit or loss

Investments represent equity securities held for trading. An instrument is classified as at fair value through profit or loss if it is held for trading or is designated as such upon initial recognition. Financial instruments are designated at fair value through profit or loss if the Group manages such investments and makes purchase and sale decisions based on their fair value. Upon initial recognition, attributable transaction costs are recognised in profit or loss when incurred. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognised in profit or loss.

(k) Trade, other receivables and advance deposits

Trade, other receivables and advance deposits are initially recognised at fair value and thereafter stated at amortised cost less impairment losses for bad and doubtful debts (see notes 3(m)), except where the receivables are interest-free advances and repayable on demand or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts (see notes 3(m)).

(l) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average cost formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

3. 主要會計政策 (續)

(j) 按公允價值計量於損益處理的投資

投資指持作買賣的股本證券。倘一項工具持作買賣或被指定於最初確認後作此用途，則須以按公允價值計量於損益處理的方式分類該項工具。倘本集團成功管理該等工具並根據彼等的公允價值作出購買及出售決定，則該等金融工具須被指定以按公允價值計量於損益處理的方式進行處置。於最初確認後，應佔交易成本於產生時在損益中確認。按公允價值計量於損益處理的金融工具乃按公允價值計量，而由此產生的變動則於損益中確認。

(k) 應收帳款、其他應收款項及預付按金

應收帳款、其他應收款項及預付按金最初按公允價值確認，其後按攤銷成本減呆壞帳減值虧損（見附註3(m)）列帳，惟應收款項為免息墊款且須按要求償還或貼現並無重大影響者則除外。在該等情況下，應收款項按成本減呆壞帳減值虧損列帳（見附註3(m)）。

(l) 存貨

存貨按成本或可變現淨值的較低者入帳。成本按加權平均成本法計算，包括採購存貨的成本、生產成本或改裝成本及使存貨達到目前地點及現狀而產生的其他成本。

可變現淨值按日常業務過程中的估計售價減預計完工成本及銷售所需的預計成本計算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Inventories (Continued)

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(m) Impairment

(i) Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised.

3. 主要會計政策 (續)

(l) 存貨 (續)

出售存貨時，該等存貨的帳面值會於有關收入確認期間確認為費用。任何將存貨撇減至可變現淨值的數額及存貨所有虧損，均在撇減或虧損出現的期間確認為費用。撇減存貨的任何撥回金額於撥回期間確認為已確認作費用的存貨減值。

(m) 減值

(i) 金融資產

於各報告日期會對金融資產作出評估，以決定是否出現客觀證據顯示其有任何減值。倘有客觀證據顯示，一項或多項事件會對該項資產的估計未來現金流造成負面影響，則該項金融資產被認為將予以減值。

有關按已攤銷成本計量金融資產的減值虧損乃按金融資產的賬面值與按最初實際利率折讓的估計未來現金流量的現值間的差額計算。

個別重大金融資產須按個別基準進行減值測試。其餘金融資產共同按具有相同信貸風險特徵的類別進行評估。

所有減值虧損均於損益中確認。

倘有關撥回與確認減值虧損後發生的事件有客觀聯繫，則須撥回減值虧損。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Impairment (Continued)

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than investment properties, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, recoverable amount is estimated at each reporting date.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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 the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

3. 主要會計政策 (續)

(m) 減值 (續)

(ii) 非金融資產

本公司非金融資產(不包括投資物業、存貨及遞延稅項資產)的賬面值於各報告日期進行審閱,以確定是否存在任何減值跡象。倘存在任何減值跡象,則須估計該項資產的可收回金額。就商譽而言,可收回金額於各報告日期進行估計。

一項資產或現金產生單位的可收回金額按其使用價值與公允價值減銷售成本的較高者釐定。在評估使用價值時,會採用反映當時市場評估的貨幣時間價值及該資產的獨有風險之稅前貼現率,將估計未來現金流量折現為現值。為進行減值測試,資產被集合為最小資產組合,該資產組合通過不斷使用產生現金流,其大部分獨立於其他資產或資產組合之現金流(「現金產生單位」)。

減值虧損於該資產或其現金產生單位的賬面金額超出其可收回金額時確認。減值虧損在損益中確認。就現金產生單位確認的減值虧損,其分攤次序如下:首先用以抵減分攤至該等單位的任何商譽的賬面金額,然後用以按比例抵減該單位(或一組單位)內其他資產的賬面金額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Impairment (Continued)

(ii) Non-financial assets (Continued)

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. 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 amortization, if no impairment loss had been recognised.

(n) Trade, other payables and advance receipts

Trade, other payables and advance receipts are initially recognised at fair value and thereafter stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(o) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of the borrowings on an effective interest basis.

3. 主要會計政策 (續)

(m) 減值 (續)

(ii) 非金融資產 (續)

一項有關商譽的減值虧損不作回撥。就其他資產而言，於各呈報日期會對前期已確認的減值虧損(就任何顯示虧損已減少或不再存在的現象)進行評估。當用於釐定可收回金額的估計發生變動時撥回減值虧損。倘並無確認減值虧損，則僅在資產帳面值在扣除折舊或攤銷後並無超越原本釐定的帳面值的情況下撥回減值虧損。

(n) 應付帳款、其他應付款項及預收款項

貿易應付帳款、其他應付款項及預收款項首先按公允價值確認，其後按已攤銷成本列帳，惟倘貼現並無重大影響，則按成本列帳。

(o) 計息貸款

計息貸款首先按公允價值減應佔交易成本確認入帳。首次確認後，計息貸款按已攤銷成本列帳，成本與贖回價值的任何差額在利潤表中以實際權益法按借貸年期確認入帳。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Employee benefits

(i) Defined contribution retirement plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss when they are due, except to the extent that they are included in the cost of properties under development or completed properties held for sale not yet recognised as cost of sales.

(ii) Share-based payments

The grant date fair value of share options granted to employees is recognised as an employee expense, with a corresponding increase in a capital reserve within equity, over the period that the employees become unconditionally entitled to the options. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest.

The fair value is measured at grant date using the binomial model, taking into accounts the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the share options, the total estimated fair value of the share options is spread over the vesting period, taking into account the probability that the options will vest.

3. 主要會計政策 (續)

(p) 僱員福利

(i) 界定供款退休計劃

界定供款退休計劃為一項退休後僱員福利計劃，根據該計劃，一間實體向一間獨立的實體作出固定金額的供款，其毋須負上任何法定或推定責任以進一步支付供款。界定供款退休計劃的供款責任於到期時在損益中確認為僱員福利開支，惟不包括計入尚未確認為銷售成本的發展中物業或已建成待售物業成本。

(ii) 股份支付

授予僱員的購股權於僱員可無條件有權取得購股權期間按於授予當日的公允價值確認為僱員開支，而權益內的股本儲備則相應增加。已確認為開支的款項經調整以反映行權的購股權的實際數目。

公允價值於授予當日以二項模式計算，並考慮購股權授予的條款及條件。如果在僱員於無條件地有權獲授購股權前符合等待條件，則購股權的估計公允價值總值在等待期攤分，並需考慮購股權在等待期滿後行使的可能性。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Employee benefits (Continued)

(ii) Share-based payments (Continued)

During the vesting period, the number of share options that is expected to vest is reviewed. Any adjustment to the cumulative fair value recognised in prior years is charged/credited to the income statement for the year of the review, unless the original employee expenses qualify for recognition as an asset, in which case the adjustment is made to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of share options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is transferred to the share premium account) or the option expires (when it is released directly to retained profits). Share-based payment transactions in which the Company grants share options to subsidiaries' employees are accounted for as an increase in value of investment in subsidiary in the Company's balance sheet which is eliminated on consolidation.

(q) Financial guarantees issued, provisions and contingent liabilities

(i) Financial guarantees issued

Financial guarantees are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficiary of the guarantee (the "holder") for a loss the holder incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

3. 主要會計政策 (續)

(p) 僱員福利 (續)

(ii) 股份支付 (續)

於等待期，需審閱預期行使的購股權數量。任何對過往年度已確認累計公允價值所作的調整於審閱年度的利潤表扣除／入帳，除非原有僱員開支合資格確認為資產，則對資本儲備作出調整。於行使購股權日期，已確認為開支的金額會作調整，以反映所行使的購股權數量（同時亦相應調整資本儲備），惟僅於未能達到有關本公司股份市價的行使條件時方會沒收其購股權。股權金額於資本儲備確認，直至購股權獲行使（即轉撥至股份溢價帳時）或購股權到期（即直接撥至保留溢利時）為止。有關本公司向子公司僱員授予購股權的股份支付在本公司資產負債表列作子公司投資價值增加，且於合併帳目時予以抵銷。

(q) 所發出的財務擔保、撥備及或有負債

(i) 所發出的財務擔保

財務擔保乃要求發行人（即擔保人）就擔保受益人（「持有人」）因特定債務人未能根據債項工具的條款於到期時付款而蒙受的損失，而向持有人支付特定款項的合約。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Financial guarantees issued, provisions and contingent liabilities (Continued)

(i) Financial guarantees issued (Continued)

Where the Group issues a financial guarantee, the fair value of the guarantee (being the transaction price, unless the fair value can otherwise be reliably estimated) is initially recognised as deferred income within trade and other payables. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with note 3(q)(ii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in trade and other payables in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

(ii) Other provisions and contingent liabilities

A provision is recognised if, as a result of a past event, the Group has present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

3. 主要會計政策 (續)

(q) 所發出的財務擔保、撥備及或有負債 (續)

(i) 所發出的財務擔保 (續)

倘本集團發出財務擔保，該擔保的公允價值(即交易價格，除非該公允價值能確實地估計)最初確認為應付賬款及其他應付款內的遞延收入。倘在發行該擔保時收取或可收取代價，該代價則根據適用於該類資產的本集團政策(倘有關代價尚未收取或應予收取)而予確認。倘並無已收取或可收取的該類代價，於最初確認任何遞延收入時，即時開支於損益內確認。

最初確認為遞延收入的擔保款額按擔保年期於損益內攤銷為所發出的財務擔保收入。此外，倘(i)擔保持有人有可能召回的本集團所發出擔保；及(ii)向本集團的索賠款額預期超過現時列於該擔保的應付賬款及其他應付款(即最初確認的金額減累計攤銷)，以上情況下將根據附註3(q)(ii)確認撥備。

(ii) 其他撥備及或有負債

倘本集團須就已發生的事件承擔法律或推定責任，而該項責任可以可靠地估計，且可能需要付出經濟利益以履行該責任，則該撥備會獲確認。撥備乃按預期未來現金流量以可反映當時市場對貨幣時間價值及負債特定風險的評估的稅前貼現率貼現而釐定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(q) Financial guarantees issued, provisions and contingent liabilities (Continued)

(ii) Other provisions and contingent liabilities (Continued)

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(r) Revenue

Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

(i) Sales of properties

Revenue from sales of properties is recognized when a Group entity has delivered the relevant properties to the customers and collectibility of the related receivables is reasonably assured. Deposits and instalments received on properties sold prior to the date of revenue recognition are recorded as advances from customers and presented as trade and other payables under current liabilities.

(ii) Rental income from operating leases

Rental income is recognised on a straight-line basis over the term of the lease. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payment receivable. Contingent rents are recorded as income in the periods in which they are earned.

3. 主要會計政策 (續)

(q) 所發出的財務擔保、撥備及或有負債 (續)

(ii) 其他撥備及或有負債 (續)

倘不一定需要流出經濟效益履行責任或未能可靠估計款額，則該等責任將披露作或有負債，除非出現經濟效益流出的可能性極微。可能出現的責任（僅由發生或不發生一項或多項未來事件而確定）亦披露為或有負債，除非出現經濟利益流出的可能性極微。

(r) 收益

倘經濟利益可能流向本集團而能夠可靠計算收益及成本（如適用），則在損益中確認如下：

(i) 物業銷售

當集團公司將有關物業交付客戶及合理確定能收取有關應收款項時確認物業銷售收益。在確認收益當日前出售物業所收取的訂金及分期付款項列作預收客戶款項，並在流動負債列為應付帳款及其他應付款項。

(ii) 經營租賃的租金收入

租金收入按租賃年期以直線法確認。已給予的租賃優惠於損益中確認為應收總租賃款項淨額的一部份。或有租金於賺取的會計期間確認為收入。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Revenue (Continued)

(iii) Sales of goods and services rendered

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods, or where there is continuing management involvement with the goods.

Revenue from property management services rendered is recognised when the services are rendered.

Revenue from landscape projects is recognised in proportion to the stage of completion of the projects at the balance sheet date. The stage of completion is assessed by reference to work performed. An expected loss on a contract is recognised immediately in profit or loss.

(iv) Tuition fees

Revenue from provision of education services is recognised on a time-proportion basis using the straight-line method. Tuition fees received prior to the date of revenue recognition are included in non-trade payables and presented under current liabilities.

(v) Government grants

Unconditional government grants are recognised as other operating income on a cash receipt basis.

3. 主要會計政策 (續)

(r) 收益 (續)

(iii) 銷售貨品及提供服務

銷售貨品收益於所有權重大風險及回報轉讓至買方時確認。倘若到期收回的款項、附加成本或可能退貨存在重大不明確因素，或持續擁有貨品管理權時，則不會確認收益。

提供物業管理服務的收益於提供服務時確認。

園藝項目的收益於結算日按項目完成階段的比例確認。完成階段參考所進行的工作而評估。有關合同預期虧損即時在損益中確認。

(iv) 學費

提供教育服務的收益按時間比例以直線法確認。在確認收益日期前收取的學費計入其他應付款項，並列為流動負債。

(v) 政府補助

無條件政府補助按收取現金基準確認為其他經營收入。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Borrowing costs

Borrowing costs are capitalised if they are directly attributable to the acquisition, construction or production of a qualifying asset. Capitalisation of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are being incurred. Capitalisation of borrowing costs may continue until the assets are substantially ready for their intended use. If the resulting carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognised. The capitalisation rate is arrived at by reference to the actual rate payable on borrowings for development purposes or, with regard to that part of the development cost financed out of general funds, to the average rate.

Other borrowing costs are expensed in the profit or loss in the period in which they are incurred.

(t) Expenses

(i) Service costs and property operating expenses

Service costs for service contracts entered into and property operating expenses are expensed as incurred.

(ii) Operating lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

(u) Finance income and expenses

Finance income comprises interest income on cash deposits in bank, changes in fair value of financial assets at fair value through profit or loss and foreign currency gains that are recognised in profit or loss. Interest income is recognised as it accrues, using the effective interest method.

3. 主要會計政策 (續)

(s) 借貸成本

因收購、興建或生產未完成資產而直接產生的借貸成本將予以資本化。當進行準備資產的活動及產生借貸成本開支時開始將借貸成本資本化，直至該資產基本達到可使用狀態為止。倘資產的帳面值超逾其可收回數額，則確認減值虧損。資本化比率乃參考用作發展用途的借貸的實際應付利率或自一般資金撥作部份發展成本的平均利率而釐定。

其他借貸成本均於產生期間確認損益。

(t) 費用

(i) 服務成本及物業經營費用

已訂立服務合約的服務成本及物業管理開支在產生時列支。

(ii) 經營租賃支付

與經營租賃有關的款項按租賃年期以直線法確認損益。已收取的租賃優惠於收益表中確認為租賃開支總額的一部份。

(u) 融資收入及成本

融資收入包括銀行現金存款利息收入、按公允價值於損益中計量的金融資產的公允價值變動及於損益中確認的外匯收入。利息收入以實際利率法累計確認。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(u) Finance income and expenses (Continued)

Finance expenses comprise interest expenses on borrowings, net of interest capitalised, changes in fair value of financial assets at fair value through profit or loss and foreign currency losses that are recognised in profit or loss. All borrowing costs are calculated using the effective interest rate method.

(v) Income tax expense

Income tax expense comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

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

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantially enacted by the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3. 主要會計政策 (續)

(u) 融資收入及成本 (續)

融資成本包括貸款利息成本(扣除已資本化利息)、按公允價值於損益中計量的金融資產的公允價值變動及於損益中確認的外匯虧損。所有借貸成本均以實際利率法計算。

(v) 所得稅開支

所得稅開支包括本期所得稅及遞延稅項。所得稅於損益中確認，惟倘與直接於權益確認的項目有關，則於權益確認。

本期所得稅指年內應課稅收入按報告日期已執行或實際已執行稅率計算的預期應付稅項，加上以往年度應付稅項的任何調整。

遞延稅項是按資產負債表法，根據作財務呈報用途的資產和負債的帳面值與該等資產和負債的計稅金額之間的暫時差異計算撥備。並不就以下暫時差異確認遞延稅項：商譽的首次確認、不影響會計或應課稅溢利的資產及負債的首次確認及與子公司投資有關的差額(倘在可見將來不會轉回)。遞延稅項是按預期將運用於暫時差異(當其撥回時)的稅率，根據在呈報日期前已執行或實質上已執行的法律計算。

遞延稅項資產僅在預計日後應課稅溢利可抵銷可利用資產時確認。於各呈報日期對遞延稅項資產進行審核，倘發現不大可能變現有相關稅務利益，則會調低遞延稅項資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(w) Dividends

Dividends are recognised as a liability in the period in which they are declared.

(x) Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible bonds and share options granted to employees.

(y) Related parties

For the purposes of these consolidated financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals (being members of key management personnel, significant shareholders and/or their close family members) or other entities and include entities which are under the significant influence of related parties of the Group where those parties are individuals, and post-employment benefit plans which are for the benefits of employees of the Group or of any entity that is a related party of the Group.

3. 主要會計政策 (續)

(w) 股息

股息在宣派期內確認為負債。

(x) 每股盈利

本集團就其普通股份呈報基本及攤薄每股盈利(「每股盈利」)數據。基本每股盈利乃按年內本公司普通股股東應佔溢利或虧損除以年內已發行普通股份的加權平均數計算。攤薄每股盈利乃計及所有具潛在攤薄效力的普通股(包括可轉換債券及向僱員授出之購股權)的影響後對普通股股東應佔溢利或虧損以及已發行普通股份的加權平均數作調整後計算。

(y) 關連人士

就本綜合財務報表而言，如果本集團能夠直接或間接控制另一方或對另一方的財務及經營決策發揮重大影響力，或另一方能夠直接或間接控制本集團或對本集團的財務及經營決策發揮重大影響力，或本集團與另一方均受到共同控制或共同發揮重大影響，則有關人士即被視為本集團的關連人士。關連人士可為個人(即主要管理人員、主要股東及／或其直系親屬)或其他公司，亦包括受本集團個人關連人士發揮重大影響的公司，以及提供福利予本集團僱員的離職後福利計劃或與本集團關連的公司。

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(z) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and returns that are different from those of other segments.

In accordance with the Group's internal financial reporting system, the Group has chosen business segment information as the reporting format for the purposes of these consolidated financial statements. No geographical segment information is separately presented as the Group's business segments are mainly managed and operated in the PRC. The major market of the Group's business segments is the PRC.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. Segment results, assets, and liabilities are determined before intra-group balances, and intra-group transactions are eliminated as part of the consolidation process. Inter-segment pricing is based on similar terms as those available to other external parties.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets (both tangible and intangible) that are expected to be used for more than one period.

3. 主要會計政策 (續)

(z) 分部報告

分部指將本集團的組成分成兩類，即提供相關產品或服務的業務分部，或在特定經濟環境下提供產品或服務的地區分部，而分部之間的風險及回報各有不同。

根據本集團的內部財務匯報制度，為編製該等綜合財務報表，本集團已選用業務分部資料作為呈報方式。由於本集團的業務分部主要在中國管理及經營，故並無另行呈報地區分報資料。本集團的業務分部以中國為主要市場。

分部業績、資產及負債包括分部直接應佔的項目及可合理分配至該分部的項目。分部業績、資產及負債在未計集團內公司間結餘前釐定，而集團內公司間交易則在合併帳目時予以抵銷。分部間交易定價按一般對外交易價格擬定。

分部資本開支指因期內收購預期可用於一個期間以上的分部資產（有形及無形）而產生的成本總額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(aa) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 31 December 2007, and have not been applied in preparing these consolidated financial statements:

3. 主要會計政策 (續)

(aa) 尚未採納之新準則和詮釋

多項截至二零零七年十二月三十一日止年度尚未生效之新準則、準則修訂及詮釋在編製此等合併財務報表時並未採用：

		Effective for accounting period beginning on or after
		於以下時間開始或之後 時間開始的會計期間生效
IFRIC 11, IFRS 2 — Group and treasury share transaction	國際財務報告詮釋委員會 第11號，國際財務報告準則 第2號—集團和庫藏股份交易	1 March 2007 二零零七年三月一日
IFRIC 12, Service concession arrangements	國際財務報告詮釋委員會 第12號—服務經營權協議	1 January 2008 二零零八年一月一日
IFRIC 14, IAS 19 — The limit on a defined benefit asset, minimum funding requirements and their interaction	國際財務報告詮釋委員會 第14號，國際會計準則第19號 — 界定福利資產的限額，最低 資本規定及相互之間的關係	1 January 2008 二零零八年一月一日
IFRIC 13, Customer loyalty programmes	國際財務報告詮釋委員會 第13號—客戶忠誠度計劃	1 July 2008 二零零八年七月一日
IFRS 8, Operating Segments	國際財務報告準則第8號 — 營運分部	1 January 2009 二零零九年一月一日
Revised IAS 23 — Borrowing costs	經修訂國際會計準則第23號— 借貸成本	1 January 2009 二零零九年一月一日
Revised IAS 1, Presentation of financial statements	經修訂國際會計準則第1號— 財務報表的呈列	1 January 2009 二零零九年一月一日
Amendments to IFRS 2, Share-based payment — Vesting condition and cancellations	國際財務報告準則第2號修訂， 以股份為基礎支付 — 行權條件及註銷	1 January 2009 二零零九年一月一日
Amendments to IAS 32, Financial instruments: Presentation of financial statements — Puttable financial instruments and obligations arising on liquidation	國際會計準則第32號修訂： 金融工具：財務報表呈列— 可贖回金融工具及清算債務	1 January 2009 二零零九年一月一日
Revised IFRS 3, Business combinations and amendments to IAS 27, Consolidated and separate financial statements	經修訂國際財務報告準則第3號， 業務合併及國際會計準則 第27號修訂，綜合及獨立財 務報表	1 July 2009 二零零九年七月一日

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(aa) New standards and interpretations not yet adopted (Continued)

The Group is in the process of making an assessment of what the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application. Up to the date of issuance of these financial statements, the Group believes that the adoption of them is unlikely to have a significant impact on the Group's results of operations and financial position.

4. CHANGES IN ACCOUNTING POLICIES

A number of new and revised standards and interpretations are first effective or available for early adoption for the current accounting year of the Group.

There have been no significant changes to the accounting policies applied in these financial statements for the years presented as a result of these developments. However, as a result of the adoption of IFRS 7, *Financial instruments: Disclosures* and the amendments to IFRS 1, *Presentation of financial statements: Capital disclosures*, there have been some additional disclosures provided as follows:

As a result of the adoption of IFRS 7, the financial statements include expanded disclosure about the significance of the Group's financial instruments and the nature and extent of risk arising from these instruments, compared with the information previously required to be disclosed by IFRS 32, *Financial instruments: Disclosure and presentation*. These disclosures are provided throughout these financial statements, in particular in note 42.

The amendment to IFRS 1 introduces additional disclosure requirements to provide information about the level of capital and the Group's objectives, policies and processes for managing capital. The disclosures are set out in note 40(h).

Both IFRS 7 and the amendment to IFRS 1 do not have any material impact on the classification, recognition and measurement of the amounts recognised in the financial instruments.

3. 主要會計政策 (續)

(aa) 尚未採納之新準則和詮釋 (續)

本集團正在評估該些修訂、新準則及新詮釋的採納預期在最初應用的期間將產生的影響。截至該等財務報表刊發日期，本集團認為採納上述修訂、新準則及新詮釋不大可能會對本集團的經營業績及財務狀況產生重大影響。

4. 會計政策變更

多項新訂及經修訂準則及詮釋均為首次實施或可供本集團於本會計期間提前採納。

此等發展未導致本年度呈列的該等財務報表應用的會計政策出現任何重大變更。但是由於採用國際財務報告準則第7號，*金融工具：披露*，以及對國際財務報告準則第1號，*財務報表的呈報：資本披露*的修訂，故已增加若干披露事項並載列如下：

由於採納國際財務報告準則第7號，財務報表包括有關本集團金融工具重要性及該等工具的性質和風險程度的披露，較過往根據國際財務報告準則第32號，*金融工具：披露及呈報*規定披露的資料詳盡。該等披露事項於此等財務報表內多處提供，尤其是財務報表附註42。

國際財務報告準則第1號的修訂提出額外披露規定，須提供有關資本水平及本集團管理資本的目標、政策及程序的資料。有關披露載於附註40(h)。

國際財務報告準則第7號及國際財務報告準則第1號的修訂均並無對財務報表內確認金額的分類、確認及計量造成任何重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5. DETERMINATION OF FAIR VALUES

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

(i) Properties under development

The fair values of properties under development recognised as a result of a business combination are based on market values. The market value of property is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The market value of items of plant, equipment, fixtures and fittings is based on the quoted market prices for similar items.

