

## 1. ORGANISATION AND BASIS OF PREPARATION

### (a) Principal place of business

Hong Long Holdings Limited (“the company”) is a company incorporated and domiciled in the Cayman Islands. Its principal place of business is at 8/F, Hong Long Building, Nanhai Avenue, Nanshan District, Shenzhen, 518067, the People’s Republic of China (“the PRC”) and has its registered office at Cricket Square, Hutchins Drive, PO Box 2681, George Town, Grand Cayman KY1-1111, the Cayman Islands.

### (b) Basis of preparation

The financial statements for the year ended 31 December 2006 comprise the company and its subsidiaries (together referred to as the “group”).

The group adopts reverse acquisition accounting, rather than following its legal form, in the preparation of its financial statements for the years ended 31 December 2005 and 2006. The directors consider that Hong Long Properties (Shenzhen) Company Limited is the accounting parent during the years ended 31 December 2005 and 2006. Details of the companies comprising the group are set out below:

## 1. 組織及編製基準

### (a) 主要營業地點

鴻隆控股有限公司(「本公司」)為一家於開曼群島註冊成立和以該地為居籍的公司，主要營業地點位於中華人民共和國(「中國」)深圳南山區南海大道鴻隆大廈8樓(郵編：518067)，而註冊辦事處位於Cricket Square，Hutchins Drive，PO Box 2681，George Town，Grand Cayman KY1-1111，the Cayman Islands。

### (b) 編製基準

截至2006年12月31日止年度的財務報表涵蓋本公司及其附屬公司(統稱為「本集團」)。

就編製截至2005年及2006年12月31日止兩個年度的財務報表而言，本集團採納反向收購會計，而非遵從其法律形式。董事認為，截至2005年及2006年12月31日止兩個年度內，鴻隆地產(深圳)有限公司乃會計母公司。涵蓋本集團各公司的詳情列載如下：

## 1. ORGANISATION AND BASIS OF PREPARATION (CONT'D)

## 1. 組織及編製基準 (續)

### (b) Basis of preparation (Cont'd)

### (b) 編製基準 (續)

Name of company 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/成立 地點及日期	Place of operation 經營地點	Issued/ paid up capital 已發行/ 實繳資本	Percentage of equity attributable to the company 本公司應佔權益百分比		Principal activities 主要業務	Legal form 法定形式
				Direct 直接 %	Indirect 間接 %		
Access Achievement Limited	The British Virgin Islands (incorporated on 2 December 2005) 英屬處女群島 (於2005年12月2日註冊成立)	Shenzhen, the People's Republic of China ("the PRC") 中華人民共和國 (「中國」) 深圳	US\$10,000 10,000美元	100	-	Investment holding 投資控股	Private limited liability company 私人有限公司
Hong Long Properties (Shenzhen) Company Limited (formerly "Shenzhen Hong Long Industrial Company Limited") 鴻隆地產(深圳)有限公司 (前稱深圳市鴻隆實業有限公司)	Shenzhen, the PRC (established on 28 September 2000) 中國深圳 (於2000年9月28日成立)	Shenzhen, the PRC 中國深圳	RMB88,600,000 人民幣 88,600,000元	-	100	Property development and property investment 房地產開發及物業投資	Wholly foreign-owned enterprise 外商獨資企業

## 1. ORGANISATION AND BASIS OF PREPARATION (CONT'D)

## 1. 組織及編製基準(續)

### (b) Basis of preparation (Cont'd)

### (b) 編製基準(續)

Name of company 附屬公司名稱	Place and date of incorporation/ establishment 註冊成立/成立 地點及日期	Place of operation 經營地點	Issued/ paid up capital 已發行/ 實繳資本	Percentage of equity attributable to the company 本公司應佔權益百分比		Principal activities 主要業務	Legal form 法定形式
				Direct 直接 %	Indirect 間接 %		
Shenzhen Yinghua Development Company Limited 深圳市英華實業發展有限公司	Shenzhen, the PRC (established on 6 May 1998) 中國深圳 (於1998年5月6日成立)	Shenzhen, the PRC 中國深圳	RMB28,000,000 人民幣 28,000,000元	-	86	Property development 房地產開發	Limited liability company 有限公司
Huizhou Yintaida Company Limited 惠州市銀泰達實業有限公司	Huizhou, the PRC (established on 23 December 2002) 中國惠州 (於2002年12月23日成立)	Huizhou, the PRC 中國惠州	RMB20,000,000 人民幣 20,000,000元	-	51	Property development 房地產開發	Limited liability company 有限公司
Shenzhen Hong Long Commercial Management Company Limited 深圳市鴻隆商業管理有限公司	Shenzhen, the PRC (established on 18 February 2001) 中國深圳 (於2001年2月18日成立)	Shenzhen, the PRC 中國深圳	RMB10,680,000 人民幣 10,680,000元	-	94 (Note (a)) (附註(a))	Property leasing and sub-leasing 物業租賃及轉租	Limited liability company 有限公司

(Note (a)) The percentage of equity attributable to the company changed from 88.95% to 93.63% in May 2006.

(附註(a)) 本公司應佔股權百分比於2006年5月由88.95%改為93.63%。

Intra-group balances and transactions, and any unrealised profits arising from intra-group transactions, are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

集團公司間的結餘及交易以及集團公司間交易產生的任何未變現溢利，於編製本財務資料時悉數撇銷。集團公司間交易產生的任何未變現虧損以相同方式撇銷為未變現收益(惟限於並無減值證據的情況)。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Statement of compliance

The financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. A summary of the significant accounting policies adopted by the group is set out below.

The HKICPA has issued a number of new and revised HKFRSs that are effective or available for adoption for accounting periods beginning on or after 1 January 2005. These new and revised HKFRSs have been early adopted at the beginning of the year ended 31 December 2003 and thus have no impact on the financial statements of the group for the years ended 31 December 2005 and 2006. The group has not applied any new standard or interpretation that is not yet effective for the current accounting period (see note 37).

### (b) Basis of presentation of the financial statements

The financial statements is presented in Renminbi (“RMB”), rounded to the nearest thousand, which is the functional and reporting currency of the group. It is prepared on the historical cost basis, except for investment properties (see note 2(e)) which are stated at their fair value as explained in the accounting policies set out below.

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

## 2. 主要會計政策概要

### (a) 遵例聲明

本財務報表已按照香港會計師公會頒佈的所有適用香港財務報告準則（「香港財務報告準則」）（其集體辭彙包括所有個別適用香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋、香港普遍採納的會計原則及香港公司條例有關披露的規定所編製。本財務報表亦符合香港聯合交易所有限公司證券上市規則的適用披露條文。下文載列本集團所採納的主要會計政策。

香港會計師公會已頒佈若干新訂及經修訂之香港財務報告準則，該等準則於2005年1月1日或之後開始之會計期間生效或可供採納。該等新訂及經修訂之香港財務報告準則已於截至2003年12月31日止年度初期提早採納，故對2005年及2006年12月31日止兩個年度的財務報表並無任何影響。本集團並無採納任何於現時的會計期間並未生效的新訂準則或詮釋（見附註37）。

### (b) 財務資料的編製基準

本財務報表以本集團的功能及呈報貨幣—人民幣編製，並調整至最接近的千位數。本財務資料以歷史成本為基礎編製，惟投資物業（見附註2(e)）則按下文載列的有關會計政策，以其公平值列值。

根據香港財務報告準則編製本財務報表時，管理層須就影響政策運用和資產、負債、收入、開支所呈報的金額作出判斷、估計及假設。估計及相關假設乃根據過往經驗及於有關情況下相信為合理的各種其他因素為基準，其結果成為對在其他來源並不顯而易見的資產與負債賬面值作出判決的基礎。實際業績或有別於該等估計。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (b) Basis of presentation of the financial statements (Cont'd)

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

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 36.

### (c) Subsidiaries and minority interests

Subsidiaries are entities controlled by the group. Control exists when the group has the power 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 are taken into account.

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases.

Minority interests represent the portion of the net assets of subsidiaries attributable to interests that are not owned by the company, whether directly or indirectly through subsidiaries, and in respect of which the group has not agreed any additional terms with the holders of those interests which would result in the group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. Minority interests are presented in the consolidated balance sheet within equity, separately from equity attributable to the equity shareholders of the company. Minority interests in the results of the group are presented on the face of the consolidated income statement as an allocation of the total profit or loss for the year between minority interests and the equity shareholders of the company.

## 2. 主要會計政策概要(續)

### (b) 財務資料的編製基準(續)

估計及相關假設按持續基準審閱。會計估計的修訂如只影響修訂期間，則有關修訂於該期間確認，倘若修訂影響現時及未來期間，則於修訂期間及未來期間確認。

管理層在運用可能顯著影響在來年有重大調整風險的財務資料及估計的香港財務報告準則所作的判斷載於附註36。

### (c) 附屬公司及少數股東權益

附屬公司乃由本集團所控制的公司。倘本集團有權規管一間公司的財務及營運政策以從其活動中獲取利益，則該附屬公司為受控制。在評估附屬公司是否受控制時，現時可予行使的潛在投票權列為考慮因素。

於一間附屬公司的投資乃於控制開始日期起計直至控制結束日期止，綜合於綜合財務報表中。

少數股東權益為並非由本公司擁有(不論直接或間接透過附屬公司)的權益應佔附屬公司的資產淨值部份，就此而言，本集團並未與該等權益持有人協定任何額外條款，以致本集團整體須承擔就財務負債所界定的合約責任。少數股東權益呈列於綜合資產負債表內的權益部份，且獨立於本公司權益持有人應佔的股權益。於本集團業績內的少數股東權益在綜合利潤表內以年內分配予少數股東權益與本公司權益持有人的總溢利或虧損方式列報。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (c) Subsidiaries and minority interests (Cont'd)

Where losses applicable to the minority exceed the minority's interest in the equity of a subsidiary, the excess, and any further losses applicable to the minority, are charged against the group's interest except to the extent that the minority has a binding obligation to, and is able to, make additional investment to cover the losses. If the subsidiary subsequently reports profits, the group's interest is allocated all such profits until the minority's share of losses previously absorbed by the group has been recovered.

Loans from holders of minority interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated balance sheet in accordance with notes 2(k), (l) or (m) depending on the nature of the liability.

In the company's balance sheet, an investment in a subsidiary is stated at cost less impairment losses (see note 2(h)).

### (d) Derivative financial instruments

Derivative financial instruments are recognised initially at fair value. At each balance sheet date the fair value is remeasured. The gain or loss on remeasurement to fair value is charged immediately to profit or loss.

### (e) Investment property

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see note 2(g)) either to earn rental income and/or for capital appreciation.

Investment properties are stated in the balance sheet at fair value. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in profit or loss. Rental income from investment properties is accounted for as described in note 2(r)(ii).

## 2. 主要會計政策概要 (續)

### (c) 附屬公司及少數股東權益 (續)

倘若少數股東所承擔虧損超過少數股東於附屬公司股本的權益，則超出部份及任何少數股東所承擔的進一步虧損於本集團權益中扣除，惟少數股東有約束力的責任或可以作出額外投資填補虧損為例外。倘若該附屬公司隨後錄得溢利，則本集團權益獲得所有該溢利的分配，直至本集團先前承擔的少數股東應佔虧損已經補償為止。

少數股東權益持有人的貸款以及該等持有人的合約責任根據附註 2(k)、(l) 或 (m) (視負債的性質而定) 於綜合資產負債表呈列為財務負債。

於本公司的資產負債表內，於一間附屬公司的投資乃以成本減減值虧損列示 (見附註 2(h))。

### (d) 衍生財務資產

衍生財務資產初步以公平值確認。於各結算日，公平值獲重新計量。重新計量公平值的收益或虧損即時自損益扣除。

### (e) 投資物業

投資物業為擁有或根據租賃權益持有 (見附註 2(g))，用作賺取租金收入及／或資本增值的土地及／或樓宇。

投資物業於資產負債表內以公平值列值。投資物業的公平值變動或報廢或出售所產生的任何收益或虧損均於損益中確認。投資物業的租金收入根據附註 2(r)(ii) 說明的方式計算。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (e) Investment property (Cont'd)

When the group holds a property interest under an operating lease to earn rental income and/or for capital appreciation, the interest is classified and accounted for as an investment property on a property-by-property basis. Any such property interest which has been classified as an investment property is accounted for as if it were held under a finance lease (see note 2(g)), and the same accounting policies are applied to that interest as are applied to other investment properties leased under finance leases. Lease payments are accounted for as described in note 2(g).

Property that is being constructed or developed for future use as investment property is classified as investment property under development and stated at cost less any impairment losses (see note 2(h)) until construction or development is complete, at which time it is reclassified as investment property at fair value. Any difference between the fair value of the property at that date and its previous carrying amount is recognised in profit or loss.

### (f) Property, plant and equipment

The following items of property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation (see below) and impairment losses (see note 2(h)).

- buildings held for own use which are situated on leasehold land, where the directors consider impracticable to split the cost into leasehold land and buildings; and
- other items of plant and equipment.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

## 2. 主要會計政策概要(續)

### (e) 投資物業(續)

倘集團根據經營租賃持有物業權益以賺取租金收入及/或資本增值，該物業權益按個別物業基準分類和計入為投資物業。任何已列為投資物業的物業權益，將視為猶如按融資租賃持有計算(見附註2(g))，該權益所應用的會計政策與根據融資租賃租用的投資物業所應用者相同。租賃付款按附註2(g)所述計算。

建造或開發作為未來投資物業的物業，乃分類為發展中投資物業，並以成本減任何減值虧損列值(見附註2(h))，直至建設或開發完成為止，屆時則重新分類為按公平值列值的投資物業。該物業於該日期的公平值與過往賬面值的差異於損益內確認。

### (f) 物業、廠房及設備

以下物業、廠房及設備項目以成本減累計折舊(見下文)及減值虧損於資產負債表(見附註2(h))列示。

- 位於租賃土地上持作自用樓宇，而董事認為把成本分成租賃土地及樓宇屬不可行者；及
- 廠房及設備其他項目。

報廢或出售物業、廠房及設備項目產生的任何收益或虧損，釐定為估計出售收益淨額與項目賬面值的差異，於報廢或出售日期在損益中確認。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

## 2. 主要會計政策概要(續)

### (f) Property, plant and equipment (Cont'd)

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight-line method over their estimated useful lives as follows:

– Buildings situated on leasehold land	Over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 40 years after the date of completion
– Leasehold improvements	Over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 20 years
– Furniture, fixtures and equipment	5 years
– Motor vehicles	5 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

### (f) 物業、廠房及設備(續)

折舊乃採用直線法在估計可使用年期撇銷物業、廠房及設備項目的成本並扣除其估計殘餘值(如有)計算如下:

– 位於租賃土地上樓宇	按租約未屆滿年期與其估計可使用年期的較短者, 由完成日期起不超過40年
– 租賃裝修	按未屆滿租賃期與其估計可使用年期(不超過20年)的較短者
– 傢俱、裝置及設備	5年
– 汽車	5年

倘物業、廠房及設備項目各部份的可使用年期不同, 該項目的成本按合理基準於各部份之間分配, 每部份分開折舊。資產的可使用年期及其殘餘值(如有)每年審閱。



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

## 2. 主要會計政策概要(續)

### (g) Leased assets

### (g) 租賃資產

#### (i) Classification of leased assets

#### (i) 租賃資產分類

Assets that are held by the group under leases which transfer to the group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the group are classified as operating leases, with the following exceptions:

本集團根據租賃持有的資產而將大部份所有權風險與回報轉至本集團者乃列作根據融資租賃持有資產。未將大部份所有權風險與回報轉至本集團的租賃則列作物業經營租賃。以下除外：

- property held under operating leases that would otherwise meet the definition of an investment property is classified as an investment property on a property-by-property basis and, if classified as investment property, is accounted for as if held under a finance lease (see note 2(e)); and
- land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease. For these purposes, the inception of the lease is the time that the lease was first entered into by the group, or taken over from the previous lessee, or at the date of construction of those buildings, if later.

