



SUN CENTURY GROUP LIMITED
太陽世紀集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)

(Stock Code 股份編號 : 1383)

2012

Annual Report 年報



Content

目錄

Corporate Information	公司資料	2
Properties Portfolio Overview	物業組合概覽	4
Group Financial Summary	集團財務概要	6
Chairman's Statement	主席報告	7
Management Discussion and Analysis	管理層討論及分析	9
Biographical Details of Directors	董事之履歷	13
Directors' Report	董事會報告	16
Corporate Governance Report	企業管治報告	29
Independent Auditor's Report	獨立核數師報告	39
Consolidated Statement of Comprehensive Income	綜合全面收益表	41
Consolidated Statement of Financial Position	綜合財務狀況表	42
Consolidated Statement of Changes in Equity	綜合權益變動表	44
Consolidated Statement of Cash Flows	綜合現金流量表	45
Notes to the Financial Statements	財務報表附註	47



Corporate Information

公司資料

Board of Directors

Executive Directors

Mr. CHAU Cheok Wa
Ms. YEUNG So Mui
Ms. CHENG Mei Ching
Ms. YEUNG So Lai
Mr. QIU Bin

Independent Non-Executive Directors

Mr. TOU Kin Chuen
Dr. WU Kam Fun Roderick
Mr. LO Wai Tung John

Company Secretary

Mr. LUK Chi Keung

Auditor

Andes Glacier CPA Limited

Registered Office

Cricket Square
Hutchins Drive
P.O. Box 2681
George Town
Grand Cayman KY1-1111
The Cayman Islands

Principal Place of Business in the PRC

Room 2101-2109
Tower F Xihaimingchu Building
No. 1 Taoyuan Road
Nan Shan District
Shenzhen 518052, Guangdong Province
The PRC

Principal Place of Business in Hong Kong

Room 2108, 21/F., China Merchants Tower
Shun Tak Centre
168-200 Connaught Road Central
Sheung Wan
Hong Kong

董事會

執行董事

周焯華先生
楊素梅女士
鄭美程女士
楊素麗女士
邱斌先生

獨立非執行董事

杜健存先生
胡錦勳博士
盧衛東先生

公司秘書

陸志強先生

核數師

思捷會計師行有限公司

註冊辦事處

Cricket Square
Hutchins Drive
P.O. Box 2681
George Town
Grand Cayman KY1-1111
The Cayman Islands

中國主要營業地點

中國
廣東省深圳
南山區
桃園路1號
西海明珠大廈F座
2101-2109室
郵編：518052

香港主要營業地點

香港
上環
干諾道中168-200號
信德中心
招商局大廈21樓2108室

Corporate Information

公司資料

Principal Share Registrar and Transfer Office in the Cayman Islands

Royal Bank of Canada Trust Company (Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road
P.O. Box 1586
Grand Cayman KY1-1110
Cayman Islands

Hong Kong Branch Share Registrar and Transfer Office

Tricor Investor Services Limited
26th Floor
Tesbury Centre
28 Queen's Road East
Hong Kong

Principal Bankers

In Hong Kong:

DBS Bank (Hong Kong) Limited
Bank of China (Hong Kong) Limited
Bank of Communications Co., Ltd. Hong Kong Branch
The Hongkong and Shanghai Banking Corporation Limited

In the PRC:

China Construction Bank
China CITIC Bank

Investor Relations

For other information relating to the Company, please contact Corporate Communications Department
website: www.sun1383.com
e-mail: ir@sun1383.com

開曼群島主要股份過戶登記處

Royal Bank of Canada Trust Company (Cayman) Limited
4th Floor, Royal Bank House
24 Shedden Road
P.O. Box 1586
Grand Cayman KY1-1110
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東28號
金鐘匯中心
26樓

主要往來銀行

在香港:

星展銀行(香港)有限公司
中國銀行(香港)有限公司
交通銀行股份有限公司香港分行
香港上海滙豐銀行有限公司

在中國:

中國建設銀行
中信銀行

投資者關係

有關本公司的其他資料
請聯絡企業傳訊部
網址: www.sun1383.com
電郵: ir@sun1383.com

Properties Portfolio Overview

物業組合概覽

Property Development Business

Completed projects

Project name	Place	Site Area		GFA (m ²)				Total	Saleable Area (m ²)	Commencement/ completion date	Interest attributable to the Group
		(m ²)	Residential	Shop	Office	Hotel	Others ⁽¹⁾				
Hong Long Century Plaza	Shenzhen	N/A	7,454	12,664	52,400	-	12,230	84,748	72,518	2008/Q2-2010/Q4	100%
			7,454	12,664	52,400	-	12,230	84,748	72,518		

Properties under development/to be developed

Project name	Place	Site Area		GFA (m ²)				Total	Saleable Area (m ²)	Commencement/ completion date	Interest attributable to the Group
		(m ²)	Residential	Shop	Office	Hotel	Others ⁽¹⁾				
Le Paysage (formerly known as Zirui Garden)	Shenzhen	43,538	90,015	8,002	-	-	36,732	134,749	98,017	2008/Q1-2013/Q2	100%
Shengshi Yayuan	Shenyang	98,061	156,748	39,225	-	-	150	196,123	195,973	2010/Q2-2015/Q4	100%
Vacation Water Town	Chaohu	122,636	102,777	10,500	-	-	3,000	116,277	113,277	2005/Q2-2013/Q4	100%
			349,540	57,727	-	-	39,882	447,149	407,267		

Property Leasing Business

Project name	Place	100% owned by the Group
		Leaseable area (m ²)
Hong Long Plaza	Shenzhen	64,397

Note:

(1) Includes club house and car parking spaces.

Properties Portfolio Overview

物業組合概覽

物業開發業務

已完成項目

項目名稱	地點	土地面積 (m ²)		建築面積 (m ²)				合計	可銷售面積 (m ²)	動工/ 竣工時間	本集團 所佔權益
		住宅	商鋪	寫字樓	酒店	其他 ⁽¹⁾					
鴻隆世紀廣場	深圳	不適用	7,454	12,664	52,400	-	12,230	84,748	72,518	2008/Q2-2010/Q4	100%
			7,454	12,664	52,400	-	12,230	84,748	72,518		

在開發／待開發物業

項目名稱	地點	土地面積 (m ²)		建築面積 (m ²)				合計	可銷售面積 (m ²)	動工/ 竣工時間	本集團 所佔權益
		住宅	商鋪	寫字樓	酒店	其他 ⁽¹⁾					
半山道1號(前稱紫瑞花園)	深圳	43,538	90,015	8,002	-	-	36,732	134,749	98,017	2008/Q1-2013/Q2	100%
盛世雅苑	瀋陽	98,061	156,748	39,225	-	-	150	196,123	195,973	2010/Q2-2015/Q4	100%
假日水鎮	巢湖	122,636	102,777	10,500	-	-	3,000	116,277	113,277	2005/Q2-2013/Q4	100%
			349,540	57,727	-	-	39,882	447,149	407,267		

物業租賃業務

項目名稱	地點	本集團 佔100%權益	可出租面積
			(m ²)
鴻隆廣場	深圳		64,397

附註：

(1) 含住客會所和停車位。

Group Financial Summary

集團財務概要

Results

業績

		For the year ended 31 December 截至12月31日止年度				
		2012	2011	2010	2009	2008
		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
Turnover	營業額	324,669	324,494	819,375	362,369	119,628
Net increase/(decrease) in fair value of investment properties	投資物業的公允值的增加/(減少)淨額	293,570	(752,000)	208,415	56,830	62,120
Impairment loss on inventories	存貨之減值虧損	(48,000)	(260,506)	-	-	-
Profit/(Loss) from operations	經營溢利/(虧損)	178,298	(1,257,948)	(118,689)	172,541	122,290
Net change in fair value of derivative financial instruments	衍生金融工具的公允值的變動淨額	8	14,267	15,977	(19,994)	58,533
Finance costs	融資成本	(185,982)	(156,023)	(160,934)	(87,843)	(90,227)
Gain on bargain purchase in respect of business combination	有關業務合併的議價購買收益	-	-	123,979	-	-
Gain on derecognition of available-for-sale financial assets	終止確認可供出售金融資產收益	-	33,306	-	-	-
Gain on disposal of subsidiaries	出售附屬公司的收益	17,719	81,873	200,801	-	-
Impairment loss on subsidiaries group classified as held for sale	分類為持作出售之附屬集團之減值虧損	-	(8,861)	-	-	-
Profit/(Loss) before tax	除稅前溢利/(虧損)	10,043	(1,293,386)	61,134	64,704	90,596
Income tax credit/(charge)	計入/(扣除)所得稅	29,277	175,259	(28,455)	(33,497)	(87,236)
Profit/(Loss) after tax	除稅後溢利/(虧損)	39,320	(1,118,127)	32,679	31,207	3,360
Profit/(Loss) attributable to owners of the Company	本公司擁有人應佔溢利/(虧損)	39,320	(1,118,121)	37,609	32,699	3,546

Assets, Liabilities and Non-controlling Interests

資產、負債及非控股權益

		At 31 December 於12月31日				
		2012	2011	2010	2009	2008
		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
Non-current assets	非流動資產	1,091,181	792,760	1,889,099	1,436,304	1,368,908
Current assets	流動資產	2,284,350	2,608,808	2,811,982	3,120,386	2,455,402
Current liabilities	流動負債	(2,428,561)	(2,199,367)	(1,523,929)	(1,210,385)	(1,255,575)
Non-current liabilities	非流動負債	(176,250)	(545,091)	(1,400,926)	(1,625,468)	(908,932)
Non-controlling interests	非控股權益	-	-	(995)	(2,732)	(13,082)
Equity attributable to owners of the Company	本公司擁有人應佔權益	770,720	657,110	1,775,231	1,718,105	1,646,721

Chairman's Statement

主席報告

The board ("Board") of directors ("Directors") of Sun Century Group Limited (formerly known as Hong Long Holdings Limited) (the "Company") is pleased to announce the consolidated results of the Company and its subsidiaries (collectively referred as the "Group") for the year ended 31 December 2012.