(ii) Investment properties

An external, independent valuation company, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, values the Group's investment property portfolio every six months. The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

In the absence of current prices in an active market, the valuations are prepared by considering the aggregate of the estimated cash flows expected to be received from renting out the property. A yield that reflects the specific risks inherent in the net cash flows then is applied to the net annual cash flows to arrive at the property valuation.

5. 釐定公允價值

本集團的若干會計政策及披露要求對金融及非金融資產及負債進行釐定。公允價值已就計量目的及／或披露目的根據以下方法獲釐定。如適用，有關在釐定公允價值時所作出的假設的進一步資料在該等資產或負債的附註中具體披露。

(i) 發展中物業

因於業務合併而確認的發展中物業的公允價值按市值釐定。物業的市值是指在進行適當推銷後，自願買方及自願賣方雙方經公平磋商，在知情、審慎及不受脅逼的情況下於估值日期買賣一項物業的估計款額。廠房、設備、裝置及傢俱項目的市值根據就類似項目所報的市場價格釐定。

(ii) 投資物業

一間外部獨立測量師行（該測量師行具有適當獲認可之專業資格，且對被估值物業之位置及種類有近期經驗）對本集團的投資物業組合每六個月評估一次。公允價值按市值（即在進行適當推銷後，自願買方及自願賣方雙方經公平磋商，在知情、審慎及不受脅逼的情況下於估值日期買賣一項物業的估計款額）釐定。

若缺乏活躍市場現時價格，則評估將會在考慮到預期可由出租物業中收取的估計現金流的總額後作出。反映當時現金流量淨額所含特定風險的收益率被用於淨年度現金流量中以釐定物業的估值結果。

5. DETERMINATION OF FAIR VALUES (Continued)

(ii) Investment properties (Continued)

Valuations reflect, where appropriate: the type of tenants actually in occupation or responsible for meeting lease commitments or likely to be in occupation after letting vacant accommodation, and the market's general perception of their creditworthiness; the allocation of maintenance and insurance responsibilities between the Group and the lessee; and the remaining economic life of property. When rent renewals or lease renewals are pending with anticipated reversionary increases, it is assumed that all notices and where appropriate counter-notices have been served validly and within the appropriate time.

(iii) Investments in equity and debt securities

The fair value of financial assets at fair value through profit or loss is determined by reference to their quoted bid price at the reporting date.

(iv) Trade, other receivables and advance deposits

The fair value of trade, other receivables and advance deposits is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

(v) Convertible bonds

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date. In respect of the liability component of convertible bonds, the market rate of interest is determined by reference to similar liabilities that do not have a conversion option.

5. 釐定公允價值(續)

(ii) 投資物業(續)

估值反映(如適用): 實際佔用物業或有支付租賃承擔義務、或有可能在租出空置物業後佔用物業的租戶的類型、市場對彼等可信度的普遍看法; 本集團與承租人之間維修及保險責任的分配; 及物業的剩餘經濟壽命。當續期租金或續期租約因預期會出現恢復的增加而未能決定時, 則假定所有通知及反向通知(如適用)已有效並在適當的時間獲發出。

(iii) 於股本及債務證券中的投資

透過損益以公允價值列賬的金融資產的公允價值通過參考其於呈報日期的所報買價釐定。

(iv) 應收帳款、其他應收款項及預付按金

應收帳款、其他應收款項及預付按金的公允價值按未來現金流量的現值進行估計, 並按於呈報日期的市場利率貼現。

(v) 可轉換債券

公允價值乃根據未來本金及利息的現金流, 以報告日的市場利率折現計算來作為披露用途。有關可轉換債券的負債部分, 市場利率乃參考同類沒有可轉換權的負債來釐定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5. DETERMINATION OF FAIR VALUES (Continued)

(vi) Share-based payment transactions

The fair value of employee stock options is measured using a binomial lattice model. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility adjusted for changes expected due to publicly available information), weighted average expected life of the instruments (based on historical experience and general option holder behaviour), expected dividends, and the risk-free interest rate (based on government bonds). Service and non-market performance conditions attached to the transactions are not taken into account in determining fair value.

6. SEGMENT REPORTING

Segment information is presented in respect of the Group's business. The primary format, business segments, is based on the Group's management and internal reporting structure. Inter-segment pricing is determined on an arm's length basis.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

Business segments

The Group comprises the following main business segments:

- Sales of property
- Lease of property
- Property management and other related services
- Education

5. 釐定公允價值(續)

(vi) 股份支付交易

僱員購股權的公允價值使用二項模式計量。計量數據包括計量當日的股價、該工具的行使價、預期波動(根據因公開資料的預期變動而調整的過往加權平均波動計算)、該等工具的加權平均預計年期(根據過往經驗及購股權持有人一般行為計算)、預期股息及無風險利率(根據政府債券計算)。在釐定公允價值時,不考慮該等交易隨附加的服務條件及非市場表現情況。

6. 分部報告

分部資料乃就本集團業務而呈列。業務分部為主要呈報方式,並按本集團管理層及內部報告架構呈列。分部間價格按合理基準釐定。

分部業績、資產及負債包括分部直接應佔的項目及可合理分配至該分部的項目。

分部資本開支指因期內收購預期可用於一個期間以上的分部資產而產生的成本總額。

業務分部

本集團的主要業務分部如下:

- 物業銷售
- 物業租賃
- 物業管理及其他有關服務
- 教育

6. SEGMENT REPORTING (Continued)
For the year ended 31 December 2007

6. 分部報告 (續)
截至二零零七年十二月三十一日止年度

Expressed in RMB'000 以人民幣千元列示		Sales of property 物業銷售	Lease of property 物業租賃	Property management & related services 物業管理及其 他相關服務	Education 教育	Elimination 分部間抵銷	Group 本集團
Revenue from external customers	外界客戶收益	1,606,718	29,585	27,243	50,961	—	1,714,507
Inter-segment revenue	分部間收益	—	—	45,516	—	(45,516)	—
Total revenue	收益總額	1,606,718	29,585	72,759	50,961	(45,516)	1,714,507
Segment result	分部業績	397,775	21,230	8,095	5,061	(7,165)	424,996
Net gain on disposal of equity interest in subsidiaries	出售子公司股權的收益淨額	193,112	—	—	—	—	193,112
Net finance expense	融資成本淨額	(106,276)	(611)	599	(4,268)	1,355	(109,201)
Fair value change on embedded derivatives	嵌入式衍生工具的 公允價值變動	4,440	—	—	—	—	4,440
Share of loss of associates	應佔聯營公司虧損	(8,239)	—	—	—	—	(8,239)
Revaluation gains on investment properties	投資物業重估收益	—	269,626	—	—	—	269,626
Income tax expense	所得稅支出	(150,972)	(98,889)	(1,719)	—	—	(251,580)
Profit/(loss) for the year	本年度溢利/(虧損)	329,840	191,356	6,975	793	(5,810)	523,154
Segment assets	分部資產	5,752,479	701,710	111,965	240,155	(240,047)	6,566,262
Interests in associates	聯營公司權益						982,507
Total assets	資產總額						7,548,769
Segment liabilities	分部負債	3,592,325	232,159	74,769	197,000	(160,656)	3,935,597
Capital expenditure	資本開支	41,905	26,310	621	1,757	—	70,593
Depreciation and amortisation	折舊及攤銷	6,463	—	2,334	15,897	—	24,694

Notes to the Consolidated Financial Statements

綜合財務報表附註

6. SEGMENT REPORTING (Continued) For the year ended 31 December 2006

6. 分部報告 (續) 截至二零零六年十二月三十一日止年度

Expressed in RMB'000 以人民幣千元列示		Sales of property 物業銷售	Lease of property 物業租賃	Property management & related services 物業管理及其 相關服務	Education 教育	Elimination 分部間抵銷	Group 本集團
Revenue from external customers	外界客戶收益	1,791,755	32,427	22,801	40,475	—	1,887,458
Inter-segment revenue	分部間收益	—	—	43,305	—	(43,305)	—
Total revenue	收益總額	1,791,755	32,427	66,106	40,475	(43,305)	1,887,458
Segment result	分部業績	473,735	12,321	4,767	5,488	(10,518)	485,793
Net finance expense	融資成本淨額	(8,356)	(442)	(188)	(4,562)	—	(13,548)
Share of loss of associates	應佔聯營公司虧損	(318)	—	—	—	—	(318)
Revaluation gains on investment properties	投資物業重估收益	—	39,882	—	—	—	39,882
Income tax expense	所得稅支出	(102,315)	(9,441)	(1,043)	—	—	(112,799)
Profit/(loss) for the year	本年度溢利/(虧損)	362,746	42,320	3,536	926	(10,518)	399,010
Segment assets	分部資產	4,085,852	391,480	105,399	251,668	(129,232)	4,705,167
Interests in associates	聯營公司權益						944,134
Total assets	資產總額						5,649,301
Segment liabilities	分部負債	2,705,936	110,084	45,977	206,305	(109,437)	2,958,865
Capital expenditure	資本開支	5,659	6,704	940	61,793	—	75,096
Depreciation and amortisation	折舊及攤銷	6,815	—	4,613	13,860	—	25,288

7. ACQUISITION OF SUBSIDIARIES

Subsidiary acquired in 2007

On 28 September 2007, the Group entered into an equity transfer agreement with Run Di Li Property Development Investment Holdings Co., Ltd. (“Run Di Li”), Suzhou Run Di Li Construction Development Co., Ltd., Jiangsu Zhong Qi Investment Co., Ltd. and Mr. Wu Jian Ping (collectively referred to as “the Sellers”) to acquire the entire equity interest in Suzhou Runjian Property Co., Ltd. (“Suzhou Runjian”) from the Sellers.

On 31 August 2006, Run Di Li acquired a piece of land with a site area of 14,893 square metres at a price of RMB223,500,000 through listing-for-sale organized by Suzhou Property Bureau. Suzhou Runjian was established on 17 October 2006 with a business scope of real estate development on the above land acquired by Run Di Li. Up to the end of 2007, Suzhou Runjian had not carried out any business.

The total consideration payable by the Group for the acquisition of Suzhou Runjian is RMB555,284,000. Pursuant to the equity transfer agreement, the Sellers transferred 90% equity interests to the Group in October 2007 and as at 31 December 2007 Suzhou Runjian is owned by the Group as to 90% and Run Di Li as to 10%. Upon Suzhou Runjian obtaining the State-owned Land Use Right Certificate (國有土地使用權證), Construction Land Use Planning Permit (建設用地規劃許可證), Construction Engineering Planning Permit (建設工程規劃許可證) and Construction Engineering Implementation Permit (建築工程施工許可證), Run Di Li shall transfer the remaining 10% equity interest in Suzhou Runjian to the Group, which is expected to take place in 2008.

7. 收購子公司

二零零七年收購的子公司

於二零零七年九月二十八日，本集團與潤地利房地產投資集團有限公司（「潤地利」）、蘇州潤地利建設發展有限公司、江蘇中旗投資有限公司及吳建平先生（統稱「賣方」）訂立股權轉讓協議，以向賣方收購蘇州潤建置業有限公司（「蘇州潤建」）的全部股權。

於二零零六年八月三十一日，潤地利在蘇州房產局組織之拍賣中透過掛牌形式成功以人民幣223,500,000元收購一幅地盤面積為14,893平方米的士地。蘇州潤建於二零零六年十月十七日成立，業務範疇為進行房地產發展。截至二零零七年底，蘇州潤建並無開展任何業務。

本集團收購蘇州潤建應付的總代價為人民幣555,284,000元。根據股權轉讓協議，賣方於二零零七年十月向本集團轉讓90%的股權，於二零零七年十二月三十一日，蘇州潤建分別由本集團擁有90%權益及由潤地利擁有10%權益。待蘇州潤建取得國有土地使用權證、建設用地規劃許可證、建設工程規劃許可證及建築工程施工許可證後，潤地利將向本集團轉讓於蘇州潤建其餘10%的股權，轉讓事項預期於二零零八年進行。

Notes to the Consolidated Financial Statements

綜合財務報表附註

7. ACQUISITION OF SUBSIDIARIES (Continued)

Subsidiary acquired in 2007 (Continued)

The acquisition had the following effect on the Group's assets and liabilities on the acquisition date:

7. 收購子公司(續)

二零零七年收購的子公司(續)

於收購日期，收購對本集團的資產與負債產生如下影響：

In RMB'000 人民幣千元		Pre-acquisition carrying amounts 收購前賬面值	Fair value adjustments 公允價值調整	Recognised value on acquisition 已確認 收購價值
Property, plant and equipment	物業、廠房及設備	932	—	932
Properties under development	發展中物業	238,361	439,360	677,721
Trade and other receivables	應收賬款及其他應收款	14,082	—	14,082
Cash and cash equivalents	現金及現金等價物	880	—	880
Loans and borrowings	貸款及借款	(15,000)	—	(15,000)
Trade and other payables	應付賬款及其他應付款	(13,491)	—	(13,491)
Deferred tax liabilities	遞延稅項負債	—	(109,840)	(109,840)
		225,764	329,520	555,284
Minority interests	少數股東權益	(22,576)	(32,952)	(55,528)
Net identifiable assets and liabilities	可識別資產與負債淨額	203,188	296,568	499,756
Consideration paid, satisfied in cash	以現金支付的已付代價			499,756
Cash acquired	所收購現金			(880)
				498,876
Net cash outflow arising on acquisition:	收購時產生現金流出淨額：			
— Cash paid during the year	一年內已付現金			329,115
— Amount due to Run Di Li as at 31 December 2007	— 於二零零七年十二月三十一日應付潤地利的款項			169,761

7. ACQUISITION OF SUBSIDIARIES (Continued)

Subsidiary acquired in 2007 (Continued)

Pre-acquisition carrying amounts were determined based on applicable IFRSs immediately before the acquisition. The values of assets and liabilities recognised on acquisition are their estimated fair values. The consideration for the acquisition of the equity interest in Suzhou Runjian by the Group was based on the net book value of Suzhou Runjian as at the date of acquisition with fair value adjustments according to a property valuation report prepared by DTZ Debenham Tie Leung Limited ("DTZ"), an independent valuer.

The acquisition has been accounted for using the purchase method of accounting.

The losses attributable to Suzhou Runjian amounted to RMB2,816,000 to the Group's profit for the period between the date of acquisition and 31 December 2007. If the acquisitions had been completed on 1 January 2007, the Group's revenue would have remained unchanged and the impact on the Group's profit for the year ended 31 December 2007 is not material as Suzhou Runjian has not carried out any business during the period from the date of establishment to the date of acquisition.

7. 收購子公司 (續)

二零零七年收購的子公司 (續)

收購前賬面值乃根據緊接收購前適用的國際財務報告準則釐定。收購時確認的資產與負債價值為其估計公允價值。本集團收購蘇州潤建股權的代價乃以於收購日期蘇州潤建的賬面淨值為基準，並按照獨立估值師戴德梁行有限公司(「戴德梁行」)編製的物業估值報告經公允價值調整後作出。

收購已採用收購會計法入賬。

自本集團於收購日期至二零零七年十二月三十一日期間，蘇州潤建發生虧損為人民幣2,816,000元。倘收購已於二零零七年一月一日完成，由於蘇州潤建於成立日期至收購日期期間尚未展開任何業務，故對本集團截至二零零七年十二月三十一日止年度的溢利影響並非重大，本集團的收益將維持不變。

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綜合財務報表附註

7. ACQUISITION OF SUBSIDIARIES (Continued)

Subsidiary acquired in 2006

As a part of the Reorganisation, in June 2006, the Company issued 202,300 ordinary shares as consideration for acquisition of 49% of the entire interest of Delta Link Holdings Limited ("Delta Link") from Brilliant Bright Investment Limited. In September 2006, the Company further issued 210,147 ordinary shares as consideration for the acquisition of the remaining 51% equity interest in Delta Link from Brilliant Bright Investment Limited. Delta Link acts as an investment holding company and has not carried on any other business since the date of its incorporation. Delta Link indirectly owns 50% of The Peninsula Shanghai Waitan Hotel Company Limited, which is engaged in development, operation and management of The Peninsula Shanghai Waitan Hotel. As The Peninsula Shanghai Waitan Hotel is still at a preliminary development stage and has not commenced operation, the acquisition of Delta Link has no significant impact on the consolidated revenue and profit of the Group for the period from the date of acquisition to 31 December 2006.

The acquisition had the following effect on the Group's assets and liabilities at the date of acquisition of Delta Link in September 2006:

7. 收購子公司(續)

二零零六年收購的子公司

作為重組的一部分，本公司於二零零六年六月發行202,300股普通股，作為自Brilliant Bright Investment Limited收購Delta Link Holdings Limited(「Delta Link」)全部股權49%的對價。於二零零六年九月，本公司進一步發行210,147股普通股，作為自Brilliant Bright Investment Limited收購Delta Link其餘51%股權的對價。Delta Link為一間投資控股公司，且自註冊成立以來並無經營任何其他業務。Delta Link間接持有上海外灘半島酒店有限公司50%股權，而上海外灘半島酒店有限公司從事開發、經營及管理上海外灘半島酒店。由於上海外灘半島酒店現時仍處於初步發展階段，且尚未開始營運，故收購Delta Link並無對本集團於自收購日期起至二零零六年十二月三十一日止期間的綜合收益及溢利產生任何重大影響。

於二零零六年九月，收購事項於收購Delta Link當日對本集團的資產及負債構成以下影響：

In RMB'000 人民幣千元		Pre-acquisition carrying amounts 收購前賬面值	Fair value adjustments 公允價值調整	Recognised value on acquisition 已確認 收購價值
Investment in associate	於聯營公司的投資	459,046	407,967	867,013
Other current assets	其他流動資產	34	—	34
Other current liabilities	其他流動負債	(38)	—	(38)
Net identifiable assets	可識別資產淨額	459,042	407,967	867,009

8. DISPOSAL OF EQUITY INTEREST IN SUBSIDIARIES

On 27 October 2007, SPG Investment XII (BVI) Limited (“SPG XII”) (which is wholly owned by the Company), Mausica Investment Limited (“the Purchaser”) (which is wholly owned by a fund advised by Citigroup Property Investors Asia Limited) and the Company entered into a sale and purchase agreement (“S&P Agreement”). Pursuant to the S&P Agreement, SPG XII sold 29% of the entire issued share capital of SPG Investment XI (BVI) Limited (“SPG XI”) to the Purchaser. The Company had agreed to guarantee the payment, when due, of all amounts payable by SPG XII in connection with certain indemnities provided by SPG XII to the Purchaser.

SPG XII is the owner of the entire issued share capital of SPG XI. Through SPG Investment II (BVI) Limited (“SPG II”) and SPG Investment III (BVI) Limited (“SPG III”), SPG XI owns three real estate development projects in the PRC, namely the Kunming Lake Dian Project developed by Kunming SPG Land Development Co., Ltd. (“Kunming SPG Land”), the Kunming Grand City Project developed by Kunming SPG Grand City Development Co., Ltd. (“Kunming SPG Grand City”) and the Shanghai Watertown Project developed by Shanghai Zhujia Cambridge Property Development Co., Ltd. (“Shanghai Zhujia”). The sole business of SPG XI is the investment holding of SPG II and SPG III.

The total consideration was RMB412,806,000, which was determined based on the net assets of Kunming SPG Land, Kunming SPG Grand City and Shanghai Zhujia and a shareholder loan to Shanghai Zhujia as at 30 September 2007, and the land premium agreed by the Purchaser and SPG XII.

8. 出售子公司股權

於二零零七年十月二十七日，SPG Investment XII (BVI) Limited(「SPG XII」)(其由本公司全資擁有)、Mausica Investment Limited(「買方」)(其由花旗集團亞洲投資有限公司提供意見的基金全資擁有)及本公司訂立買賣協議(「買賣協議」)。根據買賣協議，SPG XII向買方出售SPG Investment XI (BVI) Limited(「SPG XI」)全部已發行股本之29%。本公司已同意就SPG XII向買方提供的若干彌償保證作出擔保，擔保所有SPG XII應付款項將依時支付。

SPG XII 為SPG XI 全部已發行股本的擁有人。透過SPG Investment II (BVI) Limited(「SPG II」)及SPG Investment III (BVI) Limited(「SPG III」)，SPG XI在中國擁有三個房地產發展項目，即昆明盛高置地發展有限公司(「昆明盛高置地」)發展的昆明滇池項目、昆明盛高大城房地產發展有限公司(「昆明盛高大城」)發展的昆明大城項目及上海珠佳康橋半島房地產發展有限公司(「上海珠佳」)發展的上海水鄉項目。SPG XI的唯一業務為投資控股SPG II及SPG III。

總代價約為人民幣412,806,000元乃根據於二零零七年九月三十日昆明盛高置地、昆明盛高大城，上海珠佳的淨資產值及授予上海珠佳的股東貸款，以及買方與SPG XII協定的地價而釐定。

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綜合財務報表附註

8. DISPOSAL OF EQUITY INTEREST IN SUBSIDIARIES

(Continued)

The net assets of the subsidiaries as at 30 September 2007 were as follows:

8. 出售子公司股權(續)

該等子公司於二零零七年九月三十日的淨資產值如下：

		RMB'000
		%
Net assets disposed of:	出售的淨資產值：	
Property, plant and equipment	物業、廠房及設備	1,307
Properties under development	發展中物業	1,531,690
Deferred tax assets	遞延稅項資產	9,228
Completed properties held for sale	已建成待售物業	106,047
Trade and other receivables	應收賬款及其他應收款	11,381
Restricted cash	受限制現金	15,507
Cash and cash equivalents	現金及現金等價物	18,308
Trade and other payables	應付賬款及其他應付款	(584,547)
Tax payable	應付稅項	(355)
Interest bearing loans	計息貸款	(351,000)
		757,566
Disposal of 29% equity interest to the Purchaser	出售29%股權予買方	219,694
Gain on disposal of equity interest in subsidiaries	出售子公司股權的收益	193,112
Total consideration, to be satisfied by cash	將以現金支付的總代價	412,806
Net cash inflow arising on disposal:	出售產生現金流入淨額：	
— Cash consideration received	— 已收取的現金代價	347,238
— Receivable due from the Purchaser	— 應收買方的賬款	65,568

9. REVENUE

The amount of each significant category of revenue recognised during the year ended 31 December 2007 is as follows:

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Sales of properties	物業銷售	1,606,718	1,791,755
Rental income	租金收入	29,585	32,427
Property management income	物業管理收入	19,690	17,413
Sales of goods and rendering of services	銷售貨品及提供服務	7,553	5,388
Tuition fees	學費	50,961	40,475
Total	合計	1,714,507	1,887,458

10. OTHER OPERATING INCOME

9. 收益

於截至二零零七年十二月三十一日止年度確認的各類主要收益如下：

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Government grants	政府補助	1,852	12,703
Gains on transfer of rights and obligations in a trust agreement (i)	轉讓信託合同之權利及義務之收益(i)	—	2,385
Gains on acquisition of interests in subsidiaries from minority interests (ii)	向少數權益股東收購子公司權益之收益(ii)	1,131	—
Compensations and forfeited deposits from contractors	來自承建商的補償及沒收違約金	5,784	—
Others	其他	470	770
Total	合計	9,237	15,858

10. 其他經營收入

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Government grants	政府補助	1,852	12,703
Gains on transfer of rights and obligations in a trust agreement (i)	轉讓信託合同之權利及義務之收益(i)	—	2,385
Gains on acquisition of interests in subsidiaries from minority interests (ii)	向少數權益股東收購子公司權益之收益(ii)	1,131	—
Compensations and forfeited deposits from contractors	來自承建商的補償及沒收違約金	5,784	—
Others	其他	470	770
Total	合計	9,237	15,858

Notes to the Consolidated Financial Statements

綜合財務報表附註

10. OTHER OPERATING INCOME (Continued)

- (i) In accordance with the agreements entered into by Shanghai Cambridge (Group) Co., Ltd. ("Shanghai Cambridge"), Zhongtai Trust and Investment Co., Ltd. and China Huawen Investment Holding Limited on 6 March 2006 and 19 May 2006, Shanghai Cambridge had a gain of RMB2,385,000 after Shanghai Cambridge agreed to assign and transfer its rights and obligations under the trust agreement to the third party.
- (ii) According to the equity transfer agreement entered into by SPG Investment (BVI) limited ("SPG Investment") and the minority shareholder of Shanghai Oriental Cambridge Property Development Co., Ltd. ("Shanghai Oriental") in April 2007, the minority shareholder transferred all its equity interest in Shanghai Oriental of RMB800,000 to SPG Investment for nil consideration. Thereafter, Shanghai Oriental is wholly owned by the Group.

According to the equity transfer agreement dated 28 March 2007 entered into by SPG Investment and the minority shareholder of Shanghai Shikang Property Consulting Co., Ltd. ("Shikang"), the minority shareholder transferred all its interest in Shikang of RMB 330,800 to SPG Investment for nil consideration. Thereafter, Shikang is wholly owned by the Group.