- 經營租賃項下持有的物業，若符合投資物業的定義，便按個別物業的基準分類為投資物業；若然分類為投資物業，則當作根據融資租賃持有物業入賬(見附註2(e))；及
- 根據經營租賃持作自用的土地，其公平值於取得租賃時若不能和在土地上的建築物的公平值分開計算，則按根據融資租賃持有土地入賬，惟該建築物明確作為根據經營租賃持有則除外。為了該等目的，取得租賃的時間為本集團首次訂立租賃，或自先前承租者接收，或該等建築物興建之日，取其較後者。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

## 2. 主要會計政策概要 (續)

### (g) Leased assets (Cont'd)

#### (ii) Assets acquired under finance leases

Where the group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments, of such assets are included in property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligations under finance leases. Depreciation is provided at rates which write off the cost of the assets over the term of the relevant lease or, where it is likely the group will obtain ownership of the asset, the life of the asset, as set out in note 2(f). Impairment losses are accounted for in accordance with the accounting policy as set out in note 2(h). Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

#### (iii) Operating lease charges

Where the group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

The cost of acquiring land held under an operating lease is amortised on a straight-line basis over the period of the lease term except where the property is classified as an investment property (see note 2(e)). Information on accounting policies for land held under operating leases for development for sale is provided in accounting policy note 2(i)(i).

### (g) 租賃資產 (續)

#### (ii) 根據融資租賃購置的資產

倘若本集團根據融資租賃購置資產使用權，相等於租賃資產公平值或最低租賃付款額現值(以較低者為準)的金額會計入物業、廠房及設備內，而相關負債於扣除融資費用後會入賬列為融資租賃責任。誠如附註2(f)所載，折舊乃於相關租賃期或資產的可用年限(如本集團有可能取得資產的所有權)內，以每年等額沖銷其成本值的比率計提。減值虧損乃根據附註2(h)所載的會計政策入賬。租賃付款包含的融資費用乃於租賃期內計入損益，藉以使各會計期間有關責任的未償還結餘以相若固定比率計算支出。或然租金則在產生的會計期間自損益扣除。

#### (iii) 經營租賃支出

如本集團根據經營租賃使用資產，根據租賃作出的付款會在租賃期所涵蓋的會計期間內，以等額在損益計入；但如有其他基準能更清楚地反映租賃資產所產生的收益模式時則除外。租賃涉及的激勵措施於損益內確認為租賃淨付款總額的組成部份。或然租金在其產生的會計期間內自損益扣除。

購置根據經營租賃持有的土地的成本乃於該租賃期按直線法攤銷，惟被列作投資物業的情況除外(見附註2(e))。以經營租賃持作發展以供出售的會計政策資料載於會計政策附註2(i)(i)。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

## 2. 主要會計政策概要(續)

### (g) Leased assets (Cont'd)

#### (iv) Amortisation of leasehold land

The cost of acquiring land held under operating leases is amortised on a straight-line basis over the lease term. If the property is in the course of development, the amortisation charge is included as part of the costs of the property under development. In all other cases the amortisation charge for the period is recognised in profit or loss immediately.

### (h) Impairment of assets

#### (i) Impairment of trade and other receivables

Investments in trade and other current receivables that are stated at cost or amortised cost are reviewed at each balance sheet date to determine whether there is objective evidence of impairment. If any such evidence exists, any impairment loss is determined and recognised as follows:

- For trade and other current receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of impairment losses is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years.

### (g) 租賃資產(續)

#### (iv) 租賃土地攤銷

透過經營租賃持有的收購土地成本乃於該租賃期按直線法攤銷。倘該物業正在發展中，攤銷開支則計入為發展中物業成本的部份。在其他情況下，本期攤銷開支即時於損益中確認。

### (h) 資產減值

#### (i) 應收賬款及其他應收款的減值

按成本值或攤銷成本列賬的其他流動應收賬款的投資於每個結算日審閱，以決定是否有減值的客觀證據。倘若有此種證據，則按下文釐訂及確認任何減值虧損：

- 倘折讓影響重大，對於應收賬款及其他現時應收款以及其他按攤銷成本列賬的財務資產，減值虧損量度為按資產賬面值及估計未來現金流量按財務資產原來實際利率（即在初始確認該等資產時計算的實際利率）貼現的現值之間差額。

減值虧損倘若於隨後期間減少，而有關減少可與確認減值虧損後發生的事件客觀地聯系，則減值虧損經由損益中撥回。所撥回的減值虧損僅限於過往年度如沒有確認減值虧損而應以釐定的資產賬面值。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (h) Impairment of assets (Cont'd)

#### (ii) Impairment of other assets

Internal and external sources of information are reviewed at each balance sheet date to identify indications that the following assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased:

- investment in subsidiaries;
- property, plant and equipment; and
- investment properties under development.

If any such indication exists, the asset's recoverable amount is estimated.

- Calculation of recoverable amount

The recoverable amount of an asset is the greater of its net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. cash-generating unit).

## 2. 主要會計政策概要 (續)

### (h) 資產減值 (續)

#### (ii) 其他資產的減值

本集團會在每個結算日參考內部和外來信息，確定下列資產是否出現減值跡象，或是以往確認的減值虧損已經不再存在或可能已經減少：

- 於附屬公司投資；
- 物業、廠房及設備；及
- 發展中投資物業。

如果出現減值跡象，便會估計資產的可收回數額。

- 計算可收回金額

資產可收回金額為其淨售價與使用價值兩者中的較高額。在評估使用價值時，估計未來現金流量會按照可以反映當時市場對貨幣時間值及資產特定風險的評估的稅前折現率，貼現至其現值。如果資產所產生現金流入基本上並非獨立於其他資產所產生的現金流入，則以能獨立產生現金流入的最小資產組別（即現金產生單位）來釐定可收回金額。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

## 2. 主要會計政策概要(續)

### (h) Impairment of assets (Cont'd)

### (h) 資產減值(續)

#### (ii) Impairment of other assets (Cont'd)

#### (ii) 其他資產的減值(續)

– Recognition of impairment losses

– 確認減值虧損

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs to sell, or value in use, if determinable.

倘資產或其所屬現金產生單位的賬面值超過其可收回金額時，減值虧損即於損益中予以確認。就現金產生單位確認的減值虧損，會首先減少以分配至該現金產生單位(或該組單位)的商譽賬面值，然後會按比例減少該單位(或該組單位)內其他資產的賬面值，惟資產賬面值不會減至低於其本身的公平值減去出售成本或使用價值(如能釐定)。

– Reversals of impairment losses

– 撥回減值虧損

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

如果用作釐定可收回金額的估計數字出現正面變化，減值虧損便會撥回。

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

所撥回的減值虧損僅限於如過往年度沒有確認任何減值虧損而應以釐定的資產賬面值。所撥回減值虧損在確認撥回的年度計入損益內。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

## 2. 主要會計政策概要 (續)

### (i) Inventories

Inventories in respect of property development activities are carried at the lower of cost and net realisable value, except for the land portion which is accounted for as set out in note 2(g)(iv). Cost and net realisable values are determined as follows:

#### (i) *Properties for future development and under development for sale*

The cost of properties for future development and under development for sale comprises specifically identified cost, including the acquisition cost of land, aggregate cost of development, materials and supplies, wages and other direct expenses and borrowing costs capitalised (see note 2(t)). Net realisable value represents the estimated selling price less estimated costs of completion and costs to be incurred in selling the property.

#### (ii) *Completed property held for sale*

In the case of completed properties developed by the group, cost is determined by apportionment of the total development costs for that development project, attributable to the unsold properties. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

The cost of completed properties held for sale comprises all costs of purchase, costs of conversion and other costs incurred in bringing the properties to their present location and condition.

### (i) 存貨

與物業開發活動有關的存貨按成本及可變現淨值兩者的較低者入賬，惟誠如附註2(g)(iv)所載列的已計及土地部份除外。成本及可變現淨值計算方式如下：

#### (i) 待出售未來開發及發展中物業

待出售未來開發及發展中物業的成本由特別界定的成本組成，包括土地的收購成本、累計開發成本、材料及供應、工資及其他直接費用及資本化借貸成本(見附註2(t))。可變現淨值指估計的售價減估計的完工成本及出售物業所產生的成本。

#### (ii) 持作出售的已竣工物業

若為本集團開發的已竣工物業，其未售出的物業的成本計量為按獲比例分配的該開發計劃的全部開發成本。可變現淨值指估計的售價減出售物業所產生的成本。

持作出售的已竣工物業的成本包括所有採購成本、加工成本及其他使存貨達至現時地點及狀態所產生的成本。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

## 2. 主要會計政策概要(續)

### (j) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost less impairment losses for bad and doubtful debts (see note 2(h)), except where the receivables are interest-free loans made to related parties without any fixed repayment terms or the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts (see note 2(h)).

### (k) Convertible notes

Convertible notes which do not contain an equity component are accounted for as follows:

At initial recognition the derivative component of the convertible notes is measured at fair value and presented as part of derivative financial instruments (see note 2(d)). Any excess of proceeds over the amount initially recognised as the derivative component is recognised as the liability component. Transaction costs that relate to the issue of the convertible notes are allocated to the liability and derivative components in proportion to the allocation of proceeds. The portion of the transaction costs relating to the liability component is recognised initially as part of the liability. The portion relating to the derivative component is recognised immediately in profit or loss.

The derivative component is subsequently remeasured in accordance with note 2(d). The liability component is subsequently carried at amortised cost. The interest expense recognised in profit or loss on the liability component is calculated using the effective interest method.

### (j) 應收賬款及其他應收款

應收賬款及其他應收款先按公平值確認，其後按攤銷成本減呆壞賬減值虧損後所得數額入賬(見附註2(h))，但如應收賬款為關聯人士提供的沒有特定償還條款的免息貸款或其折現影響並不重大則除外。在該等情況下，應收賬款將按成本減呆壞賬減值虧損後所得數額入賬(見附註2(h))。

### (k) 可換股票據

不包含權益部份的可換股票據乃計算如下：

於初步確認時，可換股票據的衍生部份乃以公平值計量，並呈列為衍生金融工具的一部份(見附註2(d))。任何超過初步確認為衍生部份的金額的所得款乃確認為負債部份。有關發行可換股票據的交易成本乃按所得款分配比例分配至負債及衍生部份。有關衍生部份的部份乃即於自損益中確認。

衍生部份乃根據附註2(d)於其後重新計量。負債部份其後以攤銷成本列賬。於損益確認的利息費用乃利用實際利息法計算。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (k) Convertible notes (Cont'd)

If the note is converted, the carrying amounts of the derivative and liability components are transferred to share capital and share premium as consideration for the shares issued. If the note is redeemed, any difference between the amount paid and the carrying amounts of both components is recognised in profit or loss.

### (l) 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 the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

### (m) Trade and other payables

Trade and other payables are initially recognised at fair value. Except for financial guarantee liabilities, measured in accordance with note 2(q)(i), trade and other payables are subsequently stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

### (n) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition.

## 2. 主要會計政策概要 (續)

### (k) 可換股票據 (續)

倘該票據獲兌換，衍生及負債部份的賬面值乃轉撥至股本及股份溢價，作為已發行股份的代價。倘該等票據獲贖回，該兩部份的已付款項及賬面值之間的差額乃於損益中確認。

### (l) 計息借貸

計息借貸按公平值減應佔交易費用初步確認。於初步確認後，計息借貸按攤銷成本列賬，最初確認金額與贖回價值的任何差異（連同任何應付利息及費用）會在貸款期間內以實際利率法於損益內確認。

### (m) 應付賬款及其他應付款

應付賬款及其他應付款先按公平值確認。除根據附註2(q)(i)的財務擔保負債外，應付賬款及其他應付款其後按攤銷成本入賬，但如折現影響並不重大，則按成本入賬。

### (n) 現金及現金等價物

現金及現金等價物為銀行存款及現金、存放於銀行及其他財務機構的活期存款，以及短期而流動性極高的投資，該等投資可隨時變現為已知現金數額及無重大價值轉變的風險，並於購入後三個月內到期。



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (o) Employee benefits

- (i) Salaries, wages, annual bonuses and staff welfare are accrued in the year in which the associated services are rendered by employees of the group. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.
- (ii) Contributions to appropriate local defined contribution retirement schemes pursuant to the relevant labour rules and regulations in the PRC are recognised as an expense in profit or loss as incurred, except to the extent that they are included in investment properties under development and/or properties under development for sale not yet recognised as an expense.

### (p) Income tax

Income tax for the year comprises current tax and movements in deferred tax assets and liabilities. Current tax and movements in deferred tax assets and liabilities are recognised in profit or loss except to the extent that they relate to items recognised directly in equity, in which case they are recognised in equity.

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

## 2. 主要會計政策概要(續)

### (o) 僱員福利

- (i) 薪金、工資、年度獎金及員工福利於本集團僱員提供相關服務的年度入賬。當延期支付或清償該等成本而其影響重大時，則該等數額以現值列報。
- (ii) 除已計入發展中投資物業及／或待出售的發展中物業而並未確認為支出的退休供款外，根據中國有關勞工規則及法規向當地適當的界定供款退休計劃作出的供款於產生時在損益內確認為支出。

### (p) 所得稅

年內的所得稅包括本期稅項及遞延稅項資產及負債的變動。本期稅項及遞延稅項資產及負債的變動乃於損益內確認，除非屬直接在權益中確認的項目，則於權益中確認。

本期稅項為預期須就年內應課稅收入，根據採用於結算日已生效或實質已生效的稅率計算的預期應付稅項，並就過往年度應付的稅項作出調整。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

## 2. 主要會計政策概要 (續)

## (p) Income tax (Cont'd)

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from certain limited exceptions, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilised, are recognised. Future taxable profits that may support the recognition of deferred tax assets arising from deductible temporary differences include those that will arise from the reversal of existing taxable temporary differences, provided those differences relate to the same taxation authority and the same taxable entity, and are expected to reverse either in the same period as the expected reversal of the deductible temporary difference or in periods into which a tax loss arising from the deferred tax asset can be carried back or forward. The same criteria are adopted when determining whether existing taxable temporary differences support the recognition of deferred tax assets arising from unused tax losses and credits, that is, those differences are taken into account if they relate to the same taxation authority and the same taxable entity, and are expected to reverse in a period, or periods, in which the tax loss or credit can be utilised.

The limited exceptions to recognition of deferred tax assets and liabilities are the initial recognition of assets or liabilities that affect neither accounting nor taxable profit (provided they are not part of a business combination), and temporary differences relating to investments in subsidiaries to the extent that, in the case of taxable differences, the group controls the timing of the reversal and it is probable that the differences will not reverse in the foreseeable future, or in the case of deductible differences, unless it is probable that they will reverse in the future.

## (p) 所得稅(續)

遞延稅項資產及負債分別由資產及負債按財務報告的賬面值及計稅基礎兩者之間可予扣減及應課稅的暫時性差異所產生。遞延稅項資產亦會因未動用稅項虧損及未動用稅項抵免而產生。

除若干少數例外情況外，所有遞延稅項負債及遞延稅項資產均於日後產生應課稅溢利並將可動用資產予以抵銷時確認。可引證確認源自可扣稅暫時差額的遞延稅項資產之日後應課稅溢利，包括該等源自撥回現有應課稅暫時差額，惟差額須與相同稅務機關及相同稅務實體有關，並預期於撥回可扣稅差額的同一期間或源自遞延稅項資產的稅項虧損可撥回或結轉的期間撥回。在評定目前的應課稅暫時性差異是否容許確認由未動用稅務虧損及優惠所產生的遞延稅項資產時採用上述相同的標準(即該等暫時性差異由同一稅務當局向同一應稅單位徵收及預期在稅務虧損或優惠能應用的期間內回撥方可計算在內)。

該等確認遞延稅項資產及負債的有限例外情況是首次確認但並不影響會計溢利及應課稅溢利的資產或負債(惟其不可為企業合併的部份)，以及有關於附屬公司投資所引致的暫時性差異(如為應課稅差異，只限於本集團可控制回撥的時間，並且不大可能在可見未來回撥的差異，或如為可予扣減差異，則只限於可能在未來回撥的差異)。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (p) Income tax (Cont'd)

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

The carrying amount of a deferred tax asset is reviewed at each balance sheet date and is reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the related tax benefit to be utilised. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profits will be available.