Dividend

The Board does not recommend the payment of a final dividend for the year ended 31 December 2012 (2011: nil). The Group will formulate appropriate dividend policy in accordance with the development needs in the future.

Review and Outlook

Following the global financial crisis in 2008, China further strengthened its economy by loosening macroeconomic policies and launching its RMB4 trillion stimulus package in 2008. Starting in 2010, in order to cope with the rising inflation and unbalanced economic growth, China implemented a series of economic austerity measures to slow down its overheated economy by adjusting interest rates, bank deposit reserve ratio and austerity measures for the housing market. From 2009 to 2011, China's real GDP grew at an annual growth rate of approximately 9.2%, 10.4% and 9.2%, respectively. In March 2012, the PRC Government announced a real GDP growth rate target of 7.5% in 2012 and an average real GDP growth rate target of 7% for the five-year plan which ends in 2015. After years of high but unbalanced economic growth, the PRC Government sets a more moderate annual growth target which aims to improve the quality of economic growth and to promote economic restructuring as a way to sustain longer-term growth.

太陽世紀集團有限公司(前稱鴻隆控股有限公司)(「本公司」)董事(「董事」)會(「董事會」)欣然公佈本公司及其附屬公司(統稱為「本集團」)截至2012年12月31日止年度的綜合業績。

股息

董事會不建議派發有關截至2012年12月31日止年度之末期股息(2011年：無)。本集團將因應未來的發展需要而制定合適的派息政策。

回顧及展望

於2008年的全球金融危機後，中國放寬宏觀經濟政策及於2008年推出人民幣4萬億元的刺激經濟方案，經濟得以進一步鞏固。自2010年起，中國實施連串緊縮經濟措施，透過調節利率、銀行存款儲備金率及對住房市場實行調控措施以打擊過熱經濟，藉此應對持續上升的通脹及不平衡經濟增長。2009年至2011年，中國的實際國內生產總值的年度增長率分別約為9.2%、10.4%及9.2%。2012年3月，中國政府公佈2012年的實際國內生產總值目標增長為7.5%，而就2015年結束的5年計劃制定的平均實際國內生產總值目標增長率則為7%。中國經濟經過多年來的高水平但不平衡增長後，中國政府制定較為溫和的年度增長目標，目的在於改善經濟增長的質量及促進經濟重組，藉以維持長期增長。

Chairman's Statement

主席報告

Review and Outlook (Cont'd)

Growth in the PRC property market increased moderately in 2010 and the first half of 2011. However, the PRC property market experienced downward pricing pressures in the second half of 2011, as a result of the various "cool-off" policies and measures introduced by the PRC government. Transaction volumes remained low in 2012.

Looking ahead, although the PRC government is expected to continue to enforce the tightening policies or measures, we remain prudently optimistic regard the PRC property market. Followed by China's central bank lowered the reserve requirement ratio and cut the benchmark interest rates two times, we believed that more fiscal stimuli initiatives would be launched. Moreover, the economic growth has encouraged the rapid expansion of cities in China and acceleration in rural-to-urban migration and increased the disposable income of the PRC population. The continued rapid urbanization in the PRC and the improving living standards have spurred urban residents to pursue high quality property has created ongoing demand.

Social Responsibility

The Group is committed to bear its social responsibility and contribute to the weak and poor. The employees of the Group have actively participated in various charity activities involving cultural education, disaster relief, environmental protection, health and hygiene, as well as public transportation of the municipal. The Group will continue to promote our corporate culture of dedicating sincerity and love to the community internally, and bear our related social responsibility.

Acknowledgement

I would like to take this opportunity to thank the shareholders, customers and business partners for their trust in, understanding of and support to the Group over the years. Moreover, I would also like to thank all staff for their tremendous effort and contribution. We will continue to explore new business opportunities in the challenging year ahead and strive for the best returns for our shareholders.

CHAU Cheok Wa

Chairman

28 March 2013

回顧及展望(續)

中國物業市場的增長於2010年及2011年上半年適度增加。然而，由於中國政府頒佈的眾多調控政策和措施，中國物業市場於2011年下半年面臨降價壓力。於2012年，交易量保持在較低水平。

展望未來，儘管中國政府預期繼續加強收緊政策或措施，本集團對中國物業市場仍然審慎樂觀。隨著中國央行兩次下調存款準備金率，並降低基準利率，本集團相信將會推出更多的財政刺激措施。此外，隨著經濟發展，中國城市快速擴張，農村向城市快速遷移及中國人口可支配收入增加。內地積極推動都市化以及居民生活水平提高推動對高質素樓盤的追求，都帶來持續的需求。

社會責任

本集團樂於承擔其應盡的社會責任，奉獻力量扶弱濟貧。本集團的員工積極參與文化教育、賑災、環境保護、醫療衛生及市政交通等有關的公益活動。未來本集團將繼續在內部推行誠愛社會的企業文化，承擔相應的社會責任。

感謝

本人謹此感謝股東、客戶及商業夥伴多年來對本集團的信任、理解與支持，亦感謝全體員工的努力及貢獻。在未來充滿挑戰的1年，本集團將繼續發掘新商機，並致力為股東帶來良好回報。

周焯華

主席

2013年3月28日

Management Discussion and Analysis

管理層討論及分析

Financial Review

Turnover and gross profit: Turnover comprises of sales proceeds of properties delivered and property leasing income. The turnover in 2012 when compared with 2011 remained stable. In 2012, we have delivered office units of approximately 2,632m² GFA, shops of approximately 4,707m² and residential units of approximately 1,367m² GFA, while in 2011 we have delivered office units of approximately 8,160m² GFA and residential units of approximately 6,340m² GFA. The selling price and the gross profit margin of shops are much higher than that of office units and residential units resulted in the increase in gross profit.

Other net income/(expenses): The increase in 2012 was mainly due to the reversal of impairment on other receivables and the increase in reversal of overprovision of accruals of approximately RMB62,822,000 and RMB68,673,000 respectively.

Selling and distribution expenses: The increase in 2012 was mainly due to the re-decorate expenses for the sale office in Shenzhen.

Other operating expenses: The increase in 2012 was mainly due to the increase in impairment loss recognised in trade and other receivables. The Group assessed the carrying amount and the recoverable amount of each individual receivable at the reporting date to ensure the carrying amount would not exceed its recoverable amount. In 2012, the amounts due from some disposed subsidiaries have not been secured or guaranteed, accordingly full provision has been made during the year.

Net increase/(decrease) in fair value of investment properties: The change in fair value was mainly due to the prevailing market conditions. As the sale and purchase agreement to dispose of Hong Long Plaza was lapsed in 2012, the impairment loss provision of RMB274 million recognised in 2011 due to this transaction has been reversed and recognised as a net increase in fair value of investment properties in 2012.

Impairment loss on inventories: The impairment in 2012 represented the difference between the recognised inventory costs in Chaohu Project and its fair value valued by an independent valuer.

Net change in fair value of derivative financial instruments: In September 2007, the Company issued Senior Note with warrants. The warrants expired in the year. The associated derivative financial liabilities were written back in the consolidated statement of comprehensive income. It is a non-cash item.

財務回顧

營業額及毛利：營業額包括交付物業的銷售所得及物業租賃收入。2012的營業額與2011年相比，基本保持穩定。於2012年，本集團交付了約2,632m²建築面積的寫字樓單位、約4,707m²建築面積的店鋪及約1,367m²建築面積的住宅單位，而於2011年本集團交付了約8,160m²建築面積的寫字樓單位及約6,340m²建築面積的住宅單位。店鋪的銷售單價及毛利率均遠高於寫字樓單位及住宅單位，毛利亦因此增加。

其他收入／(支出)淨額：於2012年增加主要由於撥回其他應收款的減值及增加撥回預提費用之超額撥備分別為約人民幣62,822,000元及人民幣68,673,000元。

銷售及分銷費用：於2012年增加主要由於重新裝修位於深圳的營銷辦公室的費用所致。

其他營運費用：於2012年增加主要由於應收賬款及其他應收款確認之減值虧損有所增加所致。於報告日，本集團已評估每一個人的應收款項的帳面價值與可收回金額，以確保其帳面價值不超過其可收回金額。在2012年，由於一些已出售附屬公司的欠款並沒有被抵押或擔保，因此年內已作出全數撥備。

投資物業公允值增加／(減少)淨額：公允值變動主要由於當前市況所致。因出售鴻隆廣場的協議已於2012年取消，而於2011年作出撥備虧損之人民幣274百萬元，已於2012年內撥回及錄入2012年投資物業公允值淨額增加。

存貨之減值虧損：2012年之減值乃巢湖項目已確認庫存成本與其由獨立估值師評估之公允值之間的差額。

衍生金融工具的公允值變動淨額：於2007年9月，本公司發行附有認股權證的優先票據。認股權證於年內屆滿。相關衍生金融負債已於綜合全面收益表內撥回，其為非現金項目。

Management Discussion and Analysis

管理層討論及分析

Financial Review (Cont'd)

Gain on disposal of subsidiaries: During 2012, the Group completed to dispose of various subsidiaries as a result of Group re-organisation.