10. 其他經營收入(續)

- (i) 根據上海康橋半島(集團)有限公司(「上海康橋」)、中泰信托投資有限責任公司及中國華聞投資控股有限公司於二零零六年三月六日及二零零六年五月十九日訂立的協議，上海康橋於其同意轉移及轉讓其於信托協議項下的權利及義務予第三方後，所得收益為人民幣2,385,000元。
- (ii) 根據SPG Investment (BVI) limited (「SPG Investment」) 與上海東方康橋房地產發展有限公司(「上海東方」)的少數權益股東於二零零七年四月訂立的股權轉讓協議，該少數權益股東無償將其於上海東方的所有股權人民幣800,000元轉讓予SPG Investment。其後，上海東方由本集團全資擁有。

根據SPG Investment與上海世康房地產諮詢有限公司(「世康」)的少數權益股東於二零零七年三月二十八日訂立的股權轉讓協議，該少數權益股東無償將其於世康的全部權益人民幣330,800元轉讓予SPG Investment。其後，世康由本集團全資擁有。

11. OTHER OPERATING EXPENSES**11. 其他經營開支**

		2007	2006
		二零零七年	二零零六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Loss on disposal of property, plant and equipment	處置物業、廠房及設備虧損	—	106
Donations	捐款	3,664	30
Compensations to contractors	賠償予承建商	5,087	—
Others	其他	364	77
Total	合計	9,115	213

12. PERSONNEL EXPENSES**12. 員工開支**

		2007	2006
		二零零七年	二零零六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Wages and salaries	工資及薪金	59,145	34,117
Contributions to defined contribution plans	向界定供款計劃供款	5,440	5,202
Staff welfare, bonuses and other allowances	僱員福利、花紅及其他津貼	12,264	10,929
Equity-settled share-based payment transactions (note 38)	股權結算的股份支付交易(附註38)	25,002	10,916
Total	合計	101,851	61,164
Average number of employees during the year	本年度的平均僱員人數	710	679

Notes to the Consolidated Financial Statements

綜合財務報表附註

13. EXPENSES BY NATURE

The following expenses are included in cost of sales, selling and marketing costs, administrative expenses and other operating expenses:

13. 按性質劃分的費用

計入銷售成本、銷售及市場推廣成本、行政開支及其他經營開支的開支如下：

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Cost of properties sold	已出售物業成本	1,008,701	1,234,769
Auditors' remuneration	核數師酬金		
— audit services	— 審核服務	2,461	1,600
— non-audit services	— 非審核服務	455	—
Depreciation	折舊	23,254	23,801
Amortisation of land use rights	土地使用權攤銷	1,440	1,487
Operating lease charges	經營租賃支出	9,336	6,806
Reversal for bad and doubtful debts	呆壞帳撥備撥回	(200)	(16,191)

14. FINANCE INCOME AND EXPENSES

14. 融資收入及成本

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Interest income on bank deposits	銀行存款利息收入	37,674	19,916
Net change in fair value of financial assets at fair value through profit or loss	按公允價值列賬於損益處理的金融資產公允價值變動淨額	8,685	3,176
Finance income	融資收入	46,359	23,092
Interest expenses on bank loans	銀行貸款利息費用	(102,171)	(88,249)
Less: interest capitalized (note 24)	減: 資本化的利息(附註24)	59,962	60,000
Net interest expenses	利息費用淨額	(42,209)	(28,249)
Interest expenses on financial liabilities measured at amortised cost (note 36)	按已攤銷成本計算的金融負債的利息費用(附註36)	(33,384)	—
Net foreign exchange loss	匯兌虧損淨額	(79,967)	(8,391)
Finance expenses	融資成本	(155,560)	(36,640)
Fair value changes on financial derivatives (note 36)	衍生金融工具的公允價值變動(附註36)	4,440	—
Net finance expenses	融資成本淨額	(104,761)	(13,548)

15. INCOME TAX EXPENSE

(i) Change in classification

During the current year the Group modified the income statement classification of PRC land appreciation tax from cost of sales to income tax expenses. PRC Land appreciation tax is in substance a form of capital gains tax, which therefore falls within the scope of IAS 12, Income taxes. As a result, deferred and current PRC land appreciation tax charges should be recognised as a component of the income tax expenses. The change in classification reflects more appropriately the income tax expenses. Comparative amounts were reclassified for consistency, which result in RMB23,406,000 being reclassified from cost of sales to income tax expenses.

15. 所得稅開支

(i) 分類變動

於本年度，本集團修改利潤表內中國土地增值稅的分類，由銷售成本更改為所得稅支出。中國土地增值稅實質上是資本利得稅的一種形式，因此歸屬於國際會計準則12《所得稅》範疇。故此，遞延及即期中國土地增值稅支出應確認為所得稅開支部分。分類變動反映所得稅開支更為適用。為貫徹一致，去年比較金額亦予重新分類，導致人民幣23,406,000元由銷售成本重新分類為所得稅開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

15. INCOME TAX EXPENSE (Continued)

(ii) Income tax in the consolidated income statement represents:

15. 所得稅開支(續)

(ii) 綜合利潤表的所得稅開支指：

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Current tax	即期稅項		
Provision for PRC enterprise income tax for the year	中國企業所得稅 本年度撥備	56,612	16,280
Provision for PRC land appreciation tax for the year	中國土地增值稅 本年度撥備	30,700	6,080
		87,312	22,360
Deferred tax	遞延稅項		
Origination and reversal of temporary differences (note 33(ii))	暫時差異的產生 及撥回(附註33(ii))	(7,409)	77,419
Benefit of tax losses recognized (note 33(ii))	已確認稅項虧損影響 (附註33(ii))	17,366	(15,360)
Revaluation of investment properties (note 33(iii))	投資物業重估 (附註33(iii))	48,632	11,054
Effect of change in future enactive tax rate	未來適用稅率變動的影響	11,945	—
Deferred PRC land appreciation tax	遞延中國土地增值稅	93,734	17,326
		164,268	90,439
Total income tax expense in income statement	利潤表的所得稅開支總額	251,580	112,799

No provision for Hong Kong Profits Tax has been made as the Group did not earn any income subject to Hong Kong Profits Tax during the year ended 31 December 2007 and 2006.

由於本集團於截至二零零六年及二零零七年十二月三十一日止年度並無賺取須繳納香港利得稅的收入，故並無作出香港利得稅撥備。

15. INCOME TAX EXPENSE (Continued)

(ii) Income tax in the consolidated income statements represents: (Continued)

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.

Pursuant to the rules and regulations applicable to certain development zones in the Pudong area of Shanghai, Shanghai Cambridge is subject to PRC income tax at a rate of 15% (2006:15%). Other subsidiaries of the Group are subject to PRC income tax at a rate of 33% (2006:33%), except for Shanghai New Independence House Property Management Co., Ltd. ("Shanghai New Independence House"), Shanghai Lishui Greenery Ecology Engineering Co., Ltd. ("Shanghai Lishui"), Shanghai Zhuxi Investment Enterprise Co. ("Shanghai Zhuxi") and Shanghai Cambridge Construction Consulting Co., Ltd ("Shanghai Cambridge Consulting").

Shanghai New Independence House is subject to a concessionary income tax rate of 15% (2006:15%) granted by the local tax authority in Nanhui District of Shanghai. Shanghai Lishui is subject to PRC income tax rate of 33% during the year ended 31 December 2007 while during the year ended 31 December 2006, it was subject to income tax at deemed rates of 1% of its revenue in accordance with the Daizheng (帶征) method under applicable PRC tax regulations. Shanghai Zhuxi is subject to PRC income tax at a rate of 18% during the year ended 31 December 2007, while during the year ended 31 December 2006, it was subject to PRC income tax at deemed rate of 5% of its revenue. Shanghai Cambridge Consulting is subject to PRC income tax at a rate of 33% during the year ended 31 December 2007, while during the year ended 31 December 2006, it was subject to PRC income tax at deemed rate of 5% of its revenue.

15. 所得稅開支 (續)

(ii) 綜合利潤表的所得稅開支指：(續)

根據開曼群島及英屬處女群島的規則及規例，本集團毋須繳納開曼群島及英屬處女群島所得稅。

根據上海市浦東新區特定開發區的適用規則及規例，上海康橋按15%的稅率繳納中國企業所得稅(二零零六年：15%)。除上海新獨院物業管理有限公司(「上海新獨院」)、上海麗水生態綠化工程有限公司(「上海麗水」)、上海珠溪實業投資有限公司(「上海珠溪」)及上海康橋半島建築諮詢有限公司(「上海康橋諮詢」)外，本集團其他子公司均須按33%的稅率繳納中國企業所得稅(二零零六年：33%)。

上海新獨院按照上海南匯區當地稅務局批准的優惠稅率15%繳納所得稅(二零零六年：15%)。於截至二零零七年十二月三十一日止年度，上海麗水按33%的稅率繳納中國所得稅，而於截至二零零六年十二月三十一日止年度，根據中國相關稅法，其以帶徵法按收益的1%的稅率繳納中國所得稅。於截至二零零七年十二月三十一日止年度，上海珠溪按18%的稅率繳納中國所得稅，而於截至二零零六年十二月三十一日止年度，其按收益的5%的稅率繳納中國所得稅。於截至二零零七年十二月三十一日止年度，上海康橋諮詢按33%的稅率繳納中國所得稅，而於截至二零零六年十二月三十一日止年度，其按收益的5%的稅率繳納中國所得稅。

Notes to the Consolidated Financial Statements

綜合財務報表附註

15. INCOME TAX EXPENSE (Continued)

(ii) Income tax in the consolidated income statements represents: (Continued)

PRC land appreciation tax is levied on properties developed by the Group for sale, at progressive rates ranging from 30% to 60% on the appreciation of land value, which under the applicable regulations is calculated based on the proceeds of sales of properties less deductible expenditures including lease charges of land use rights, borrowing costs and all property development expenditures. Land appreciation tax of RMB124,434,000 is included in the income statement for the year ended 31 December 2007 (2006: RMB23,406,000).

(iii) Reconciliation between tax expense and accounting profit at applicable tax rate:

15. 所得稅開支(續)

(ii) 綜合利潤表的所得稅開支指：(續)

本集團銷售所發展的物業須按土地價值增幅以30%至60%的累進稅率繳納土地增值稅，根據有關規例，土地增值稅乃按出售物業所得款項減可扣稅開支(包括土地使用權出讓支出、借貸成本及所有物業發展開支)計算。截至二零零七年十二月三十一日止年度，土地增值稅人民幣124,434,000元(二零零六年：人民幣23,406,000元)計入利潤表。

(iii) 所得稅支出和會計溢利按適用稅率計算的對帳：

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Profit before income tax	除所得稅前溢利	774,734	511,809
Less: PRC land appreciation tax	減：中國土地增值稅	(124,434)	(23,406)
		650,300	488,403
Tax calculated at the rates applicable to respective companies that comprise the Group	按本集團屬下各公司適用稅率計算的稅項	111,069	87,535
Non-deductible expenses, net of non-taxable income	不可扣稅支出(已扣除毋須課稅收入)	(1,024)	(558)
Unrecognized deferred tax assets on unused tax losses	未動用稅務虧損的未確認遞延稅項資產	5,156	2,416
Effect of change in future enactive tax rate	未來適用稅率變動的影響	11,945	—
		127,146	89,393
PRC land appreciation tax	中國土地增值稅	124,434	23,406
Total	合計	251,580	112,799

15. INCOME TAX EXPENSE (Continued)

(iii) Reconciliation between tax expense and accounting profit at applicable tax rate: (Continued)

Profit before income tax of the Group for the year ended 31 December 2007 was mainly generated by Shanghai Cambridge, Shanghai Oriental and Shanghai Zhujia, which are subject to PRC income tax rates of 15% (2006: 15%), 33% (2006: 33%) and 33% (2006: 33%) respectively.

In accordance with the accounting policy set out in note 3(v), the Group has not recognized deferred tax assets in respect of cumulative tax losses of certain subsidiaries for the year ended 31 December 2007 as it is not probable that future taxable profits against which the losses can be utilized will be available in the relevant tax jurisdiction and entity.

On 16 March 2007, the Fifth Plenary Session of the Tenth National People's Congress passed the Corporate Income Tax Law of the PRC ("new tax law") which will take effect on 1 January 2008. As a result of the new tax law, it is expected that the income tax rate applicable to the Group's subsidiaries in the PRC will be changed to 25% from 1 January 2008. The new income tax rates were used to measure the Group's deferred tax assets and deferred tax liabilities as at 31 December 2007. As a result, the Group's deferred tax assets and deferred tax liabilities increased by RMB19,537,000 and RMB31,482,000 respectively as at 31 December 2007. The enactment of the new tax law is not expected to have any financial effect on the amounts accrued in the balance sheet in respect of current tax payable.

15. 所得稅開支(續)

(iii) 所得稅支出和會計溢利按適用稅計算的對帳:(續)

本集團於截至二零零七年十二月三十一日止年度之除所得稅前溢利主要源自上海康橋、上海東方及上海珠佳，彼等分別按15% (二零零六年：15%)、33% (二零零六年：33%)及33% (二零零六年：33%)之稅率繳納中國所得稅。

根據附註3(v)所載的會計政策，由於部份子公司未有足夠的未來應課稅溢利來抵銷與累進稅虧損有關所確認的遞延稅項資產，故本集團在截至二零零七年十二月三十一日止年度未確認相應的遞延稅項資產。

《中華人民共和國企業所得稅法》(以下簡稱「新稅法」)已由中華人民共和國第十屆全國人民代表大會第五次會議於二零零七年三月十六日通過，自二零零八年一月一日起施行。根據新稅法規定，本集團子公司目前適用的所得稅率將自二零零八年一月一日起變更為25%。本集團計量二零零七年十二月三十一日遞延所得稅資產和負債時使用了新稅法規定的稅率。因此，本集團於二零零七年十二月三十一日之遞延所得稅資產和負債的賬面價值將分別增加人民幣19,537,000元和人民幣31,482,000元。新稅法對本集團資產負債表中應交稅金的賬面價值沒有影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

16. DIRECTORS' REMUNERATION

16. 董事酬金

		Basic salaries, allowances and other benefits 基本薪金、 津貼及 其他利益	Contributions to retirement benefit schemes 向退休福利 計劃供款	Bonus 花紅	Share-based payment 股份支付	Total 合計
	Fee 袍金	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
			(note 38) (附註38)			
For the year ended 31 December 2007	截至二零零七年 十二月三十一日 止年度					
<i>Executive Directors</i>	<i>執行董事</i>					
Mr. Wang Weixian	王偉賢先生	—	5,014	—	—	5,014
Mr. Tse Sai Tung, Stones	謝世東先生	—	4,186	—	3,489	7,675
Mr. Lai Kin, Jerome	黎健先生	—	3,751	—	2,492	6,764
Ms. Wang Xuling (note i)	王煦菱女士 (附註i)	—	2,277	—	1,196	3,473
Mr. Tam Lai Ling (note i)	譚禮寧先生 (附註i)	—	301	—	3,911	4,212
<i>Non-Executive Directors</i>	<i>非執行董事</i>					
Mr. Cheong Ying Chew, Henry	張英潮先生	234	—	—	—	234
Mr. Fong Wo, Felix, JP	方和先生太平紳士	234	—	—	—	234
Mr. Jiang Simon X.	蔣小明先生	234	—	—	—	234
Mr. Kwan Kai Cheong	關啟昌先生	234	—	—	—	234
Total	合計	936	15,529	—	7,177	34,317

(i) Ms. Wang Xuling and Mr. Tam Lai Ling joined the Group in July and December 2007 respectively.

(i) 王煦菱女士及譚禮寧先生分別於二零零七年七月及十二月加入本集團。

16. DIRECTORS' REMUNERATION (Continued)

16. 董事酬金 (續)

		Basic salaries, allowances and other benefits 基本薪金、 津貼及 其他利益	Contributions to retirement benefit schemes 向退休福利 計劃供款	Bonus 花紅	Share-based payment 股份支付	Total 合計
	Fee 袍金	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
			(note 38) (附註38)			
For the year ended 31 December 2006	截至二零零六年十二月 三十一日止年度					
<i>Executive Directors</i>	<i>執行董事</i>					
Mr. Wang Weixian	王偉賢先生	—	4,401	—	—	4,401
Mr. Tse Sai Tung, Stones	謝世東先生	—	4,388	—	2,736	7,124
Mr. Lai Kin, Jerome	黎 健先生	—	3,587	—	1,954	6,011
<i>Non-Executive Directors</i>	<i>非執行董事</i>					
Mr. Cheong Ying Chew, Henry	張英潮先生	61	—	—	—	61
Mr. Fong Wo, Felix, JP	方和先生太平紳士	61	—	—	—	61
Mr. Jiang Simon X.	蔣小明先生	61	—	—	—	61
Mr. Kwan Kai Cheong	關啟昌先生	61	—	—	—	61
Total	合計	244	12,376	—	4,690	23,321

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17. SENIOR MANAGEMENT REMUNERATION

The five highest paid individuals of the Group during the year ended 31 December 2007 comprise five directors of the Company, whose remuneration are reflected in note 16. Details of remuneration paid to the remaining highest paid individuals of the Group are as follows:

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Basic salary, allowances and other benefits	基本薪金、津貼及其他利益	—	3,529
Bonuses	花紅	—	746
Total	合計	—	4,275
Number of senior management	高級管理層人數	—	2

During 2007 no emoluments were paid by the Group to the directors or any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

17. 高級管理層酬金

本集團截至二零零七年十二月三十一日止年度的五名最高薪酬人士包括本公司五名董事，其酬金已載於附註16。本集團其餘最高薪酬人士的酬金如下：

於二零零七年度，本集團並無向董事或任何五名最高薪酬人士支付酬金，作為招攬加入本集團的獎金或離職補償。

18. DIVIDENDS

Pursuant to the resolutions passed at the board of directors' meetings held by certain subsidiaries, the following dividends were declared to equity holders of the Company:

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
(i) Dividends proposed after the balance sheet date	(i) 於結算日後建議之股息	149,549	—
(ii) Dividends declared during the year	(ii) 年內已宣派之股息	—	90,056

18. 股息

根據若干子公司召開的董事會議通過的決議案向本公司股權持有人宣派的股息如下：

18. DIVIDENDS (Continued)

- (i) The board of directors has resolved to declare dividends of RMB149,549,000 (RMB14.4 cents per ordinary share) in respect of the year ended 31 December 2007. The dividends proposed after the balance sheet date has not been recognised as a liability at the balance sheet date.

The board of directors resolved not to declare any dividends in respect of the year ended 31 December 2006.

- (ii) Amounts represent the dividends which were declared and paid by the subsidiaries of the Group to their then equity holders during the year ended 31 December 2006 prior to the listing of the shares of the Company on the Hong Kong Stock Exchange.

19. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share for the year ended 31 December 2007 was based on the profit attributable to ordinary shareholders of RMB498,498,000 (2006: RMB390,818,000) and the weighted average number of ordinary shares of 1,037,500,000 (2006: 814,657,534) in issue during the year, calculated as follows:

Weighted average number of ordinary shares

Issued ordinary shares at 1 January and 31 December 2007	於二零零七年一月一日及十二月三十一日的已發行普通股	1,037,500,000
Ordinary share issued at 13 April 2006 (note 39)	於二零零六年四月十三日發行的普通股(附註39)	1
Issuance of shares upon the Reorganisation Capitalisation issue (note 39)	於重組時發行股份資本化發行(附註39)	1,210,146 748,789,853
Effect of issuance of shares for placing and public offering	就配售及公開發售發行股份的影響	64,657,534
Weighted average number of ordinary shares at 31 December 2006	於二零零六年十二月三十一日的普通股加權平均數	814,657,534

18. 股息(續)

- (i) 董事會已議決就截至二零零七年十二月三十一日止年度宣派人民幣149,549,000元(每股普通股人民幣14.4分)的股息。於結算日後建議之股息於結算日尚未確認為一項負債。

董事會議決，不就截至二零零六年十二月三十一日止年度宣派任何股息。

- (ii) 有關金額指本公司股份於香港聯交所上市前於截至二零零六年十二月三十一日止年度本集團之子公司已宣派並支付予彼等當時股權持有人之股息。

19. 每股盈利

(a) 每股基本盈利

截至二零零七年十二月三十一日止年度每股基本盈利乃按普通股股東應佔溢利人民幣498,498,000元(二零零六年: 人民幣390,818,000元)及年內已發行普通股之加權平均數1,037,500,000股(二零零六年: 814,657,534股)計算，計算如下：

普通股加權平均數

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19. EARNINGS PER SHARE (Continued)

(b) Diluted earnings per share

The calculation of diluted earnings per share for the year ended 31 December 2007 was based on the profit attributable to ordinary equity holders of the Company of RMB527,442,000 (2006: RMB390,818,000) and the weighted average number of ordinary shares outstanding after adjustment for the effect of all dilutive potential ordinary shares of 1,141,540,509 (2006: 816,197,582), calculated as follows:

(i) *Weighted average number of ordinary shares (diluted)*

		2007 二零零七年	2006 二零零六年
Weighted average number of ordinary shares (basic)	普通股加權平均數 (基本)	1,037,500,000	814,657,534
Effect of conversion of convertible bonds (note 36)	兌換可轉換債券的影響 (附註36)	98,425,409	—
Effect of share options in issue	已發行購股權之影響	5,615,100	1,540,048
Weighted average number of ordinary shares (diluted) at 31 December	於十二月三十一日的普通股加權平均數 (攤薄)	1,141,540,509	816,197,582

The average market value of the Company's ordinary shares for the purpose of calculating the dilutive effect of share options was based on quoted market prices for the period that the options were outstanding.

19. 每股盈利 (續)

(b) 每股攤薄盈利

於截至二零零七年十二月三十一日止年度每股攤薄盈利乃按本公司普通股股東應佔溢利人民幣527,442,000元(二零零六年：人民幣390,818,000元)及於調整所有潛在攤薄普通股影響後已發行普通股的加權平均數1,141,540,509股(二零零六年：816,197,582股)計算，計算如下：

(i) 普通股加權平均數(攤薄)

		2007 二零零七年	2006 二零零六年
--	--	---------------	---------------

Weighted average number of ordinary shares (basic)	普通股加權平均數 (基本)	1,037,500,000	814,657,534
Effect of conversion of convertible bonds (note 36)	兌換可轉換債券的影響 (附註36)	98,425,409	—
Effect of share options in issue	已發行購股權之影響	5,615,100	1,540,048
Weighted average number of ordinary shares (diluted) at 31 December	於十二月三十一日的普通股加權平均數 (攤薄)	1,141,540,509	816,197,582

本公司用以計算購股權攤薄影響的普通股平均市價乃根據於有關購股權未獲行使的期間所報之市價計算。

19. EARNINGS PER SHARE (Continued)**(b) Diluted earnings per share (Continued)**

(ii) Profit attributable to ordinary equity holders of the Company (diluted)

19. 每股盈利 (續)**(b) 每股攤薄盈利 (續)**

(ii) 本公司普通股股權持有人應佔溢利 (攤薄)

		2007	2006
		二零零七年	二零零六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Profit attributable to ordinary equity holders (basic)	普通股股權持有人應佔溢利 (基本)	498,498	390,818
Effect of effective interest on the liability component of convertible bonds (note 36)	可轉換債券負債部份實際利息的影響 (附註36)	33,384	—
Effect of gain recognised on the derivative component of convertible bonds (note 36)	就可轉換債券衍生部份所確認收益的影響 (附註36)	(4,440)	—
Profit attributable to ordinary equityholders (diluted) at 31 December	於十二月三十一日的普通股股權持有人應佔溢利 (攤薄)	527,442	390,818

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綜合財務報表附註

20. PROPERTY, PLANT AND EQUIPMENT

20. 物業，廠房及設備

		Buildings	Leasehold improvements	Motor vehicles	Fixtures fittings & equipment	Total
		樓宇	租賃物業裝修	汽車	裝置、傢俱及設備	合計
In RMB'000 人民幣千元						
Cost:	成本：					
Balance at 1 January 2006	二零零六年一月一日的結餘	130,860	24,740	25,609	54,592	235,801
Acquisitions	購置	61,792	13	1,634	4,953	68,392
Disposals	轉讓	—	—	(212)	(1,918)	(2,130)
Balance at 31 December 2006	二零零六年十二月三十一日的結餘	192,652	24,753	27,031	57,627	302,063
Acquisitions	購置	29,605	394	6,907	4,877	41,783
Acquired on acquisition of subsidiary (note 7)	於收購子公司時購得(附註7)	—	—	790	142	932
Disposals	轉讓	—	(1,064)	(1,038)	(42)	(2,144)
Balance at 31 December 2007	二零零七年十二月三十一日的結餘	222,257	24,083	33,690	62,604	342,634
Depreciation:	折舊：					
Balance at 1 January 2006	二零零六年一月一日的結餘	5,939	16,219	11,243	19,121	52,522
Charge for the year	年內折舊	6,834	4,646	3,984	8,337	23,801
Disposals	轉讓	—	—	(159)	(957)	(1,116)
Balance at 31 December 2006	二零零六年十二月三十一日的結餘	12,773	20,865	15,068	26,501	75,207
Charge for the year	年內折舊	10,782	552	4,151	7,769	23,254
Disposals	轉讓	—	(1,064)	(765)	(37)	(1,866)
Balance at 31 December 2007	二零零七年十二月三十一日的結餘	23,555	20,353	18,454	34,233	96,595
Carrying amounts:	帳面值：					
At 31 December 2007	二零零七年十二月三十一日	198,702	3,730	15,236	28,371	246,039
At 31 December 2006	二零零六年十二月三十一日	179,879	3,888	11,963	31,126	226,856

20. PROPERTY, PLANT AND EQUIPMENT (Continued)

- (i) All of the buildings owned by the Group are located in the PRC.
- (ii) As at 31 December 2007, buildings with a total carrying value of RMB78,071,000 (2006: RMB96,233,000) were pledged as collateral for the Group's borrowings.