Additional income taxes that arise from the distribution of dividends are recognised when the liability to pay the related dividends is recognised.

Current tax balances and deferred tax balances, and movements therein, are presented separately from each other and are not offset. Current tax assets are offset against current tax liabilities, and deferred tax assets against deferred tax liabilities, if the company or the group has the legally enforceable right to set off current tax assets against current tax liabilities and the following additional conditions are met:

- in the case of current tax assets and liabilities, the company or the group intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously; or

## 2. 主要會計政策概要(續)

### (p) 所得稅(續)

應確認的遞延稅項數額乃按資產及負債賬面值的預期變現或清償方式，以於結算日適用或主要適用的稅率計算。遞延稅項資產及負債均不作折現計算。

遞延稅項資產的賬面值會於各結算日審閱，並於不再可能取得足夠應課稅溢利以動用有關稅務優惠時調低。任何減幅會於可能取得足夠應課稅溢利時修正。

因分派股息而產生的額外所得稅，於確認支付有關股息的負債時確認入賬。

本期稅項結餘及遞延稅項結餘，及其變動額將分開列示，並不予抵銷。本期稅項資產及遞延稅項負債只會在本公司或本集團有法定行使權以本期稅項資產抵銷本期稅項負債，並在符合下列附帶條件的情況下，才可分別抵銷本期稅項資產及遞延稅項負債：

- 本期稅項資產及負債方面，本公司或本集團計劃按淨額基準結算，或同時變現該資產及清償該負債；或

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

## 2. 主要會計政策概要 (續)

### (p) Income tax (Cont'd)

- in the case of deferred tax assets and liabilities, if they relate to income taxes levied by the same taxation authority on either:
  - the same taxable entity; or
  - different taxable entities, which, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered, intend to realise the current tax assets and settle the current tax liabilities on a net basis or realise and settle simultaneously.

### (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.

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.

### (p) 所得稅(續)

- 遞延稅項資產及負債方面，該資產及負債須與同一稅務機關就以下其中一項徵收的所得稅有關：
  - 同一應稅實體；或
  - 不同應稅實體，計劃在預期有重大金額的遞延稅項負債或資產須予清償或收回的每個未來期間，按淨額基準變現本期稅項資產及清償本期稅項負債，或同時變現及清償該資產及該負債。

### (q) 所發出的財務擔保、準備及或然負債

#### (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。

倘本集團發出財務擔保，該擔保的公平值(即交易價格，除非該公平值能確實地估計)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。倘並無收取或可收取代價，於最初確認任何遞延收入時，即時開支於損益內確認。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

### (q) Financial guarantees issued, provisions and contingent liabilities (Cont'd)

#### (i) Financial guarantees issued (Cont'd)

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 2(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) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the group and the company has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

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.

## 2. 主要會計政策概要(續)

### (q) 所發出的財務擔保、準備及或然負債(續)

#### (i) 所發出的財務擔保(續)

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)擔保持有人有可能省視擔保下的集團；及(ii)該集團的申索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，準備根據附註2(q)(ii)確認。

#### (ii) 準備及或然負債

當本集團及本公司因過往的事件而須負上法律或推定的責任，可能須為處理該責任而導致含有經濟效益的資源外流及於可作出可靠的估計時，則須為未能確定何時發生或數額的其他負債計提準備。當數額涉及重大的時間價值時，處理該責任的準備以預計所需支出的現有價值呈列。

如果含有經濟效益的資源外流的可能性較低，或其數目未能可靠地預測，則披露有關責任為或然負債，除非資源外流的可能性極微。當可能發生的義務的存在將只由一項或多項未來事件之產生與否所決定，此等義務亦披露為或然負債，除非付出經濟效益的可能性極微。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

## 2. 主要會計政策概要(續)

**(r) Revenue recognition**

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) Sale of properties*

Revenue from the sale of properties is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyers. The group considers that the significant risks and rewards of ownership are transferred when the properties are completed and delivered to the buyers. Revenue from sale of properties excludes business tax and other sales related taxes and is after deduction of any trade discounts. Deposits and instalments received on properties sold prior to the date of revenue recognition are included in the balance sheet as receipts in advance.

*(ii) Rental income from operating leases*

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset. Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned. Revenue excludes business tax or other sales related taxes.

*(iii) Interest income*

Interest income is recognised as it accrues using the effective interest method.

**(r) 收入確認**

在經濟效益可能流入本集團，及收入及成本(如適用)可予準確計算的前提下，於損益內確認為收入的詳情如下：

*(i) 銷售物業*

銷售物業的收入於已轉移所有權的主要風險及報酬予買家時，於損益內確認。本集團認為所有權的主要風險及報酬在物業完成及交付給買家時作出轉移。銷售物業收入不包括營業稅及其他銷售相關稅項，並已扣除任何營業折扣。於收入確認日期前就出售物業收取的按金及分期付款，已計入資產負債表的預收款項內。

*(ii) 經營租賃的租金收入*

經營租賃的應收租金收入於租賃期所涵蓋期間，按等額於損益內確認，但如有其他基準能更清楚地反映使用租賃資產所產生的收益模式時則除外。租賃獎勵於損益表中確認為應收租賃淨付款總額的組成部份。或然租金於其產生的會計期間內確認為收入。收入不包括營業稅及其他銷售相關稅項。

*(iii) 利息收入*

利息收入按實際利率法累計確認。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

## 2. 主要會計政策概要(續)

### (s) Translation of foreign currencies

Foreign currency transactions during the year are translated into Renminbi at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Renminbi at the exchange rates ruling at the balance sheet date. Exchange gains and losses are recognised in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated into Renminbi at the exchange rates ruling at the dates the fair value was determined.

### (t) Borrowing costs

Borrowing costs are expensed in profit or loss in the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to get ready for its intended use or sale.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

### (s) 外幣換算

年內的外幣交易按交易當日的匯率折算為人民幣。以外幣為單位的貨幣資產及負債則按結算日的匯率折算為人民幣。兌收益或虧損於損益中確認。

以外幣列值及按歷史成本計算的非貨幣資產及負債，乃按交易當日的率換算。以外幣列值而以公平值列賬的非貨幣資產及負債乃按釐定公平值當日適用的匯率換算為人民幣。

### (t) 借貸成本

借貸成本於產生期間在損益內列支，但與收購、建設或生產而需相當長時間才可投入其擬定用途或銷售的資產的直接相關借貸成本則予以資本化。

作為合資格資產的部份成本的借貸成本乃於資產的開支產生、借貸成本產生及使資產投入其擬定用途或銷售所需的活動進行時開始資本化。於使合資格資產投入其擬定用途或銷售所需的活動大致上中止或完成時，則暫停或停止將借貸成本資本化。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

## 2. 主要會計政策概要 (續)

### (u) Related parties

For the purposes of these financial statements, a party is considered to be related to the group if:

- (i) the party has the ability, directly or indirectly through one or more intermediaries, to control the group or exercise significant influence over the group in making financial and operating policy decisions, or has joint control over the group;
- (ii) the group and the party are subject to common control;
- (iii) the party is an associate of the group or a joint venture in which the group is a venturer;
- (iv) the party is a member of key management personnel of the group or the group's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- (v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals; or
- (vi) the party is a post-employment benefit plan which is for the benefit of employees of the group or of any entity that is a related party of the group.

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

### (u) 關連人士

就本財務報表而言，任何一方如屬以下情況，即視為本集團之關連人士：

- (i) 該方能透過一家或多家中間公司，直接或間接控制本集團，或在財務及經營政策決策方面對本集團行使重大影響力，或共同控制本集團；
- (ii) 本集團及該方同時受到第三方的控制；
- (iii) 另一方為本集團的聯營公司或合資企業，而本集團是合資者；
- (iv) 另一方為本集團的關鍵管理人員，或本公司的母公司，或與此人關係密切的家族成員，或受此人控制、共同控制或有重大影響的實體；
- (v) 另一方為(i)所述關係密切的家族成員，或受此人控制、共同控制或有重大影響的實體；或
- (vi) 另一方為本集團或作為本集團連繫人士的任何實體的僱員福利而設的離職後福利計劃。

近親為預期在與該實體交易時對其有所影響、受其影響之家族成員。



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

## 2. 主要會計政策概要(續)

### (v) Segment reporting

A segment is a distinguishable component of the group that is engaged either in providing projects or services (business segment), or in providing projects or services within a particular economic environment (geographical segment), which is subject to risks and rewards 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 primary reporting format and geographical segment information as the secondary reporting format for the purposes of these financial statements.

Segment revenue, expenses, 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 revenue, expenses, assets, and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group entities within a single segment. 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.

Unallocated items mainly comprise financial and corporate assets, interest-bearing loans, borrowings, tax balances, corporate and financing expenses.

### (v) 分部報告

分部乃指本集團內可明顯區分的組成部份，負責提供有別於其他分部的項目或服務(業務分部)，或於特定經濟環境中負責提供項目或服務(地區分部)，而各分部的風險及回報有異。

根據本集團的內部財務呈報方式，本集團就本財務資料而選擇業務分部為主要呈報方式，及地區分部為次要呈報方式。

分部收入、支出、業績、資產及負債包括直接來自某一分部，以及可合理地分配至該分部的項目。分部收入、開支、資產及負債於綜合過程中撤銷集團公司間的結餘及集團公司間的交易前釐定，但同屬一個分部的集團公司間的結餘及交易則除外。分部之間的定價按與其他外界人士相若的條款計算。

分部資本性支出指於期內購入預計可於超過一段期間使用的分部資產(有形及無形兩者)所產生的成本總額。

未分配的項目主要包括財務及企業資產與負債、計息貸款、借貸、稅項結餘、企業及融資開支。

### 3. TURNOVER

The principal activities of the group are property development and property leasing.

Turnover represents income from sales of properties and rental income and management fee during the year net of business tax and other sales related taxes and discounts allowed, after eliminating intra-group transactions.

Sales of properties	銷售物業
Rental income and management fee	租金收入及管理費用

### 3. 營業額

本集團的主要業務為物業開發及物業租賃。

營業額即在抵銷集團內部交易後於本年度內的銷售物業收入及租金收入及管理費用(已扣除營業稅及其他銷售有關稅項及折扣)。

2006 RMB'000 人民幣千元	2005 RMB'000 人民幣千元
<b>500,148</b>	129,998
<b>20,892</b>	18,543
<b>521,040</b>	148,541

### 4. GAIN ON DISPOSAL OF PROPERTIES UNDER DEVELOPMENT

During the year, the group disposed its properties under development, Hong Long High Technology Industrial Park, for a consideration of RMB328,356,000. During the year, RMB80,000,000 was settled and the remaining consideration of RMB248,356,000 will be settled in three instalments in 2007. A gain of RMB120,053,000 was resulted from the disposal.

### 5. OTHER NET INCOME

The amount represents net exchange gain.

### 6. OTHER REVENUE

Commission income	佣金收入
Compensation income	賠償收入
Interest income	利息收入
Others	其他

### 4. 出售發展中物業收益

於本年度內，本集團出售其發展中物業鴻隆高科技工業園，價款為人民幣328,356,000元。於本年度內，其中的人民幣80,000,000元已獲繳付，而餘下人民幣248,356,000元的價款將於2007年分三期繳清。因出售而產生的收益為人民幣120,053,000元。

### 5. 其他收益淨額

該金額指外幣匯兌收益淨額。

### 6. 其他收入

2006 RMB'000 人民幣千元	2005 RMB'000 人民幣千元
-	1,822
<b>1,390</b>	-
<b>1,974</b>	802
<b>404</b>	500
<b>3,768</b>	3,124

## 7. PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

### (a) Finance costs

Interest on bank loans and other borrowings wholly repayable within five years  
Less: borrowing costs capitalised into: investment properties under development and properties under development for sale \*

\* The borrowing costs have been capitalised at a rate of 6.14% – 6.93% per annum (2005: 5.22% - 6.34%).

### (b) Staff costs

Wages, salaries and other staff costs  
Including:  
Retirement scheme contributions

Employees of the group's subsidiaries are required to participate in a defined contribution retirement administered and operated by the local municipal government. The group's subsidiaries contribute funds which are calculated on certain percentage of the average employee salary as agreed by the local municipal government to the scheme to fund the retirement benefits of the employees.

The group has no other material obligation for the payment of retirement benefits associated with these schemes beyond the annual contributions described above.

## 7. 除稅前溢利

除稅前溢利已扣除／（計入）：

2006 RMB'000 人民幣千元	2005 RMB'000 人民幣千元
<b>36,953</b>	15,708
<b>(13,783)</b>	(15,347)
<b>23,170</b>	361

\* 借貸成本分別已按6.14%至6.93%（2005年：5.22%至6.34%）的年利率資本化。

### (b) 員工成本

工資、薪金及其他員工成本  
包括：  
退休計劃供款

<b>4,595</b>	4,298
<b>317</b>	218

本集團的附屬公司僱員須參加地方市政府管理及經營的定額供款退休計劃。本集團的附屬公司乃按地方市政府認同的若干平均僱員工資百分比計算的數額向計劃供款，以向僱員退休福利提供資金。

除上述的每年供款外，本集團概無與該等計劃有關的其他重大支付退休福利的責任。

## 7. PROFIT BEFORE TAXATION (CONT'D)

## 7. 除稅前溢利 (續)

Profit before taxation is arrived at after charging/(crediting): (cont'd)

除稅前溢利已扣除／(計入)：(續)

		2006 RMB'000 人民幣千元	2005 RMB'000 人民幣千元
(c) <i>Other items</i>	(c) 其他項目		
Amortisation of leasehold land	租賃土地攤銷	3,041	2,856
Less: amounts capitalised into:	減：金額資本化為：		
– investment properties under development	– 發展中投資物業	(305)	(489)
– properties under development for sale	– 待出售的發展中物業	(1,452)	(1,163)
		1,284	1,204
Depreciation	折舊	1,692	1,600
Total amortisation and depreciation	總攤銷及折舊	2,976	2,804
Auditors' remuneration	核數師酬金	856	182
Net gain on disposal of property, plant and equipment	出售物業、廠房及設備淨收益	–	(6)
Operating lease charges in respect of sub-leased properties	轉租物業的經營租賃費用	10,690	7,695
Cost of inventories sold	已售存貨成本	246,872	47,963
Rental income from investment properties	投資物業的租金收入	(3,405)	(995)
Rental income from sub-leased properties	轉租物業的租金收入	(17,487)	(17,548)
Gross rental income	總租金收入	(20,892)	(18,543)
Less: direct outgoings #	減：直接開支 #	11,009	7,994
		(9,883)	(10,549)
Contingent rental income	或然租金	(108)	(271)

# Direct outgoings represent operating lease charges in respect of sub-leased properties and management fee expenses.

# 直接開支指轉租物業經營租賃費用及管理費開支。

## 8. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

(a) Taxation in the consolidated income statement represents:

<b>Current tax</b>	本期稅項
Provision for PRC Enterprise Income Tax for the year	本年度中國企業所得稅準備
Land Appreciation Tax for the year	本年度土地增值稅
<b>Deferred tax</b>	遞延稅項
Increase in fair value of investment properties	投資物業公平值的增加

No Hong Kong Profits Tax has been provided for as the group has no estimated assessable profits in Hong Kong. Provision for PRC Enterprise Income Tax is computed according to the relevant rules and regulations in the PRC. The applicable income tax rates of the subsidiaries within the group were 15% to 33% throughout the year (2005: 15% to 33%).

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.