Income tax credit: The tax credit was mainly due to the written back of PRC Corporate Income Tax and Land Appreciation Tax over provided in previous years.

Segment Analysis

In 2012, property development income and property leasing income accounted for approximately 85.76% (2011:88.92%) and 14.24% (2011:11.08%) respectively.

Liquidity, Financial Resources and Gearing

Bank and cash balances and pledged deposits as at 31 December 2012 amounted to approximately RMB15.22 million (31 December 2011: RMB50.13 million) which including RMB14.43 million, US\$0.01 million, and HK\$0.98 million.

The Group had total borrowings of approximately RMB1,803.82 million as at 31 December 2012 (31 December 2011: RMB1,312.96 million). All the borrowings were repayable within one year. The Group's borrowings carried interest at fixed or floating interest rates. The Group's total borrowings divided by total assets as at 31 December 2012 was 53.44% (31 December 2011: 38.60%).

As at 31 December 2012, the Group had current assets of approximately RMB2,284.35 million (31 December 2011: RMB2,608.81 million) and current liabilities of approximately RMB2,428.56 million (31 December 2011: RMB2,199.37 million).

Charge On Assets

As at 31 December 2012, bank and other borrowings of approximately RMB923.26 million were secured by certain investment properties, inventories and pledged deposits of the Group of approximately RMB1,080.00 million, RMB1,273.24 million and RMB1.15 million respectively.

財務回顧(續)

出售附屬公司收益：於2012年，由於本集團重組而完成出售若干附屬公司。

所得稅抵免：稅項抵免主要由於撥回以往年度中國企業所得稅及中國土地增值稅之超額撥備。

分部分析

於2012年，物業發展收入及物業租賃收入分別約佔85.76%(2011年：88.92%)及14.24%(2011年：11.08%)。

流動資金、財務資源及負債比率

於2012年12月31日，銀行及現金結餘及抵押存款約達人民幣15.22百萬元(2011年12月31日：人民幣50.13百萬元)，包括人民幣14.43百萬元、0.01百萬美元及0.98百萬港元。

於2012年12月31日，本集團的借貸總額約為人民幣1,803.82百萬元(2011年12月31日：人民幣1,312.96百萬元)，所有借貸須於1年內償還。本集團借貸以定息或浮動息率計息。本集團於2012年12月31日的借貸總額除以總資產為53.44%(2011年12月31日：38.60%)。

於2012年12月31日，本集團有流動資產約人民幣2,284.35百萬元(2011年12月31日：人民幣2,608.81百萬元)及流動負債約人民幣2,428.56百萬元(2011年12月31日：人民幣2,199.37百萬元)。

對資產的抵押

於2012年12月31日，銀行及其他借貸約人民幣923.26百萬元由本集團分別約值人民幣1,080.00百萬元、人民幣1,273.24百萬元及人民幣1.15百萬元的若干投資物業、存貨及抵押存款作抵押。

Management Discussion and Analysis

管理層討論及分析

Exposure to Fluctuations in Exchange Rates and Related Hedges

The Group's monetary assets, loans and transactions are principally denominated in Renminbi. Most of the Group's borrowings are denominated in Renminbi. The Group did not engage in any derivative activities and did not commit to any financial instruments to hedge its balance sheet exposure as at 31 December 2012.

Contingent Liabilities

For the details of contingent liabilities, please refer to the note 37 to the financial statements.

Treasury Policies and Capital Structure

The Group adopts a prudent approach with respect to treasury and funding policies, with a focus on risk management and transactions that are directly related to the underlying business of the Group.

Employees

As at 31 December 2012, the Group had a staff force of approximately 300 employees. Of this, most were stationed in the PRC. The remuneration of employees was in line with the market trend and commensurate to the level of pay in the industry. Remuneration of the Group's employees includes basic salaries, bonuses and long-term incentives (such as Share Option Scheme). Total staff costs incurred for the year 2012 was approximately RMB19.44 million.

Final Dividend

The Board does not recommend the payment of a final dividend for the year 2012 (2011: nil).

Events After The Reporting Period

For the details of events after the reporting period, please refer to the note 44 to the financial statements.

Business Review

The Group is principally engaged in the development of middle to high end residential and commercial properties as well as leasing of commercial properties in Guangdong, Liaoning and Anhui Provinces, the PRC.

At 31 December 2012, the Group's total leasable GFA is approximately 64,000m².

Summary of development and status of existing projects are reported in the following paragraphs.

匯率波動風險及有關對沖

本集團的貨幣資產、貸款和交易主要以人民幣計值。本集團借貸大部份以人民幣計值。於2012年12月31日，本集團並沒有參與任何衍生工具活動及並無對任何金融工具作出承擔以對沖資產負債表的風險。

或然負債

有關或然負債之詳情，謹請參考財務報表附註37。

財資政策及資本結構

本集團就其財資政策採取審慎策略，並專注於風險管理及與本集團之相關業務有直接關係之交易。

僱員

於2012年12月31日，本集團擁有約300名員工，其中絕大部分常駐中國。僱員的薪酬與市場趨勢一致，可與業內的薪酬水平相比。本集團僱員的薪酬包括基本薪金、花紅及長期獎勵（如認股權計劃）。2012年所產生的員工成本總額約為人民幣19.44百萬元。

末期股息

董事會不建議宣派2012年之末期股息（2011年：無）。

報告期後事項

有關報告期後事項之詳情，謹請參考財務報表附註44。

業務回顧

本集團主要在中國廣東省、遼寧省及安徽省從事中高檔住宅及商業物業的開發和商業物業的租賃業務。

於2012年12月31日，本集團可供租賃之總建築面積約64,000m²。

現有項目之發展及狀況於下文概述。

Management Discussion and Analysis

管理層討論及分析

Business Review (Cont'd)

Projects under development

Le Paysage: Le Paysage (formerly known as Zirui Garden) is in the boarder land of Luohu district and Buji of Longgang district of Shenzhen, on the hillside of the east side of Qingping expressway and Fengyi mountain tunnel. Le Paysage consists of premier villas, residential units and retail shops with planned GFA of approximately 135,000m². The project is under construction with pre-sale and delivery in phases scheduled for the first quarter of 2013 onwards.

Vacation Water Town: Vacation Water Town is situated in Zhongmiao Town of Chaohu in Anhui Province. Vacation Water Town consists of lake-side villas and residential units with planned GFA of approximately 116,000m². The Group planned to commence pre-sale of the residential project in phases on 2014 onwards.

Shengshi Yayuan: Shengshi Yayuan is situated in Shenyang Tiexi Industrial New City of Shenyang Economic and Technological Development Zone of Liaoning Province. Shengshi Yayuan consists of high-end residence with planned GFA of approximately 196,000m² and is under construction.

Future Development

On 19 July 2012, the Group entered into a non-legally binding agreement of intent with an independent third party in relation to the possible acquisition of the entire equity interest in Anhui Longsheng Property Development Company Limited, a limited liability company established in the PRC which owns the project in Huangshan City of Anhui Province. The consideration for the possible acquisition will be negotiated between the parties based on the results of the due diligence investigations.

Disposal of Projects/Assets

The Group completed to dispose of certain projects during 2012. We considered these are good opportunities for us to realise these investments at reasonable prices. In addition, we will no longer be required to provide further resources for these investments, so that the Group may relocate its resources to other investments which may generate higher returns for the Group.

The Group disposed of the following projects/assets during 2012:

- 1) a wholly owned subsidiary which is developing Xingning Ningjiang Uptown project at a consideration of HK\$294,840,000 (equivalent to approximately RMB245,700,000).
- 2) a wholly owned subsidiary which is developing Shenyang Hong Long Century Business Square at a consideration of RMB82,000,000.