21. LAND USE RIGHTS

Cost

Balance at beginning of year
Additions
Transfer to investment properties (note 22)
Transfer to properties under development (note 24)

成本

年初結餘
增加
轉撥至投資物業(附註22)
轉撥至發展中物業(附註24)

2007
二零零七年
RMB'000
人民幣千元

2006
二零零六年
RMB'000
人民幣千元

Balance at end of year

年終結餘

69,822

78,940

Amortization

Balance at beginning of year
Amortization charge for the year
Transfer to investment properties (note 22)
Transfer to properties under development (note 24)

攤銷

年初結餘
年內攤銷
轉撥至投資物業(附註22)
轉撥至發展中物業(附註24)

4,660

3,173

1,440

1,487

(380)

—

(71)

—

Balance at end of year

年終結餘

5,649

4,660

Carrying amounts

At end of year

帳面值

年終

64,173

74,280

Land use rights represent lease prepayments for acquiring rights to use land, which is all located in the PRC, for own use properties and investment properties under development.

20. 物業，廠房及設備(續)

- (i) 本集團擁有的所有樓宇均位於中國。
- (ii) 於二零零七年十二月三十一日，本集團已抵押帳面總值人民幣78,071,000元(二零零六年：人民幣96,233,000元)的樓宇作為本集團借貸的抵押品。

21. 土地使用權

土地使用權指收購全部位於中國的土地使用權利的租賃預付款項，該等土地用作自用物業及發展中投資物業。

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21. LAND USE RIGHTS (Continued)

As at 31 December 2007, land use rights with a total carrying value of RMB56,176,000 (2006: RMB32,285,000) were pledged as collateral for the Group's borrowings.

22. INVESTMENT PROPERTIES

21. 土地使用權(續)

於二零零七年十二月三十一日，本集團已抵押帳面總值人民幣56,176,000元(二零零六年：人民幣32,285,000元)的土地使用權作為本集團借貸的抵押品。

22. 投資物業

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Balance at beginning of year	年初結餘	333,700	259,700
Cost capitalized	增加的成本	—	1,047
Transfer from completed properties held for sale (note 25)	轉撥自己建成待售物業(附註25)	18,177	33,071
Transfer from investment properties under development (note 23)	轉撥自發展中投資物業(附註23)	67,217	—
Transfer from land use rights (note 21)	轉撥自土地使用權(附註21)	9,280	—
Fair value adjustments:	公允價值調整：		
Transfer to income statement	轉撥至利潤表	269,626	39,882
Balance at end of year	年終結餘	698,000	333,700

All the investment properties are rented out under operating leases.

所有投資物業均按經營租賃出租。

22. INVESTMENT PROPERTIES (Continued)

All the investment properties of the Group are stated at fair value at 31 December 2007. The fair values were arrived at based on valuations carried out by DTZ Debenham Tie Leung Limited. The valuations, which conform to the Valuation Standards (First Edition 2005) on Valuation of Properties published by the Hong Kong Institute of Surveyors, have been determined by reference to comparable sales evidence and where appropriate, by capitalisation of net income. The revaluation gains or losses have been credited to the income statement of the respective year, or, in the case of revaluation gains arising on transfer of an item of property, plant and equipment to investment property following a change in use, to equity directly.

As at 31 December 2007, investment properties with a total carrying value of RMB487,000,000 (2006: RMB197,700,000) were pledged as collateral for the Group's borrowings.

23. INVESTMENT PROPERTIES UNDER DEVELOPMENT

22. 投資物業(續)

本集團所有投資物業於二零零七年十二月三十一日均以公允價值入帳。公允價值乃根據戴德梁行有限公司進行的估值而釐定。該等估值根據香港測量師學會頒佈的物業估值標準(二零零五年第一版)進行,並參考比較銷售資料及(如適用)通過將收入淨額資本化而釐定。重估盈虧已計入各年的利潤表,倘因物業、廠房及設備項目在改變用途後轉撥至投資物業而產生重估收益,則直接計入權益。

於二零零七年十二月三十一日,本集團已抵押帳面總值人民幣487,000,000元(二零零六年:人民幣197,700,000元)的投資物業作為本集團借貸的抵押品。

23. 發展中投資物業

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Balance at beginning of year	年初結餘	40,907	35,250
Cost capitalized	增加的成本	26,310	5,657
Transfer to investment property (note 22)	轉撥至投資物業 (附註22)	(67,217)	—
Balance at end of year	年終結餘	—	40,907

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綜合財務報表附註

24. PROPERTIES UNDER DEVELOPMENT

24. 發展中物業

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Properties under development expected to be completed:	預期將於以下期間建成的發展中物業：		
— within twelve months	— 十二個月內	642,593	505,290
— beyond twelve months	— 十二個月後	2,356,458	758,434
		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Balance at beginning of year	年初結餘	1,263,724	2,285,569
Cost capitalized	增加的成本	1,866,864	355,071
Acquired on acquisition of subsidiary (note 7)	於收購子公司時購得 (附註7)	677,721	—
Transfer from land use rights (note 21)	轉撥自土地使用權 (附註21)	1,887	—
Transfer to completed properties held for sale (note 25)	轉撥至已建成待售物業 (附註25)	(811,145)	(1,376,916)
Balance at end of year	年終結餘	2,999,051	1,263,724
Interest capitalization included in the above:			
Balance at beginning of year	年初結餘	98,867	77,389
Cost capitalized (note 14)	增加的成本 (附註14)	59,962	60,000
Acquired on acquisition of subsidiary	於收購子公司時購得	1,655	—
Transfer to investment properties	轉撥至投資物業	(1,094)	—
Transfer to completed properties held for sale	轉撥至已建成待售物業	(89,475)	(38,522)
Balance at end of year	年終結餘	69,915	98,867

24. PROPERTIES UNDER DEVELOPMENT (Continued)

The properties under development are located in the PRC.

The weighted average capitalization rate of borrowings is 6.93% for the year ended 31 December 2007 (2006: 6.02%).

As at 31 December 2007, properties under development of approximately RMB1,051,516,000 (2006: RMB1,227,828,000) were pledged as collateral for the Group's borrowings.

24. 發展中物業(續)

發展中物業均位於中國。

截至二零零七年十二月三十一日止年度，借貸的加權平均資本化利率為6.93% (二零零六年：6.02%)。

於二零零七年十二月三十一日，本集團已抵押價值約人民幣1,051,516,000元 (二零零六年：人民幣1,227,828,000元) 的發展中物業作為本集團借貸的抵押品。

25. COMPLETED PROPERTIES HELD FOR SALE

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Balance at beginning of year	年初結餘	387,533	187,214
Transfer from properties under development (note 24)	轉撥自發展中物業(附註24)	811,145	1,376,916
Transfer to cost of sales	轉撥至銷售成本	(926,525)	(1,143,526)
Transfer to investment properties (note 22)	轉撥至投資物業(附註22)	(18,177)	(33,071)
Balance at end of year	年終結餘	253,976	387,533
Impairment loss provision included in the above:	已計入上述項目的減值虧損撥備：		
Balance at beginning of year	年初結餘	(1,503)	(1,503)
Reversal upon sale of properties	出售物業時撥回	—	—
Balance at end of year	年終結餘	(1,503)	(1,503)

25. 已建成待售物業

All completed properties held for sale are located in the PRC.

As at 31 December 2007, completed properties held for sale of approximately RMB99,854,000 (2006: RMB255,035,000) were pledged as collateral for the Group's borrowings.

所有已建成待售物業均位於中國。

於二零零七年十二月三十一日，本集團已抵押價值約人民幣99,854,000元 (二零零六年：人民幣255,035,000元) 的已建成待售物業作為本集團借貸的抵押品。

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綜合財務報表附註

26. INTERESTS IN ASSOCIATES

26. 聯營公司權益

			2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
		Note 附註		
Shanghai ZhongXin Asset Management Co., Ltd.	上海眾鑫資產經營有限公司	(a)	65,531	65,187
The Peninsula Shanghai Waitan Hotel Company Limited	上海外灘半島酒店有限公司	(b)	870,364	878,947
Wuxi Guosheng Property Development Co., Ltd.	無錫國盛房產開發有限公司	(c)	23,306	—
Wuxi Shenglian Property Development Co., Ltd.	無錫盛聯房產開發有限公司	(c)	23,306	—
			982,507	944,134

(a) Shanghai ZhongXin Asset Management Co., Ltd.

(a) 上海眾鑫資產經營有限公司

			2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Cost of investment	投資成本		26,933	26,933
Goodwill on acquisition	收購產生的商譽		2,794	2,794
Share of post-acquisition profit	分佔收購後溢利		2,804	2,460
Loan	貸款		33,000	33,000
			65,531	65,187

The fair value of the net identifiable assets of Shanghai ZhongXin at the date of acquisition was determined to be RMB89,775,000. The Group's attributable share at RMB26,933,000 represents its 30% equity interest in Shanghai ZhongXin. The cost of acquisition was RMB29,727,000 which was satisfied in cash.

上海眾鑫於收購日期的可識別資產公允價值淨額釐定為人民幣89,775,000元。本集團應佔的人民幣26,933,000元指所持的上海眾鑫30%股權。收購成本人民幣29,727,000元以現金支付。

Loan to Shanghai ZhongXin of RMB33,000,000 represents the Group's proportional share of a shareholders' loan, which is unsecured, interest free and has no fixed terms of repayment.

向上海眾鑫提供的貸款人民幣33,000,000元(即本集團所佔股東貸款部份)為無抵押、免息及無固定還款期。

26. INTERESTS IN ASSOCIATES (Continued)

(b) The Peninsula Shanghai Waitan Hotel Company Limited

		2007	2006
		二零零七年	二零零六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Cost of investment	投資成本	867,013	867,013
Additional investment in paid-in-capital	增加實繳股本之投資	13,665	13,665
Share of post-acquisition loss	分佔收購後虧損	(10,314)	(1,731)
		870,364	878,947

The Peninsula Shanghai Waitan Hotel Company Limited ("Peninsula Waitan") (note 45(a)) is 50% indirectly owned by Delta Link, and is engaged in development, operation and management of The Peninsula Shanghai Waitan Hotel.

On 7 November 2006, Delta Link invested an additional amount of US\$1,750,000 (equivalent to RMB13,665,000) to Peninsula Waitan.

(c) Wuxi Guosheng Property Development Co., Ltd. ("Wuxi Guosheng") and Wuxi Shenglian Property Development Co., Ltd. ("Wuxi Shenglian")

Wuxi Guosheng and Wuxi Shenglian were established on 2 November 2007, in each of which the Group has 49% equity interest. Interests in each of Wuxi Guosheng and Wuxi Shenglian represent contributed capital of RMB 23,306,000 (equivalent to HK\$24,500,000).

26. 聯營公司權益 (續)

(b) 上海外灘半島酒店有限公司

上海外灘半島酒店有限公司(「外灘半島」)(附註45(a))由Delta Link間接擁有50%股權，並從事開發、經營及管理上海外灘半島酒店。

於二零零六年十一月七日，Delta Link向外灘半島增加投資1,750,000美元(相等於人民幣13,665,000元)。

(c) 無錫國盛房產開發有限公司(「無錫國盛」)及無錫盛聯房產開發有限公司(「無錫盛聯」)

無錫國盛及無錫盛聯均於二零零七年十一月二日成立，本集團於上述公司各自持有49%股權。於無錫國盛及無錫盛聯各自所佔權益均出資人民幣23,306,000元(相等於24,500,000港元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

26. INTERESTS IN ASSOCIATES (Continued)

(d) Summarised financial information relating to the associates, which is not adjusted for the percentage of ownership held by the Group is as follows:

31 December 2007

In RMB'000 人民幣千元	Assets 資產	Liabilities 負債		Equity 權益	Revenue 收益	Profit/(loss) 溢利/(虧損)
		Other liabilities 其他負債	Shareholders' loans 股東貸款			
Shanghai ZhongXin 上海眾鑫	366,145	147,840	110,000	108,305	39,358	1,145
Peninsula Waitan 外灘半島	2,411,967	658,654	321,402	1,431,911	—	(5,379)
Wuxi Guosheng 無錫國盛	50,638	3,075	—	47,563	—	—
Wuxi Shenglian 無錫盛聯	50,638	3,075	—	47,563	—	—

26. 聯營公司權益 (續)

(d) 下文所呈列的聯營公司的財務資料概要尚未根據本集團應佔權益而調整。

二零零七年十二月三十一日

31 December 2006

In RMB'000 人民幣千元	Assets 資產	Liabilities 負債		Equity 權益	Revenue 收益	Profit/(loss) 溢利/(虧損)
		Other liabilities 其他負債	Shareholders' loans 股東貸款			
Shanghai ZhongXin 上海眾鑫	420,465	203,305	110,000	107,160	19,315	4,711
Peninsula Waitan 外灘半島	2,230,235	471,566	343,582	1,415,087	—	1,902

二零零六年十二月三十一日

27. INVESTMENTS IN SUBSIDIARIES — COMPANY

27. 子公司權益 — 本公司

		2007	2006
		二零零七年	二零零六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Unlisted shares, at cost	非上市股份，按成本	3,144,952	1,465,222
Cumulative fair value of share options granted to employees of subsidiaries	授予子公司僱員的購股權的累積公允價值	19,232	4,905
		3,164,184	1,470,127

Name of company 公司名稱	Place and date of incorporation 註冊成立地點及日期	Percentage of equity attributable to the Company 本公司應佔權益百分比		Registered capital 註冊資本	Principal activities 主要業務
		Direct 直接	Indirect 間接		
		%	%		
SPG Investment Ltd.	British Virgin Islands, 2 March 2004 英屬處女群島， 二零零四年三月二日	100%	—	US\$1 1美元	Investment holding 投資控股
Delta Link Holdings Limited	British Virgin Islands, 6 May 2004 英屬處女群島， 二零零四年五月六日	100%	—	US\$100 100美元	Investment holding 投資控股
Shanghai Cambridge (Group) Co., Ltd. 上海康橋半島(集團)有限公司	the PRC 25 August 1998 中國， 一九九八年八月二十五日	—	98.24%	US\$67,670,000 67,670,000美元	Property development, sales and lease 房地產開發、銷售及租賃
Shanghai New Independence House Property Management Co., Ltd. 上海新獨院物業管理有限公司	the PRC, 17 January 2001 中國， 二零零一年一月十七日	—	88.42%	RMB5,000,000 人民幣5,000,000元	Property management services 物業管理服務

Notes to the Consolidated Financial Statements

綜合財務報表附註

27. INVESTMENTS IN SUBSIDIARIES — COMPANY (Continued)

27. 子公司權益 — 本公司 (續)

Name of company 公司名稱	Place and date of incorporation 註冊成立地點及日期	Percentage of equity attributable to the Company 本公司應佔權益百分比		Registered capital 註冊資本	Principal activities 主要業務
		Direct 直接 %	Indirect 間接 %		
Shanghai Cambridge Country Club Co., Ltd 上海康橋半島鄉村 俱樂部有限公司	the PRC, 22 November 2001 中國， 二零零一年 十一月二十二日	—	97.26%	RMB5,000,000 人民幣5,000,000元	Clubhouse operation 會所營運
Shanghai SPG Land Property Development Co., Ltd. 上海盛高置地房地產 發展有限公司	the PRC, 14 August 2002 中國， 二零零二年八月十四日	—	98.14%	RMB10,000,000 人民幣10,000,000元	Property development, lease and management 房地產開發、 租賃及管理
Shanghai SPG Hotel Development Co., Ltd 上海盛高置地酒店 發展有限公司	the PRC, 1 December 2006. 中國， 二零零六年十二月一日	—	100%	RMB349,000,000 人民幣 349,000,000元	Property development, sales and lease 房地產開發、 銷售及租賃
Shanghai Sipo Education Development Co., Ltd. ("Sipo Education") 上海思博教育發展有限公司 (「思博教育」)	the PRC, 9 October 2001 中國， 二零零一年十月九日	—	65.96%	RMB70,000,000 人民幣70,000,000元	Investment holding 投資控股
Shanghai Sipo Polytechnic 上海思博技術學院	the PRC, 15 April 2003 中國， 二零零三年四月十五日	—	65.96%	RMB5,000,000 人民幣5,000,000元	College education 專科教育
Shanghai Sipo Vocational Technical Training Centre 上海思博職業技術培訓中心	the PRC, 14 October 2003 中國， 二零零三年十月十四日	—	65.96%	RMB200,000 人民幣200,000元	Technical training and technology consultancy 技術培訓及 科技諮詢

27. INVESTMENTS IN SUBSIDIARIES — COMPANY
(Continued)

27. 子公司權益 — 本公司 (續)

Name of company 公司名稱	Place and date of incorporation 註冊成立地點及日期	Percentage of equity attributable to the Company		Registered capital 註冊資本	Principal activities 主要業務
		本公司應佔權益百分比			
		Direct 直接 %	Indirect 間接 %		
Shanghai Oriental Cambridge Property Development Co., Ltd. 上海東方康橋房地產發展 有限公司	the PRC, 26 September 2002 中國· 二零零二年 九月二十六日	—	100%	RMB584,130,000 人民幣 584,130,000元	Property development, sales and lease 房地產開發、 銷售及租賃
Shanghai Lishui Greenary Ecology Engineering Co., Ltd. 上海麗水生態綠化工程 有限公司	the PRC, 7 November 2003 中國· 二零零三年十一月七日	—	51%	RMB10,000,000 人民幣10,000,000元	Landscape construction project 園藝項目
Shanghai Cambridge Construction Consulting Co., Ltd. 上海康橋半島建築諮詢 有限公司	the PRC, 29 April 2004 中國· 二零零四年 四月二十九日	—	100%	RMB500,000 人民幣500,000元	Project management, consulting and services 項目管理、諮詢 及服務
Shanghai Shikang Property Consulting Co., Ltd. 上海世康房地產諮詢有限公司	the PRC, 7 January 2003 中國· 二零零三年一月七日	—	100%	US\$140,000 140,000美元	Property agency and consulting 物業代理及諮詢
Shanghai Zhuxi Investment Enterprise Co. 上海珠溪實業投資有限公司	the PRC, 2 December 2003 中國· 二零零三年十二月二日	—	100%	RMB30,000,000 人民幣30,000,000元	Industry investment, management and business consulting 實業投資、管理及 商務諮詢
Huangshan Taiping Lake Resort Hotel Development Co., Ltd. 黃山太平湖度假酒店發展 有限公司	the PRC, 7 January 2004 中國· 二零零四年一月七日	—	100%	RMB120,000,000 人民幣 120,000,000元	Hotel development and operation 酒店開發及經營

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綜合財務報表附註

27. INVESTMENTS IN SUBSIDIARIES — COMPANY (Continued)

27. 子公司權益 — 本公司 (續)

Name of company 公司名稱	Place and date of incorporation 註冊成立地點及日期	Percentage of equity attributable to the Company 本公司應佔權益百分比		Registered capital 註冊資本	Principal activities 主要業務
		Direct 直接 %	Indirect 間接 %		
Huangshan Cambridge Property Development Co., Ltd. 黃山康橋半島房地產發展 有限公司	the PRC, 22 July 2004 中國， 二零零四年 七月二十二日	—	100%	RMB50,000,000 人民幣50,000,000元	Property development, sales and lease 房地產開發、 銷售及租賃
SPG Investment I (BVI) Limited	British Virgin Islands, 1 September 2006 英屬處女群島， 二零零六年九月一日	100%	—	US\$1 1美元	Investment holding 投資控股
Huangshan SPG Land Development Co., Ltd. 黃山盛高置地發展有限公司	the PRC, 16 August 2007 中國， 二零零七年八月十六日	—	100%	RMB100,000,000 人民幣 100,000,000元	Property development, sales and lease 房地產開發、 銷售及租賃
SPG Investment IV (BVI) Limited	British Virgin Islands, 5 December 2006 英屬處女群島， 二零零六年十二月五日	100%	—	US\$1 1美元	Investment holding 投資控股
Huangshan Shengyuan Hotel Development Co., Ltd. 黃山盛遠酒店發展有限公司	the PRC, 17 August 2007 中國， 二零零七年八月十七日	—	100%	RMB150,000,000 人民幣 150,000,000元	Hotel development and operation 酒店開發及經營
SPG Investment V (BVI) Limited	British Virgin Islands, 5 December 2006 英屬處女群島， 二零零六年十二月五日	100%	—	US\$1 1美元	Investment holding 投資控股

27. INVESTMENTS IN SUBSIDIARIES — COMPANY
(Continued)

27. 子公司權益 — 本公司 (續)

Name of company 公司名稱	Place and date of incorporation 註冊成立地點及日期	Percentage of equity attributable to the Company 本公司應佔權益百分比		Registered capital 註冊資本	Principal activities 主要業務
		Direct 直接 %	Indirect 間接 %		
Huangshan Shengzhi Hotel Development Co., Ltd. 黃山盛志酒店發展有限公司	the PRC, 17 August 2007 中國· 二零零七年八月十七日	—	100%	RMB150,000,000 人民幣 150,000,000元	Hotel development and operation 酒店開發及經營
SPG Investment VI (BVI) Limited	British Virgin Islands, 7 March 2007 英屬處女群島· 二零零七年三月七日	100%	—	US\$1 1美元	Investment holding 投資控股
Huangshan Shengdi Real Estate Development Co., Ltd. 黃山盛地房地產發展 有限公司	the PRC, 16 August 2007 中國· 二零零七年八月十六日	—	100%	RMB150,000,000 人民幣 150,000,000元	Property development, sales and lease 房地產開發、 銷售及租賃
SPG Investment VII (BVI) Limited	British Virgin Islands, 25 April 2007 英屬處女群島· 二零零七年 四月二十五日	100%	—	US\$1 1美元	Investment holding 投資控股
Huangshan Shengde Real Estate Development Co., Ltd. 黃山盛德房地產發展 有限公司	the PRC, 16 August 2007 中國· 二零零七年八月十六日	—	100%	RMB150,000,000 人民幣 150,000,000元	Property development, sales and lease 房地產開發、 銷售及租賃
SPG Investment II (BVI) Limited	British Virgin Islands, 5 December 2006 英屬處女群島· 二零零六年十二月五日	—	71%	US\$1 1美元	Investment holding 投資控股

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27. INVESTMENTS IN SUBSIDIARIES — COMPANY (Continued)

27. 子公司權益 — 本公司 (續)

Name of company 公司名稱	Place and date of incorporation 註冊成立地點及日期	Percentage of equity attributable to the Company		Registered capital 註冊資本	Principal activities 主要業務
		本公司應佔權益百分比			
		Direct 直接 %	Indirect 間接 %		
Kunming SPG Land Development Co., Ltd. 昆明盛高置地發展有限公司	the PRC, 9 November 2006 中國， 二零零六年十一月九日	—	71%	RMB142,500,000 人民幣 142,500,000元	Property development, sales and lease 房地產開發、 銷售及租賃
SPG Investment III (BVI) Limited	British Virgin Islands, 1 December 2006 英屬處女群島， 二零零六年十二月一日	—	71%	US\$1 1美元	Investment holding 投資控股
Kunming SPG Grand City Development Co., Ltd 昆明盛高大城房地產發展 有限公司	the PRC, 15 June 2007 中國， 二零零七年六月十五日	—	71%	US\$ 40,000,000 40,000,000美元	Property development, sales and lease 房地產開發、 銷售及租賃
Shanghai Zhujia Cambridge Property Development Co., Ltd. 上海珠佳康橋半島房地產 發展有限公司	the PRC, 24 September 2003 中國， 二零零三年 九月二十四日	—	71%	RMB280,000,000 人民幣 280,000,000元	Property development and sales 房地產開發及銷售
Suzhou Runjian Property Co., Ltd. 蘇州潤建置業有限公司	the PRC, 28 September 2007 中國， 二零零七年 九月二十八日	—	90%	RMB50,880,000 人民幣 50,880,000元	Property development, sales and lease 房地產開發、 銷售及租賃
SPG Investment IX (BVI) Limited	British Virgin Islands, 15 May 2007 英屬處女群島， 二零零七年五月十五日	100%	—	US\$1 1美元	Investment holding 投資控股

27. INVESTMENTS IN SUBSIDIARIES — COMPANY
(Continued)

27. 子公司權益 — 本公司 (續)