## 8. 綜合利潤表內的所得稅

(a) 綜合利潤表內的所得稅指：

<b>2006</b> <b>RMB'000</b> 人民幣千元	2005 RMB'000 人民幣千元
<b>43,468</b>	13,726
<b>78,360</b>	-
<b>121,828</b>	13,726
<hr/>	
<b>84,951</b>	1,088
<b>206,779</b>	14,814

由於本集團於香港並無任何估計應課稅收入，故並無就香港所得稅作出準備。中國企業所得稅準備乃根據中國相關規則及規例計算。本集團的附屬公司於有關期間適用的所得稅率為15%至33% (2005年：15%至33%)。

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。

8. INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT  
(CONT'D)

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

Profit before taxation	除稅前溢利
Notional tax on profit before taxation, calculated at 15% in Shenzhen	按深圳的稅率15%計算的 除稅前溢利的名義稅項
Tax effect of different rates in other locations	在其他不同稅率地區的 稅項影響
Tax effect of non-taxable revenue	毋須計稅收入的稅項影響
Tax effect of non-deductible expenses	不可扣減支出的稅項影響
Tax effect of unused tax losses not recognised	未予以確認稅項虧損額的 稅項影響
Utilisation of previously unrecognised tax losses	動用過往未予以確認的 稅項虧損額
Land Appreciation Tax	土地增值稅
Others	其他
Actual tax expense	實際稅項支出

## 8. 綜合利潤表內的所得稅(續)

(b) 按適用稅率計算的稅項支出與會計溢利的對賬：

2006 RMB'000 人民幣千元	2005 RMB'000 人民幣千元
<b>905,045</b>	79,110
<b>135,757</b>	11,867
<b>2,956</b>	159
<b>(16)</b>	(14)
<b>690</b>	2,622
<b>346</b>	-
-	(75)
<b>66,606</b>	-
<b>440</b>	255
<b>206,779</b>	14,814

## 9. DIRECTORS' REMUNERATION

Director's remuneration disclosed pursuant to section 161 of the Hong Kong Companies Ordinance is as follows:

### Executive directors

Mr Yunshu ZENG	曾雲樞先生
Mr Sheng ZENG	曾勝先生
Ms Qingdong YE	葉慶東女士
Mr Junxin OUYANG	歐陽俊新先生
Dr Qinchen HAN	韓秦春博士

### Executive directors

Mr Sheng ZENG	曾勝先生
Ms Qingdong YE	葉慶東女士
Mr Junxin OUYANG	歐陽俊新先生

## 9. 董事酬金

根據香港公司條例第161條所披露的董事酬金如下：

Directors' fees	Basic salaries, housing allowances and other allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	2006 Total
董事袍金	基本薪金、房屋及其他津貼及實物福利	酌定花紅	退休計劃供款	總計
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
-	165	235	11	411
-	59	241	6	306
-	180	120	6	306
-	63	47	4	114
-	-	-	-	-
-	467	643	27	1,137

Directors' fees	Basic salaries, housing allowances and other allowances and benefits in kind	Discretionary bonuses	Retirement scheme contributions	2005 Total
董事袍金	基本薪金、房屋及其他津貼及實物福利	酌定花紅	退休計劃供款	總計
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
-	72	228	6	306
-	180	120	6	306
-	63	27	4	94
-	315	375	16	706

## 10. INDIVIDUALS WITH HIGHEST EMOLUMENTS

Of the five individuals with the highest emoluments, three (2005: two) are directors whose emoluments are disclosed in note 9. The aggregate of the emoluments in respect of the other two (2005: three) are as follows:

Salaries and other emoluments	薪金及其他酬金
Discretionary bonuses	酌定花紅
Retirement scheme contributions	退休計劃供款

The emoluments of the two (2005: three) individuals with the highest emoluments are within the following bands:

RMBNil to RMB1,000,000	人民幣零元至人民幣1,000,000元
------------------------	---------------------

During the year, no emoluments have been paid by the group to the directors, senior executives or any of the five highest individuals as an inducement to join or upon joining the group or as compensation for loss of office.

## 11. PROFIT ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

The consolidated profit attributable to equity shareholders of the company includes a profit of RMB Nil (2005: RMB Nil) which has been dealt with in the financial statements of the company.

## 12. DIVIDENDS

No dividend has been approved and declared by the group during the years ended 31 December 2006 and 2005.

## 10. 最高酬金人士

五名最高酬金人士之中，分別有三名(2005年：兩名)為董事，其酬金於附註9披露，其餘兩名(2005年：三名)人士的酬金總額如下：

2006 RMB'000 人民幣千元	2005 RMB'000 人民幣千元
264	306
236	244
12	17
<b>512</b>	<b>567</b>

其餘兩名(2005年：三名)酬金最高的人士的酬金範圍如下：

Number of individuals 僱員數目	
2006	2005
2	3

於本年度內，本集團概無向董事、高級行政人員或任何五名最高薪酬的人士支付酬金，作為吸引彼等加入本集團或於加入本集團時的獎勵或離職補償。

## 11. 本公司權益持有人應佔溢利

本公司權益持有人應佔溢利包括人民幣零元(2005年：人民幣零元)的溢利，該溢利已於本公司的財務報表中處理。

## 12. 股息

於截至2006年及2005年12月31日止兩個年度內，本集團並無批准及宣派任何股息。



## 13. BASIC EARNINGS PER SHARE

The calculation of basic earnings per share for the year ended 31 December 2006 is based on the profit attributable to equity holders of the company of RMB698,969,000 (2005: RMB63,531,000) during the year and the 1,036,100,000 shares in issue as at the date of these financial statement as if the share were in issue throughout the entire years ended 31 December 2005 and 2006. No diluted earnings per share amount has been disclosed as no dilutive events existed during the year.

## 14. SEGMENT REPORTING

Segment information is presented in respect of the group's business and geographical segments. Business segment information is chosen as the primary reporting format because this is more relevant to the group's internal financial reporting. No segment information is presented in respect of the group's geographical segments as the group's principal activities are largely carried out in the PRC.

### Business segments

The group comprises the following main business segments:

- Property development: development and sale of properties
- Property leasing: leasing of investment properties and sub-leased properties and provision of related management service

## 13. 每股基本盈利

截至2006年12月31日止年度的每股基本盈利乃根據本年度內本公司權益持有人應佔溢利人民幣698,969,000元(2005年：人民幣63,531,000元)，以及於本財務報表日已發行的1,036,100,000股股份計算(猶如股份於截至2005年及2006年12月31日止兩個年度內已發行)。由於本年度內並無任何攤薄事件，故並無披露每股攤薄盈利的金額。

## 14. 分部報告

分部資料按本集團的業務及地區分部呈列。由於業務分部資料與本集團的內部財務報告較為相關，因此業務分部資料被選為主要報告形式。由於本集團的主要業務大多於中國經營，故概無分部資料按本集團的地區分部呈列。

### 業務分部

本集團由下列主要業務分部組成：

- 物業開發：開發及銷售物業
- 物業租賃：租賃投資物業及轉租物業及提供有關管理服務

## 14. SEGMENT REPORTING (CONT'D)

## 14. 分部報告(續)

## Business segments (Cont'd)

## 業務分部(續)

		Property development 房地產開發 RMB'000 人民幣千元	Property leasing 物業租賃 RMB'000 人民幣千元	Inter- segment elimination 分部之間 的抵銷 RMB'000 人民幣千元	Consolidated 綜合 RMB'000 人民幣千元
<b>Year ended 31 December 2006</b>	<b>截至2006年12月31日 止年度</b>				
Revenue from external customers	外來客戶收入	500,148	20,892	-	521,040
Segment results	分部業績	355,901	2,924	-	358,825
Unallocated operating income and expenses	未能分類的經營 收入及開支				2,615
Profit from operations	經營溢利				361,440
Increase in fair value of investment properties	投資物業公平值 的增加	-	566,343	-	566,343
Change in fair value of derivative component of convertible note	可換股票據衍生 部份公平值變動				432
Finance costs	融資成本				(23,170)
Profit before taxation	除稅前溢利				905,045
Income tax	所得稅				(206,779)
Profit for the year	本年度溢利				698,266
Amortisation and depreciation	攤銷及折舊	2,559	417	-	2,976
<b>As at 31 December 2006</b>	<b>於2006年12月31日</b>				
Segment assets	分部資產	595,125	1,110,570	(75,988)	1,629,707
Unallocated assets	未能分類的資產				119,767
Total assets	總資產				1,749,474
Segment liabilities	分部負債	207,906	32,365	(75,988)	164,283
Unallocated liabilities	未能分類的負債				740,768
Total liabilities	總負債				905,051
Capital expenditure incurred	所產生的資本支出	279,702	214,113		

## 14. SEGMENT REPORTING (CONT'D)

## 14. 分部報告(續)

Business segments (Cont'd)		業務分部(續)		
		Property development 房地產開發 RMB'000 人民幣千元	Property leasing 物業租賃 RMB'000 人民幣千元	Consolidated 綜合 RMB'000 人民幣千元
Year ended 31 December 2005	截至2005年12月31日止年度			
Revenue from external customers	外來客戶收入	129,998	18,543	148,541
Segment results	分部業績	65,845	5,324	71,169
Unallocated operating income and expenses	未能分類的經營收入及開支			1,052
Profit from operations	經營溢利			72,221
Increase in fair value of investment properties	投資物業公平值的增加	-	7,250	7,250
Finance costs	融資成本			(361)
Profit before taxation	除稅前溢利			79,110
Income tax	所得稅			(14,814)
Profit for the year	本年度溢利			64,296
Amortisation and depreciation	攤銷及折舊	2,330	474	2,804
As at 31 December 2005	於2005年12月31日			
Segment assets	分部資產	433,575	285,761	719,336
Unallocated assets	未能分類的資產			106,516
Total assets	總資產			825,852
Segment liabilities	分部負債	405,153	8,291	413,444
Unallocated liabilities	未能分類的負債			265,310
Total liabilities	總負債			678,754
Capital expenditure incurred	所產生的資本支出	224,996	118,705	

## 15. PROPERTY, PLANT AND EQUIPMENT

## 15. 物業、廠房及設備

		The group 本集團				
		Buildings held for own use 持作自用 樓宇 RMB'000 人民幣千元	Leasehold improvements 租賃裝修 RMB'000 人民幣千元	Furniture, fixtures and equipment 傢俱、裝置 及設備 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<b>Cost:</b>	成本：					
At 1 January 2006	於2006年1月1日	3,470	2,145	1,446	3,841	10,902
Additions	添置	-	82	133	426	641
At 31 December 2006	於2006年12月31日	3,470	2,227	1,579	4,267	11,543
<b>Accumulated depreciation:</b>	累計折舊：					
At 1 January 2006	於2006年1月1日	(567)	(751)	(617)	(1,771)	(3,706)
Charge for the year	本年度折舊	(171)	(499)	(270)	(752)	(1,692)
At 31 December 2006	於2006年12月31日	(738)	(1,250)	(887)	(2,523)	(5,398)
<b>Net book value:</b>	賬面淨值：					
At 31 December 2006	於2006年12月31日	2,732	977	692	1,744	6,145

## 15. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

## 15. 物業、廠房及設備(續)

		The group 本集團				
		Buildings held for own use 持作自用 樓宇	Leasehold improvements 租賃裝修	Furniture, fixtures and equipment 傢俱、裝置 及設備	Motor vehicles 汽車	Total 總計
		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
<b>Cost:</b>	<b>成本:</b>					
At 1 January 2005	於2005年1月1日	4,171	851	1,217	4,207	10,446
Additions	添置	-	1,294	229	-	1,523
Disposals	出售	(701)	-	-	(366)	(1,067)
At 31 December 2005	於2005年12月31日	3,470	2,145	1,446	3,841	10,902
<b>Accumulated depreciation:</b>	<b>累計折舊:</b>					
At 1 January 2005	於2005年1月1日	(440)	(319)	(388)	(1,333)	(2,480)
Charge for the year	本年度折舊	(205)	(432)	(229)	(734)	(1,600)
Written back on disposal	出售時撥回	78	-	-	296	374
At 31 December 2005	於2005年12月31日	(567)	(751)	(617)	(1,771)	(3,706)
<b>Net book value:</b>	<b>賬面淨值:</b>					
At 31 December 2005	於2005年12月31日	2,903	1,394	829	2,070	7,196

The group's buildings held for own use and on lease of 40 years in the PRC were pledged against a bank loan as at 31 December 2006 and 2005, details of which are set out in note 22.

於2006年及2005年12月31日，本集團於中國持作自用及租賃期為40年的樓宇已抵押予銀行以獲銀行貸款，其詳情載於附註22。

## 16. INVESTMENT PROPERTIES

## 16. 投資物業

		The group 本集團	
		2006 RMB'000 人民幣千元	2005 RMB'000 人民幣千元
At 1 January	於1月1日	<b>54,300</b>	47,050
Transferred from investment properties under development (note 17)	轉撥自發展中投資物業 (附註17)	<b>904,000</b>	-
Additions	添置	<b>38,747</b>	-
Fair value adjustment	公平值調整	<b>7,453</b>	7,250
At 31 December	於12月31日	<b>1,004,500</b>	54,300

- (a) All investment properties of the group were revalued as at 31 December 2006 by an independent firm of surveyors, Knight Frank Petty Limited, who has among their staff Fellows of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued, on an open market value basis calculated by reference to net rental income allowing for reversionary income potential.
- (b) The analysis of fair value of investment properties is as follows:

- (a) 本集團所有投資物業在2006年12月31日已由擁有對被估物業的位置及種類有近期經驗的香港測量師學會資深會員為僱員的獨立測量師行萊坊測計師行有限公司根據公開市場價值參考租金收入淨額並計及可能的復歸收入重估。
- (b) 投資物業的公平值分析如下：

		The group 本集團	
		2006 RMB'000 人民幣千元	2005 RMB'000 人民幣千元
In PRC, held on leases of	中國，以下列年期租約持有		
- Over 50 years	- 超過50年	<b>962,000</b>	54,300
- Between 10 and 50 years	- 10年至50年	<b>42,500</b>	-
		<b>1,004,500</b>	54,300

## 16. INVESTMENT PROPERTIES (CONT'D)

- (c) Investment properties leased out under operating leases

The group leases out investment properties under operating leases. Except that certain leases are with no specific terms, all other leases run for an initial period of one to twenty years, with an option to renew the lease after that date at which time all terms are renegotiated. All the leases have no contingent elements as at 31 December 2006.

All properties held under operating leases that would otherwise meet the definition of investment properties are classified as investment properties.

- (d) The group's total future minimum lease payments under non-cancellable operating leases from investment properties are receivable as follows:

Within 1 year	一年內
After 1 year but within 5 years	一年後但五年內
After 5 years	五年後

- (e) Certain investment properties of the group were pledged against the bank loans as at 31 December 2006 and 2005, details are set out in note 22.

## 16. 投資物業(續)

- (c) 根據經營租賃出租的投資物業

本集團根據經營租賃出租投資物業。除若干租約並無特定條款外，所有其他租約初步均為期一至二十年及於該日後可選擇續租，而屆時所有條款均可重新協商。於2006年12月31日，所有租賃均不含或然因素。

所有物業根據經營租賃持有，並且在其他方面符合投資物業界定皆歸類為投資物業。

- (d) 本集團根據不可解除的經營租賃的投資物業在日後應收的最低租賃款項總額如下：

<b>The group</b>	
本集團	
2006	2005
RMB'000	RMB'000
人民幣千元	人民幣千元
<b>25,388</b>	753
<b>104,420</b>	3,011
<b>288,075</b>	9,596
<b>417,883</b>	13,360

- (e) 於2006年及2005年12月31日，本集團若干投資物業已作銀行貸款抵押之用。詳情載於附註22。

## 17. INVESTMENT PROPERTIES UNDER DEVELOPMENT

## 17. 發展中投資物業

		The group 本集團	
		2006 RMB'000 人民幣千元	2005 RMB'000 人民幣千元
At 1 January	於1月1日	170,044	52,207
Additions	添置	175,066	117,837
Increase in fair value	公平值增加	558,890	-
Transferred to investment properties (note 16)	轉撥至投資物業 (附註16)	(904,000)	-
At 31 December	於12月31日	-	170,044

The analysis of carrying value of leasehold land included in investment properties under development is as follows:

包括在發展中投資物業內的租賃土地賬面值分析如下：

		The group 本集團	
		2006 RMB'000 人民幣千元	2005 RMB'000 人民幣千元
In PRC, held on leases of - Over 50 years	中國，以租約方式持有 - 超過50年	-	30,089

## 18. INVENTORIES

## 18. 存貨

		The group 本集團	
		2006 RMB'000 人民幣千元	2005 RMB'000 人民幣千元
Properties for future development and under development for sale	供出售未來開發及發展中物業	86,119	270,387
Completed properties held for sale	持作出售的已竣工物業	15,873	276
		<b>101,992</b>	<b>270,663</b>



## 18. INVENTORIES (CONT'D)

- (a) The analysis of carrying value of leasehold land included in properties for future development and under development for sale and completed properties held for sale is as follows:

In PRC, held on leases of	中國·以租約方式持有
– Over 50 years	– 超過50年
– Between 10 and 50 years	– 10年至50年

- (b) The amount of properties for future development and under development for sale expected to be recovered after more than one year is analysed as follows:

Properties for future development and under development for sale	供出售未來開發及發展中物業
--	---------------

All of the other inventories are expected to be recovered within one year.