業務回顧(續)

發展中項目

半山道1號: 半山道1號(前稱紫瑞花園)坐落在羅湖區與龍崗區布吉交界處，清平高速及風儀山隧道東側山坡上。半山道1號由高級別墅、住宅單位及零售商店鋪組成，規劃建築面積約135,000m²。此項目現正在開發中，並計劃於2013年第一季度起分階段預售及交付。

假日水鎮: 假日水鎮位於安徽省巢湖忠廟鎮。假日水鎮由湖濱別墅和住宅單位組成，規劃建築面積約116,000m²。本集團計劃方於2014年起開始分階段預售住宅項目。

盛世雅苑: 盛世雅苑位於遼寧省瀋陽經濟技術開發區瀋陽鐵西產業新城。盛世雅苑由規劃建築面積約196,000m²的高檔住宅組成及在建設中。

未來發展

於2012年7月19日，本集團與一名獨立第三方訂立無法律約束力的意向協議，內容有關可能收購安徽龍升房地產開發有限責任公司(一間於中國成立的有限責任公司，擁有安徽省黃山市一個物業開發項目)的全部股權。可能收購事項的代價將由訂約方基於盡責調查的結果進行磋商。

出售項目/資產

本集團已於2012年完成出售若干項目。我們認為，這是我們以合理價格變現該等投資之良機。此外，本集團將不再需要向該等投資提供進一步資源，因此本集團可將其資源配置於可為本集團帶來更高回報之其他投資。

本集團已於2012年出售以下項目/資產：

- 1) 一間正在開發興寧寧江新城項目之全資附屬公司，代價為294,840,000港元(相等於約人民幣245,700,000元)。
- 2) 一間正在開發瀋陽鴻隆世紀商業廣場之全資附屬公司，代價為人民幣82,000,000元。

Biographical Details of Directors

董事之履歷

Executive Directors

Mr. Chau Cheok Wa, aged 38, was born in the Macao Special Administrative Region (“Macao”). He joined the Company in September 2011 as executive director and acted as the Chairman of the Company on 8 November 2011. He engaged in the business of operating and managing V.I.P. clubs at hotels, including StarWorld Hotel Macau, Venetian Macao Resort Hotel, Grand Lisboa Macau, Wynn Macau (three V.I.P. clubs) and MGM Grand Macau; and one of which is at the entertainment V.I.P. club of the world-renowned Walker Hill in Seoul, the capital of the South Korea. Mr. Chau is currently an executive director and the chairman of Sun International Resources Limited (formerly known as Sun International Group Limited) (Stock Code: 8029) (“Sun International”), a company listed on the Growth Enterprise Market (“GEM Board”) of The Stock Exchange of Hong Kong Limited (“Stock Exchange”). Mr. Chau is also a Committee Member of China Overseas Friendship Association (中華海外聯誼會).

Ms. Yeung So Mui, aged 37, joined the Company in October 2010 as executive director. Ms. Yeung is the founder and a director of Sparkle Life Charity Fund Limited. Ms. Yeung is experienced in corporate management.

Ms. Cheng Mei Ching, aged 31, joined the Company in September 2011 as executive director. Ms. Cheng holds a bachelors degree in commerce (marketing and advertising) from Curtin University of Technology in Perth, Western Australia. Ms. Cheng has over the past adopted a pragmatic and proactive management approach; and delivered solid performance in various areas, in particular corporate management and internal control. Ms. Cheng works at a subsidiary of Sun International since her graduation and is currently an executive director of Sun International. Ms. Yeung So Mui, an executive Director, is the sister-in-law of Ms. Cheng.

Ms. Yeung So Lai, aged 35, joined the Company in September 2011 as executive director and acted as chief executive officer of the Company on 1 February 2012. Ms. Yeung is presently a director of a number of private companies engaged in the business of bird’s net trading and investment holding. Ms. Yeung is experienced in corporate management. Ms. Yeung is currently an executive director of Sun International and JF Household Furnishings Limited, a company listed on the Main Board of the Stock Exchange (Stock Code: 0776). Ms. Yeung So Mui, an executive Director, is her sister.

執行董事

周焯華先生，38歲，於澳門特別行政區（「澳門」）出生。彼於2011年9月作為執行董事加入公司，並於2011年11月8日擔任本公司主席。彼於各酒店之娛樂場貴賓會從事營運及管理貴賓會業務，包括澳門星際酒店、澳門威尼斯人渡假村酒店、澳門新葡京酒店、澳門永利渡假酒店（三間貴賓會）及澳門美高梅金殿，其中一間設於南韓首都首爾市內世界馳名之華克山莊之娛樂場貴賓會。周先生於現時為太陽國際資源有限公司（前稱為太陽國際集團有限公司）（於香港聯合交易所有限公司「聯交所」創業板市場（「創業板」）上市，股份代號：8029）（太陽國際）之執行董事及主席。周先生亦為中華海外聯誼會之委員。

楊素梅女士，37歲，於2010年10月加入本公司任執行董事。楊女士為點點亮慈善基金有限公司的創辦人及董事，於企業管理方面擁有豐富經驗。

鄭美程女士，31歲，於2011年9月作為執行董事加入本公司，持有西澳洲珀斯科廷科技大學（Curtin University of Technology）商業學士（市場推廣與廣告）學位。鄭女士於過往採取務實積極的管理方法，在多個領域尤其是企業管理及內部控制方面表現卓越。鄭女士自畢業後於太陽國際一間附屬公司工作，現時亦為太陽國際之執行董事。執行董事楊素梅女士與鄭女士為妯娌關係。

楊素麗女士，35歲，於2011年9月作為執行董事加入本公司並於2012年2月1日起擔任本公司之行政總裁。楊女士現為多間從事燕窩貿易及投資控股業務之私營公司之董事。楊女士甚具企業管理經驗。楊女士現時為太陽國際及捷豐家居用品有限公司，一間於聯交所主板上市之公司（股份代號：0776）之執行董事。楊女士為執行董事楊素梅女士的姐妹。

Biographical Details of Directors

董事之履歷

Executive Directors (Cont'd)

Mr. Qiu Bin, aged 45, joined the Group on 1 November 2011 as the chief executive officer of Sun Century Property Group Limited, an indirect wholly owned subsidiary incorporated in PRC. Mr. Qiu appointed as executive Director on 19 June 2012. Mr. Qiu holds a Master's Degree in Management from the Asia International Open University (Macau). He had worked with various large corporations in Beijing, Shanghai and Shenzhen and been responsible for project investment and assets restructuring. Mr. Qiu has over 15 years of experience in investment management. He was the general manager of China Technology Education Trust Association from January 2009 to October 2011.

Independent Non-executive Directors

Mr. Tou Kin Chuen, aged 36, joined the Company on 26 April 2012 as independent non-executive Director, the chairman of audit committee and the members of remuneration committee and nomination committee. Mr. Tou is the principal of Roger K.C. Tou & Co. Mr. Tou graduated from the Hong Kong Shue Yan University (formerly known as Hong Kong Shue Yan College) with a Honours Diploma in Accounting in 2001. He is experienced in audit, taxation, company secretarial, insolvency and finance for over 15 years. Mr. Tou is a member of the Hong Kong Institute of Certified Public Accountants and an associate of the Taxation Institute of Hong Kong. Mr. Tou is currently an independent non-executive director of Sun International.

Dr. Wu Kam Fun Roderick, aged 75, joined the Company on 26 April 2012 as independent non-executive Director, the chairman of nomination committee and the members of audit committee and remuneration committee. Dr. Wu obtained his LL.B. degree and Honorary Doctorate of the University from the University of Buckingham, United Kingdom. Dr. Wu is also Associate of Chartered Institute of Arbitrators and a Barrister of the Inner Temple, the Victorian Bar, Australia and the Singapore Bar. Dr. Wu was awarded Diploma in Chinese Law by the then University of East Asia, Macau, now known as the University of Macau. Dr. Wu has been at the Hong Kong Bar for over 30 years. He is still now one of the practising members of Hong Kong Bar Association.

執行董事(續)

邱斌先生，45歲，於2011年11月1日作為太陽世紀地產集團有限公司，本公司一間在中國全資擁有間接附屬的行政總裁加入本集團。邱先生於2012年6月19日獲委任為執行董事。邱先生持有亞洲(澳門)國際公開大學管理碩士學位。彼曾於北京、上海及深圳多間大型公司工作，負責專案投資及資產重組。邱先生在投資管理方面具有超過15年的經驗。於2009年1月至2011年10月期間，彼出任中國科技教育基金會總經理。

獨立非執行董事

杜健存先生，36歲，於2012年4月26日作為獨立非執行董事、審核委員主席及薪酬委員會及提名委員會會員加入本公司。杜先生為杜健存會計師事務所之負責人，於2001年畢業於香港樹仁大學(前稱香港樹仁學院)，持有榮譽會計文憑。彼在審計、稅務、公司秘書、破產及財務方面擁有逾15年經驗。杜先生為香港會計師公會會員及香港稅務學會會員。杜先生現時為太陽國際之獨立非執行董事。

胡錦勳博士，75歲，於2012年4月26日作為獨立非執行董事、提名委員主席及審核委員會及薪酬委員會會員加入本公司。胡博士於英國白金漢大學取得法律學士學位及榮譽博士學位。胡博士為英國特許仲裁學會會員。考獲英國倫敦內廟法學院大律師資格，並獲得澳洲維多利亞省及新加坡共和國之大律師資格。澳門東亞大學，現稱澳門大學，授予胡博士中國法律文憑。胡博士為香港大律師超逾30年。彼現為香港大律師公會執業大律師。

Biographical Details of Directors

董事之履歷

Independent Non-executive Directors (Cont'd)

Mr. Lo Wai Tung John, aged 44, joined the Company on 10 October 2012 as independent non-executive Director, the chairman of remuneration committee, the members of audit committee and nomination committee. Mr. Lo graduated from the Chinese University of Hong Kong with a bachelor's degree of Science (with honours) in Computer Science in 1991. Mr. Lo is experienced in securities and finance industry for over twenty years. He is currently the managing director (equities) and head of institutional sales of SBI E2-Capital Financial Services Limited. He was a director and head of institutional sales of China Construction Bank International Securities Limited from May 2005 to June 2006; an executive director and head of sales of ICEA Securities Limited from June 2006 to April 2009; and an executive director and head of sales of ICBC International Securities Limited from April 2009 to August 2010.