Name of company 公司名稱	Place and date of incorporation 註冊成立地點及日期	Percentage of equity attributable to the Company 本公司應佔權益百分比		Registered capital 註冊資本	Principal activities 主要業務
		Direct 直接 %	Indirect 間接 %		
Changshu SPG Land Development Co., Ltd. 常熟盛高房地產發展 有限公司	the PRC, 12 July 2007 中國· 二零零七年七月十二日	—	100%	RMB200,000,000 人民幣 200,000,000元	Property development, sales and lease 房地產開發、 銷售及租賃
Wise Crown Group Limited	Hong Kong, 21 June 2007 香港· 二零零七年 六月二十一日	100%	—	HK\$10,000 10,000港元	Investment holding 投資控股
Changshu SPG Real Estate Development Co., Ltd. 常熟盛地置業有限公司	the PRC, 24 October 2007 中國· 二零零七年 十月二十四日	—	100%	RMB150,000,000 人民幣 150,000,000元	Property development, sales and lease 房地產開發、 銷售及租賃
SPG Investment VIII (BVI) Limited	British Virgin Islands, 25 April 2007 英屬處女群島· 二零零七年 四月二十五日	100%	—	US\$1 1美元	Investment holding 投資控股
Wuxi SPG Land Development Co., Ltd. 無錫盛高房地產開發 有限公司	the PRC, 5 June 2007 中國· 二零零七年六月五日	—	100%	US\$ 20,000,000 20,000,000美元	Property development, sales and lease 房地產開發、 銷售及租賃
Glory Creation Group Limited	Hong Kong, 21 June 2007 香港· 二零零七年 六月二十一日	100%	—	HK\$10,000 10,000港元	Investment holding 投資控股

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27. INVESTMENTS IN SUBSIDIARIES — COMPANY

(Continued)

27. 子公司權益 — 本公司 (續)

Name of company 公司名稱	Place and date of incorporation 註冊成立地點及日期	Percentage of equity attributable to the Company 本公司應佔權益百分比		Registered capital 註冊資本	Principal activities 主要業務
		Direct 直接 %	Indirect 間接 %		
Fine Will Group Limited	Hong Kong, 22 May 2007 香港， 二零零七年 五月二十二日	100%	—	HK\$10,000 10,000港元	Investment holding 投資控股
SPG Hotel Ltd.	British Virgin Islands, 2 March 2004 英屬處女群島， 二零零四年三月二日	—	100%	US\$1 1美元	Investment holding 投資控股
SPG Investment X (BVI) Limited	British Virgin Islands, 15 May 2007 英屬處女群島， 二零零七年五月十五日	100%	—	US\$1 1美元	Investment holding 投資控股
SPG Investment XI (BVI) Limited	British Virgin Islands, 15 May 2007 英屬處女群島， 二零零七年五月十五日	—	71%	US\$1 1美元	Investment holding 投資控股
SPG Investment XII (BVI) Limited	British Virgin Islands, 7 June 2007 英屬處女群島， 二零零七年六月七日	100%	—	US\$1 1美元	Investment holding 投資控股
SPG Investment XIII (BVI) Limited	British Virgin Islands, 7 June 2007 英屬處女群島， 二零零七年六月七日	100%	—	US\$1 1美元	Investment holding 投資控股

27. INVESTMENTS IN SUBSIDIARIES — COMPANY
(Continued)

27. 子公司權益 — 本公司 (續)

Name of company 公司名稱	Place and date of incorporation 註冊成立地點及日期	Percentage of equity attributable to the Company 本公司應佔權益百分比		Registered capital 註冊資本	Principal activities 主要業務
		Direct 直接 %	Indirect 間接 %		
Link Mind International Ltd.	British Virgin Islands, 26 January 2007 英屬處女群島， 二零零七年 一月二十六日	100%	—	US\$1 1美元	Investment holding 投資控股
SPG Hotel International Limited	British Virgin Islands, 7 March 2007 英屬處女群島， 二零零七年三月七日	100%	—	US\$1 1美元	Investment holding 投資控股
SPG Investment XIV (BVI) Limited	British Virgin Islands, 7 June 2007 英屬處女群島， 二零零七年六月七日	100%	—	US\$1 1美元	Investment holding 投資控股
Harvest Leaf Investments Limited	Hong Kong, 23 July 2007 香港， 二零零七年 七月二十三日	100%	—	HK\$10,000 10,000港元	Investment holding 投資控股
Luck Goal Limited	Hong Kong, 17 August 2007 香港， 二零零七年八月十七日	100%	—	HK\$10,000 10,000港元	Investment holding 投資控股
Power Spread Group Limited	Hong Kong, 17 August 2007 香港， 二零零七年八月十七日	100%	—	HK\$10,000 10,000港元	Investment holding 投資控股

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綜合財務報表附註

27. INVESTMENTS IN SUBSIDIARIES — COMPANY

(Continued)

27. 子公司權益 — 本公司 (續)

Name of company 公司名稱	Place and date of incorporation 註冊成立地點及日期	Percentage of equity attributable to the Company 本公司應佔權益百分比		Registered capital 註冊資本	Principal activities 主要業務
		Direct 直接 %	Indirect 間接 %		
SPG Land (Management) Limited	Hong Kong, 16 October 2006 香港， 二零零六年十月十六日	100%	—	HK\$10,000 10,000港元	Investment holding 投資控股
SPG Investment I (HK) Limited	Hong Kong, 5 December 2007 香港， 二零零七年十二月五日	—	100%	HK\$10,000 10,000港元	Investment holding 投資控股
SPG Investment II (HK) Limited	Hong Kong, 5 December 2007 香港， 二零零七年十二月五日	—	100%	HK\$10,000 10,000港元	Investment holding 投資控股
SPG Investment III (HK) Limited	Hong Kong, 5 December 2007 香港， 二零零七年十二月五日	—	100%	HK\$10,000 10,000港元	Investment holding 投資控股
SPG Investment IV (HK) Limited	Hong Kong, 5 December 2007 香港， 二零零七年十二月五日	—	100%	HK\$10,000 10,000港元	Investment holding 投資控股
SPG Investment V (HK) Limited	Hong Kong, 5 December 2007 香港， 二零零七年十二月五日	—	100%	HK\$10,000 10,000港元	Investment holding 投資控股
SPG Investment VI (HK) Limited	Hong Kong, 5 December 2007 香港， 二零零七年十二月五日	—	100%	HK\$10,000 10,000港元	Investment holding 投資控股

27. INVESTMENTS IN SUBSIDIARIES — COMPANY
(Continued)

27. 子公司權益 — 本公司 (續)

Name of company 公司名稱	Place and date of incorporation 註冊成立地點及日期	Percentage of equity attributable to the Company 本公司應佔權益百分比		Registered capital 註冊資本	Principal activities 主要業務
		Direct 直接 %	Indirect 間接 %		
SPG Investment VII (HK) Limited	Hong Kong, 5 December 2007 香港， 二零零七年十二月五日	—	100%	HK\$10,000 10,000港元	Investment holding 投資控股
SPG Investment VIII (HK) Limited	Hong Kong, 5 December 2007 香港， 二零零七年十二月五日	—	100%	HK\$10,000 10,000港元	Investment holding 投資控股
SPG Investment IX (HK) Limited	Hong Kong, 5 December 2007 香港， 二零零七年十二月五日	—	100%	HK\$10,000 10,000港元	Investment holding 投資控股
SPG Investment X (HK) Limited	Hong Kong, 5 December 2007 香港， 二零零七年十二月五日	—	100%	HK\$10,000 10,000港元	Investment holding 投資控股

All of these entities are controlled subsidiaries as defined under note 3(a)(i) and have been consolidated into the consolidated financial statements.

所有該等實體均為附註3(a)(i)所界定的受控制子公司及已合併計入綜合財務報表。

28. INVENTORIES

28. 存貨

	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Merchandise 商品	81	2,108

Inventories were mainly purchased from external parties and are stated at the lower of cost and net realisable value.

存貨主要購自外界人士，按成本及可變現淨值的較低者入帳。

Notes to the Consolidated Financial Statements

綜合財務報表附註

29. INVESTMENTS

29. 投資

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Equity securities held for trading	持作交易目的權益證券	730	3,319

30. TRADE, OTHER RECEIVABLES AND ADVANCE DEPOSITS

30. 應收賬款、其他應收款及預付按金

		Group 本集團		Company 本公司	
		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Receivables due from related parties:	應收關連人士款項：				
— Chairman of the board (note 45(c))	— 董事會主席 (附註45(c))	270	—	—	—
— Subsidiaries	— 子公司	—	—	93,530	80,376
— Other related parties (note 45(c))	— 其他關連人士 (附註45(c))	14,988	18,636	50	—
		15,258	18,636	93,580	80,376
Trade receivables due from third parties	應收第三方的貿易應收款	3,517	2,373	—	—
Advance payments to contractors	預付承建商款項	29,184	4,542	321	190
Advance deposits for acquisition of land use rights	收購土地使用權的預付按金	847,429	498,853	496,769	—
Receivable related to disposal of equity interest in subsidiaries (note 8)	有關出售子公司股權的應收賬款 (附註8)	65,568	—	—	—
Non-trade receivables	其他應收款	52,974	93,104	65,568	710
Tax prepayments	預繳稅款	65,553	30,393	—	—
Total	合計	1,079,483	647,901	656,238	81,276

30. TRADE, OTHER RECEIVABLES AND ADVANCE DEPOSITS (Continued)

The receivables due from related parties are unsecured, non-interest bearing and repayable on demand.

Non-trade receivable balances, deposits and advances to third parties are expected to be settled or recovered within one year.

Tax prepayments mainly represent prepayment of business tax during the pre-sale stage of certain properties under development.

The ageing analysis of trade receivables at each balance sheet date is as follows:

30. 應收帳款、其他應收款及預付按金(續)

應收關連人士款項為無抵押、免息及須於要求時償還。

其他應收款項結餘、訂金及預付第三方的款項預期於一年內清還或收回。

預繳稅款主要指因預售若干發展中物業而預繳的營業稅。

應收帳款於各結算日的帳齡分析如下：

		Group 本集團	
		2007 二零零七年	2006 二零零六年
		RMB'000 人民幣千元	RMB'000 人民幣千元
Within 90 days	90日內	1,417	1,141
Over 90 days and within 180 days	90日至180日	499	—
Over 180 days and within 365 days	180日至365日	732	399
Over 365 days	365日以上	869	833
		3,517	2,373

Notes to the Consolidated Financial Statements

綜合財務報表附註

31. RESTRICTED CASH

Pursuant to relevant regulations, certain subsidiaries of the Group which engage in property development have restrictions on their ability to draw cash from specified bank loan accounts for uses other than the purchase of construction materials and payment of development costs relating to the relevant property projects. As at 31 December 2007, the bank account balances subject to these restrictions amounted to RMB173,236,000 (2006: RMB158,521,000).

Furthermore, as at 31 December 2007, cash at bank of the Company of RMB68,357,000 (2006: RMB683,196,000) was security for short-term loans of certain of its subsidiaries.

32. CASH AND CASH EQUIVALENTS

An analysis of the balance of cash and cash equivalents is set out below:

31. 受限制現金

根據有關規例，本集團若干從物業發展的子公司自指定銀行貸款戶口提取現金作為購買建築材料及支付有關物業項目發展成本以外的用途，須受到限制。於二零零七年十二月三十一日，須遵守該等限制的銀行戶口結餘為人民幣173,236,000元。(二零零六年：人民幣158,521,000元。)

此外，於二零零七年十二月三十一日，本公司銀行存款人民幣68,357,000元(二零零六年：人民幣683,196,000元)為其若干子公司獲取短期貸款的抵押。

32. 現金及現金等價物

現金及現金等價物的結餘分析如下：

		Group 本集團		Company 本公司	
		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Cash at bank and cash in hand	銀行存款及現金	1,104,830	1,660,691	205,495	979,049
Less: restricted cash (note 31)	減：受限制現金(附註31)	(241,593)	(841,717)	(68,357)	(683,196)
		863,237	818,974	137,138	295,853

Cash at bank and cash in hand are denominated in:

以下列貨幣結算的銀行存款及現金：

RMB	人民幣	772,582	598,713	—	—
US\$	美元	191,572	202	110,031	—
AU\$	澳元	7	7	—	—
HK\$	港元	140,669	1,061,769	95,464	979,049
		1,104,830	1,660,691	205,495	979,049

32. CASH AND CASH EQUIVALENTS (Continued)

RMB is not a freely convertible currency and the remittance of funds out of the PRC is subject to the exchange restrictions imposed by the PRC government.

32. 現金及現金等價物 (續)

人民幣並非自由兌換貨幣，從中國匯出人民幣須遵守中國政府制訂的匯兌限制。

33. TAX PAYABLE/DEFERRED TAX ASSETS/(LIABILITIES)**(i) Current taxation in the consolidated balance sheets represents:**

PRC income tax

		2007	2006
		二零零七年	二零零六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Balance brought forward	承前結餘	10,499	386
Provision for PRC income tax for the year	年內中國所得稅撥備	56,612	16,280
PRC income tax paid	已付中國所得稅	(7,690)	(6,167)
Balance carried forward	結餘結轉	59,421	10,499

PRC land appreciation tax

中國土地增值稅

		2007	2006
		二零零七年	二零零六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Balance brought forward	承前結餘	175,435	164,567
Provision for PRC land appreciation tax for the year	年內的中國土地增值稅撥備	124,434	23,406
PRC land appreciation tax paid	已付中國土地增值稅	(26,869)	(12,538)
Balance carried forward	結餘結轉	273,000	175,435

Notes to the Consolidated Financial Statements

綜合財務報表附註

33. TAX PAYABLE/DEFERRED TAX ASSETS/(LIABILITIES)

(Continued)

(i) Current taxation in the consolidated balance sheets represents: (Continued)

PRC land appreciation tax (Continued)

PRC land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including land use right costs, borrowing costs and all property development expenditures.

The subsidiaries of the Group engaging in property development business in the PRC are subject to land appreciation taxes, which have been included in the income tax expenses. However, the implementation of these taxes varies amongst various districts and the Group has not finalised its land appreciation tax returns with various tax authorities. Accordingly, significant judgement is required in determining the amount of land appreciation and its related taxes. The ultimate tax determination is uncertain during the ordinary course of business. The Group recognises these liabilities based on management's best estimates. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the provisions of land appreciation taxes in the period in which such determination is made.

33. 應付所得稅／遞延稅項資產／(負債)(續)

(i) 綜合資產負債表的本期所得稅指：(續)

中國土地增值稅(續)

中國土地增值稅乃就土地價值的增值數額(即出售物業所得款項減包括土地使用權成本、借貸成本及所有物業發展開支中的可扣稅開支)按介乎30%至60%不等的累進稅率徵收。

本集團在中國從事物業發展業務的子公司均須繳納土地增值稅，其已列入所得稅開支。然而，在不同地區，該等稅項的實施各有差異，且本集團尚未與不同稅務機關最終清算確認其土地增值稅。因此，在釐定土地增值金額及其相關稅項時須作出重大判斷。於日常業務過程中最終釐定的稅項是不確定的。本集團按照管理層的最佳估計確認該等負債。倘該等事項的最終稅額與最初記錄的金額不同，則該差額將會影響作出有關決定期間的土地增值稅撥備。

33. TAX PAYABLE/DEFERRED TAX ASSETS/(LIABILITIES)*(Continued)***(ii) Deferred tax assets recognised:**

The components of deferred tax assets recognised in the consolidated balance sheets and the movements during the year ended 31 December 2007 are as follows:

		Temporary difference on revenue recognition and related cost of sales 收益確認及 有關銷售 成本的 暫時差異 RMB'000 人民幣千元	Temporary difference on recognition of expenses 確認費用的 暫時差異 RMB'000 人民幣千元	Tax losses 稅務虧損 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
At 1 January 2006	二零零六年一月一日	88,331	32,466	5,410	126,207
Additions	增加	13,044	6,664	15,360	35,068
Charged to consolidated income statement	在綜合利潤表扣除	(87,766)	(9,361)	—	(97,127)
At 31 December 2006	二零零六年 十二月三十一日	13,609	29,769	20,770	64,148
Additions	增加	806	21,284	8,855	30,945
Charged to consolidated income statement	在綜合利潤表扣除	(13,675)	(1,006)	(26,221)	(40,902)
Effect of change in future enactive tax rate	未來適用稅率變動的 影響	494	19,868	(825)	19,537
At 31 December 2007	二零零七年 十二月三十一日	1,234	69,915	2,579	73,728

**33. 應付所得稅／遞延稅項資產／
(負債)(續)****(ii) 已確認遞延稅項資產：**

已在綜合資產負債表確認的遞延稅項資產部份及於截至二零零七年十二月三十一日止年度的變動如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

33. TAX PAYABLE/DEFERRED TAX ASSETS/(LIABILITIES)

(Continued)

(ii) Deferred tax assets recognised: (Continued)

As at 31 December 2007, the Group had unused tax losses of RMB74,649,000 (2006: RMB112,773,000) available to offset against future profits. Deferred tax assets have been recognised in respect of tax losses amounting to RMB10,316,000 at a tax rate of 25% as at 31 December 2007 (2006: RMB62,935,000, 33%). No deferred tax assets have been recognised in respect of the remaining tax losses of RMB64,333,000 (2006: RMB49,838,000) due to the unpredictability of future taxable profit streams of the legal entities concerned as at 31 December 2007. The unrecognised tax losses for the year ended 31 December 2007 will expire in the following years ending 31 December:

33. 應付所得稅／遞延稅項資產／(負債)(續)

(ii) 已確認遞延稅項資產：(續)

於二零零七年十二月三十一日，本集團可用來抵消未來溢利的未動用稅務虧損為人民幣74,649,000元(二零零六年：人民幣112,773,000元)。於二零零七年十二月三十一日，就稅務虧損按25%稅率確認的遞延稅項資產為人民幣10,316,000元(二零零六年：人民幣62,935,000元，33%)。由於不能有確定有關合法實體的未來應課稅溢利來抵消稅務虧損，因此於二零零七年十二月三十一日並未就其餘稅務虧損人民幣64,333,000元(二零零六年：人民幣49,838,000元)確認遞延稅項資產。於截至二零零七年十二月三十一日止年度的未確認稅務虧損將於以下截至十二月三十一日止年度屆滿：

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
2008	二零零八年	9,720	9,720
2009	二零零九年	11,023	11,023
2010	二零一零年	17,908	17,908
2011	二零一一年	11,187	11,187
2012	二零一二年	14,495	—
		64,333	49,838

33. TAX PAYABLE/DEFERRED TAX ASSETS/(LIABILITIES)*(Continued)***(iii) Deferred tax liabilities recognised**

The components of deferred tax liabilities recognised in the consolidated balance sheets and the movements during the year ended 31 December 2007 are as follows:

33. 應付所得稅／遞延稅項資產（負債）（續）**(iii) 已確認遞延稅項負債：**

已在綜合資產負債表確認的遞延稅項負債部份及於截至二零零七年十二月三十一日止年度的變動如下：

		Revaluation of Investment Properties	Fair value adjustments	Total 合計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
At 1 January 2006	二零零六年一月一日	12,991	—	12,991
Charged to consolidated income statements	在綜合利潤表扣除	11,054	—	11,054
At 31 December 2006	二零零六年十二月 三十一日	24,045	—	24,045
Charged to consolidated income statements	在綜合利潤表扣除	48,632	—	48,632
Arising from acquisition of subsidiary (note 7)	收購子公司產生 (附註7)	—	109,840	109,840
Net effect of change in future enactive tax rate	未來適用稅率變動 淨影響	31,482	—	31,482
At 31 December 2007	二零零七年十二月 三十一日	104,159	109,840	213,999

Notes to the Consolidated Financial Statements

綜合財務報表附註

34. INTEREST-BEARING LOANS

34. 計息貸款

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Current	短期		
Secured bank loans	有抵押銀行貸款	103,400	635,000
Unsecured bank loans	無抵押銀行貸款	5,000	10,000
Current portion of non-current secured bank loans	有抵押銀行長期貸款的一年內到期的部份	264,000	466,390
		372,400	1,111,390
Non-current	長期		
Secured bank loans	有抵押銀行貸款	942,810	1,255,860
Less: current portion of non-current secured loans	減：有抵押銀行長期貸款的一年內到期的部份	(264,000)	(466,390)
		678,810	789,470

The secured bank loans as at 31 December 2007 were secured by the Group's properties and land use rights with carrying amount of RMB1,772,617,000 (2006: RMB1,809,081,000) (notes 20, 21, 22, 24 and 25).

於二零零七年十二月三十一日的有抵押銀行貸款以本集團帳面值為人民幣1,772,617,000元(二零零六年：人民幣1,809,081,000元)的物業及土地使用權作為抵押(附註20、21、22、24及25)。

The Group's non-current bank loans were repayable as follows:

本集團的長期銀行貸款須於以下期間償還：

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Within 1 year	一年內	264,000	466,390
Over 1 year but less than 2 years	一至兩年	460,520	351,000
Over 2 years but less than 5 years	二至五年	90,290	438,470
Over 5 years	五年以上	128,000	—
		942,810	1,255,860

34. INTEREST-BEARING LOANS (Continued)

The effective interest rates of the year ended 31 December 2007 and 2006 were as follows:

		2007 二零零七年	2006 二零零六年
Bank loans	銀行貸款	6.93%	6.02%

The carrying amounts of current and non-current bank loans approximate their fair value.

34. 計息貸款 (續)

於截至二零零六年及二零零七年十二月三十一日止年度的實際利率如下：

短期及長期銀行貸款的賬面值與公允價值相近。

35. TRADE, OTHER PAYABLES AND ADVANCE RECEIPTS**35. 應付帳款、其他應付款及預收款項**

		Group 本集團		Company 本公司	
		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元	2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Payables due to related parties:	應付關連人士款項：				
Trade related (note 45(c))	關連人士賬款 (附註 45(c))	15,952	16,839	—	—
Non-trade related:	其他應付款：				
— Dividends payable (note 45(c))	— 應付股息 (附註 45(c))	9,173	9,173	—	—
— Subsidiaries	— 子公司	—	—	424,023	12,110
— Other related parties (note 45(c))	— 其他關連人士 (附註 45(c))	11,101	11,101	—	—
		36,226	37,113	424,023	12,110
Trade payables	應付賬款	390,497	288,185	—	—
Advance receipts from customers	預收客戶款項	445,378	366,424	—	—
Other taxes payable	其他應付稅項	36,778	7,935	—	—
Non-trade payables and accrued expenses	其他應付款和 預提費用	329,783	148,369	6,985	14,905
Total	合計	1,238,662	848,026	431,008	27,015

The payables due to related parties are unsecured, non-interest bearing and repayable on demand.

應付關連人士款項為無抵押、免息及須於要求時償還。

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35. TRADE, OTHER PAYABLES AND ADVANCE RECEIPTS

(Continued)

The ageing analysis of trade payables at each balance sheet date is as follows:

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Within 90 days	90日內	136,259	247,620
Over 90 days and within 180 days	超過90日至180日	86,792	19,222
Over 180 days and within 365 days	超過180日至365日	89,768	26,623
Over 365 days and within 3 years	超過365日至3年內	93,630	11,559
		406,449	305,024

36. CONVERTIBLE BONDS

On 27 April 2007, the Company issued USD Settled Zero Coupon Convertible Bonds due 2012 in the aggregate principal amount of RMB1,158,000,000 (the "Convertible Bonds" or "the Bonds"). The subscription amount payable in respect of each RMB100,000 principal amount of Bonds is approximately US\$12,952. The Convertible Bonds are listed on Singapore Exchange Securities Trading Limited.

The principal terms of the Convertible Bonds are as follows:

(i) Optional conversion

Each Bond will, at the option of the holder, be convertible (unless previously redeemed, converted or purchased and cancelled) on or after 7 June 2007 up to and including the 14th day prior to 27 April 2012 into fully paid ordinary shares with a par value of HK\$0.10 each of the Company (the "Shares") at an initial conversion price (the "Conversion Price") of HK\$8.1165 per Share with a fixed exchange rate of HK\$1.00 to RMB0.98887. The Conversion Price is subject to adjustment in certain circumstances. Unless previously redeemed, converted or purchased and cancelled, the Bonds will be redeemed on 27 April 2012 at an amount equal to the US Dollar equivalent of their RMB principal amount multiplied by 111.837 per cent.