- (c) Certain completed properties held for sale of the group were pledged against the bank loans as at 31 December 2005, details of which are set out in note 22.
- (d) Certain portions of the group's properties for future development and under development for sale were pledged against a bank loan drawn by an affiliated company of one of the group's minority shareholders. Under this arrangement, the equity interest of that minority shareholder in that subsidiary was held by the group as collateral. As at 31 December 2006, the carrying value of such pledged properties was RMB18,896,000 (2005: RMB18,896,000). The pledge was released subsequent to year end.

## 18. 存貨(續)

- (a) 包括在供出售未來開發及發展中物業及持作出售的已竣工物業內的租賃土地賬面值分析如下：

The group 本集團	
2006 RMB'000 人民幣千元	2005 RMB'000 人民幣千元
70,235	67,996
4,323	26,325
<b>74,558</b>	<b>94,321</b>

- (b) 預期超過一年以後方可變現的供出售未來開發及發展中物業的金額分析如下：

The group 本集團	
2006 RMB'000 人民幣千元	2005 RMB'000 人民幣千元
60,640	57,265

所有其他存貨預期可在一年內變現。

- (c) 於2005年12月31日，本集團若干持作出售的已竣工物業已作銀行貸款抵押之用。詳情載於附註22。
- (d) 本集團若干供出售未來開發及發展中物業用於抵押本集團一名少數股東的關聯公司已提取的銀行貸款。根據該安排，該名少數股東在該附屬公司的股權由本集團持有用作抵押。於2006年12月31日，該等已抵押物業的賬面值為人民幣18,896,000元(2005年：人民幣18,896,000元)。於年底後，該抵押已獲解除。

## 19. TRADE AND OTHER RECEIVABLES

## 19. 應收賬款及其他應收款

		The group 本集團	The company 本公司
		2006 RMB'000 人民幣千元	2005 RMB'000 人民幣千元
Trade receivables (note(a))	應收賬款(附註(a))	310,378	7,764
Other receivables	其他應收款	6,590	28,641
Loans and advances (note(b))	貸款及墊款(附註(b))	55,017	2,580
Prepayments (note(c))	預付賬款(附註(c))	175,573	188,623
Amount due from a director (note(d))	應收董事賬款(附註(d))	30,649	1,683
Amount due from a related company (note(e))	應收關聯公司賬款(附註(e))	-	5,506
Amounts due from minority shareholders (note(e))	應收少數股東賬款(附註(e))	-	63,271
		<b>578,207</b>	<b>298,068</b>
			<b>11,915</b>

All of the trade and other receivables are expected to be recovered within one year.

(a) Included in trade and other receivables are trade debtors with the following ageing analysis at 31 December 2006:

Current or less than 90 days overdue	即期或逾期少於90日
181 to 365 days overdue	逾期181至365日

Trade debtors include an amount in relation to the disposal of Hong Long High Technology Industrial Park as set out in note 4.

The group's credit policy is set out in note 28(a).

預期所有應收賬款及其他應收款均於一年內收回。

(a) 應收賬款包含於應收賬款及其他應收款內，其於2006年12月31日的賬齡分析如下：

		The group 本集團
		2006 RMB'000 人民幣千元
	2005 RMB'000 人民幣千元	7,564
		200
		<b>310,378</b>
		<b>7,764</b>

應收賬款包括有關出售鴻隆高科技工業園的金額，其詳情載於附註4。

本集團的信貸政策載於附註28(a)。

## 19. TRADE AND OTHER RECEIVABLES (CONT'D)

- (b) The loans and advances which are made to business associates are unsecured, interest free and repayable within one to six months.
- (c) Included in prepayments as at 31 December 2006 were prepayments for leasehold land cost of RMB89,128,000 (2005: RMB90,305,000). The leasehold land was held on lease of over 50 years in PRC.
- (d) The amount due from a director disclosed pursuant to section 161B of the Hong Kong Companies Ordinance is as follows:

Mr Sheng ZENG	曾勝先生
Maximum amount outstanding during the year	年內未償還款項的最高金額

The amount due from a director is unsecured, interest free and repayable on demand.

- (e) The amount due from a related company and minority shareholders were unsecured, interest-bearing at market rates and repayable on demand and has been repaid during the year.

## 19. 應收賬款及其他應收款(續)

- (b) 給予業務聯繫人士的貸款及墊款為無抵押、免息和須於一至六個月內償還。
- (c) 於2006年12月31日，包括在預付款項為租賃土地預付款項人民幣89,128,000元(2005年：人民幣90,305,000元)。租賃土地乃於中國以為期超過50年的租約所持有。
- (d) 根據香港公司條例第161B條所披露的應收董事賬款如下：

2006 RMB'000 人民幣千元	2005 RMB'000 人民幣千元
30,649	1,683
<b>31,583</b>	1,683

應收董事賬款乃無抵押、不計息和須於要求時償還。

- (e) 應收關聯公司及少數股東賬款乃無抵押、按市場息率計息和須於要求時償還，並已於年內償還。

## 20. PLEDGED DEPOSITS

- (a) Included in pledged deposits as at 31 December 2006 were the group's cash of RMB11,451,000 (2005: RMB11,834,000) which were deposited with certain banks as guarantee deposits for the benefit of mortgage loan facilities granted by the banks to purchasers of the group's properties.
- (b) As at 31 December 2006, deposits totalling RMB4,658,000 (2005: RMB2,000,000) were placed with banks for the purposes of bills payable.
- (c) Included in pledged deposits as at 31 December 2006 were deposits totalling RMB8,000,000 (2005: RMB8,000,000) pledged with a bank for a bank loan as set out in note 22.

## 20. 已抵押存款

- (a) 於2006年12月31日，已抵押存款包括本集團現金人民幣11,451,000元(2005年：人民幣11,834,000元)。該等現金乃為若干銀行授予本集團物業買方的按揭貸款融資作為保證按金存入該等銀行。
- (b) 於2006年12月31日，為應付票據而存入銀行的存款合共為人民幣4,658,000元(2005年：人民幣2,000,000元)。
- (c) 於2006年12月31日，已抵押存款包括就一筆載於附註22的銀行貸款抵押予一間銀行合共為人民幣8,000,000元(2005年：人民幣8,000,000元)的存款。

## 20. PLEDGED DEPOSITS (CONT'D)

- (d) Included in pledged deposits as at 31 December 2006 was a rental deposit of RMB2,981,000 (2005: RMB Nil) pledged with a bank received from a tenant in respect of an investment property.

## 20. 已抵押存款(續)

- (d) 於2006年12月31日的已抵押存款包括一來自投資物業的租戶抵押予一間銀行人民幣2,981,000元(2005年:人民幣零元)的租賃按金。

## 21. CASH AND CASH EQUIVALENTS

Cash at bank and in hand

銀行存款及現金

## 21. 現金及現金等價物

<b>The group</b>	
本集團	
<b>2006</b>	2005
<b>RMB'000</b>	RMB'000
人民幣千元	人民幣千元
<b>31,540</b>	3,747

## 22. BANK LOANS AND OTHER BORROWINGS

Bank loans (note(a))  
 – secured  
 – unsecured

銀行貸款(附註(a))  
 – 有抵押  
 – 無抵押

Convertible note (note(b))  
 Loan note (note(c))

可換股票據(附註(b))  
 貸款票據(附註(c))

## 22. 銀行貸款及其他借貸

<b>The group</b>	
本集團	
<b>2006</b>	2005
<b>RMB'000</b>	RMB'000
人民幣千元	人民幣千元
<b>140,000</b>	161,200
<b>160,000</b>	65,000
<b>300,000</b>	226,200
<b>56,944</b>	–
<b>113,314</b>	–
<b>470,258</b>	226,200

## 22. BANK LOANS AND OTHER BORROWINGS (CONT'D)

### (a) Bank loans

At 31 December 2006, the bank loans which were all denominated in Renminbi were repayable as follows:

Within 1 year or on demand	一年內或於要求時償還
After 1 year but within 2 years	一年後但兩年內

At 31 December 2006, assets of the group secured against bank loans are analysed as follows:

Buildings held for own use	持作自用的樓宇
Investment properties	投資物業
Completed properties held for sale	持作出售的已竣工物業
Pledged deposits	已抵押存款

## 22. 銀行貸款及其他借貸(續)

### (a) 銀行貸款

於2006年12月31日，以人民幣計值的銀行貸款如下：

The group 本集團	
2006 RMB'000 人民幣千元	2005 RMB'000 人民幣千元
300,000	126,200
–	100,000
<b>300,000</b>	<b>226,200</b>

於2006年12月31日，用作抵押銀行貸款的本集團資產分析如下：

The group 本集團	
2006 RMB'000 人民幣千元	2005 RMB'000 人民幣千元
2,732	2,903
69,500	24,760
–	276
8,000	8,000
<b>80,232</b>	<b>35,939</b>

## 22. BANK LOANS AND OTHER BORROWINGS (CONT'D)

### (a) Bank loans (Cont'd)

The exposure of the group's bank loans to interest-rate changes and the contractual repricing dates or maturity date whichever is earlier are as follows:

6 months or less	6個月或以下
6 to 12 months	6至12個月
1 to 5 years	1至5年

The effective interest rates per annum at 31 December ranged from:

Bank loans	銀行貸款
------------	------

### (b) Convertible note

Principal amount	本金
Transaction costs	交易成本
Net proceeds	所得款淨額
Derivative component	衍生部份
Transaction costs and discount amortised	已攤銷交易成本及折讓
Exchange differences	匯兌差額
Carrying amount at 31 December	於12月31日的賬面值

## 22. 銀行貸款及其他借貸(續)

### (a) 銀行貸款(續)

本集團的面臨利率變動風險的銀行貸款及其合約重新定價日或到期日(兩者中的較早者)如下:

The group 本集團	
2006 RMB'000 人民幣千元	2005 RMB'000 人民幣千元
180,000	9,200
80,000	85,000
-	100,000
<b>260,000</b>	<b>194,200</b>

於12月31日的實際年利率介乎下列範圍:

The group 本集團	
2006 %	2005 %
<b>5.58 – 6.93</b>	5.22 – 6.34

### (b) 可換股票據

The group 本集團	
2006 RMB'000 人民幣千元	
<b>63,260</b>	
<b>(15,340)</b>	
<b>47,920</b>	
<b>(6,710)</b>	
<b>16,538</b>	
<b>(804)</b>	
<b>56,944</b>	

## 22. BANK LOANS AND OTHER BORROWINGS (CONT'D)

### (b) Convertible note (Cont'd)

On 5 October 2006, Access Achievement Limited issued a zero coupon convertible note (the "Convertible Note") for a principal amount of US\$8,000,000 (equivalent to RMB 63,260,000 at the issuance date) to an independent party. The aggregate upfront fee and arrangement fee of the Convertible Note amounted to US\$1,940,000 (equivalent to RMB15,340,000 at the issuance date). The Convertible Note together with the loan note as set out in note 22(c) were secured by the entire issued share capital of Access Achievement Limited and entire paid-up capital of Hong Long Properties (Shenzhen) Company Limited.

The value of the liability and the derivative components of the Convertible Note was determined by an independent firm of surveyors, RHL International Group, who have among their staff Fellows of the Hong Kong Institute of Surveyors, based on the Black-Scholes Option Pricing Model at the issuance date of the Convertible Note. The assumptions of the valuation of the conversion option embedded in the Convertible Note are set out as follows:

Share price	股份價格	HK\$0.81 0.81港元
Exercise price	行使價	HK\$0.72 0.72港元
Expected volatility	預期波幅	0.1%
Expected option life	預期購股權期限	4 months 4個月
Expected dividends	預期股息	-
Risk-free interest rate	無風險利率	3.71%

## 22. 銀行貸款及其他借貸(續)

### (b) 可換股票據(續)

於2006年10月5日，Access Achievement Limited向一名獨立第三方發行本金為8,000,000美元(相等於於發行日期的人民幣63,260,000元)的零息可換股票據(「可換股票據」)。可換股票據的首次費用及安排費用總額合共1,940,000美元(相等於於發行日期的人民幣15,340,000元)。可換股票據，連同載於附註22(c)的貸款乃由Access Achievement Limited全部已發行股本及鴻隆地產(深圳)有限公司的全部繳足股本所抵押。

可換股票據之負債及衍生部份的價值乃由獨立測量師行永利行國際集團(其擁有香港測量師公會資深會員為僱員)於可換股票據發行日期根據「柏力克-舒爾斯」期權定價模式所釐定。包含於可換股票據的兌換股權估值的假設列載如下：

## 22. BANK LOANS AND OTHER BORROWINGS (CONT'D)

## 22. 銀行貸款及其他借貸(續)

### (b) Convertible note (Cont'd)

The movement of the derivative component of the Convertible Note is summarised as follows:

Value at the issuance date	於發行日期的價值
Change in fair value	公平值變動
Exchange differences	匯兌差額
Value as at 31 December	於12月31日的價值

Except for the change of risk-free rate from 3.71% to 3.48%, at 31 December 2006, the fair value of the derivative component of the Convertible Note was valued based on the same assumptions as set out above.

Upon the listing of the company's shares on the Stock Exchange Hong Kong on 22 February 2007, the entire Convertible Note was mandatory converted into 66,000,000 ordinary shares of the company in accordance with the underlying terms of the Convertible Note.

### (c) Loan note

Principal amount	本金
Transaction costs	交易成本
Net proceeds	所得款淨額
Transaction costs amortised	已攤銷交易成本
Exchange differences	匯兌差額
Carrying amount at 31 December	於12月31日的賬面值

### (b) 可換股票據(續)

可換股票據的衍生部份變動概述如下：

The group 本集團 2006 RMB'000 人民幣千元
6,710
(432)
(280)
5,998

除無風險利率由3.71%變為3.48%外，於2006年12月31日，可換股票據的衍生部份公平值乃根據上文所載的相同假設進行估值。

本公司股份於2007年2月22日在香港聯交所上市時，全部可換股票據均為強制性，並根據可換股票據的相關條款兌換為本公司66,000,000股普通股份。

### (c) 貸款票據

The group 本集團 2006 RMB'000 人民幣千元
134,427
(25,877)
108,550
6,472
(1,708)
113,314



## 22. BANK LOANS AND OTHER BORROWINGS (CONT'D)

### (c) Loan note (Cont'd)

On 5 October 2006, Access Achievement Limited issued a zero coupon loan note (the "Loan Note") for a principal amount of US\$17,000,000 (equivalent to RMB134,427,000 at the issuance date) to an independent party (the "Holder"). The aggregate upfront fee and arrangement fee of the Loan Note amounted to US\$3,273,000 (equivalent to RMB25,877,000 at the issuance date). The Loan Note together with the Convertible Note as set out in note 22(b) were secured by the entire issued share capital of Access Achievement Limited and entire paid-up capital of Hong Long Properties (Shenzhen) Company Limited.

The principal amount of the Loan Note is repayable by two instalments, being US\$1,700,000 (equivalent to RMB13,275,000) on 5 April 2007 and US\$15,300,000 (equivalent to RMB119,473,000) on 5 October 2007 in accordance with the underlying terms of the Loan Note. In March 2007, US\$8,000,000 was repaid to the Holder and 71% of issued share capital of Access Achievement Limited and 71.78% of paid-up capital of Hong Long Properties (Shenzhen) Company Limited were released from the charges accordingly.