獨立非執行董事(續)

盧衛東先生，44歲，於2012年10月10日作為獨立非執行董事、薪酬委員主席及審核委員會及提名委員會會員加入本公司。盧先生於1991年畢業於香港中文大學，取得計算機科學理學士榮譽學位。盧先生於證券及金融業擁有逾20年經驗。彼現時任職軟庫金匯金融服務有限公司證券部董事總經理及機構銷售部主管。彼曾於2005年5月至2006年6月任職建銀國際證券有限公司董事及機構銷售部主管；於2006年6月至2009年4月任職工商東亞證券有限公司執行董事及銷售部主管；及於2009年4月至2010年8月任職工銀國際證券有限公司執行董事及銷售部主管。

Directors' Report

董事會報告

The Board is pleased to present their annual report and the audited consolidated financial statements of the Group for the year ended 31 December 2012.

Principal Activities and Subsidiaries

The Company acts as an investment holding company. The Group is a real estate property developer in the PRC. The principal activities of its principal subsidiaries as at 31 December 2012 are set out in note 41 to the financial statements. There were no significant changes in the nature of the Group's principal activities during the year.

Change of Company Name

In order to provide the Company with a fresh and new corporate image and identity, on 1 February 2012, the shareholders of the Company at the extraordinary general meeting approved the change of the Company's name to "Sun Century Group Limited" and the adoption of "太陽世紀集團有限公司" as the Chinese name of the Company for identification purpose only. The new name and new Chinese name of the Company are effective commencing from 1 February 2012.

Results and Dividend

The results of the Group for the year ended 31 December 2012 and the state of affairs of the Group at that date are set out in the Consolidated Statement of Comprehensive Income on page 41 and the Consolidated Statement of Financial Position on pages 42 and 43 of this annual report.

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2012 (2011: nil).

Use of Proceeds from the January Open Offer

The Company raised its fund by way of an open offer to issue 615,335,692 offer shares at a price of HK\$0.1 on 3 January 2012. Net proceeds from the issuance of offer shares amounted to approximately HK\$61 million (after deducting the commissions and costs and expenses in relation to the open offer). Such net proceeds have been used in the following manner:

董事會欣然提呈本集團截至2012年12月31日止年度的年報及經審核綜合財務報表。

主要業務及附屬公司

本公司為投資控股公司。本集團為中國房地產開發商。於2012年12月31日，其主要附屬公司之主要業務載於財務報表附註41。本集團主要業務之性質於年內無重大改變。

更改公司名稱

為使本公司具備全新的企業形象及身份，於2012年2月1日，本公司股東於股東特別大會上同意將本公司名稱更改為「Sun Century Group Limited」及採納「太陽世紀集團有限公司」作為其中文名稱僅供識別。本公司新名稱及新中文名稱於2012年2月1日起生效。

業績及股息

本集團於截至2012年12月31日止年度之業績及本集團截至該日止之狀況載於第41頁之綜合全面收益表及第42頁和第43頁之綜合財務狀況表。

董事並不建議派發截至2012年12月31日止年度的末期股息(2011年：無)。

1月份公開發售所得款項的用途

於2012年1月3日，本公司通過公開發售方式以每股0.1港元發行615,335,692股發售股份以籌集資金。此次發行發售股份獲得所得款項淨額約61,000,000港元(扣除公開發售相關之佣金及成本開支后)。該所得款項淨額已按以下方式動用：

	Amount raised 籌集資金 (HK\$ million) 百萬港元	Amount used as at the date of this report 於本報告日期 已動用之金額 (HK\$ million) 百萬港元
General corporate and working capital purpose 一般企業及營運資金用途	61	61

Directors' Report

董事會報告

Use of Proceeds from the Issuance of Convertible Note

The Company entered into an agreement to issue a convertible note with principal amount of HK\$30,000,000 and initial conversion price of HK\$0.1228 on 20 January 2012. Net proceeds from the issuance of convertible note amounted to approximately HK\$29 million (after deducting the costs and expenses in relation to the issuance of convertible note). Such net proceeds have been used in the following manner:

	Amount raised 籌集資金 (HK\$ million) 百萬港元	Amount used as at the date of this report 於本報告日期 已使用之金額 (HK\$ million) 百萬港元
General corporate and working capital purpose 一般企業及營運資金用途	29	29

Use of Proceeds from September Open Offer

On 5 September 2012, the Company proposed to raise not less than approximately HK\$313 million before expenses and the set-off with the shareholder's loan by issuing not less than 1,254,184,050 offer shares and not more than 1,320,181,518 offer shares at the subscription price of HK\$0.25 per offer share on the basis of six offer shares for every one share of the Company on the record date (27 December 2012). The proposed open offer has been completed on 9 January 2013 and the net proceeds from the open offer amounted to approximately HK\$244 million (after deducting the cost and expenses in relation to the open offer and the set-off with the shareholder's loan). Details of the open offer please refer to the announcement dated 5 September 2012 and the circular dated 16 November 2012. Such net proceeds have been used in the following manner:

	Amount raised 籌集資金 HK\$ million 百萬港元	Amount used as at the date of this report 於本報告日期 已使用之金額 HK\$ million 百萬港元
The deposits for the acquisition of the entire equity interest in Anhui Longsheng Property Development Company Limited 收購安徽龍升房地產開發有限責任公司之按金	244	-

發行可換股票據所得款項之用途

於2012年1月20日，本公司發行本金額30,000,000港元的可換股票據訂立協議，初步兌換價為每股0.1228港元。發行可換股票據的所得款項淨額約為29,000,000港元（扣除發行可換股票據相關成本及開支後）。該所得款項淨額已按以下方式動用：

9月份公開發售所得款項的用途

於2012年9月5日，本公司建議按於記錄日期（2012年12月27日）每持有1股股份可獲發6股發售股份之基準，以每股發售股份0.25港元之認購價發行不少於1,254,184,050股發售股份及不多於1,320,181,518股發售股份，藉此籌集不少於約313,000,000港元（扣除開支及抵銷股東貸款前）。建議公開發售已於2013年1月9日完成，公開發售所得款項淨額為約244,000,000港元（經扣除有關公開發售的成本及開支後及抵銷股東貸款）。有關公開發售的詳情，請參閱日期為2012年9月5日的公佈及2012年11月16日的通函。該所得款項淨額已按以下方式動用：

	Amount raised 籌集資金 HK\$ million 百萬港元	Amount used as at the date of this report 於本報告日期 已使用之金額 HK\$ million 百萬港元
	244	-

Directors' Report

董事會報告

Share Capital

Details of the movements in the issued share capital of the Company during the year are set out in note 31 to the financial statements.

Reserves

Details of the movements in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity and note 34 to the financial statements respectively.

Distributable Reserves

The Company's reserves available for distribution comprise share premium, capital reserve and accumulated losses. The Company's reserves available for distribution to the shareholders at 31 December 2012 were approximately RMB514,658,000 (2011: RMB670,769,000).

Charitable Donations

Charitable donations made by the Group during the year amounted to approximately RMB2,000 (2011: RMB1,403,000).

Investment Properties

Details of the investment properties of the Group during the year are set out in note 17 to the financial statements.

Property, Plant and Equipment

Details of the movements in property, plant and equipment of the Group during the year are set out in note 16 to the financial statements.

Major Customers and Suppliers

During the year ended 31 December 2012, the aggregate sales attributable to the Group's largest customer and the five largest customers taken together accounted for 34.03% and 54.11% of the aggregate of the Group's total turnover for the year.

During the year ended 31 December 2012, the aggregate purchases attributable to the Group's largest supplier and the five largest suppliers taken together accounted for 48.59% and 74.08% of the Group's total purchases for the year.

None of the Directors, their respective associates or, so far as the Directors are aware, any shareholder who owns more than 5% of the issued share capital of the Company has any interest in any of the said top five customers and suppliers of the Group for the year.

股本

本公司年內已發行股本變動詳情載於財務報表附註31。

儲備

本集團及本公司年內儲備變動的詳情分別載於綜合權益變動表及財務報表附註34。

可供分派儲備

本公司的可供分派儲備包括股份溢價、資本儲備及累積虧損。本公司於2012年12月31日可供股東分派的儲備約為人民幣514,658,000元(2011年：人民幣670,769,000元)。

慈善捐款

本集團年內作出之慈善捐款約為人民幣2,000元(2011年：人民幣1,403,000元)。

投資物業

本集團於年內的投資物業詳情載於財務報表附註17。

物業、廠房及設備

本集團及本公司於年內的物業、廠房及設備詳情載於財務報表附註16。

主要客戶及供應商

截至2012年12月31日止年度，本集團最大客戶及五大客戶之總銷售額分別佔本集團本年度總營業額的34.03%及54.11%。

截至2012年12月31日止年度，本集團最大供應商及五大供應商之總採購額分別佔本集團本年度總採購的48.59%及74.08%。

概無董事、彼等各自之聯繫人、或就董事所知擁有本公司已發行股本5%以上之任何股東於年內擁有本集團上述任何五大客戶及供應商的權益。

Directors' Report

董事會報告

Directors

The Directors who held office during the year and up to the date of this report were:

Executive Directors:

Mr. CHAU Cheok Wa (*Chairman*)
Mr. ZENG Yunshu (*retired on 1 June 2012*)
Mr. LEE Chi Shing Caesar (*resigned on 31 July 2012*)
Ms. YEUNG So Mui
Ms. CHENG Mei Ching
Ms. YEUNG So Lai
Mr. LEUNG Ming Ho (*resigned on 31 July 2012*)
Mr. QIU Bin (*appointed on 19 June 2012*)

Independent Non-Executive Directors:

Dr. LI Jun (*retired on 1 June 2012*)
Mr. CHEUNG Ngai Lam (*retired on 1 June 2012*)
Mr. CHEUNG Kwok Yu (*retired on 1 June 2012*)
Mr. LUI Man Wah (*appointed on 20 February 2012 and resigned on 31 July 2012*)
Mr. TOU Kin Chuen (*appointed on 26 April 2012*)
Dr. WU Kam Fun Roderick (*appointed on 26 April 2012*)
Mr. LO Wai Tung John (*appointed on 10 October 2012*)

Biographical Details of the Directors

The biographical details of the current Directors are set out on page 13 to page 15 of this annual report.