35. 應付帳款、其他應付款及預收款項(續)

應付帳款於各結算日的帳齡分析如下：

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Within 90 days	90日內	136,259	247,620
Over 90 days and within 180 days	超過90日至180日	86,792	19,222
Over 180 days and within 365 days	超過180日至365日	89,768	26,623
Over 365 days and within 3 years	超過365日至3年內	93,630	11,559
		406,449	305,024

36. 可轉換債券

於二零零七年四月二十七日，本公司發行本金總額為人民幣1,158,000,000元以美元償付的二零一二年到期零息可轉換債券(「可轉換債券」或「債券」)。債券本金額每筆人民幣100,000元應支付的認購金額約為12,952美元。可轉換債券於新加坡證券交易所有限公司上市。

可轉換債券之主要條款如下：

(i) 可選擇性轉換

各債券持有人可選擇於二零零七年六月七日或其後直至二零一二年四月二十七日前第十四日(包括該日)止期間，按初步換股價每股8.1165港元(固定匯率為1.00港元兌人民幣0.98887元)將債券兌換為本公司每股面值0.10港元之繳足普通股(「股份」)(除非債券先前獲贖回、轉換或購買及註銷)。換股價於某些指定情況下可予以調整。除非債券先前獲贖回、轉換或購買及註銷，否則將於二零一二年四月二十七日按人民幣本金額的111.837%之等值美元贖回。

36. CONVERTIBLE BONDS (Continued)

(ii) Redemption

— Redemption at the option of the Company

At any time after 27 April 2010 and prior to 27 April 2012, the Company may redeem all or some only of the Bonds at a redemption price equal to the US Dollar equivalent of their Early Redemption Amount (as defined below) as at the date fixed for redemption on the redemption date if the closing price of the Shares translated into RMB at the exchange rates quoted by the People's Bank of China applicable to the relevant Trading Day for each of 20 consecutive Trading Days, where the last day of such period occurs not more than 30 days prior to the date upon which notice of such redemption is published, was at least 130 per cent. of the Early Redemption Amount divided by the Conversion Ratio (which is equal to the RMB principal amount of each Bond divided by the Conversion Price).

The Early Redemption Amount, for each RMB100,000 principal amount of the Bonds, is determined so that it represents for the bondholder a gross yield of 2.25% per annum, calculated on a semi-annual basis. The Early Redemption Amount is set out in the table below, assuming that the date fixed for redemption is the Semi-annual Date:

Semi-annual Date

半年日

27 October 2007	二零零七年十月二十七日	101,125.00
27 April 2008	二零零八年四月二十七日	102,262.66
27 October 2008	二零零八年十月二十七日	103,413.11
27 April 2009	二零零九年四月二十七日	104,576.51
27 October 2009	二零零九年十月二十七日	105,752.99
27 April 2010	二零一零年四月二十七日	106,942.72
27 October 2010	二零一零年十月二十七日	108,145.82
27 April 2011	二零一一年四月二十七日	109,362.46
27 October 2011	二零一一年十月二十七日	110,592.79

36. 可轉換債券(續)

(ii) 贖回

— 本公司選擇贖回

於二零一零年四月二十七日後至二零一二年四月二十七日前任何時間，倘於連續20個交易日(倘連續20個交易日的最後一日在發出贖回通知前至多30日內)的每一日按有關交易日適用的中國人民銀行所報匯率換算為人民幣的股份收市價最少相等於提早贖回金額除以換股比率(相等於各債券之人民幣本金額除以換股價)之130%，則本公司可於贖回日期按於指定贖回日期提早贖回金額(定義如下)的等值美元，贖回全部或僅贖回部分現時尚未贖回之債券。

就債券本金額每筆人民幣100,000元而言，釐定提早贖回金額將致使債券持有人按每半年計算一次的總收益率相當於每年2.25%。如假設指定贖回日期為半年日，提早贖回金額應載列於下表：

Early Redemption Amount

提早贖回金額

RMB

人民幣

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36. CONVERTIBLE BONDS (Continued)

(ii) Redemption (Continued)

— *Redemption at the option of the Company (Continued)*

The Company may at any time prior to 27 April 2012 redeem all and not some only of the Bonds at a redemption price equal to the US Dollar equivalent of their Early Redemption Amount on the redemption date if at any time at least 90 per cent. in principal amount of the Bonds has already been converted, redeemed or purchased and cancelled.

— *Redemption at the option of the bondholder*

The Company will, at the option of the bondholder, redeem all or some only of such Bonds on 27 April 2010 at the US Dollar equivalent of their Early Redemption Amount as at the relevant date fixed for redemption upon the bondholder depositing a put notice. A put notice, once delivered, shall be irrevocable and may not be withdrawn without the Company's consent. No fewer than 30 nor more than 45 days' notice of the commencement of the period in which the put option can be exercised shall be given to the bondholders.

The bondholders will have the right to require the Company to redeem all or some of the Bonds on the 14th day after the expiry of such period of 60 days at the US Dollar equivalent of their Early Redemption Amount, when the Shares cease to be listed or admitted to trading on the Hong Kong Stock Exchange or, if applicable, an Alternative Stock Exchange, or when there is a change of control of the Company.

36. 可轉換債券 (續)

(ii) 贖回 (續)

— 本公司選擇贖回 (續)

倘原先已發行之債券本金額中至少90%獲轉換、贖回或購買及註銷，則本公司可於二零一二年四月二十七日前隨時於贖回日期按提早贖回金額的等值美元的贖回價，贖回全部但非部份現時尚未贖回之債券。

— 債券持有人選擇贖回

於二零一零年四月二十七日，各債券持有人可要求本公司於相關贖回指定日期在債券持有人寄發贖回通知後按提早贖回金額之等值美元贖回該等債券之全部或部份。贖回通知一經寄出將不可撤回，且未經本公司同意不得收回。應於從可行使賣出認購權之期間開始不少於30天亦不多於45天向債券持有人寄發通知。

當股份不再於香港聯交所或替代交易所(倘適用)上市或獲准買賣；或當本公司之控制權發生變動時，債券持有人將有權於有關期間屆滿60日後的第14日要求本公司按其提早贖回金額之等值美元贖回全部或部份債券。

36. CONVERTIBLE BONDS (Continued)

As the functional currency of the Group is RMB, the conversion of the Convertible Bonds denominated in RMB will result in settlement by exchange of a fixed amount of cash in RMB, the functional currency of the Group, for a fixed number of the Company's Shares. In accordance with the requirements of IAS 39 *Financial Instruments — Recognition and Measurement*, the bond contract must be separated into a liability component consisting of the straight debt element of the Bonds, a number of embedded financial derivatives consisting of redemption options and an equity component representing the conversion option of the bondholders to convert the Bonds into equity. The proceeds received from the issue of the Convertible Bonds have been split as below:

- (i) Liability component represents the present value of the contractually determined stream of cash flows discounted at the prevailing market interest rate applicable to instruments of comparable credit status and providing substantially the same cash flows, on the same terms, but without the embedded derivatives.

The interest charged for the period is calculated by applying an effective interest rate of 5.41% to the liability component since the Convertible Bonds were issued.

36. 可轉換債券 (續)

由於本集團的功能貨幣為人民幣，故轉換以人民幣結算的可轉換債券將會導致通過以本集團功能貨幣人民幣計值的固定數目現金兌換本公司固定數目的股份進行結算。根據國際會計準則第39號「金融工具：確認及計量」的規定，債券合約須分為債務部分（由債券的直接債務部分組成）、若干嵌入式衍生工具（由贖回權組成）以及權益部分（指債券持有人擁有可將債券轉換為權益的轉換權）。發行可轉換金融債券所得收益劃分如下：

- (i) 負債部分指由合同釐定的現金流量的來源以可資比較信貸狀況及大致上可提供相同現金流量的適用工具，按相同條款以當時市場利率貼現的現值，但不考慮嵌入式衍生金融工具。

該期間所計的利息是以自可轉換債券發行起計，透過運用實際利率5.41厘在負債部分進行計算。

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36. CONVERTIBLE BONDS (Continued)

(ii) Embedded derivatives comprise:

- The fair value of the call option of the Company to require the bondholders to redeem the Convertible Bonds; and
- The fair value of the put option of the bondholders to require the Company to redeem the Convertible Bonds.

(iii) Equity component represents the option to convert the Convertible Bonds into the Shares, which is determined by deducting the fair value of the liability component and financial derivatives from the proceeds of issue of the compound financial instrument as a whole.

The fair value of the embedded derivatives of the Convertible Bonds was calculated using certain valuation models. The major inputs used in the models as at 27 April 2007 and 31 December 2007 were as follows:

36. 可轉換債券(續)

(ii) 嵌入式衍生金融工具包括：

- 本公司要求債券持有人贖回可轉換債券的認購權的公允價值；及
- 債券持有人要求本公司贖回可轉換債券的認沽權的公允價值。

(iii) 權益部分指將可轉換債券轉換為股份的權利，乃透過自發行復合金融工具整體所得收益中扣除負債部分及衍生金融工具的公允價值後釐定。

可轉換債券的嵌入式衍生金融工具的公允價值使用估值模式計算，其中於二零零七年四月二十七日及二零零七年十二月三十一日，該模式所使用的主要數據如下：

		(a) Call option of the Company (a) 本公司的認購權		(b) Put option of bondholders (b) 債券持有人的認沽權	
		27 April 2007 二零零七年 四月 二十七日	31 December 2007 二零零七年 十二月 三十一日	27 April 2007 二零零七年 四月 二十七日	31 December 2007 二零零七年 十二月 三十一日
Stock price (a)	股價(a)	HK\$5.67 5.67港元	HK\$6.98 6.98港元		
Exercise price (b)	行使價(b)	HK\$8.1165 8.1165港元	HK\$8.1165 8.1165港元	RMB106,943 ^(c) 人民幣106,943元 ^(c)	RMB106,943 人民幣106,943元
Risk-free rate	無風險利率	4.136%	2.989%	2.38% – 3.24%	3.78% – 4.24%
Expected life	預計有效年期	60 months 60個月	52 months 52個月	3 years 3年	2 years 2年
Volatility	波幅	39.27%	52.60%	10.92% per annum 每年10.92%	12.05% per annum 每年12.05%

36. CONVERTIBLE BONDS (Continued)

- (a) The stock prices were as at 27 April 2007 and 31 December 2007 respectively. The risk-free rates were determined with reference to the Hong Kong Exchange Fund Notes Yields as extracted from Bloomberg. The expected lives were estimated based on the terms of the Convertible Bonds. The volatilities were determined based on the historical price volatilities of comparable companies under the same periods as the expected lives.
- (b) The exercise prices were the Early Redemption Amount as at the expected maturity date of the option outlined in the terms of the Convertible Bonds. The risk-free rates were determined with reference to the China Government Bond Yields as extracted from Bloomberg. The expected lives were estimated based on the terms of the Convertible Bonds. The volatilities were determined based on the historical interest rate volatilities per annum as at 27 April 2007 and 31 December 2007 respectively.
- (c) The exercise prices for the put option of bondholders is stated at for each RMB100,000 principal amount of the Bonds.

Any changes in the major inputs into the model will result in changes in the fair value of the embedded derivatives. The variables and assumptions used in calculating the fair value of the embedded derivatives are based on the directors' best estimates.

36. 可轉換債券(續)

- (a) 股價分別為於二零零七年四月二十七日及二零零七年十二月三十一日所列示的金額。無風險利率經參照香港外匯基金債券收益率(摘錄自彭博)後釐定。預計有效年期乃根據可轉換債券的條款作出估計。波幅則根據可資比較公司在與估計有效年期相同的期間內所出現的歷史價格波幅而釐定。
- (b) 就可轉換債券而言，行使價為於所概述期權的預計到期日的提早贖回金額。無風險利率經參照中國政府債券收益率(摘錄自彭博)後釐定。預計有效年期乃根據可轉換債券的條款作出估計。波幅則根據於二零零七年四月二十七日及二零零七年十二月三十一日分別出現的年曆史利率波幅而釐定。
- (c) 債券持有人的認沽權的行使價規定為每份債券的本金額人民幣100,000元。

倘該模式的主要數據出現任何變動，將會導致嵌入式衍生工具的公允價值出現變動。計算嵌入式衍生工具的公允價值時所使用的變數及假設乃基於董事的最佳估計。

Notes to the Consolidated Financial Statements

綜合財務報表附註

36. CONVERTIBLE BONDS (Continued)

The movement of the liability component and embedded derivatives of the Convertible Bonds for the period is set out below:

		Liability component	Put option of bondholders	Call option of the Company	Equity component	Total
		負債部分	債券持有人的認沽權	本公司的認購權	權益部分	合計
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
Convertible Bonds issued on 27 April 2007	於二零零七年四月二十七日發行的可轉換債券	995,142	75,472	(25,447)	112,833	1,158,000
Transaction costs	交易成本	(20,977)	—	—	(2,210)	(23,187)
Interest charged during the year ended 31 December 2007 (note 14)	於截至二零零七年十二月三十一日止年內所計提的利息(附註14)	33,384	—	—	—	33,384
Changes in fair value (note 14)	公允價值變動(附註14)	—	16,284	(20,724)	—	(4,440)
As at 31 December 2007	於二零零七年十二月三十一日	1,007,549	91,756	(46,171)	110,623	1,163,757

No conversion of the Convertible Bonds has occurred up to 31 December 2007.

The changes in the fair value of the embedded derivatives from 27 April 2007 to 31 December 2007 resulted in a fair value gain of RMB4,440,000, which has been recorded as "Fair value changes on embedded financial derivatives" in the consolidated income statement for the year ended 31 December 2007.

36. 可轉換債券(續)

於本期內，負債部分及可轉換債券的嵌入式衍生工具的變動情況載列如下：

截至二零零七年十二月三十一日止，概無任何可轉換債券獲轉換。

嵌入式衍生工具的公允價值從二零零七年四月二十七日至二零零七年十二月三十一日所產生的變動導致公允價值收益人民幣4,440,000元，有關情況已被列入截至二零零七年十二月三十一日止年度的綜合利潤表內計作「嵌入式衍生金融工具的公允價值變動」。

37. EMPLOYEE RETIREMENT BENEFITS

Pursuant to the relevant labour rules and regulations in the PRC, the Group participates in defined contribution retirement benefit schemes (the "Schemes") organised by the relevant local government authorities in Shanghai whereby the Group is required to make contributions to the Schemes at the rate of 22% of the eligible employees' salaries. The local government authorities are responsible for the entire pension obligations payable to retired employees.

The Group has no other obligation for the payment of pension benefits associated with those schemes and other post-retirement benefits beyond the annual contributions described above.

38. SHARE-BASED PAYMENTS

On 19 September 2006, the Company granted 18,540,000 share options, out of which 7,500,000 shares and 11,040,000 shares were granted to a director of the Company and certain senior employees respectively. The options are exercisable in whole or in part at any time during a period commencing on the date upon which the offer for the grant of options is made but shall expire on the date immediately preceding the tenth anniversary of the date of offer. The options vest as to 25% each on the date of grant, first, second and third anniversary dates of the offer respectively. No options may be exercised until after the expiry of twelve months after the date of vesting (provided that options vested under the first tranche shall not be exercisable within twelve months from the listing date of 10 October 2006).

On 10 October 2007, the Company granted 640,000 share options to two employees of the subsidiaries of the Company to subscribe 640,000 ordinary shares for an exercisable price of HK\$6.3 per share. The options vest as to 30% on the date of grant, 30% and 40% on the first and second anniversary dates of the offer respectively. No options may be exercised until after the expiry of twelve months after the date of vesting.

37. 僱員退休福利

根據中國有關勞動法規，本集團參與由上海當地有關政府部門設立的界定供款退休福利計劃（「計劃」），本集團須按合資格僱員薪金的22%向計劃供款。當地政府部門負責向已退休僱員支付全部退休金。

除上述年度供款外，本集團並無其他有關該等計劃及其他退休後福利的退休金供款責任。

38. 股份支付

於二零零六年九月十九日，本公司授出18,540,000份購股權，其中7,500,000份購股權及11,040,000份購股權分別被授予本公司一名董事及若干高級僱員。購股權可於自作出授出購股權要約日期起期間任何時間內全部或部份行使，惟將於緊接要約日期第十週年日期前的日期屆滿。於授出當日及於要約日期的第一、第二及第三個週年日期，分別各有25%的購股權歸屬。歸屬當日起計十二個月屆滿後方可行使購股權（惟根據第一批所歸屬的購股權將於二零零六年十月十日上市日期起計十二個月內不得行使）。

於二零零七年十月十日，本公司授出640,000份購股權予本公司子公司的兩名僱員，以按每股6.3港元的行使價認購640,000股普通股。30%的購股權會於授出當日歸屬，而30%及40%的購股權會分別於要約日期的第一及第二週年日期歸屬。歸屬當日起計十二個月屆滿後方可行使購股權。

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38. SHARE-BASED PAYMENTS (Continued)

On 3 December 2007, the Company granted 10,000,000 share options to a newly joined executive director of the Group to subscribe 10,000,000 ordinary shares for an exercisable price of HK\$6.526 per share. The options vest as to 25% each on the date of grant, first, second and third anniversary dates of the offer respectively. No options may be exercised until after the expiry of twelve months after the date of vesting.

- (a) The terms and conditions of the grants that existed during the year are as follows, whereby all options are settled by physical delivery of shares:

38. 股份支付 (續)

於二零零七年十二月三日，本公司授出10,000,000份購股權予新加入本集團的一名執行董事，以按每股6.526港元的行使價認購10,000,000股普通股。於授出當日及於要約日期的第一、第二及第三個週年日期，分別各有25%的購股權歸屬。歸屬當日起計十二個月屆滿後方可行使購股權。

- (a) 年內已存在的授出事宜的條款及條件如下，而所有購股權均透過實質交付股份結算：

	Number of shares involved in the option 購股權 所涉及的 股份數目	Vesting condition 歸屬條件	Contractual life of options 購股權的 合約期限
Options granted to directors: 授予董事的購股權：			
— on 19 September 2006 — 於二零零六年九月 十九日	7,500,000	(i) 25% on the date of grant at an exercisable price of HK\$3.824 per share; (ii) 25% on each of the first, second and third anniversary dates of the offer at an exercisable price of HK\$4.302 per share (i) 於授出當日25%可按每股3.824港元的行使價歸屬；(ii) 於要約日期的第一、第二及第三個週年日期各有25%可按每股4.302港元的行使價歸屬；	10 years年
— on 3 December 2007 — 於二零零七年十二月 三日	10,000,000	25% each on the date of grant, first, second and third anniversary dates of offer at an exercisable price of HK\$6.526 per share 於授出當日及於要約日期的第一、第二及第三個週年日期，分別各有25%的購股權可按每股6.526港元的行使價歸屬	5 years年
Options granted to employees: 授予僱員的購股權：			
— on 19 September 2006 — 於二零零六年九月 十九日	11,040,000	(i) 25% on the date of grant at an exercisable price of HK\$3.824 per share; (ii) 25% on each of the first, second and third anniversary dates of the offer at an exercisable price of HK\$4.302 per share (i) 於授出當日25%可按每股3.824港元的行使價歸屬；(ii) 於要約日期的第一、第二及第三個週年日期各有25%可按每股4.302港元的行使價歸屬；	10 years年

38. SHARE-BASED PAYMENTS (Continued)

38. 股份支付 (續)

	Number of shares involved in the option 購股權 所涉及的 股份數目	Vesting condition 歸屬條件	Contractual life of options 購股權的 合約期限
<i>Options granted to employees: (Continued)</i> 授予僱員的購股權：(續)			
— on 10 October 2007 — 於二零零七年 十月十日	640,000	30% on the date of grant, 30% and 40% on the first and second anniversary dates of offer at an exercisable price of HK\$6.3 per share 30% 於授出當日歸屬，而30% 及40%分別於要約日期的第一 及第二週年日期可按 每股6.3港元的行使價歸屬	4 years 年
Total share options 購股權數合計	<u>29,180,000</u>		

Notes to the Consolidated Financial Statements

綜合財務報表附註

38. SHARE-BASED PAYMENTS (Continued)

(b) Fair value of shares involved in the options and assumptions

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on the binomial model as required by IFRS 2. The contractual life of the option is used as an input into this model. Expectations of early exercise are incorporated into the model.

		Granted in December 2007 於二零零七年 十二月授出	Granted in October 2007 於二零零七年 十月授出	Granted in September 2006 於二零零六年 九月授出
Fair value at grant date	授予日的 公允價值	HK\$20,172,531 港元	HK\$1,284,456 港元	HK\$41,515,107 港元
Share price	股價	HK\$6.3 港元	HK\$6.3 港元	HK\$4.78 港元
Exercise price	行使價	HK\$6.526 港元	HK\$6.3 港元	HK\$3.824 港元 – HK\$4.302 港元
Expected volatility	預期波幅	51.82%	52.43%	51.16%–51.21%
Option life	購股權期限	5 years 年	4 years 年	10 years 年
Risk-free interest rate (based on Hong Kong Exchange Fund Notes Rate)	無風險利率 (以香港外匯 基金票據 利率為基準)	2.65%	3.955%	3.955%–4.077%

The expected volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information. Expected dividends are based on estimation of management. Changes in the subjective input assumptions could materially affect the fair value estimate.

Share options were granted under a service condition. This condition has not been taken into account in the grant date fair value measurement of the services received. There were no market conditions associated with the share option grants.

No share option has been exercised, lapsed or cancelled pursuant to the above share option schemes during the year ended 31 December 2007.

38. 股份支付 (續)

(b) 購股權所涉及股份的公允價值及假設

為換取所授出的購股權而取得服務的公允價值乃參照所授出購股權的公允價值計量。所取得服務的公允價值估計乃根據國際財務報告準則第2號所規定的二項模式計量。購股權的合同年期乃用作該模式的計算數據。提早行使的預期乃計入該模式。

預期波幅以歷史波幅為基礎，並根據公開資料預期未來波幅會產生的任何變動而作出調整後得出。預期股息乃根據管理層的估計計算。主觀假設的變動可對公允價值估計產生重大影響。

購股權乃根據服務條件授出。在計量所獲服務於授出當日的公允價值時並無考慮該項條件。購股權的授出未附帶任何市場條件。

於截至二零零七年十二月三十一日止年度，根據上述的股權計劃，概無購股權獲行使、失效或註銷。

39. SHARE CAPITAL

39. 股本

At 31 December 2007 and 2006
 於二零零六年及二零零七年
 十二月三十一日
The Group and the Company
 本集團及本公司

		No. of shares	Amount
		股份數目	金額
			HK\$'000
			港元千元

Authorised:	法定：		
Ordinary shares of HK\$0.1 each	每股面值0.1港元的普通股	10,000,000,000	1,000,000

		No. of shares	Amount
		股份數目	金額
			RMB'000
			人民幣千元

Ordinary shares, issued and fully paid:	普通股，已發行和繳足：		
At 13 April 2006 (note (i))	二零零六年四月十三日(附註(i))	1	1
Issuance of ordinary shares upon the Reorganisation (note (ii))	於重組時發行普通股(附註(ii))	1,210,146	123
Capitalisation issue (note (iii))	資本化發行(附註(iii))	748,789,853	76,317
Issuance of ordinary shares for placing and public offering (note (iv))	就配售及公開發售發行普通股(附註(iv))	287,500,000	29,130
At 31 December 2007 and 2006	於二零零六年及二零零七年十二月三十一日	1,037,500,000	105,571

(i) The Company was incorporated on 13 April 2006 with an authorised share capital of HK\$400,000 divided into 4,000,000 shares of HK\$0.1 each. On 13 April 2006, one subscriber's share of HK\$0.1 in the Company was allocated and issued nil-paid to Starwaly Properties (Group) Pty Ltd. ("SPG"), the ultimate holding company.

(i) 本公司於二零零六年四月十三日註冊成立，法定股本400,000港元，分為4,000,000股每股面值0.1港元股份。本公司於二零零六年四月十三日向最終控股公司Starwaly Properties (Group) Pty Ltd. (「SPG」) 配發及發行一股每股面值0.1港元的未繳股款認購人股份。

Notes to the Consolidated Financial Statements

綜合財務報表附註

39. SHARE CAPITAL (Continued)

- (ii) On 30 June 2006, the Company issued 797,699 ordinary shares at par to SPG in consideration of acquiring the equity interests of the subsidiaries of the Company from SPG.

On 30 June 2006, the Company issued 202,300 ordinary shares to purchase 49% equity interest in the issued capital of Delta Link. On 19 September 2006, the Company acquired the remaining 51% equity interest in Delta Link, which was satisfied by the issue of 210,147 ordinary shares of the Company (note 7).

- (iii) At an extraordinary general meeting of the Company held on 19 September 2006, the shareholders approved the increase in authorized share capital of the Company to 10,000,000,000 ordinary shares with a par value of HK\$0.1 each. On the same date, the shareholders also authorised the issue of 748,789,853 ordinary shares of HK\$0.1 each by way of capitalisation of HK\$74,878,985 (equivalent to RMB76,317,000) from the share premium account upon the listing of the Company's shares on the Hong Kong Stock Exchange.
- (iv) On 10 October 2006, 250,000,000 ordinary shares were issued and offered for subscription at a price of HK\$4.78 per share upon listing of the Company's ordinary shares on the Hong Kong Stock Exchange. On 17 October 2006, an additional 37,500,000 ordinary shares were issued and offered for subscription under the over-allotment option. The proceeds of HK\$28,750,000 (equivalent to RMB29,130,000) representing the par value, were credited to the Company's share capital. The remaining proceeds of HK\$1,345,500,000 (equivalent to RMB1,363,261,000), before share issue expenses of RMB70,247,000, were credited to the share premium account.