## 22. 銀行貸款及其他借貸(續)

### (c) 貸款票據(續)

於2006年10月5日，Access Achievement Limited向一名獨立第三方(「持有人」)發行本金為17,000,000美元(相等於於發行日期的人民幣134,427,000元)的零息貸款票據(「貸款票據」)。貸款票據的首次費用及安排費用總額合共3,273,000美元(相等於於發行日期的人民幣25,877,000元)。貸款票據，連同載於附註22(b)的可換股票據乃由Access Achievement Limited全部已發行股本及鴻隆地產(深圳)有限公司的全部繳足股本所抵押。

根據貸款票據的相關條款，貸款票據的本金分兩期償付，第一期於2007年4月5日償付1,700,000美元(相等於人民幣13,275,000元)；第二期於2007年10月5日償付15,300,000美元(相等於人民幣119,473,000元)。2007年3月，持有人獲償付8,000,000美元，而Access Achievement Limited的已發行股本的71%以及鴻隆地產(深圳)有限公司的繳足股本的71.78%的抵押相應地解除。

## 23. TRADE AND OTHER PAYABLES AND ACCRUALS

## 23. 應付賬款、其他應付款及應計費用

		The group 本集團		2006	The company 本公司	
		2006	2005	2006		
		RMB'000	RMB'000	RMB'000		
		人民幣千元	人民幣千元	人民幣千元		
Bills payable	應付票據	4,500	2,000	-		
Trade payables	應付賬款	35,868	45,882	-		
Other creditors and accrued charges	其他應付款及應計費用	142,635	83,174	11,944		
		<b>183,003</b>	131,056	<b>11,944</b>		

As at 31 December 2005, included in trade and other payables and accruals were trade payables which were expected to be settled after more than one year amounted to RMB23,108,000.

Included in trade and other payables and accruals are trade payables with the following ageing analysis as at 31 December 2006:

Due within 90 days or on demand	於90日內到期或即期
---------------------------------	------------

Other creditors and accrued charges of the company represent amount due to Access Achievement Limited. The amount is unsecured, interest free and has no fixed terms of repayment.

於2005年12月31日的應付賬款、其他應付款及應計費用包括預期於一年後償還的款項人民幣23,108,000元。

應付賬款、其他應付款及應計費用包括應付賬款，其於2006年12月31日的賬齡分析如下：

The group 本集團	
2006	2005
RMB'000	RMB'000
人民幣千元	人民幣千元
<b>35,868</b>	45,882

其他應付賬款及應計費用指應付Access Achievement Limited的款額。該款項為無抵押、免息和並無固定還款期。

## 24. RECEIPTS IN ADVANCE

Receipts in advance represented of sales proceeds received from buyers in connection with the group's pre-sales of properties. All of the receipts in advance are expected to be recovered within one year.

## 25. RENTAL AND OTHER DEPOSITS

Included in rental and other deposits were RMB7,237,000 (2005: RMB1,758,000) which are expected to be settled after more than one year as at 31 December 2006. All other rental and other deposits are expected to be settled within one year.

## 26. INCOME TAX IN THE BALANCE SHEET

### (a) Current taxation in the balance sheet represents:

<i>PRC Enterprise Income Tax</i>	中國企業所得稅
Provision for the year	本年度準備
Provisional tax paid	已付暫繳稅項
Balance of tax provision relating to prior years	相關於過往年度的稅項準備結餘
Tax payable	應付稅項
<i>Land Appreciation Tax</i>	土地增值稅
Provision for the year	本年度準備
Provisional tax paid	已付暫繳稅項
Tax payable	應付稅項

## 24. 預收賬款

預收賬款是指本集團自預售物業購買者收取的銷售所得款。所有預收賬款項預期於一年內變現。

## 25. 租賃及其他按金

於2006年12月31日的租賃及其他按金包括預期於一年後償還為人民幣7,237,000元(2005年：人民幣1,758,000元)。所有其他租賃及其他按金均預期於一年內償還。

## 26. 資產負債表的所得稅

### (a) 資產負債表的本期稅項包括：

<b>The group</b>	
本集團	
<b>2006</b>	2005
RMB'000	RMB'000
人民幣千元	人民幣千元
<b>43,468</b>	13,726
-	(176)
<b>43,468</b>	13,550
<b>14,889</b>	11,009
<b>58,357</b>	24,559
<b>78,360</b>	-
<b>(1,047)</b>	-
<b>77,313</b>	-
<b>135,670</b>	24,559

## 26. INCOME TAX IN THE BALANCE SHEET (CONT'D)

- (b) Deferred tax liabilities arising from increase in fair value of investment properties recognised as at 31 December are set out as follows:

At 1 January	於1月1日
Charged to profit or loss	於損益扣除
At 31 December	於12月31日

(c) **Deferred tax assets not recognised**

The group has not recognised deferred tax assets in respect of tax losses of RMB1,047,000 (2005: RMB Nil) as it is not probable that future taxable profits will be available against which the losses can be utilised. The tax losses will be expired in 2010 under current tax legislation.

## 26. 資產負債表的所得稅(續)

- (b) 於12月31日，已確認由於投資物業公平值的增加引致的遞延稅項負債載列如下：

<b>2006</b>	2005
<b>RMB'000</b>	RMB'000
人民幣千元	人民幣千元
<b>1,861</b>	773
<b>84,951</b>	1,088
<b>86,812</b>	1,861

(c) 未確認的遞延稅項資產

本集團並未就稅項虧損人民幣1,047,000元(2005年：人民幣零元)確認遞延稅項資產，因為未來不可能提供應課稅溢利以抵銷虧損。稅項虧損將根據現行的稅項法例於2010年到期。

## 27. CAPITAL AND RESERVES

## 27. 資本及儲備

### (a) The group

### (a) 本集團

		Share capital	Merger reserve	Statutory reserve fund	Retained profits	Total	Minority interests	Total equity
		股本	合併儲備	法定儲備	保留溢利	總計	少數股東權益	權益總額
		RMB'000	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	人民幣千元
At 1 January 2005	於2005年1月1日	25,000	-	5,081	28,792	58,873	11,157	70,030
Profit for the year	本年度溢利	-	-	-	63,531	63,531	765	64,296
Transfer to statutory reserve fund	轉撥至法定儲備	-	-	9,530	(9,530)	-	-	-
Acquisition of a subsidiary	透過收購一間附屬公司	-	-	-	-	-	12,772	12,772
At 31 December 2005 and 1 January 2006	於2005年12月31日及2006年1月1日	25,000	-	14,611	82,793	122,404	24,694	147,098
Profit for the year	本年度溢利	-	-	-	698,969	698,969	(703)	698,266
Nominal value of share capital of new subsidiary acquired	所收購的新附屬公司的股本面值	(24,979)	24,979	-	-	-	-	-
Shares issued	已發行股份	59	-	-	-	59	-	59
Transfer to statutory reserve fund	轉撥至法定儲備	-	-	19,511	(19,511)	-	-	-
Reserve utilised for acquisition of additional interest in a subsidiary	購買一間附屬公司額外權益所抵銷的儲備	-	-	-	(100)	(100)	(900)	(1,000)
At 31 December 2006	2006年12月31日	80	24,979	34,122	762,151	821,332	23,091	844,423

### (b) The company

### (b) 本公司

		Share capital	Accumulated loss	Total
		股本	累計虧損	總計
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
Shares issued upon establishment	於成立時發行的股份	-	-	-
Loss for the year	本年度虧損	-	(29)	(29)
At 31 December 2006	2006年12月31日	-	(29)	(29)

## 27. CAPITAL AND RESERVES (CONT'D)

## 27. 資本及儲備(續)

### (c) Share capital

- (i) On 2 December 2005, Access Achievement Limited was incorporated in the British Virgin Islands with an authorised share capital of US\$50,000 divided into 500,000 shares of US\$0.1 each. On 19 December 2005, an aggregate of 25,800 shares were allotted and issued at par.
- (ii) On 28 March 2006, Access Achievement Limited acquired the entire equity interest in Hong Long Properties (Shenzhen) Company Limited. As a result of the acquisition, Hong Long Properties (Shenzhen) Company Limited became a wholly-owned subsidiary of Access Achievement Limited.
- (iii) On 20 July 2006, the company was incorporated in the Cayman Islands with authorised share capital of 10,000,000 shares of HK\$0.01 each. One nil-paid share of HK\$0.01 was issued and allotted to Codan Trust Company (Cayman) Limited, which was transferred to Grand Prosperity Limited on the same day. In addition, the company issued 99 nil paid shares of HK\$0.01 each and allotted to Grand Prosperity Limited on the same day.
- (iv) On 19 September 2006, Access Achievement Limited allotted and issued at par an aggregate of 74,200 shares. Upon completion of such allotment and issue, an aggregate of 100,000 shares of Access Achievement Limited was issued and allotted.
- (v) The share capital presented in the consolidated balance sheet as at 31 December 2006 represents the share capital of Access Achievement Limited.
- (vi) The share capital presented in the consolidated balance sheet as at 31 December 2005 represents the paid-up capital of Hong Long Properties (Shenzhen) Company Limited.

### (c) 股本

- (i) 於2005年12月2日，Access Achievement Limited於英屬處女群島註冊成立，法定股本為50,000美元，分為500,000股每股0.1美元股份。於2005年12月19日，合共25,800股股份按面值配發及發行。
- (ii) 於2006年3月28日，Access Achievement Limited收購於鴻隆地產(深圳)有限公司的全部股本權益。由於該收購，鴻隆地產(深圳)有限公司成為Access Achievement Limited全資附屬有限公司。
- (iii) 於2006年7月20日，本公司於開曼群島註冊成立，法定股本為10,000,000股每股0.01港元股份。1股每股面值0.01港元的未繳股款股份發行及配發予Codan Trust Company (Cayman) Limited，並於同日轉撥予Grand Prosperity Limited。此外，本公司發行99股每股面值0.01港元的未繳股款股份，並於同日配發予Grand Prosperity Limited。
- (iv) 於2006年9月19日，Access Achievement Limited按面值配發及發行合共74,200股股份。於完成配發及發行時，Access Achievement Limited合共100,000股股份獲發行及配發。
- (v) 於2006年12月31日的綜合資產負債表呈列的股本為Access Achievement Limited的股本。
- (vi) 於2005年12月31日的綜合資產負債表呈列的股本指鴻隆地產(深圳)有限公司的繳足股本。

## 27. CAPITAL AND RESERVES (CONT'D)

## 27. 資本及儲備 (續)

### (c) Share capital (Cont'd)

### (c) 股本 (續)

(vii) The company's shares were successfully listed on the Stock Exchange on 22 February 2007.

(vii) 本公司股份於2007年2月22日在聯交所成功上市。

The following table set out the movement of share capital of the company subsequent to year end up to the date of these financial statements:

下表載有本公司股本於結算日後至本財務報表日期的變動：

		HK\$'000 港幣千元	RMB'000 人民幣千元
Shares issued on 31 January 2007 (note 33(i))	於2007年1月31日發行股份 (附註33(i))	840	832
Shares issued pursuant to the capitalisation issue (note 33(ii))	根據資本化發行而發行之股份 (附註33(ii))	6,000	5,941
Shares issued pursuant to the Global Offering (note 33(iii))	根據全球發售而發行之股份 (附註33(iii))	2,500	2,475
Shares issued pursuant to the conversion of the Convertible Note (note 33(iv))	根據轉換可換股票據而發行之股份 (附註33(iv))	660	653
Shares in issue upon listing on 22 February 2007	於2007年2月22日上市時已發行之股份	10,000	9,901
Shares issued upon the exercise of the over-allotment option (note 33(v))	因行使超額配股權而發行之股份 (附註33(v))	361	357
Shares in issue up to the date of these financial statements	於本財務報表日期已發行股份	10,361	10,258

## 27. CAPITAL AND RESERVES (CONT'D)

## 27. 資本及儲備(續)

**(d) Nature and purpose of reserve***(i) Merger reserve*

The merger reserve represents the difference between the nominal value of shares of the subsidiary acquired over the nominal value of the shares used by the company exchange thereafter.

*(ii) Statutory reserve fund include the following items:*

## Statutory surplus reserve

According to the PRC Company Law, the PRC subsidiaries of the group are required to transfer 10% of its profit after taxation, as determined under PRC Accounting Regulations, to statutory surplus reserve until the reserve balance reaches 50% of the registered capital. The transfer to this reserve must be made before distribution of a dividend to shareholders.

Statutory reserve fund can be used to make good previous years' losses, if any, and may be converted into share capital by the issue of new shares to shareholders in proportion to their existing shareholdings or by increasing the par value of the shares currently held by them, provided that the balance after such issue is not less than 25% of the registered capital.

## Statutory public welfare fund

Prior to 1 January 2006, according to the then PRC Company Law, the PRC subsidiaries of the group were required to transfer 5% to 10% of its profit after taxation, as determined under PRC Accounting Regulations, to the statutory public welfare fund. This fund could only be utilised on capital items for the collective benefits of the company's employees such as the construction of dormitories, canteen and other staff welfare facilities. This fund was non-distributable other than in liquidation. The transfer to this reserve must be made before distribution of a dividend to shareholders. The directors had resolved to transfer 5% of the current year's profit after taxation to the fund in previous years.

**(d) 儲備的性質及目的***(i) 合併儲備*

合併儲備乃指所收購的附屬公司股份的面值與公司交易所用股份面值之間的差額。

*(ii) 法定儲備金包括以下各項：*

## 法定公積金

根據中國公司法，本集團的中國附屬公司須按中國會計制度，將其除稅後溢利的10%轉撥至法定公積金，直至該儲備結餘達到註冊資本的50%。轉撥款項至此項儲備必須於分派股息予股東前作出。

法定公積金可用以抵銷過往年度的虧損(如有)；透過按股東現有持股量向股東發行新股份或增加該等股東持有股份面值將法定公積金轉換為股本，惟於該發行後，其結餘不得少於註冊資本的25%。

## 法定公益金

於2006年1月1日之前，根據當時的中國公司法，本集團的中國附屬公司須按中國會計制度，將其除稅後溢利的5%至10%轉撥至法定公益金。此筆資金可用於本公司員工集體福利的資本項目(如興建宿舍、餐廳及其他員工福利設施)。除於清盤時，此筆資金乃不可分派。轉撥款項至此項儲備必須於分派股息予股東前作出。於前數年，董事已議決轉撥除稅後現年溢利的5%至此筆資金。



## 27. CAPITAL AND RESERVES (CONT'D)

## 27. 資本及儲備 (續)

### (d) Nature and purpose of reserve (Cont'd)

(ii) *Statutory reserve fund include the following items:  
(Cont'd)*

Statutory public welfare fund (Cont'd)

From 1 January 2006, according to the revised PRC Company Law, the PRC subsidiaries of the group are not required to make such transfers. The directors resolved to transfer the statutory public welfare fund of RMB4,871,000 as at 1 January 2006 to retained profits which is in compliance with the PRC Company Law.

(iii) *Distributability of reserve*

For dividend purposes, the amount which the company and its subsidiaries can legally distribute by way of a dividend is by reference to the profits as reflected in their PRC statutory financial statements prepared in accordance with PRC GAAP. These profits differ from those reflected in these financial statements, which are prepared in accordance with HKFRSs.

Upon listing of the company's shares on the SEHK, dividends will be distributed out of the group's net distributable earnings, which represent the lower of the net profit as determined in accordance with PRC GAAP and HKFRS, less allocations to the statutory reserve fund.

As at 31 December 2006, the reserve available for distribution was RMB294,765,000 (2005: RMB72,251,000).