董事

本公司年內及截至本報告日期之在任董事如下：

執行董事：

周焯華先生(主席)
曾雲樞先生(於2012年6月1日退任)
李志成先生(於2012年7月31日辭任)
楊素梅女士
鄭美程女士
楊素麗女士
梁銘浩先生(於2012年7月31日辭任)
邱斌先生(於2012年6月19日獲委任)

獨立非執行董事：

李珺博士(於2012年6月1日退任)
張毅林先生(於2012年6月1日退任)
張國裕先生(於2012年6月1日退任)
呂文華先生(於2012年2月20日獲委任及於2012年7月31日辭任)
杜健存先生(於2012年4月26日獲委任)
胡錦勳博士(於2012年4月26日獲委任)
盧衛東先生(於2012年10月10日獲委任)

董事履歷

現任董事履歷詳情載於本年報第13至15頁。

Directors' Report

董事會報告

Directors' Service Contracts and Rotation

The appointment of each Director is subject to retirement by rotation and, being eligible, offer themselves for re-election in accordance with the Company's articles of association. All of the executive Directors do not entered any service contract with the Company. All of the independent non-executive Directors has entered a service contract with the Company for a term of 3 years and is subject to retirement by rotation and re-election in accordance with the articles of association of the Company and the Corporate Government Code as set out in Appendix 14 to the Listing Rules.

In accordance with the provisions of the Company's articles of association, Mr. Qin Bin (who was appointed during the year), Mr. Chau Cheok Wa, Ms. Yeung So Mui and Ms. Cheng Mei Ching shall retire from the Board by rotation at the forthcoming annual general meeting and being eligible, shall offer themselves for re-election.

Other than disclosed above, none of the Directors has entered or has proposed to enter into any service contract with the Company or any of its subsidiaries which is not expiring or determinable by the employing company within one year without payment of compensation other than statutory compensation.

Directors' Emoluments

Details of Directors' emoluments on a named basis are set out in note 12 to financial statements.

Annual Confirmation from Independent Non-executive Directors

The Company had received written confirmation from each of the independent non-executive directors of their independence pursuant to rule 3.13 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") and both the Board and the nomination committee considered that all independent non-executive directors are independent.

董事之服務合約及輪席

各董事之委任須根據本公司組織章程細則輪席退任並合資格膺選連任。所有執行董事均未與本公司訂立服務合約。所有獨立非執行董事均已與本公司簽訂為期3年之服務合約，及須依照本公司組織章程細則及上市規則附錄14所載之企業管治守則輪值退任並膺選連任。

根據本公司組織章程細則規定，邱斌先生(於本年度內獲委任)及周焯華先生、楊素梅女士及鄭美程女士須於應屆股東週年大會輪席退任，惟彼等符合資格並願意膺選連任。

除上述所披露者外，概無董事已或擬與本公司或任何其附屬公司訂立不可於1年內不支付賠償(法定賠償除外)則終止之服務合約。

董事酬金

按姓名分類之董事酬金詳情載於財務報表附註12。

獨立非執行董事之年度確認書

本公司已收到各位獨立非執行董事有關彼等根據聯交所證券上市規則(「上市規則」)第3.13條發出的年度獨立的書面確認書，而董事會及提名委員會均認為所有獨立非執行董事均具獨立性。

Directors' Report

董事會報告

Directors' Interests in Shares, Underlying Shares or Debentures

As at 31 December 2012, the interests of the Directors in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) (the "Associated Corporations") as recorded in the register required to be kept by the Company under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

Long Position in the Shares of the Company

Name of Director	董事姓名	Number of shares			Number of underlying shares held under equity derivatives	Total	Percentage of aggregate interests to total number of shares in issue* %
		Personal interests	Family interests	Corporate interests			
		個人權益	家族權益	公司權益	按股本衍生工具持有相關股份之數目	總計	總權益佔已發行股份總數之百分比*
Mr. Chau Cheek Wa	周焯華先生	-	-	46,150,200 ¹	1,320,181,518 ³	1,366,331,718	653.65%
Ms. Yeung So Mui	楊素梅女士	-	46,150,200 ²	-	1,320,181,518 ³	1,366,331,718	653.65%

Notes:

- This represents interests held by Mr. Chau Cheek Wa through Fame Select Limited ("Fame Select"), which holds 46,150,200 shares of the Company. Mr. Chau Cheek Wa has 50% interest in Fame Select, he is therefore deemed to be interested in 46,150,200 shares of the Company.
 - This represents interests held by Mr. Cheng Ting Kong through Fame Select, which holds 46,150,200 shares of the Company. Mr. Cheng Ting Kong has 50% interest in Fame Select. Ms. Yeung So Mui is the spouse of Mr. Cheng Ting Kong and she is therefore deemed to be interested in 46,150,200 shares of the Company.
 - This represents interests in the underwriting agreement entered by Fame Select on 5 September 2012 to underwrite the offer shares of the Company.
- * The percentage has been adjusted based on the total number of shares of the Company in issue as at 31 December 2012 (i.e. 209,030,675 shares).

董事於股份、相關股份或債券中之權益

於2012年12月31日，董事於本公司或其任何相聯法團(按證券及期貨條例(「證券及期貨條例」)第XV部之涵義)(「相聯法團」)之股份、相關股份及債券中擁有根據證券及期貨條例第352條須存置之登記冊所記錄或根據上市發行人董事進行證券交易之標準守則(「標準守則」)而另行知會本公司及聯交所之權益如下：

於本公司股份之好倉

Name of Director	董事姓名	Number of shares			Number of underlying shares held under equity derivatives	Total	Percentage of aggregate interests to total number of shares in issue* %
		Personal interests	Family interests	Corporate interests			
		個人權益	家族權益	公司權益	按股本衍生工具持有相關股份之數目	總計	總權益佔已發行股份總數之百分比*
Mr. Chau Cheek Wa	周焯華先生	-	-	46,150,200 ¹	1,320,181,518 ³	1,366,331,718	653.65%
Ms. Yeung So Mui	楊素梅女士	-	46,150,200 ²	-	1,320,181,518 ³	1,366,331,718	653.65%

附註：

- 此指由周焯華先生透過名萃有限公司(「名萃」)持有之權益，而名萃持有本公司46,150,200股股份。周焯華先生於名萃擁有50%權益。因而彼視為擁有本公司46,150,200股股份之權益。
 - 此指由鄭丁港先生透過名萃持有之權益，而名萃持有本公司46,150,200股股份。鄭丁港先生於名萃擁有50%權益。楊素梅女士為鄭丁港先生的配偶，因而彼視為擁有本公司46,150,200股股份之權益。
 - 此指由名萃於2012年9月5日訂立的包銷協議包銷本公司發售股份之權益。
- * 百分比已根據本公司於2012年12月31日已發行之股份總數(即209,030,675股)作出調整。

Directors' Report

董事會報告

Directors' Interests in Shares, Underlying Shares or Debentures (Cont'd)

Save as disclosed above, as at 31 December 2012, none of the Directors had any other interests or short positions in the shares, underlying shares or debentures of the Company or any of its Associated Corporations which had been entered in the register kept by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Directors' Interests in Contracts of Significance

Save as disclosed in the section headed "Related Party Transactions" in this report and in note 40 to the financial statements, no other contracts of significance to which the Company or any of its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Directors' Interests in Competing Business

During the year and up to the date of this annual report, none of the Directors are considered to have interests in a business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group, as defined in the Listing Rules.

Directors' Rights to Acquire Shares and Debentures

As at 31 December 2012, the number of outstanding option shares granted by the Company under the Share Option Scheme to the Directors to subscribe for shares of the Company, as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code is set out in the section headed "Share Option" of this report below.