39. 股本 (續)

- (ii) 於二零零六年六月三十日，本公司按面值向SPG發行797,699股普通股，作價為本公司向SPG收購子公司的股本權益的對價。

於二零零六年六月三十日，本公司發行202,300股普通股以收購Delta Link已發行股本中49%股權。於二零零六年九月十九日，本公司收購Delta Link其餘51%股權，而收購則以發行本公司210,147股普通股的方式支付(附註7)。

- (iii) 於二零零六年九月十九日舉行的本公司股東特別大會上，股東批准增加本公司法定股本至10,000,000,000股，每股面值0.1港元的普通股。同日，股東亦批准於本公司股份在香港聯交所上市時將股份溢價74,878,985港元(相等於人民幣76,317,000元)撥充資本，發行748,789,853股每股面值0.1港元的普通股。
- (iv) 於二零零六年十月十日，於本公司普通股在香港聯交所上市時，本公司按每股4.78港元的價格發行及提呈認購250,000,000股普通股。於二零零六年十月十七日，本公司根據超額配授權，額外發行及提呈以供認購37,500,000股普通股。代表其面值的所得款項28,750,000港元(相等於人民幣29,130,000元)已計入本公司股本。其餘所得款項1,345,500,000港元(相等於人民幣1,363,261,000元)(扣除股份發行開支人民幣70,247,000元)已計入股份溢價賬。

40. SHARE PREMIUM AND RESERVES

(a) The Company

40. 股份溢價及儲備

(a) 本公司

		Capital reserves (undistributable) 資本儲備 (不可分配)					
		Share premium	Contributed surplus	— convertible	— employee	Accumu- lated losses	Total
				bonds equity component	share option		
		股份溢價	實繳盈餘	權益部分	一僱員購股權	累計虧損	合計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
		(note 40(b))	(note (i))	(note 36)	(note 38)		
		(附註40(b))	(附註(i))	(附註36)	(附註38)		
At 13 April 2006	二零零六年四月十三日						
(date of incorporation)	(註冊成立日)	—	—	—	—	—	—
Arising from the Reorganisation	因重組產生	—	308,439	—	—	—	308,439
Issue of shares for acquisition	因收購子公司發行股份						
of subsidiary (note 7, 39)	(附註 7, 39)	867,740	—	—	—	—	867,740
Capitalisation issue	資本化發行	(76,317)	—	—	—	—	(76,317)
Issue of new shares	以全球發售方式發行新						
by global offering	股份	1,363,261	—	—	—	—	1,363,261
Placing and listing expenses	配售及上市支出	(70,247)	—	—	—	—	(70,247)
Equity settled share-based	股權結算的股份						
transactions	支付交易	—	—	—	10,916	—	10,916
Loss for the year	年度虧損	—	—	—	—	(5,926)	(5,926)
Balance at 31 December 2006	二零零六年十二月						
	三十一日的結餘	2,084,437	308,439	—	10,916	(5,926)	2,397,866
Equity settled share-based	股權結算的股份						
transactions	支付交易	—	—	—	25,002	—	25,002
Equity component	可轉換債券的權益部份						
of convertible bonds		—	—	110,623	—	—	110,623
Loss for the year	年度虧損	—	—	—	—	(97,479)	(97,479)
Balance at 31 December 2007	二零零七年十二月						
	三十一日的結餘	2,084,437	308,439	110,623	35,918	(103,405)	2,436,012

Note:

(i) The excess of the consolidated net assets represented by the shares of the subsidiaries acquired over nominal value of the shares issued by the Company in exchange under the Reorganisation was transferred to the contributed surplus account in the Company's financial statements.

附註：

(i) 綜合淨資產(即所收購子公司股份超過本公司於重組時發行並以交換該等股份面值之差額)轉撥至本公司財務報表的實繳股本盈餘賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40. SHARE PREMIUM AND RESERVES (Continued)

(b) Share premium

The application of the share premium account is governed by the Companies Law of the Cayman Islands. Under the Companies Law, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of the business.

(c) Merger reserves

The merger reserves represent the difference between the Company's share of the nominal value of the paid-up capital of the subsidiaries acquired over the nominal value of the ordinary shares issued by the Company.

(d) Revaluation reserve

The revaluation reserve relates to property reclassified from owner-occupied to investment property. For such reclassifications, the cumulative increase in the fair value of the property at the date of reclassification in excess of any previous impairment losses is included in the revaluation reserve.

40. 股份溢價及儲備(續)

(b) 股份溢價

股份溢價帳的動用受開曼群島公司法所規管。根據公司法，本公司股份溢價帳的資金可分派予本公司股東，惟建議分派股息當日後，本公司必須有能力償還日常業務中的到期債務。

(c) 合併儲備

合併儲備指被收購子公司的股份面值與本公司發行的權益的普通股面值的差額。

(d) 重估儲備

重估儲備與重新分類為投資物業的自用物業有關。就該等重新分類而言，物業公允價值於重新分類日期的累計增幅超逾過往減值虧損的數額計入重估儲備。

40. SHARE PREMIUM AND RESERVES (Continued)

(e) PRC statutory reserves

Transfers from retained earnings to PRC statutory reserves were made in accordance with the relevant PRC rules and regulations and the articles of association of the Company's subsidiaries incorporated in the PRC and were approved by the respective boards of directors. The statutory reserves consist of:

(i) General reserve fund

Transfers from retained earnings to the general reserve fund were made in accordance with the articles of association of the Company's subsidiaries and were approved by the respective boards of directors.

For the entity concerned, the general reserve fund can be used to cover previous years' losses, if any, and may be converted into capital in proportion to equity holders' existing equity holdings, provided that the balance after such conversion is not less than 25% of their registered capital.

(ii) Enterprise expansion fund

Transfers from retained earnings to the enterprise expansion fund were made in accordance with the articles of association of the Company's subsidiaries and were approved by the respective boards of directors.

For the entity concerned, the enterprise expansion fund can be used for business development purposes and for working capital purpose. This fund is non-distributable other than upon liquidation. Transfers to this fund must be made before distribution of dividends to the equity holders.

40. 股份溢價及儲備(續)

(e) 中國法定儲備

由保留溢利轉撥至中國法定儲備乃根據有關中國法例及規例與本公司在中國註冊成立子公司的章程細則進行，並獲各自董事會批准。法定儲備包括：

(i) 法定盈餘公積金

由保留溢利轉撥至法定盈餘公積金乃根據本公司子公司的章程細則進行，並獲各自董事會批准。

就有關的公司而言，法定盈餘公積金可用作彌補上年度虧損(如有)，亦可按股權持有人現時的持股比例兌換為股本，惟兌換後結餘不得少於註冊資本的25%。

(ii) 企業發展基金

由保留溢利轉撥至企業發展基金乃根據本公司子公司的章程細則進行，並獲各自董事會批准。

就有關的公司而言，企業發展基金可用作業務發展及營運資金。除清盤外，該基金不可分派。向股權持有人分派股息後，方可將保留溢利轉撥至該基金。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40. SHARE PREMIUM AND RESERVES (Continued)

(f) Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy set out in note 3(b)(ii).

(g) Distributable reserve

As at 31 December 2007, the aggregate amount of reserves available for distribution to equity shareholders of the Company was RMB2,289,471,000 (2006: RMB2,386,950,000).

(h) Capital management

The Group's primary objective in managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risks and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowing and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

Consistent with industry practice, the Group monitors its capital structure on the basis of a net debt-to-adjusted equity ratio. For this purpose the Group defines net debt as total debt (which includes interest-bearing loans and borrowings, convertible bonds, trade and other payables) plus unaccrued proposed dividends, less cash and cash equivalents and restricted cash. Adjusted capital comprises all components of equity less unaccrued proposed dividends.

The net debt-to-adjusted equity ratio as at 31 December 2007 was 68% (2006: 40%). There were no changes in the Group's approach to capital management during the year.

Neither the Company nor any of its subsidiaries are subject to externally imposed capital requirements.

40. 股份溢價及儲備(續)

(f) 匯兌儲備

匯兌儲備包括所有因換算境外業務的財務報表而產生的外匯差額。該項儲備乃根據附註3(b)(ii)所載的會計政策處理。

(g) 可分派儲備

於二零零七年十二月三十一日，可分派予本公司股東的儲備金總額為人民幣2,289,471,000元(二零零六年：人民幣2,386,950,000元)。

(h) 資本管理

本集團管理資本之首要目標乃保障本集團能夠繼續根據持續經營基準經營，從而透過與風險水平相對應之產品和服務定價以及獲得合理成本的融資，持續為股東創造回報及為其他利益相關者帶來利益。

本集團積極及定期對資本架構進行檢討和管理，以在較高股東回報情況下可能伴隨之較高借貸水平與穩健的資本狀況帶來的好處和保障之間取得平衡，並因應經濟環境的變化對資本架構作出調整。

根據行業慣例，本集團以淨負債佔經調整權益比率作為監控資本的基準。為此，本集團界定淨債項為總債項(包括計息貸款及借款、可轉換債券及應付貿易賬款及其他應付款項)加未產生之擬派股息減去現金及現金等價物及受限制現金。經調整權益包括權益之所有部分減去未產生之擬派股息。

於二零零七年十二月三十一日，淨負債佔經調整權益比率為68%(二零零六年：40%)。年內，本集團之資本管理方法並無改變。

本公司或其任何子公司概無受外部強加的資本管理規定所規限。

41. FINANCIAL GUARANTEES

The Group has arranged mortgage loan facilities for certain purchasers of property units and provided financial guarantees to secure obligations of such purchasers for repayments. The outstanding guarantees amounted to RMB266,038,000 as at 31 December 2007 (2006: RMB145,405,000). Such guarantees terminate upon the earlier of (i) issuance of the real estate ownership certificate which will generally be available within six months after the buyer takes possession of the relevant properties; and (ii) the satisfaction of the mortgaged loan by the buyer of properties.

In the opinion of directors of the Company, the fair values of the financial guarantee contracts of the Group are insignificant at initial recognition and the directors consider that the possibility of default by the parties involved is remote. Accordingly, no value has been recognised in the balance sheet as at 31 December 2007.

42. FINANCIAL INSTRUMENTS

The Group conducts its operations in the PRC and accordingly is subject to special considerations and significant risks. These include risks associated with, among others, the political, economic and legal environment, influence of national authorities over pricing regulation and competition in the industry.

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk (including interest rate risk, currency risk and equity price risk)

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk.

41. 財務擔保

本集團已就部份物業單位的買方的按揭貸款，對該等買方的還款責任提供財務擔保。於二零零七年十二月三十一日，已授出的擔保為人民幣266,038,000元（二零零六年：人民幣145,405,000元）。該等擔保於以下較早期間終止：(i)發出房地產所有權證書（一般在買方擁有有關物業後六個月內發出）時；及(ii)物業買方償還按揭貸款時。

本公司董事認為，本集團財務擔保合約於首次確認時的公允價值很低，而董事認為有關訂約方違約的機會極微。因此，並無於二零零七年十二月三十一日的資產負債表中確認任何價值。

42. 金融工具

本集團在中國經營業務，故須受特定因素及重大風險影響，其中包括政治、經濟及法制環境、國家機構實施價格管制的影響及行業競爭等風險。

本集團使用的金融工具具有以下風險：

- 信貸風險
- 流動性風險
- 市場風險（包括利率風險、貨幣風險及股價風險）。

本附註呈列有關本集團涉及上述各項風險、本集團的目標、政策及措施進度及管理風險的資料。

Notes to the Consolidated Financial Statements

綜合財務報表附註

42. FINANCIAL INSTRUMENTS (Continued)

Management has overall responsibility for the establishment and oversight of the Group's risk management framework. Management establishes policies to identify and analyse the risks faced by the Group, to set up appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. Through training and management standards and procedures, management aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

(a) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade and other receivables and investments.

The Group's management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

The Group's credit risk is primarily attributable to trade, other receivables and advance deposits. In respect of trade and other receivables, individual credit evaluations are performed on each new customer. The Group's review includes external ratings, when available, and in some cases bank references. These evaluations focus on the customer's liquidity of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. Customers are generally required to transact with the Group on a prepayment basis. The Group generally offers no credit terms to the customers. Normally, the Group does not obtain collateral from customers.

42. 金融工具 (續)

董事會全權負責建立並監督本集團的風險管理架構。管理層建立政策是為了辨明和分析本集團面臨的風險，並設置適當的風險限制和控制措施以監控風險是否在限制範圍內。風險管理政策及系統須定期進行審閱以反映市場環境及本集團經營活動的變化。管理層通過其培訓和管理標準及程序，旨在建立具紀律性及建設性的控制環境，使得身處其中的員工明白自身的角色及義務。

(a) 信貸風險

如果金融工具涉及的顧客或對方無法履行合同項下的義務對本集團造成的財務損失，即為信貸風險。信貸風險主要來自本集團的應收賬款及其他應收款項以及投資。

管理層已制訂適當信貸政策，並不斷監察信貸風險。

本集團的信貸風險主要來自應收賬款及其他應收款項以及預付按金。關於應收賬款及其他應收款項，本集團會對每一個新客戶單獨進行信貸評估。本集團的審閱包括外部評級（當可用時），若干情況下參照銀行。該等評估集中於客戶支付到期款項的流動資金及現時的支付能力，並考慮客戶特定資料及客戶經營所處經濟環境之資料。本集團一般要求客戶與本集團交易時作出預付款。本集團一般不會向客戶提供信貸期。一般而言，本集團不要求客戶的從屬抵押品。

42. FINANCIAL INSTRUMENTS (Continued)

(a) Credit risk (Continued)

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which customers operate also has influence on credit risk but to a lesser extent. At the balance sheet date, the Group has a certain concentration of credit as 79% (2006: 77%) of the total trade, other receivables and advance deposits arising from the Group's deposits for land acquisition. These deposits will be transferred to the cost of properties under development upon the Group obtaining the relevant land use rights.

The maximum exposure to credit risk without taking account of any collateral held is represented by the carrying amount of each financial asset, including derivative financial instruments, in the balance sheet after deducting any impairment allowance. Except for the financial guarantees given by the Group as set out in note 41, the Group does not provide any other guarantees which would expose the Group or the Company to credit risk. The maximum exposure to credit risk in respect of these financial guarantees at the balance sheet date is disclosed in note 41.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade, other receivables and advance deposits are set out in note 30.

Cash and cash equivalents and restricted cash are placed with a group of banks and financial institutions which management considers have good credit ratings. Investments are normally only in liquid securities quoted on a recognised stock exchange and management does not expect any investment counterparty to fail to meet its obligations.

42. 金融工具(續)

(a) 信貸風險(續)

本集團的信貸風險主要受各客戶的特定情況所影響。客戶營運行業及國家的違約風險對信貸風險亦有影響，但程度較小。於結算日，本集團對應收賬款，其他應收款項以及本集團收購土地的按金產生的預付按金總額的信貸集中度為79%(二零零六年：77%)。該等按金將於本集團取得有關土地使用權之後轉至發展中物業成本。

倘不考慮所持任何附屬抵押品，於結算日，最高信貸風險為各金融資產(包括衍生金融工具)的賬面值，並扣除任何減值撥備。除了附註41所載本集團作出的財務擔保，本集團並無提供任何其他擔保，致使本集團或本公司承受信貸風險。於結算日，有關該等財務擔保的最高信貸風險披露於附註41。

有關本集團產生於應收賬款，其他應收款項以及預付按金的其他量化披露載於附註30。

現金及現金等價物以及受限制現金存於一組管理層認為具有良好信貸評級的銀行及金融機構。投資對象一般為在經認可證券交易所進行交易的流動證券。管理層預期任何投資對應方不會不履行其責任。

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綜合財務報表附註

42. FINANCIAL INSTRUMENTS (Continued)

(b) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from banks to meet its liquidity requirements in the short and longer term.

The following table details the remaining contractual maturities at the balance sheet of the Group's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the balance sheet date) and the earliest date the group can be required to pay:

31 December 2007 二零零七年十二月三十一日	Carrying amount 賬面值 RMB'000 人民幣千元	Undiscounted contractual cash flow 未貼現已訂約現金流量 RMB'000 人民幣千元	Within	Within	Within	Over
			1 year or on demand 一年內或按 要求 RMB'000 人民幣千元	2 years but over 1 year 兩年內 但一年以上 RMB'000 人民幣千元	5 years but over 2 years 五年以內 但兩年以上 RMB'000 人民幣千元	5 years RMB'000 人民幣千元
Trade and other payables excluding advance receipts from customers 應付賬款及其他應付款項 但不包括預收客戶款項	793,284	(793,284)	(699,654)	(93,630)	—	—
Secured Interest-bearing loans 有抵押計息貸款	1,046,210	(1,191,083)	(433,886)	(492,135)	(123,207)	(141,855)
Unsecured interest-bearing loans 無抵押計息貸款	5,000	(5,136)	(5,136)	—	—	—
Convertible bonds 可轉換債券	1,007,549	(1,238,397)	—	—	(1,238,397)	—
	2,852,043	(3,227,900)	(1,138,676)	(585,765)	(1,361,604)	(141,855)

42. 金融工具 (續)

(b) 流動性風險

流動性風險為本集團在到期日無法履行其財務義務的風險。本集團的政策為定期監控其流動資金需要及遵守借款契約的情況，確保維持充足的現金儲備及從銀行獲得足夠的已訂約融資額度，以應付本集團短期及較長期的流動資金需求。

下表詳述於結算日本集團非衍生金融負債項下合約承擔的到期情況，乃按已訂約未貼現現金流量（包括按合約利率或（倘屬浮動）結算日當日利率計算的利息付款）及本集團可能需要付款的最早日期為基準作出：

42. FINANCIAL INSTRUMENTS (Continued)

(b) Liquidity risk (Continued)

31 December 2006 二零零六年十二月三十一日	Carrying amount 賬面值 RMB'000 人民幣千元	Undiscounted contractual cash flow 未貼現已訂約現金流量 RMB'000 人民幣千元	Within	Within	Within	Over
			1 year or on demand 一年內或按 要求 RMB'000 人民幣千元	2 years but over 1 year 兩年內但 一年以上 RMB'000 人民幣千元	5 years but over 2 years 五年以內 但兩年以上 RMB'000 人民幣千元	5 years 五年以上 RMB'000 人民幣千元
Trade and other payables excluding advance receipts from customers 應付賬款及其他應付款項 但不包括預收客戶款項	481,602	(481,602)	(470,043)	(11,559)	—	—
Secured interest-bearing loans 有抵押計息貸款	1,890,860	(2,090,945)	(1,222,281)	(376,177)	(336,630)	(155,857)
Unsecured interest-bearing loans 無抵押計息貸款	10,000	(10,173)	(10,173)	—	—	—
	2,382,462	(2,582,720)	(1,702,497)	(387,736)	(336,630)	(155,857)

(c) Interest rate risk

The Group's interest rate risk arises primarily from interest-bearing loans, convertible bonds, cash and cash equivalents and restricted cash.

Cash and cash equivalents and restricted cash comprise mainly cash at bank, with fixed interest rate of 0.72% per annum as at 31 December 2007 (2006: 0.72% per annum). Pledged bank deposits and time deposits maturing after three months are not held for speculative purposes but are placed to satisfy conditions for borrowing facilities granted to the Group and for higher yield returns than cash at bank.

The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes of interest rates. The interest rates and terms of repayment of the interest-bearing loans and convertible bonds are disclosed in note 34 and 36.

The Group manages the net exposure to interest rate risks by maintaining sufficient lines of credit to obtain acceptable lending costs and by monitoring the exposure to such risks on an ongoing basis. Management does not enter into interest rate hedging transactions since it considers that the cost of such instruments outweigh the potential risk of interest rate fluctuation.

42. 金融工具 (續)

(b) 流動性風險 (續)

31 December 2006 二零零六年十二月三十一日	Carrying amount 賬面值 RMB'000 人民幣千元	Undiscounted contractual cash flow 未貼現已訂約現金流量 RMB'000 人民幣千元	Within	Within	Within	Over
			1 year or on demand 一年內或按 要求 RMB'000 人民幣千元	2 years but over 1 year 兩年內但 一年以上 RMB'000 人民幣千元	5 years but over 2 years 五年以內 但兩年以上 RMB'000 人民幣千元	5 years 五年以上 RMB'000 人民幣千元
Trade and other payables excluding advance receipts from customers 應付賬款及其他應付款項 但不包括預收客戶款項	481,602	(481,602)	(470,043)	(11,559)	—	—
Secured interest-bearing loans 有抵押計息貸款	1,890,860	(2,090,945)	(1,222,281)	(376,177)	(336,630)	(155,857)
Unsecured interest-bearing loans 無抵押計息貸款	10,000	(10,173)	(10,173)	—	—	—
	2,382,462	(2,582,720)	(1,702,497)	(387,736)	(336,630)	(155,857)

(c) 利率風險

本集團的利率風險主要來自計息貸款、可轉換債券、現金及現金等價物及受限制現金。

現金及現金等價物及受限制現金主要為銀行存款，於二零零七年十二月三十一日其每年固定利率為0.72厘（二零零六年：每年0.72厘）。已抵押銀行存款及三個月期以上的定期存款並非為投機而持有，而是為了符合銀行向本集團授予借貸融資的條件，以及為了得到比銀行存款較高的回報率。

本集團的可變利率貸款承受利率變動導致的現金流量變動風險。計息貸款及可轉換債券的利率條款和期限披露於附註34及36。

本集團通過維持充足的信貸額度以使借貸成本處於可接受水平及通過持續監控該等風險來管理利率淨風險。管理層並無進行利率對沖交易，因為管理層認為此等工具的成本高於利率波動的潛在風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

42. FINANCIAL INSTRUMENTS (Continued)

(c) Interest rate risk (Continued)

(i) Interest rate profile (Continued)

The following table details the interest rate profile of the Group's interest-bearing borrowings at the balance sheet date.

42. 金融工具 (續)

(c) 利率風險 (續)

(i) 利率情況 (續)

下表詳述於結算日本集團的計息貸款利率情況。

		2007 二零零七年		2006 二零零六年	
		Effective interest rate 實際利率 %	RMB'000 人民幣千元	Effective interest rate 實際利率 %	RMB'000 人民幣千元
Fixed rate borrowings	固定利率貸款				
Secured interest-bearing loans	有抵押計息貸款	6.65%	263,400	5.15%	695,890
Unsecured interest-bearing loans	無抵押計息貸款	6.8%	5,000	6.29%	10,000
Convertible bonds	可轉換債券	5.41%	1,007,549	—	—
			1,275,949		705,890
Variable rate borrowings	可變利率借貸				
Secured interest-bearing loans	有抵押計息貸款	7.45%	782,810	6.44%	1,194,970
			782,810		1,194,970
Total borrowings	借貸總額		2,058,759		1,900,860
Fixed rate borrowings as a percentage of total borrowings	固定利率借貸佔借貸總額百分比		62%		37%

42. FINANCIAL INSTRUMENTS (Continued)

(c) Interest rate risk (Continued)

(ii) Sensitivity analysis

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss and equity. Therefore a change in interest rates at the reporting date would not affect profit or loss and equity.

A change of 100 basis points in interest rates applicable to variable rate instruments at the reporting date would have increased/ (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis in 2006.

42. 金融工具(續)

(c) 利率風險(續)

(ii) 敏感度分析

本集團並無計入按公允價值列賬於損益及權益處理的固定利率金融資產及負債。因此，於報告日期的利率變動不會影響損益及權益。

於報告日期可變利率工具有關利率變動100個基點將增加／(減少)權益及損益，金額列於下表。本分析假設所有其他可變因素(尤其是外幣匯率)保持不變。二零零六年的分析按相同基準進行。

		Profit or loss 損益		Equity 權益	
		100 bp increase 增加100個 基點	100 bp decrease 減少100個 基點	100 bp increase 增加100個 基點	100 bp decrease 減少100個 基點
31 December 2007	二零零七年 十二月三十一日				
Variable rate instruments	可變利率工具	(5,245)	5,245	(5,245)	5,245
31 December 2006	二零零六年 十二月三十一日				
Variable rate instruments	可變利率工具	(8,007)	8,007	(8,007)	8,007

Notes to the Consolidated Financial Statements

綜合財務報表附註

42. FINANCIAL INSTRUMENTS (Continued)

(d) Currency risk

Renminbi is not freely convertible into foreign currencies. All foreign exchange transactions involving Renminbi must take place through the People's Bank of China or other institutions authorised to buy and sell foreign exchange. The exchange rates adopted for the foreign exchange transactions are the rates of exchange quoted by the People's Bank of China that are determined largely by supply and demand.

The Group is exposed to foreign currency risk primarily through borrowings that are denominated in a currency other than the functional currency of the operations to which they relate. The currencies in which these transactions primarily are denominated are Hong Kong Dollars (HK\$), United States Dollars (USD) and Australian Dollars (AUD).

In respect of the monetary assets and liabilities denominated in foreign currencies, the Group ensures that the net exposures to this risk is kept to an acceptable level by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances. The currency giving rise to this risk is primarily USD and HK\$. Management does not enter into currency hedging transactions since it considers that the cost of such instruments outweighs the potential risk of exchange rate fluctuations.