### (d) 儲備的性質及目的 (續)

(ii) *法定儲備金包括以下各項:  
(續)*

法定公益金 (續)

自2006年1月1日起，根據已修訂的中國公司法，本集團的中國附屬公司毋須作出該等轉撥。董事已議決於2006年1月1日將法定公益金人民幣4,871,000元轉撥至保留溢利，此乃符合中國公司法的規定。

(iii) *可供分派儲備*

就股息而言，本公司及其附屬公司可合法用作分派股息的數額，乃參照彼等按中國公認會計準則編製的中國法定財務報表所反映的溢利而釐定。該等溢利與本財務報表所反映的不同，因本財務報表的溢利乃根據香港財務報告準則所編製。

待本公司的股份在香港聯交所上市，股息將從本集團的可供分派盈利淨額分派，計為根據中國公認會計準則及香港財務報告準則所釐定的溢利淨額的較低者減分配至法定公積金的資金。

於2006年12月31日，可供分派的儲備為人民幣294,765,000元(2005年：人民幣72,251,000元)。

## 28. FINANCIAL INSTRUMENTS

Exposure to credit, liquidity, interest rate, foreign currency and concentration risks arises in the normal course of the group's business. These risks are limited by the group's financial management policies and practices described below:

**(a) Credit risk**

The extent of the group's credit exposure is represented by the aggregate balance of cash at bank, trade and other receivables. The group has no concentrations on credit risk. Cash transactions are limited to high-credit-quality institutions.

The group has a defined credit policy. The group reviews the ageing of loans and advances on a regular basis and closely monitor the recoverability of the balances. The group has also arranged bank financing for certain purchasers of properties and provided guarantees to secure repayment obligations of such purchasers. Details of these guarantees are set out in note 31.

**(b) Liquidity risk**

Individual subsidiaries within the group are responsible for their own cash management, including raising loans to cover the expected cash demand, subject to approval by the company's board of directors. The group's policy is to regularly monitor current and expected liquidity requirements to ensure that the group maintains sufficient reserves of cash and adequate committed lines of funding from banks to meet its liquidity requirements in the short and longer term.

**(c) Interest rate risk**

The group's income and operating cash flows are substantially independent of changes in market interest rates. The group has no significant interest-bearing assets. The group's exposure to changes in interest rates is mainly attributable to certain floating interest-bearing borrowings.

The group has not used any interest rate swaps to hedge its exposure to interest rate risk.

## 28. 金融工具

信用、流動性、利率及外匯的風險在本集團一般業務過程中出現：該等風險根據以下所述本集團的財務管理政策及常規管理。

**(a) 信用風險**

本集團並無集中信用風險。現金交易只限於信用質素高的機構。本集團所承受的信用風險乃銀行現金、貿易及其他應收賬款的結餘總額。

本集團擁有清晰的信用政策。本集團定期檢討貸款及墊款的賬齡，並緊密監察該等結餘是否可收回。本集團亦為若干物業買家提供銀行融資及作出擔保以保證該等買家履行償還責任。有關該等擔保的詳情列載於附註31。

**(b) 流動性風險**

本集團個別附屬公司自行負責其本身的現金管理，包括籌集貸款以應付預期的現金需求，惟須待本公司董事會批准。本集團的政策是定期監控現有及預期的流動資金需要，以確保本集團能維持足夠現金儲備及來自銀行的已承諾融通額足以應付短期及長期的流動資金需要。

**(c) 利率風險**

本集團的收入及經營現金流量大致不受市場利率所影響。本集團並無重大計息資產。本集團所承受的利率變動風險主要來自若干計算浮息借貸。

本集團並無利用任何利率掉期合約以對沖利率風險。

## 28. FINANCIAL INSTRUMENTS (CONT'D)

### (d) Foreign currency risk

The group is exposed to foreign currency risks arose from the Convertible Note and Loan Note in currencies other than the functional currency of the operations of the group. The group ensures that the net exposure is kept to an acceptable level.

### (e) Concentration risk

The operation of the group significantly relied on a single third party which was both the largest customer and supplier of the group for the year ended 31 December 2006. The party was also the largest debtor and creditor of the group as at 31 December 2006.

Should the operation of the party be in doubt, the operation of the group may be significantly affected. The group has requested that party to arrange a guarantee for the sale proceeds not yet repaid upon the sales of properties. The group also monitors the financial position of the party closely in order to mitigate the concentration risks exposed.

### (f) Fair values

All financial instruments are carried at amounts not materially different from their fair values as at 31 December 2006.

## 28. 金融工具(續)

### (d) 外匯風險

本集團承受本集團業務功能貨幣以外的可換股票據及貸款票據所產生的外匯風險。本集團確保淨風險保持至可接收水平。

### (e) 集中風險

本集團的業務很大程度上依賴單一的第三方，該第三方為本集團截至2006年12月31日止年度的最大客戶及供應商。該方亦為本集團截至2006年12月31日的最大債務人及債權人。

倘該方的業務有困難，本集團的業務可能會受到重大影響。本集團已要求該方就於銷售物業時尚未償還的銷售所得款安排擔保。本集團亦緊密監視該方的財務狀況以緩和所承受的集中風險。

### (f) 公平值

所有金融工具的金額與於各有關期間末的公平值概無重大分別。

## 29. COMMITMENTS

**(a) Capital commitments outstanding at 31 December not provided for in the financial statements were as follows:**

Authorised but not contracted for	已授權但未訂約
Contracted but not provided for	已訂約但尚未準備

**(b) Commitments for operating leases**

The group is the lessee in respect of a number of properties under operating leases. The leases typically run for an initial period of two to twenty years, with an option to renew the lease after that date at which time all terms are renegotiated. None of the leases includes contingent rentals.

During the year, RMB10,690,000 (2005: RMB7,695,000) was recognised in profit or loss as rental expenses in respect of sub-leased properties.

As at 31 December, the total future minimum lease payments under non-cancellable operating leases in respect of sub-leased properties are payable as follows:

Within 1 year	一年內
After 1 year but within 5 years	一年後但五年內
After 5 years	於五年後

## 29. 承擔

**(a) 於12月31日尚未在財務報表內準備的資本承擔如下：**

<b>The group</b>	
本集團	
<b>2006</b>	2005
<b>RMB'000</b>	RMB'000
人民幣千元	人民幣千元
<b>2,113,060</b>	469,685
<b>179,000</b>	482,736
<b>2,292,060</b>	952,421

**(b) 經營租賃承擔**

本集團為經營租賃下多項物業的承租人。該等租約最初一般為期兩年至二十年，於該日後可選擇續租，而屆時所有條款均可重新協商。所有租賃均不含或然租金。

年內，在損益內已確認為轉租物業的租金支出為人民幣10,690,000元（2005年：人民幣7,695,000元）。

於12月31日，根據不可解除的經營租賃，轉租物業在日後應付的最低租賃付款額總數如下：

<b>The group</b>	
本集團	
<b>2006</b>	2005
<b>RMB'000</b>	RMB'000
人民幣千元	人民幣千元
<b>10,379</b>	9,087
<b>35,220</b>	161,140
<b>52,161</b>	650,020
<b>97,760</b>	820,247

## 30. SIGNIFICANT LEASING ARRANGEMENTS

Significant leasing arrangements in respect of investment properties held under operating leases are described in note 16(c).

Apart from these leases, the group also sub-leases out a number of properties under operating leases. The leases typically run for an initial period of one to twenty years, with an option to renew the lease after that date at which time all terms are renegotiated. All of these leases have no contingent element.

During the year ended 31 December 2006, RMB17,487,000 (2005: RMB17,548,000) was recognised in profit or loss as rental income in respect of sub-leased properties.

As at 31 December, the total future minimum lease payments under non-cancellable operating leases in respect of sub-leased properties are receivable as follows:

Within 1 year	一年內
After 1 year but within 5 years	一年後但五年內
After 5 years	五年後

## 30. 重要租賃安排

根據經營租賃所持的投資物業涉及的重要租賃安排列載於附註 16(c)。

除該等租賃外，本集團亦根據經營租賃轉租若干物業。這些租賃一般為期一至二十年，於該日後可選擇續租，而屆時所有條款均可重新協商。所有這些租賃並無或然成份。

截至 2006 年 12 月 31 日止年度，在損益內已確認為轉租物業的租金收入為人民幣 17,487,000 元 (2005 年：人民幣 17,548,000 元)。

於 12 月 31 日，根據不可解除的經營租賃，轉租物業在日後應收的最低租賃款項總額如下：

2006 RMB'000 人民幣千元	2005 RMB'000 人民幣千元
13,927	15,330
30,807	25,275
22,639	25,282
<b>67,373</b>	65,887

## 31. CONTINGENT LIABILITIES

## 31. 或然負債

		The group 本集團	
		2006 RMB'000 人民幣千元	2005 RMB'000 人民幣千元
Guarantees given to banks for:	向銀行發出的擔保：		
– mortgage facilities granted to purchasers of the group's properties (note)	– 提供予本集團物業買家的按揭信貸額(附註)	370,000	370,000
– a bank loan to a minority shareholder	– 提供予一名少數股東的銀行貸款	–	30,000
		<b>370,000</b>	<b>400,000</b>

Note: The group provided guarantees in respect of mortgage facilities granted by certain banks in connection with the mortgage loans entered into by purchasers of the group's properties. Pursuant to the terms of the guarantees, if there is default of the mortgage payments by these purchasers, the group is responsible to repay the outstanding mortgage loans together with any accrued interest and penalty owed by the defaulted purchasers to banks. The group is then entitled to take over the legal title of the related properties. The group's guarantee period commences from the dates of grant of the relevant mortgage loans and ends after the purchaser obtained the individual property ownership certificate or up to a maximum of two years after the full repayment of mortgage loan by the purchaser of the group's properties.

The directors consider that in case of default in payments, the net realisable value of the related properties can cover the repayment of the outstanding mortgage loans together with any accrued interest and penalty and therefore no provision has been made in connection with the guarantees.

附註：本集團就若干銀行授出的按揭融資額提供擔保，該等按揭融資涉及由本集團若干物業買家所訂立的按揭貸款。根據擔保的條款，倘該等買家拖欠按揭款項，本集團須負責向銀行償還買家結欠的貸款連同任何應計利息及罰款，而本集團屆時有權接管有關物業的法定所有權。本集團的擔保期限由按揭貸款授出日期起計，並於買家取得個別房產證後或於本集團物業買家支付全數按揭貸款後最多兩年後結束。

董事認為倘款項被拖欠，有關物業的可變現淨值足以償還尚未償還的按揭貸款以及任何應計利息及罰款，因此並無就擔保作出準備。

## 32. MATERIAL RELATED PARTY TRANSACTIONS

Other than those disclosed in notes 9 and 19, the group had the following significant transactions and balances with related parties during the year:

### (a) Transactions and balances with the group's directors, senior management and their close family members

Sale of properties (note(ii))	銷售物業(附註(ii))
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In addition, as at 31 December 2006, directors, senior management and their close family members have provided guarantees for the group's bank borrowings of RMB200,000,000 (2005: RMB226,200,000).

### (b) Transactions and balances with the group's affiliated companies and their directors

Loans and advances (note(iii))	貸款及墊款(附註(iii))
Other creditors (note(iiii))	其他應付款(附註(iiii))
Receipts in advance (note(iv))	預收賬款(附註(iv))

Sale of properties (note(ii))	銷售物業(附註(ii))
Interest income (note(v))	利息收入(附註(v))
Rental expense (note(vi))	租金支出(附註(vi))

In addition, as at 31 December 2005, a property of an affiliated company had been pledged to a bank for the group's bank borrowings of RMB7,430,000.

## 32. 關連人士的重大交易

除在附註9及19中披露的交易外，本集團與關連人士於年內重大交易及結餘如下：

### (a) 與本集團董事、高級管理人員及其直系親屬成員間的交易及結餘

2006 RMB'000 人民幣千元	2005 RMB'000 人民幣千元
<b>496</b>	-

此外，於2006年12月31日，董事、高級管理人員及其直系親屬成員分別為本集團的人民幣200,000,000元(2005年：人民幣226,200,000元)銀行貸款提供擔保。

### (b) 與本集團的聯屬公司及其董事間的交易及結餘

2006 RMB'000 人民幣千元	2005 RMB'000 人民幣千元
<b>5,690</b>	694
<b>8,724</b>	8,724
<b>200</b>	-
-	8,000
<b>319</b>	286
<b>716</b>	1,049

此外，於2005年12月31日本集團一家聯屬公司把其物業抵押予銀行以使本集團獲得銀行貸款人民幣7,430,000元。

## 32. MATERIAL RELATED PARTY TRANSACTIONS (CONT'D)

### (b) Transactions and balances with the group's affiliated companies and their directors (Cont'd)

Notes:

- (i) These transactions were carried out on normal commercial terms and in the ordinary course of the group's businesses.
- (ii) Loans and advances represented interest free and unsecured amounts advanced to these related parties for short-term purposes. An amount of RMB5,490,000 (2005: RMB Nil) was advanced to a related party in which a director has interest. These amounts were repayable within three to six months and made on the same terms with other independent third parties.
- (iii) Other creditors represented interest free and unsecured amounts due to these related parties for short-term purposes. These amounts were repayable within three to six months and made on the same terms with other independent third parties.
- (iv) Receipts in advance represented sales proceeds received in respect of the pre-sale of a property under development which is expected to be completed within one year. The terms of such sales were carried out on normal commercial terms and in the ordinary course of the group's businesses.
- (v) Interest income on loan to a related party was charged at interest rate of bank borrowings in similar terms.
- (vi) Rental expense was charged by a then affiliated company in accordance with the terms of the underlying agreement.

## 32. 關連人士的重大交易(續)

### (b) 與本集團的聯屬公司及其董事間的交易及結餘(續)

附註:

- (i) 此等交易乃按一般商業條款及於本集團正常業務範圍內進行。
- (ii) 貸款及墊款代表墊付予該等關連人士的免息及無抵押短期款項。董事擁有其中權益的關連人士獲墊款為人民幣5,490,000元(2005年:人民幣零元)。該等款項須於三至六個月內償還,並按照與其他獨立第三方的相同條款而訂立。
- (iii) 其他應付款代表應付該等關連人士的免息及無抵押短期款項。該等款項須於三至六個月內償還,並按照與其他獨立第三方的相同條款而訂立。
- (iv) 預收賬款代表就預計於一年內竣工的發展中物業而已收取的銷售所得款項。該等銷售乃按照一般商業條款及於本集團正常業務範圍內進行。
- (v) 支付予關連人士的貸款的利息收入是以類似條款的銀行貸款的利息計算。
- (vi) 租金支出乃按照有關協議的條款由當時的聯屬公司計算。



## 33. NON-ADJUSTING POST BALANCE SHEET EVENT

- (i) On 31 January 2007, the company issued and allotted, credited as fully paid at par, 83,999,900 shares to Grand Prosperity Limited, and credited as fully paid at par the 100 nil paid shares already held by Grand Prosperity Limited, in consideration for an aggregate of 100,000 shares of US\$0.1 each representing the entire issued share capital of Access Achievement Limited transferred to the company as to 80,000 shares by Mr Sheng ZENG and 20,000 shares by Mr Yunshu ZENG pursuant to an agreement for sale and purchase entered into between the company as purchaser, and Mr Sheng ZENG and Mr Yunshu ZENG as vendors on the same day.
- (ii) On 22 February 2007, an amount of RMB5,941,000 standing to the credit of the share premium account was applied in paying up in full 600,000,000 ordinary shares of HK\$0.01 each which were allotted and distributed as fully paid to the then shareholders.
- (iii) On 22 February 2007, an aggregate of 250,000,000 ordinary shares of HK\$0.01 each were issued and offered for subscription at a price of HK\$1.8 per share upon the listing of the company's share on the Stock Exchange Hong Kong. The group raised approximately HK\$472,345,000 (equivalent to RMB467,246,000) net of related expenses from the share offer.
- (iv) On 22 February 2007, an aggregate of US\$8,000,000 Convertible Note was mandatory converted into 66,000,000 ordinary shares of HK\$0.01 each.
- (v) On 13 March 2007, an aggregate of 36,100,000 ordinary shares of HK\$0.01 each were issued and offered for subscription at a price of HK\$1.8 per share upon the exercise of the over-allotment option.