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

董事於股份、相關股份或債券中之權益(續)

除上文所披露者外，於2012年12月31日，概無董事於本公司或其任何相聯法團之股份、相關股份或債券中擁有記入根據證券及期貨條例第352條所存置之登記冊或根據標準守則另行知會本公司及聯交所之任何其他權益或淡倉。

董事於重大合約的權益

除本報告「關連人士交易」一節及財務報表附註40披露者外，本公司或任何其附屬公司概無訂立任何董事於其中直接或間接擁有重大權益而於年結日或年內任何時間仍然生效的其他重大合約。

董事於競爭業務中的權益

於年度及截至本年報日期止，概無董事直接或間接於與本集團業務構成競爭或可能構成競爭的任何業務中擁有權益(定義見上市規則)。

董事購買股份及債券的權利

於2012年12月31日，按照證券及期貨條例第352條須存置之登記冊所記錄或根據標準守則另行向本公司及聯交所知會，本公司根據首次公開發售前認股權及認股權計劃授予可認購本公司股份之尚未行使認股權數目載於本報告下文「認股權」一節。

除上述外，年內本公司或其附屬公司概無訂立任何安排，致使董事可透過購買本公司股份或任何其他法團之股份而獲益。

Directors' Report

董事會報告

Substantial Interests in the Share Capital of the Company

As at 31 December 2012, the interests of those persons (other than the Directors) in the shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Name 名稱	Capacity in which shares were held 於所持有股份之身份	Number of shares 股份數目	Number of underlying shares held under equity derivatives 按股本衍生工 具持有相關 股份之數目	Percentage of shares to total number of shares in issue* % 股份佔已發行股份 總數之百分比*
Fame Select 名萃	Beneficial owner 實益擁有人	46,150,200(L) ¹	1,320,181,518 ³	653.65%
Green Auspice Limited 綠福有限公司	Beneficial owner 實益擁有人	21,653,663(L) ²	–	10.36%

L: Long position 好倉

S: Short position 淡倉

Notes:

1. Fame Select owned as to 50% by Mr. Chau Cheek Wa and 50% by Mr. Cheng Ting Kong. As such, Mr. Chau Cheek Wa and Mr. Cheng Ting Kong were deemed to be interested in 46,150,200 shares of the Company held by Fame Select.
2. Green Auspice Limited was wholly owned by Ms. So Sok Ngo. As such, Ms. So Sok Ngo was deemed to be interested in 21,653,663 shares of the Company held by Green Auspice Limited.
3. This represents interests in the underwriting agreement entered by Fame Select on 5 September 2012 to underwrite the offer shares of the Company.

* The percentage has been adjusted based on the total number of shares of the Company in issue as at 31 December 2012 (i.e. 209,030,675 shares).

Save as disclosed above, as at 31 December 2012, the Company had not been notified of any interests and short positions in the shares and underlying shares of the Company which had been recorded in the register required to be kept under section 336 of the SFO.

Public Float

Based on the information that is publicly available to the Company and within the knowledge of the Directors, there was sufficiency of public float of the Company's securities as required under the Listing Rules up to the date of this report.

於本公司股本之主要權益

於2012年12月31日，於本公司股份擁有根據證券及期貨條例第336條本公司須存置之登記冊所記錄之權益之該等人士(董事除外)如下：

Number of underlying shares held under equity derivatives 按股本衍生工 具持有相關 股份之數目	Percentage of shares to total number of shares in issue* % 股份佔已發行股份 總數之百分比*
---	---

附註：

1. 周焯華先生和鄭丁港先生各自擁有名萃的50%權益。因此，周焯華先生和鄭丁港先生被視為於名萃持有的本公司46,150,200股股份中擁有權益。
2. 綠福有限公司由蘇淑娥女士全資擁有。因此，彼視為於綠福有限公司持有的本公司21,653,663股股份中擁有權益。
3. 此指由名萃於2012年9月5日訂立的包銷協議包銷本公司發售股份之權益。

* 百分比已根據本公司於2012年12月31日已發行之股份總數(即209,030,675股)作出調整。

除上文所披露者外，於2012年12月31日，本公司並無獲知會於本公司股份及相關股份中擁有根據證券及期貨條例第336條須存置之登記冊所記錄之任何權益及淡倉。

公眾持股量

根據本公司所獲公開資料及就董事所知，本公司至本報告日期具有符合上市規則所規定本公司證券之充足公眾持股量。

Directors' Report

董事會報告

Pre-emptive Rights

There is no provision for pre-emptive rights under the Company's Articles of Association or the laws in the Cayman Islands.

Share Option

On 31 January 2007, in recognition of the contributions made by employees of the Group towards its growth and success, a share option scheme (the "Share Option Scheme") was adopted by the shareholder's written resolution of the Company.

The Listing Committee of Stock Exchange has granted the listing of, and permission to deal in the shares of the Company which may fall to be issued pursuant to the exercise of the options which granted and/or may be granted under the Share Option Scheme, subsequently.

As at 31 December 2012, a total of 2,899,578 share options were granted under the Share Option Scheme outstanding.

The following is a summary of the principal terms of the Share Option Scheme.

(A) Share Option Scheme

Purpose

Recognise and acknowledge the contributions that the grantees had made or may make to the Group.

Participants

Eligible participants include:

- (a) any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or a company in which the Group holds an interest or a subsidiary of such company ("Affiliate");
- (b) the trustee of any trust the beneficiary of which or an discretionary trust the discretionary objects of which include any director, employee, consultant, professional, customer, supplier, agent, partner or adviser of or contractor to the Group or an Affiliate; or
- (c) a company beneficially owned by any director, employee, consultant, professional, customer, supplier, agent, partner, adviser of or contractor to the Group or an Affiliate.

優先權

本公司之公司組織章程或開曼群島法例並無有關優先權之條文。

認股權

於2007年1月31日，為表彰本集團的僱員對其成長及成功所作出之貢獻，根據本公司之股東書面決議案，本公司亦採納一項認股權計劃（「認股權計劃」）。

聯交所上市委員會已批准因根據認股權計劃授出及／或可能授出之認股權獲行使而須予發行之本公司股份上市及買賣。

於2012年12月31日，共計2,899,578份認股權未獲行使。

以下乃認股權計劃之主要條款之概要。

(A) 認股權計劃

目的

表彰及感謝承授人過往或可能對本集團所作出之貢獻。

參與者

合資格參與者包括：

- (a) 本集團、本集團持有權益之公司或該公司附屬公司之任何董事、僱員、顧問、專業人員、客戶、供應商、代理、夥伴或諮詢人或承建商（「聯屬人」）；
- (b) 任何信託受託人之受益人或任何全權信託之全權對象，包括本集團或聯屬人之任何董事、僱員、顧問、專業人員、客戶、供應商、代理、夥伴、諮詢人或承建商或聯屬人；或
- (c) 本集團或聯屬人之任何董事、僱員、顧問、專業人員、客戶、供應商、代理、夥伴、諮詢人或承辦商或聯屬人所實益擁有之公司。

Directors' Report

董事會報告

Share Option (Cont'd)

(A) Share Option Scheme (Cont'd)

Exercise price

Determined by the Board and shall not be less than the higher of:

- (a) the nominal value of the share;
- (b) the closing price of one share on the Stock Exchange at the offer date, which must be a trading day; and
- (c) the average closing price of the share on the Stock Exchange for the five business days immediately preceding the offer date.

Total number of shares available for issue and the percentage of the issued shares capital that it represents as at the date of this annual report

10,402,500 shares, being approximately 0.71% of the issued shares of the Company.

Maximum entitlement of each participant

Not exceed 1% of the shares in issue in any 12-month period.

Period within which the securities must be taken up under the option

Subject to the discretion by the Board and, in the absence of which, from the date of acceptance to the earlier of the date on which such option lapses and 10 years from the date of offer.

Minimum period for which an option must be held before it can be exercised

Subject to the discretion by the Board.

Amount payable on acceptance

HK\$10.00 payable upon acceptance of the offer.

Period within which calls/loans must be made/repaid

Not applicable.

認股權(續)

(A) 認股權計劃(續)

行使價

由董事會釐定，且不得低於以下之最高者：

- (a) 股份之面值；
- (b) 於發售日期(須為營業日)股份在聯交所之每股收市價；及
- (c) 緊接發售日期前五個營業日股份在聯交所之平均收市價。

可發行股份總數及於本年報日期佔已發行股份之百分比

10,402,500股股份，佔本公司已發行股份約0.71%。

每名參與者之最高配額

不超過於任何12個月期間已發行股份之1%。

根據認股權認購證券之期限

由董事會酌情釐定，而如並無釐定，由接納日期起至有關認股權失效之日及由授出日期起計滿10年(以較早發生者為準)。

認股權行使前必須持有之最短期限

由董事會酌情釐定。

接納時應付金額

於接納時應付10.00港元。

付款金額/貸款須作出/償還之期限
不適用。

Directors' Report

董事會報告

Share Option (Cont'd)

(A) Share Option Scheme (Cont'd)

Remaining life of the scheme

The scheme will be valid and effective until 31 January 2017, after which no further options will be granted but the provisions of the scheme shall remain in full force and effect in all other respects. Options complying with the provisions of the Listing Rules which are granted during the duration of the scheme and remain unexercised immediately prior to 31 January 2017 shall continue to be exercisable in accordance with their terms of grant, notwithstanding the expiry of the scheme.