42. 金融工具 (續)

(d) 貨幣風險

人民幣不可自由兌換為外幣。所有涉及人民幣的外匯交易須透過中國人民銀行或其他獲授權進行外匯買賣的機構進行。外匯交易採納的匯率乃中國人民銀行所報的匯率(主要按供求釐定)。

本集團承受外幣風險，主要通過以業務功能貨幣以外的貨幣(與功能貨幣有關)計值的借貸。該等交易主要計值的貨幣為港元、美元及澳元。

有關以外幣計值的貨幣資產及負債，本集團通過必要時以現貨匯率買賣外幣，確保其淨風險保持在可接受的水平，以解決短期不平衡。產生該風險的貨幣主要為美元及港元。管理層並無進行貨幣對沖交易，原因為管理層認為此等工具的成本高於匯率波動的潛在風險。

42. FINANCIAL INSTRUMENTS (Continued)**(d) Currency risk (Continued)***(i) Exposure to currency risk*

The following table details the Group's exposure at the balance sheet date to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity based on notional amounts.

31 December 2007		HK\$'000	USD'000	AUD'000
二零零七年十二月三十一日		港元千元	美元千元	澳元千元
Trade, other receivables and advance deposits	應收賬款及其他應收款項以及預付按金	104,546	9,345	—
Cash and cash equivalents	現金及現金等價物	150,223	26,226	1
Trade and other payables	應付賬款及其他應付款項	(7,229)	—	—
Overall exposure	總風險	247,540	35,571	1

31 December 2006		HK\$'000	USD'000	AUD'000
二零零六年十二月三十一日		港元千元	美元千元	澳元千元
Trade, other receivables and advance deposits	應收賬款及其他應收款項以及預付按金	895	—	—
Cash and cash equivalents	現金及現金等價物	1,056,802	26	1
Trade and other payables	應付賬款及其他應付款項	(14,809)	—	—
Overall exposure	總風險	1,042,888	26	1

42. 金融工具 (續)**(d) 貨幣風險 (續)***(i) 貨幣風險*

下表詳述本集團於結算日產生於已確認根據名義賬目以實體功能貨幣以外的貨幣計值的資產或負債的貨幣風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

42. FINANCIAL INSTRUMENTS (Continued)

(d) Currency risk (Continued)

(i) Exposure to currency risk (Continued)

The following significant exchange rates applied during the year:

		Average rates 平均匯率		Reporting date spot rate 報告日期現貨匯率	
		2007 二零零七年	2006 二零零六年	2007 二零零七年	2006 二零零六年
HK\$ 1	1 港元	0.9761	1.0264	0.9364	1.0047
USD 1	1 美元	7.6072	7.9734	7.3046	7.8087
AUD 1	1 澳元	6.3815	6.0220	6.4036	6.1599

(ii) Sensitivity analysis

The following table indicates the approximate change in the Group's profit and other components of consolidated equity in response to a 5 percent strengthening of the RMB against the following foreign currencies to which the Group has exposure at the balance sheet date. This analysis assumes that the reasonably possible change in foreign exchange rates had occurred at the balance sheet date and had been applied to each for the Group entities' exposure to currency risk for financial instruments in existence at that date, and that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2006.

		Profit or loss 損益	
		2007 二零零七年	2006 二零零六年
		RMB'000 人民幣千元	RMB'000 人民幣千元
HK\$	港元	(9,318)	(42,802)
USD	美元	(10,446)	(8)
AUD	澳元	—	—

A 5 percent weakening of the RMB against the above currencies at 31 December would have had the equal but opposite effect on the above currency to the amounts shown above, on the basis that all other variables remain constant.

42. 金融工具 (續)

(d) 貨幣風險 (續)

(i) 貨幣風險 (續)

以下為年內採用的主要匯率：

(ii) 敏感度分析

下表顯示，倘人民幣對以下本集團於結算日有風險的外幣升值5個百分點，本集團的溢利及綜合權益其他部分的概約變動。本分析假設已於結算日發生合理可能的外幣匯率變動，並已影響本集團各實體於該日存在的金融工具貨幣風險，且所有其他可變因素（尤其是利率）保持不變。二零零六年的分析按相同基準進行。

倘人民幣於十二月三十一日對上述貨幣貶值5個百分點，則對上述貨幣具有相等於上表金額但為反方向的影響，假設所有其他可變因素保持不變。

42. FINANCIAL INSTRUMENTS (Continued)

(e) Equity price risk

The Group is exposed to equity price risk arising from changes in the Company's own share price to the extent that the Company's own equity instruments underlie the fair values of financial derivatives of the Group. As at the balance sheet date the Group is exposed to this risk through the redemption rights attached to the convertible bonds issued by the Company as disclosed in note 36(ii).

(f) Fair value

Fair value estimates are made at a specific point in time and based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

The following methods and assumptions were used to estimate the fair value for each class of financial instruments:

- (i) *Cash and cash equivalents, restricted cash, trade and other receivables and trade and other payables*

The carrying values approximate fair value because of the short maturities of these instruments.

- (ii) *Investments*

Fair value is based on quoted market prices at the balance sheet date without any deduction for transaction costs.

- (iii) *Interest-bearing loans*

The carrying amount of bank loans approximate their fair value based on the borrowing rate currently available for bank loans with similar terms and maturity.

42. 金融工具(續)

(e) 權益價格風險

本集團承受來自本公司本身股價變動而產生的權益價格風險，惟以本公司本身權益工具處於本集團衍生金融工具公允價值下者為限。於結算日，本集團透過本公司發行的可轉換債券(於附註36(ii)中披露)所附帶的贖回權承受該風險。

(f) 公允價值

公允價值估計是在一個特定的時間按相關市場訊息及有關該金融工具的資料而作出。由於該等估計比較主觀，且涉及不明朗因素及相當程度的人為判斷，故結果不一定十分準確。任何假設上的變動，均可能會對估計結果產生重大影響。

估計各類別金融工具公允價值時採用以下方法及假設：

- (i) *現金及現金等價物、受限制現金、應收帳款及其他應收款項、應付帳款及其他應付款項*

由於該等工具均在短期內到期，故帳面值與公允價值相近。

- (ii) *投資*

公允價值乃根據於結算日所報市價(不扣減任何交易成本)計算。

- (iii) *計息貸款*

根據現時可獲取且條款及到期日相若的銀行貸款的借貸利率，銀行貸款的帳面值與公允價值相近。

Notes to the Consolidated Financial Statements

綜合財務報表附註

42. FINANCIAL INSTRUMENTS (Continued)

(f) Fair value (Continued)

(iv) Convertible bonds

The Group selects appropriate valuation methods and makes assumptions with reference to market conditions existing at each balance sheet date, to determine the fair value of the embedded financial derivatives of the convertible bonds that are separated from the host debt contract. The basis for determining the fair value is disclosed in note 36.

(v) Financial guarantees

The fair value of financial guarantees issued is determined by reference to fees charged in an arm's length transaction for similar services, when such information is obtainable, or is otherwise estimated by reference to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made. The basis for determining the fair value is disclosed in note 41.

42. 金融工具 (續)

(f) 公允價值 (續)

(iv) 可轉換債券

本集團經參照各結算日的現行市況後，選擇適當的估值方法並作出假設，以釐定獨立於主債務合約的可轉換債券的嵌入式衍生金融工具的公允價值。釐定公允價值的基準於附註36披露。

(v) 財務擔保

已發出財務擔保的公允價值乃參照按公平原則就類似服務所收取的費用而釐定(如能取得此等資料)，或參照利率差距而釐定，即將借貸人在有擔保情況下所收取的實際利率，與估計在無擔保情況下所收取的利率作出比較(如能對有關資料作出可靠的估計)。釐定公允價值的基準於附註41披露。

43. OPERATING LEASE COMMITMENTS

(i) Leases as lessee

Non-cancellable operating lease rentals are payable as follows:

		2007	2006
		二零零七年	二零零六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Less than one year	一年內	12,438	5,345
Between one and five years	一年至五年	8,311	557
Total	合計	20,749	5,902

The leases, in respect of office rental charges, run for a period within 5 years.

(ii) Leases as lessor

The Group leases out its properties, which include investment properties and completed properties held for sale leased out on a temporary basis, under operating leases. The future minimum lease payments under non-cancellable leases are as follows:

		2007	2006
		二零零七年	二零零六年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Less than one year	一年內	23,639	33,656
Between one and five years	一年至五年	97,860	78,460
More than five years	超過五年	246,337	278,095
Total	合計	367,836	390,211

For the year ended 31 December 2007, RMB22,914,000 (2006: RMB18,402,000) and RMB6,671,000 (2006: RMB14,025,000) were recognized as rental income in respect of investment properties and completed properties held for sale leased out on a temporary basis respectively in the income statement.

43. 經營租賃承擔

(i) 作為承租人的租賃

不可撤銷經營租賃須於以下期間支付的租金如下：

	2007	2006
	二零零七年	二零零六年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
Less than one year	12,438	5,345
Between one and five years	8,311	557
Total	20,749	5,902

與辦公室租金開支有關的租賃在五年內屆滿。

(ii) 作為出租人的租賃

本集團根據經營租賃出租物業，包括投資物業及暫時出租的已建成待售物業。根據不可撤銷租賃合同須於以下期間支付的日後最低租賃款項如下：

	2007	2006
	二零零七年	二零零六年
	RMB'000	RMB'000
	人民幣千元	人民幣千元
Less than one year	23,639	33,656
Between one and five years	97,860	78,460
More than five years	246,337	278,095
Total	367,836	390,211

截至二零零七年十二月三十一日止年度，已就投資物業和暫時出租的已建成待售物業在利潤表確認的租金收入分別為人民幣22,914,000元（二零零六年：人民幣18,402,000元）和人民幣6,671,000元（二零零六年：人民幣14,025,000元）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

44. CAPITAL COMMITMENTS

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Property development activities:	物業發展活動：		
— Contracted but not provided for	— 已訂約但未撥備	3,872,228	818,708
— Authorized but not contracted for	— 已授權但未訂約	3,618,948	1,407,707
Total	合計	7,491,176	2,226,415

44. 資本承擔

45. RELATED PARTY TRANSACTIONS

Particulars of significant transactions between the Group and certain related parties in which a director or shareholder of the Company is in a position to exercise significant influence are as follows:

- (a) During the year ended 31 December 2007, transactions with the following parties are considered as related party transactions:

45. 關連人士交易

本集團與若干關連人士(本公司董事或股東可對其行使重大影響者)的重大交易詳情如下：

- (a) 於截至二零零七年十二月三十一日止年度，與以下人士進行的交易視為關連人士交易：

Name of party 有關人士名稱	Relationship 關係
— Mr. Wang Weixian — 王偉賢先生	The founding equity holder and Chairman of the Company; 本公司創辦股權持有人兼主席； Controlling shareholder of the Company's ultimate holding company 本公司的最終控股公司的控股股東
— Starwaly Properties (Group) Pty Ltd. ("SPG")	The ultimate holding company 最終控股公司
— Shanghai ZhongXin Asset Management Company Limited ("Shanghai ZhongXin") 上海眾鑫資產經營有限公司(「上海眾鑫」)	An associate of the Company 本公司的聯營公司
— Shanghai Yunjie Real Estate Consultancy Company Limited ("Shanghai Yunjie") 上海雲杰房地產諮詢有限公司(「上海雲杰」)	Controlled by a director of various operating subsidiaries 由多家營運子公司的董事控制
— Shenzhen Huibo Investment Development Company Limited ("Huibo") 深圳市匯博投資發展有限公司(「匯博」)	A minority equity holder of Sipo Education 思博教育的少數股權持有人

45. RELATED PARTY TRANSACTIONS (Continued)

(b) Recurring transactions

Name of party 有關人士名稱	Relationship 關係
— The Peninsula Shanghai Waitan Hotel Company Limited (“Peninsula Waitan”) 上海外灘半島酒店有限公司 (「外灘半島」)	50% indirectly owned by Delta Link 由Delta Link間接擁有50%
— Shanghai Sendao Xinxing Men Chuang Co., Ltd (“Sendao”) 上海森島新型門窗有限公司 (「森島」)	Controlled by a close family member of Mr. Wang Weixian 由王偉賢先生的近親控制
— Wuxi Guosheng and Wuxi Shenglian 無錫國盛及無錫盛聯	Associates of the Company 本公司的聯營公司
— Prestige Glory Enterprises Limited (“Prestige Glory”)	Equity holder of the Company and owned by Mr. Wang Weixian 本公司的股權持有人及由王偉賢先生擁有
— Boom Rich Investment Limited (“Boom Rich”)	Equity holder of the Company and owned by Ms. Wang Xuling 本公司股權持有人及由王煦菱女士擁有

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Construction cost:	建造成本：		
Sendao	森島	23,602	18,615
Sales commission expense:	銷售佣金開支：		
Shanghai Yunjie	上海雲杰	9,725	7,172
Sales of service:	服務銷售：		
Peninsula Waitan	外灘半島	11,784	6,908

Construction cost, sales commission expense and sales of services were charged based on the services rendered by the related parties to the Group and in accordance with the terms of the underlying agreements.

The directors of the Company are of the opinion that the above related party transactions were conducted on normal commercial terms and were priced with reference to prevailing market prices, and in the ordinary course of business.

建造成本、銷售佣金開支及提供服務收入根據關連人士向本集團提供的服務及有關協議條款收取。

本公司董事認為上述關連人士交易按一般商業條款在日常業務中進行，並參考日常業務過程中當時市價釐定價格。

Notes to the Consolidated Financial Statements

綜合財務報表附註

45. RELATED PARTY TRANSACTIONS (Continued)

(c) Balance with related parties

As at the end of 2007, the Group had the following balances with related parties:

45. 關連人士交易 (續)

(c) 與關連人士的結餘

截至二零零七年底，本集團與關連人士有以下結餘：

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Trade balances due from related parties (note 30):	應收關連人士款項結餘 (附註30) :		
Peninsula Waitan	外灘半島	1,964	6,908
Non-trade balances due from related parties (note 30):	應收關連人士其他應收款結餘 (附註30) :		
Mr. Wang Weixian and his close family members	王偉賢先生及其近親	270	—
Prestige Glory	Prestige Glory	46	—
Boom Rich	Boom Rich	4	—
Peninsula Waitan	外灘半島	—	8,744
Wuxi Guosheng	無錫國盛	3,000	—
Wuxi Shenglian	無錫盛聯	3,000	—
Shanghai Yunjie	上海雲杰	6,974	2,984
		15,258	18,636
Trade balances due to related parties (note 35):	應付關連人士款項結餘 (附註35) :		
Sendao	森島	15,952	16,839
Non-trade balances due to related parties (note 35):	應付關連人士其他應付款結餘 (附註35) :		
SPG	SPG		
— dividends payable	— 應付股息	9,173	9,173
— other payables	— 其他應付款項	4,051	4,051
Huibo	匯博	7,050	7,050
		36,226	37,113

Amounts due from/to related parties are unsecured, interest-free and repayable on demand.

應收／應付關連人士款項為無抵押、免息及須於要求時償還。

45. RELATED PARTY TRANSACTIONS (Continued)

(d) Key management personnel remuneration

Remuneration for key management personnel, including amounts paid to the Company's directors as disclosed in note 16 and certain of the highest paid to employees as disclosed in note 17, is as follows:

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Salaries and other emoluments	工資及其他薪酬	22,514	21,341
Share-based payments	股份支付	12,528	6,011
		35,042	27,352

46. SUBSEQUENT EVENT

(i) Dividend

Pursuant to a resolution passed at the board of directors meeting held by the Company on 26 March 2008, it was resolved that dividend of RMB149,549,000 (RMB14.4 cents per ordinary share) was declared for the year ended 31 December 2007.

(ii) Acquisition of land use rights

On 4 January 2008, the Group acquired a parcel of land in Hainan through purchase of the entire issued share capital of Hainan Jianqiao Real Estate Co., Ltd. (海南建橋置業有限公司) from Shanghai Newgench Enterprise Group Co., Ltd. (上海新建橋企業集團有限公司) at a total consideration of RMB405,150,000. The land site occupies approximately 292,435 sq.m., which will offer an aggregate gross floor area of approximately 250,458 sq.m. for both residential and hotel development.

45. 關連人士交易 (續)

(d) 關鍵管理人員薪酬

關鍵管理人員薪酬，包括在附註16中披露支付予本公司董事的薪酬和在附註17中披露支付予最高薪酬僱員的薪酬如下：

		2007 二零零七年 RMB'000 人民幣千元	2006 二零零六年 RMB'000 人民幣千元
Salaries and other emoluments	工資及其他薪酬	22,514	21,341
Share-based payments	股份支付	12,528	6,011
		35,042	27,352

46. 結算日後事項

(i) 股息

根據本集團於二零零八年三月二十六日召開的董事會會議通過的決議案，本公司決議宣派截至二零零七年十二月三十一日止年度的股息為數人民幣149,549,000元（每股普通股為人民幣14.4分）

(ii) 獲得土地使用權

於二零零八年一月四日，本集團透過向上海新建橋企業集團有限公司購入海南建橋置業有限公司全部已發行股本而於海南獲得一幅土地，總代價為人民幣405,150,000元。該地塊佔地面積約292,435平方米，將提供約250,458平方米的總樓面面積，用於住宅及酒店發展用途。

Summary of Consolidated Financial Information

綜合財務資料概要

		Year ended 31 Dec 2007 截至 二零零七年 十二月 三十一日 止年度 RMB'000 人民幣千元	Year ended 31 Dec 2006 截至 二零零六年 十二月 三十一日 止年度 RMB'000 人民幣千元	Year ended 31 Dec 2005 截至 二零零五年 十二月 三十一日 止年度 RMB'000 人民幣千元	Year ended 31 Dec 2004 截至 二零零四年 十二月 三十一日 止年度 RMB'000 人民幣千元	Year ended 31 Dec 2003 截至 二零零三年 十二月 三十一日 止年度 RMB'000 人民幣千元
CONSOLIDATED INCOME STATEMENT 綜合利潤表						
Revenue	收益	1,714,507	1,887,458	1,169,176	748,610	814,514
Cost of sales	銷售成本	(1,072,298)	(1,307,483)	(681,655)	(444,725)	(550,046)
Gross profit	毛利	642,209	579,975	487,521	303,885	264,468
Other operating income	其他經營收入	9,237	15,858	14,512	1,003	27,375
Selling and marketing costs	銷售及市場推廣成本	(65,592)	(28,281)	(45,042)	(31,584)	(18,285)
Administrative expenses	行政費用	(151,743)	(81,546)	(70,497)	(74,041)	(45,224)
Other operating expenses	其他經營開支	(9,115)	(213)	(12,730)	(9,445)	(731)
Net gain on disposal of equity interest in subsidiaries	出售子公司股權的收益淨額	193,112	—	—	—	—
Results from operating activities	來自經營活動的溢利	618,108	485,793	373,764	189,818	227,603
Finance income	融資收入	46,359	23,092	6,786	4,278	3,340
Finance expenses	融資成本	(155,560)	(36,640)	(6,191)	—	(2)
Fair value changes on finance derivatives	衍生金融工具的公允價值變動	4,440	—	—	—	—
Net finance (expenses)/income	融資(成本)/收入淨額	(104,761)	(13,548)	595	4,278	3,338
Share of (loss)/profit of associates	應佔聯營公司(虧損)/溢利	(8,239)	(318)	1,047	—	—
Profit before revaluation gains on investment properties and income tax	未計投資物業重估收益及所得稅前溢利	505,108	471,927	375,406	194,096	230,941
Revaluation gains/(losses) on investment properties	投資物業重估收益/(虧損)	269,626	39,882	41,752	(1,033)	4,218
Profit before income tax	除所得稅前溢利	774,734	511,809	417,158	193,063	235,159
Income tax expense	所得稅開支	(251,580)	(112,799)	(155,662)	(90,174)	(76,202)
Profit for the year	年度溢利	523,154	399,010	261,496	102,889	158,957
Attributable to:	以下人士應佔:					
Equity holders of the Company	本公司股權持有人	498,498	390,818	262,201	96,478	144,805
Minority interests	少數股東權益	24,656	8,192	(705)	6,411	14,152
Profit for the year	年度溢利	523,154	399,010	261,496	102,889	158,957
Dividends payable to equity holders of the company attributable to the year	應付本公司股權持有人年度應佔股息	—	90,056	361,043	270,551	195,925
Dividends declared during the year	年內宣派股息	—	90,056	361,043	270,551	195,925
Dividends proposed after the balance sheet date	資產負債日後攤派股息	149,549	—	—	—	—
Earnings per share	每股盈利					
Basic earnings per share (RMB)	每股基本盈利(人民幣)	0.481	0.480	0.350	N/A 不適用	N/A 不適用
Diluted earnings per share (RMB)	每股攤薄盈利(人民幣)	0.462	0.479	0.350	N/A 不適用	N/A 不適用

		31 December 2007 二零零七年 十二月 三十一日 RMB'000 人民幣千元	31 December 2006 二零零六年 十二月 三十一日 RMB'000 人民幣千元	31 December 2005 二零零五年 十二月 三十一日 RMB'000 人民幣千元	31 December 2004 二零零四年 十二月 三十一日 RMB'000 人民幣千元	31 December 2003 二零零三年 十二月 三十一日 RMB'000 人民幣千元
CONSOLIDATED BALANCE SHEETS						
綜合資產負債表						
Assets	資產					
Property, plant and equipment	物業、廠房及設備	246,039	226,856	183,279	198,740	159,745
Land use rights	土地使用權	64,173	74,280	75,767	78,270	35,797
Properties under development	發展中物業	2,356,458	758,434	966,068	1,160,425	818,446
Investment properties	投資物業	698,000	333,700	259,700	39,400	7,400
Investment properties under development	發展中 投資物業	—	40,907	35,250	79,176	—
Investments in associates	聯營公司權益	982,507	944,134	63,774	—	—
Financial derivatives	衍生金融工具	46,171	—	—	—	—
Deferred tax assets	遞延稅項資產	73,728	64,148	126,207	170,197	66,121
Total non-current assets	非流動資產總額	4,467,076	2,442,459	1,710,045	1,726,208	1,087,509
Properties under development	發展中物業	642,593	505,290	1,319,501	664,917	293,478
Completed properties held for sales	已建成待售物業	253,976	387,533	187,214	33,697	58,338
Inventories	存貨	81	2,108	1,657	4,463	1,693
Investments	投資	730	3,319	6,386	7,159	5,067
Trade and other receivables	應收賬款及其他應收款	1,079,483	647,901	358,787	350,460	156,418
Restricted cash	受限制現金	241,593	841,717	55,083	186,246	98,262
Cash and cash equivalents	現金及現金等價物	863,237	818,974	52,734	727,557	101,708
Total current assets	流動資產總額	3,081,693	3,206,842	1,981,362	1,974,499	714,964
Total assets	資產總額	7,548,769	5,649,301	3,691,407	3,700,707	1,802,473
Equity	權益					
Share capital	股本	105,571	105,571	455,474	371,442	148,946
Share premium	股份溢價	2,084,437	2,084,437	—	—	—
Reserves	儲備	685,931	549,831	76,974	50,421	35,784
Retained earnings/ (accumulated losses)	保留溢利/(累計虧損)	432,656	(65,233)	(365,065)	(265,315)	(87,605)
Total Equity attributable to equity holders of the Company	本公司股權 持有人 應佔權益總額	3,308,595	2,674,606	167,383	156,548	97,125
Minority interests	少數股東權益	304,577	15,830	22,638	22,941	51,130
Total equity	權益總額	3,613,172	2,690,436	190,021	179,489	148,255

Summary of Consolidated Financial Information

綜合財務資料概要

		31 December 2007 二零零七年 十二月 三十一日 RMB'000 人民幣千元	31 December 2006 二零零六年 十二月 三十一日 RMB'000 人民幣千元	31 December 2005 二零零五年 十二月 三十一日 RMB'000 人民幣千元	31 December 2004 二零零四年 十二月 三十一日 RMB'000 人民幣千元	31 December 2003 二零零三年 十二月 三十一日 RMB'000 人民幣千元
CONSOLIDATED BALANCE SHEETS						
綜合資產負債表						
Liabilities	負債					
Interest bearing loans and borrowings	計息貸款 及借款	372,400	1,111,390	727,339	255,127	415,000
Trade and other payables	應付賬款及其他應付款	1,238,662	848,026	2,199,017	2,328,724	1,028,925
Tax payable	應付所得稅	332,421	185,934	165,039	205,067	49,636
Total current liabilities	流動負債總額	1,943,483	2,145,350	3,091,395	2,788,918	1,493,561
Interest bearing loans and borrowings	計息貸款 及借款	678,810	789,470	397,000	731,691	160,000
Convertible bonds	可轉換債券	1,007,549	—	—	—	—
Financial derivatives	衍生金融工具	91,756	—	—	—	—
Deferred tax liabilities	遞延稅項負債	213,999	24,045	12,991	609	657
Total non-current liabilities	非流動負債總額	1,992,114	813,515	409,991	732,300	160,657
Total liabilities	負債總額	3,935,597	2,958,865	3,501,386	3,521,218	1,654,218
Total equity and liabilities	權益及負債總額	7,548,769	5,649,301	3,691,407	3,700,707	1,802,473



46/F, Hongkong New World Tower No.300, Huaihai Road Central, Shanghai, China
上海市淮海中路300號香港新世界大廈46樓

Tel 電話: (86) 21 5382 2777

Website 網址: www.spmland.com