## 33. 非調整結算日後事項

- (i) 於2007年1月31日，根據本公司（作為買方）與曾勝先生及曾雲樞先生（作為賣方）於同日所訂立的買賣協議，本公司向Grand Prosperity Limited發行及配發（按面值繳足）83,999,900股股份，並按面值繳足100股Grand Prosperity Limited已持有的未繳股款股份，作為合共100,000股每股面值0.1美元股份的代價，為Access Achievement Limited向本公司轉讓的全部已發行股本，其中由曾勝先生擁有80,000股股份，並由曾雲樞先生擁有20,000股股份。
- (ii) 於2007年2月22日，股份溢價賬之進項人民幣5,941,000元獲用以悉數支付600,000,000股每股面值0.01港元的普通股，該等普通股獲配發及分派，作為悉數支付予當時的股東。
- (iii) 於2007年2月22日，合共250,000,000股每股面值0.01港元的普通股於本公司股份在香港聯交所上市後按每股1.8港元價格發行及供予認購。本集團自股份發售籌集了約472,345,000港元（相等於人民幣467,246,000元）（扣除有關股份認購開支）。
- (iv) 於2007年2月22日，可換股票據總額8,000,000美元被強制性兌換為66,000,000股每股面值0.01港元普通股。
- (v) 於2007年3月13日，合共36,100,000股每股面值0.01港元普通股於行使超額配股權時按每股1.8港元的價格發行及供予認購。

## 33. NON-ADJUSTING POST BALANCE SHEET EVENT (CONT'D)

- (vi) On 31 January 2007, an aggregate of ten Pre-IPO Share Options, the exercise of which would entitle these employees to an aggregate of 23,000,000 shares of the company, have been granted by the company. The exercise price is HK\$0.6 per share and the Pre-IPO Share Options can be exercised from six months after 22 February 2007 (date of listing of the company's shares on the Stock Exchange Hong Kong, the "Listing Date") to five years from the Listing Date unless extended in writing by the Board of Directors in its absolute discretion. The grant of the Pre-IPO Share Options will increase the staff costs of the group in the financial year ending 31 December 2007.
- (vii) On 2 February 2007, the group exercised its right under an equity transfer agreement dated 8 August 2006 in relation to the acquisition of the 49% equity interest in Huizhou Yintaida Company Limited for a consideration of RMB85,000,000. Upon the completion of the registration procedures, Huizhou Yintaida Company Limited will become a wholly-owned subsidiary of the group. The registration procedures are still in progress up to the date of these financial statements.
- (viii) On 9 March 2007, the group acquired the remaining 6.37% equity interest in Shenzhen Hong Long Commercial Management Company Limited for a total consideration of RMB680,000. Subsequent to the acquisition, Shenzhen Hong Long Commercial Management Company Limited became a wholly-owned subsidiary of the Group.
- (ix) On 6 April 2007, the group successfully bid certain properties in Shenzhen through an auction for a consideration of RMB478,170,000 from an independent third party. The group intended to sell these properties upon completion of renovation works and obtain necessary approvals from relevant government authorities.

## 33. 非調整結算日後事項(續)

- (vi) 於2007年1月31日，本公司已授出合共十份首次公開發售前購股權(其行使將會使該等僱員擁有本公司合共23,000,000股股份)。行使價為每股0.6港元，而首次公開發售前購股權可於2007年2月22日(本公司股份於香港聯交所上市的日期，「上市日期」)後六個月至上市日期起計五年行使，惟董事會全權酌情決定並以書面延長除外。授出首次公開發售前購股權將會增加本集團截至2007年12月31日止財政年度的員工成本。
- (vii) 於2007年2月2日，本集團行使其於2006年8月8日訂立的股權轉讓協議的權利，以人民幣85,000,000元代價購入惠州銀泰達實業有限公司的49%股權。於登記手續完成後，惠州銀泰達實業有限公司將成為本集團的全資附屬公司。截至本財務報表日期，登記手續尚在進行中。
- (viii) 於2007年3月9日，本集團以人民幣680,000元代價，購入深圳市鴻隆商業管理有限公司餘下6.37%股權。於收購後，深圳市鴻隆商業管理有限公司成為本集團的全資附屬公司。
- (ix) 於2007年4月6日，本集團透過競價投標成功地向獨立第三方以代價人民幣478,170,000元投得深圳若干物業。本集團計劃於完成翻新工程後出售該等物業，並向相關政府機構取得必需的批文。

## 33. NON-ADJUSTING POST BALANCE SHEET EVENT (CONT'D)

- (x) On 29 December 2006, the Standing Committee of the Tenth National People's Congress ("NPC") passed a resolution to submit the draft corporate income tax law to the Tenth NPC plenary session for voting. According to the income tax law that was passed by NPC on 16 March 2007, corporate income tax rate will be revised to 25% with effect from 1 January 2008. Since the implementation measure on transitional policy of preferential tax rate granted according to current tax law and administration regulations was not yet announced, financial impact of the new law cannot be reasonably estimated at this stage.

## 33. 非調整結算日後事項(續)

- (x) 於2006年12月29日，第十屆全國人民代表常務委員會(「全國人大」)通過決議案，在第十屆全國人大全體會議上提呈草擬公司所得稅法律，以供投票表決。根據於2007年3月16日所通過的所得稅法律，公司所得稅將修訂為25%，自2008年1月1日起生效。由於並未公佈實行根據現行稅項法律及行政規則所授予的優惠稅率的過渡政策的措施，新法律所構成的財務影響在此階段不能合理地估計。

## 34. ACQUISITION OF A SUBSIDIARY

The net assets acquired in the acquisition of Shenzhen Yinghua Development Company Limited during the year ended 31 December 2005 were as follows:

## 34 收購附屬公司

截至2005年12月31日止年度，收購深圳市英華實業發展有限公司時所購入的資產淨值如下：

		<b>Carrying amount before consolidation</b>	<b>Fair value adjustments</b>	<b>Fair value</b>
		於合併前賬面值	公平值調整	公平值
		RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元
Net assets acquired:	已收購資產淨值：			
– Trade and other receivables	– 應收賬款及其他應收款	96,775	1,327	98,102
– Trade and other payables and accruals	– 應付賬款、其他應付款及應計費用	(8,725)	-	(8,725)
– Minority interests	– 少數股東權益	(12,582)	(190)	(12,772)
		<b>75,468</b>	<b>1,137</b>	<b>76,605</b>
<b>Satisfied by:</b>	以下列方式支付：			
Cash paid	已付現金			16,555
Trade and other payables and accruals	應付賬款、其他應付款及應計費用			60,050
				<b>76,605</b>
<b>Net outflow of cash and cash equivalents in respect of acquisition of a subsidiary:</b>	就購買附屬公司的現金及現金等價物流出淨額：			
Cash consideration	現金代價			(16,555)

**35. PARENT AND ULTIMATE HOLDING COMPANY**

The directors consider the parent and ultimate holding company of the group to be Grand Prosperity Limited, which is incorporated in the British Virgin Islands. This entity does not produce financial statements available for public use.

**36. ACCOUNTING ESTIMATES AND JUDGEMENTS**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**(i) Impairment provision for investment properties under development**

As explained in note 2(e), the group makes impairment provision for the above properties taking into account the group's estimates of the recoverable amount from such properties. The recoverable amounts have been determined based on value-in-use calculations, taking into account the latest market information and past experience. These calculation and valuations require the use of judgement and estimates.

Given the volatility of the PRC property market, the actual recoverable amount may be higher or lower than estimated at the balance sheet date. Any increase or decrease in the provision would affect profit or loss in future years.

**(ii) Provision for completed properties held for sale and properties for future development and under development for sale**

As explained in note 2(i), the group's completed properties held for sale and properties for future development and under development for sale are stated at the lower of cost and net realisable value. Based on the group's recent experience and the nature of the subject properties, the group makes estimates of the selling prices, the costs of completion in case for properties for future development and under development for sale, and the costs to be incurred in selling the properties based on prevailing market conditions.

**35. 母公司及最終控股公司**

董事認為本集團的母公司及最終控股公司為於英屬處女群島註冊成立的 Grand Prosperity Limited。此公司並無編製財務報表供公眾閱覽。

**36. 會計估計及判斷**

估計及判斷乃持續進行的評估，並以過往經驗及其他因素作為基礎的，包括在該等情況合理相信會出現的未來事件。估計不明朗因素的主要來源如下：

**(i) 發展中投資物業的減值準備**

如附註2(e)所解釋，本集團參照其對上述物業可收回金額作出的估計，為該等物業提供減值準備。該可收回金額根據使用中價值計算法並參照最新市場資料及過往經驗所釐定。該等計算法及估值須予判斷及估計。

按中國物業市場的波動的情況，實際可收回金額或會高於或低於在結算日所估計的金額。該準備的任何增加或減少將對未來的溢利或虧損構成影響。

**(ii) 持作出售的已竣工物業及供出售未來開發及發展中物業的準備**

如附註2(i)所解釋，本集團持作出售的已竣工物業、未來開發物業及待出售的發展中物業乃以成本值及可變現淨值的較低者入賬。根據本集團的最近經驗及上述物業的性質，本集團基於現時的市場狀況，推算售價、供出售未來開發及發展中物業的竣工成本及出售該等物業所產生的成本。

## 36. ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

### (ii) Provision for completed properties held for sale and properties for future development and under development for sale (Cont'd)

If there is an increase in costs to completion or a decrease in net sales value, the net realisable value will decrease and this may result in provision for completed properties held for sale and properties for future development and under development for sale. Such provision requires the use of judgement and estimates. Where the expectation is different from the original estimate, the carrying value and provision for properties in the periods in which such estimate is changed will be adjusted accordingly.

In addition, given the volatility of the PRC property market and the unique nature of individual properties, the actual outcomes in terms of costs and revenue may be higher or lower than estimated at the balance sheet date. Any increase or decrease in the provision would affect profit or loss in future years.

### (iii) Impairment losses on prepaid project costs

The group prepaid land and construction costs for certain projects located on the lands which the group has not obtained land use rights. The group is in the process of obtaining these land use rights. Should the land use rights cannot be obtained subsequently, certain prepaid costs may not be recoverable. The group provides impairment losses for the unrecoverable costs based on its estimation. The group's estimates may be inaccurate and any change in the estimates would affect profit or loss in future years.

## 36. 會計估計及判斷(續)

### (ii) 持作出售的已竣工物業及供出售未來開發及發展中物業的準備(續)

倘竣工成本有所增加或銷售價值淨值有所減少，可變現價值淨額將會減少，繼而或會為持作出售的已竣工物業、未來開發物業及待出售的發展中物業提撥準備。該準備須予以判斷及估計。倘預期與原來估計有所不同，於該推算出現改動期內的物業賬面值及準備將會相應地調整。

此外，根據中國物業市場的波動及個別物業的特有性質，成本及收益的實際所得或會高於或低於在結算日所估計的所得。準備的任何增加或減少將對未來的溢利或虧損構成影響。

### (iii) 預付項目成本的減值虧損

本集團就位於其未獲取土地使用權的土地的若干項目，預付土地及建築成本。本集團現正獲取該等土地使用權。倘本集團於日後未能獲取該等土地使用權，若干預付成本或會不能收回。本集團根據其估計為不可收回的成本的減值虧損作撥備。本集團的估計或會不準確，而該等估計的任何變動將影響來年的溢利或虧損。

## 36. ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

**(iv) Provision for bad debts of loans and advances**

The group reviews the recoverability and ageing of loans and advances and provides impairment losses if the balances are not fully recoverable. The assessments involve estimation on the recoverability of these balances. The group's estimates may be inaccurate and any change in estimates would affect profit or loss in future years.

**(v) Land Appreciation Tax**

As explained on note 8(a), Land Appreciation Tax is levied on properties developed by the group for sale, at progressive rate 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 cost and all property development expenditures. Given that the uncertainties of the calculation basis of Land Appreciation Tax adopted by local tax bureau, the actual outcomes may be higher or lower than estimated at the balance sheet date. Any increase or decrease in estimates would affect profit or loss in future years.

## 36. 會計估計及判斷(續)

**(iv) 貸款及墊款的壞賬準備**

本集團審核貸款及墊款的可收回性及賬齡，倘餘額無法悉數收回，則將對減值虧損作撥備。有關評估涉及對餘額可收回性的估計。本集團的估計可能不準確，而估計亦可能須於日後年度進行調整。

**(v) 土地增值稅**

誠如附註8(a)所闡述，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。鑑於本地稅務局所採納的土地增值稅計算基準的不明朗因素，實際結果可能會高於或低於在結算日所估計的結果。估計的任何增加或減少會影響其後年度的損益。

## 37. POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2006

Up to the date of issue of these financial statements, the HKICPA has issued the following amendments, new standards and interpretations which are not yet effective for the year ended 31 December 2006 and which have not been adopted in these financial statements:

## 37. 已頒佈但於截至2006年12月31日止年度尚未生效的修訂、新準則及詮釋的可能影響

於此等財務資料刊發日期，香港會計師公會已公佈以下修訂、新準則及詮釋。該等修訂、準則及詮釋於截至2006年12月31日止年度尚未生效，且未於財務資料中採納：

			<i>Effective for accounting periods beginning on or after 自以下日期或之後 開始的會計期間生效</i>
Amendments to HKAS 1	香港會計準則第1號的修訂	Presentation of financial statements: capital disclosures 呈列財務報表： 資本披露	1 January 2007 2007年1月1日
HKFRS 7	香港財務報告準則第7號	Financial instruments: disclosures 金融工具：披露	1 January 2007 2007年1月1日
Revised guidance on implementing HKFRS 4	推行香港財務報告準則第4號的已修訂指引		For entities that begin to apply HKFRS 7 on or after 1 January 2007 or choose to apply HKFRS 7 before that date 於2007年1月1日或之後開始應用香港財務報告準則第7號或選擇於該日前應用香港財務報告準則第7號的實體
HKFRS 8	香港財務報告準則第8號	Operating segments 經營分部	1 January 2009 2009年1月1日
HK(IFRIC) 7	香港(國際財務報告詮釋委員會詮釋)第7號	Applying the restatement approach under IAS 29 financial reporting in hyperinflationary economies 應用國際會計準則第29號—惡性通貨膨脹經濟財務報告的重列方法	1 March 2006 2006年3月1日

37 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2006 (CONT'D)

Up to the date of issue of these financial statements, the HKICPA has issued the following amendments, new standards and interpretations which are not yet effective for the year ended 31 December 2006 and which have not been adopted in these financial statements: (Cont'd)

37. 已頒佈但於截至2006年12月31日止年度尚未生效的修訂、新準則及詮釋的可能影響(續)

於此等財務資料刊發日期，香港會計師公會已公佈以下修訂、新準則及詮釋。該等修訂、準則及詮釋於截至2006年12月31日止年度尚未生效，且未於財務資料中採納：(續)

			<i>Effective for accounting periods beginning on or after 自以下日期或之後 開始的會計期間生效</i>
HK(IFRIC) 8	香港(國際財務報告詮釋委員會詮釋)第8號	Scope of HKFRS 2 香港財務報告準則 第2號範疇	1 May 2006 2006年5月1日
HK(IFRIC) 9	香港(國際財務報告詮釋委員會詮釋)第9號	Reassessment of embedded derivatives 重新評估內含衍生工具	1 June 2006 2006年6月1日
HK(IFRIC) 10	香港(國際財務報告詮釋委員會詮釋)第10號	Interim financial reporting and impairment 中期財務報告及減值	1 November 2006 2006年11月1日
HK(IFRIC) 11	香港(國際財務報告詮釋委員會詮釋)第11號	HKFRS 2 – Group and treasury share transactions 香港財務報告準則第2號 —集團及庫存股份交易	1 March 2007 2007年3月1日
HK(IFRIC) 12	香港(國際財務報告詮釋委員會詮釋)第12號	Service concession arrangements 服務特許安排	1 January 2008 2008年1月1日

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 but has so far concluded that these new HKFRSs would not have a significant impact on the group's results of operations and financial position.

本集團正在評估這些修訂、新準則及新詮釋於最初應用期間的預期影響，至今的結論是這些新香港財務報告準則對本集團經營業績及財務狀況不會有重大影響。