(B) Movements of the Share Option Scheme

Movements of the share options, which were granted under the Share Option Scheme, during the year ended 31 December 2012 are listed below in accordance with rule 17.07 of the Listing Rules:

Category	類別	Date of grant 授出日期	As at 於 1.1.2012	Granted 已授出	Exercised 已行使	During the year 年內		Lapsed/ cancelled 已失效/ 已註銷	As at 於 31.12.2012	Exercise price 行使價	Exercise period 行使期
						Adjustment 調整	Share Adjustment due to open offer Share consolidation 股份調整 股份合併				
Continuous Contract Employees	持續合約 僱員	15.05.2007	12,935,000	-	-	3,146,354	(14,473,224)	(1,441,536)	166,594	14.80	15.11.2007 – 14.05.2017
		10.10.2007	1,000,000	-	-	240,664	(1,116,598)	-	124,066	24.10	10.04.2008 – 09.10.2017
Consultants	顧問	15.05.2007	13,000,000	-	-	3,162,160	(14,545,943)	-	1,616,217	14.80	15.11.2007 – 14.05.2017
		13.02.2008	8,000,000	-	-	1,927,007	(8,934,306)	-	992,701	13.70	13.08.2008 – 12.08.2018
Former Director	前任董事										
Dr. Li Jun	李珺博士	15.05.2007	1,000,000	-	-	243,243	(1,118,919)	(124,324)	-	14.80	15.11.2007 – 14.05.2017
Mr. Cheung Ngai Lam	張毅林先生	15.05.2007	1,000,000	-	-	243,243	(1,118,919)	(124,324)	-	14.80	15.11.2007 – 14.05.2017
Total	總計		36,935,000	-	-	8,962,671	(41,307,909)	(1,690,184)	2,899,578		

認股權(續)

(A) 認股權計劃(續)

該計劃之餘下年期

該計劃將生效及有效直至2017年1月31日，此後將不會授出任何認股權，但該計劃之條文於所有其他方面將維持十足效力及有效。於該計劃期內授出且於緊接2017年1月31日前仍未獲行使但符合上市規則條文之認股權，將可繼續根據彼等之授出條款予以行使，儘管該計劃之期限已屆滿。

(B) 認股權計劃之變動

截至2012年12月31日止年度內，根據認股權計劃授出之認股權變動如下(乃根據上市規則第17.07條載列)：

Directors' Report

董事會報告

Share Option (Cont'd)

(B) Movements of the Share Option Scheme (Cont'd)

Notes:

1. The vesting period for all the options granted is six months from the date of acceptance of the offer.
2. The exercise price of the share options is subject to the adjustment in case of right or bonus issues, or other similar changes in the Company's share capital.
3. When the share options are lapsed or cancelled, the amount previously recognised in capital reserve will be transferred to accumulated losses/retained profits.

Pension Schemes

The pension schemes of the Group are primarily in form of contributions to the PRC statutory public welfare fund and Hong Kong's Mandatory Provident Funds respectively.

Connected Transactions

During the year, the Company did not have any connected transactions which were subject to requirements of the Listing Rules. Other transactions which exempted from the requirements of the Listing Rule are also disclosed in note 40 to the financial statements as related party transactions.

Management Contracts

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

Purchase, Sale or Redemption of the Company's Listed Securities

Save as disclosed in above, neither the Company nor any of its subsidiaries had purchased, sold, or redeemed any of the Company's listed securities during the year.

認股權(續)

(B) 認股權計劃之變動(續)

附註：

1. 所有已授出認股權之歸屬期為由接納授出日期起計6個月。
2. 認股權之行使價將因應供股或發行紅股或本公司股本之其他類似變動而作出調整。
3. 當認股權已失效或被註銷，早前於資本儲備確認之數額將轉撥至累計虧損／保留溢利。

退休金計劃

本集團之退休金計劃主要分別為中國法定公益金供款計劃及香港強制性公積金。

關連交易

年內，本公司並無任何其他須遵守上市規則規定之關連交易，其他豁免於上市規則規定之交易亦於財務報表附註40披露為關連人士交易。

管理合約

年內概無訂立或存在任何關於本公司業務全部及任何重要部分之管理及行政合約。

購買、出售或贖回本公司上市證券

年內，除以上所披露外，本公司或其任何附屬公司概無購買、出售或贖回任何本公司上市證券。

Directors' Report

董事會報告

Auditor

On 6 January 2011, KPMG, who acted as auditor of the Company for the period from 1 January 2006 to 31 December 2009, resigned and RSM Nelson Wheeler was appointed as auditor of the Company.

On 3 November 2011, RSM Nelson Wheeler, who acted as auditor of the Company for the period from 1 January 2010 to 31 December 2010, resigned and Andes Glacier CPA Limited was appointed as auditor of the Company to fill the casual vacancy and hold office until the conclusion of the forthcoming Annual General Meeting.

The consolidated financial statements for the year have been audited by Andes Glacier CPA Limited. A resolution will be submitted to the Annual General Meeting to re-appoint Andes Glacier CPA Limited, as auditor of the Company.

On behalf of the Board

Chau Cheok Wa

Chairman

28 March 2013

核數師

於2011年1月6日，於2006年1月1日至2009年12月31日止期間任本公司核數師的畢馬威會計師事務所辭任，而中瑞岳華(香港)會計師事務所獲委任為本公司核數師。

於2011年11月3日，於2010年1月1日至2010年12月31日止期間任本公司核數師的中瑞岳華(香港)會計師事務所辭任，而思捷會計師行有限公司獲委任為本公司核數師以填補填缺並任期至股東週年大會結束。

本年度的綜合財務報表乃由思捷會計師行有限公司審核。股東週年大會上將提呈一項決議案，續聘任思捷會計師行有限公司為本公司核數師。

代表董事會

周焯華

主席

2013年3月28日

Corporate Governance Report

企業管治報告

The Company has adopted the code provisions set out in the Code of Corporate Governance Practices, as amended from time to time (the “Code”), as stated in Appendix 14 to the Rules Governing the Listing Securities on The Stock Exchange of Hong Kong Limited (“the Listing Rules”). As far as the Code is concerned, the Company complies with all aspects of the Code during the year ended 31 December 2012 and up to the date of the announcement.

Model Code for Securities Transactions by Directors

The Company had complied with the Model Code for Securities Transactions by Directors as set out in Appendix 10 of the Listing Rules. After making inquiry of the Directors, the Company confirmed that the directors of the Company had complied with the provisions of the Model Code for Securities Transactions by Directors.

Board of Directors

The Board currently comprises eight Directors, of whom five are Executive Directors, and three are Independent Non-Executive Directors. The Board has in its composition a balance of skills and experience necessary for decision making and fulfilling its business needs. The participation of Non-Executive Directors in the Board brings independent judgement on issues relating to the Group’s strategy, performance, conflicts of interest and management process to ensure that the interests of all shareholders of the Company have been duly considered.

The Board considers that all of the Independent Non-Executive Directors are independent and has received from each of them the annual confirmation of independence required by the Listing Rules.

Details of the biographies of the directors are given under the section “Biographical Details of Directors” of this Annual Report. Except for Ms. Yeung So Mui is the sister of Ms. Yeung So Lai and is the sister-in-law of Ms. Cheng Mei Ching, members of the Board is unrelated to each other.

本公司已採納香港聯合交易所有限公司證券上市規則(「上市規則」)附錄14所載的企業管治常規守則(經不時修訂)(「守則」)的守則條文。就所涉及的守則而言，本公司於截至2012年12月31日止年度及直至本公佈日期已遵守所有方面的守則。

董事進行證券交易之標準守則

本公司已遵守上市規則附錄10所載有關董事進行證券交易之標準守則。經向本公司各董事具體查詢後，本公司確認本公司董事已遵守董事進行證券交易之標準守則條文。

董事會

董事會現由8位董事組成，其中5位為執行董事，3位為獨立非執行董事。所組成的董事會具備全面之專長以及經驗，足作決策及滿足業務所需。非執行董事於董事會之參與，可為有關本集團之策略、表現、利益衝突及管理程序之事宜作出獨立判斷，可確保本公司所有股東之權益已獲妥善考慮。

董事會認為所有獨立非執行董事均為獨立人士，並已接獲每位獨立非執行董事根據上市規則規定之年度獨立性確認書。

董事之簡歷載於本年報「董事之履歷」一節。除楊素梅女士為楊素麗女士之姊姊及與鄭美程女士為妯娌關係外，董事會成員之間並無關係。

Corporate Governance Report

企業管治報告

The Board is responsible for the approval and monitoring of the Group's overall strategies and policies; approval of business plans; evaluating the performance of the Group and oversight of management. It is also responsible for promoting the success of the Company and its businesses by directing and supervising the Company's affairs.

The Board focuses on overall strategies and policies with particular attention paid to the growth and financial performance of the Group.

The Board delegates day-to-day operations of the Group to Executive Directors and senior management of every business segment, while reserving certain key matters for its approval. Decisions of the Board are communicated to the management through Executive Directors who have attended Board meetings.

The Company had arranged for appropriate liability insurance for the directors and officers of the Group for indemnifying their liabilities arising from corporate activities.

董事會負責審批及監察本集團之整體策略及政策；審批業務計劃；評估本集團之表現以及監督。董事會亦負責透過指揮及監督本公司之事務而協助本公司及其業務再創佳績。

董事會專注於整體策略及政策，並特別注意本集團之增長及財政表現。

董事會轉授本集團之營運予執行董事以及各項業務之高級管理層，但若干主要事項則必須取得董事會批准。董事會之決定會透過出席董事會之執行董事與管理層溝通。

本公司已為本集團董事及高級職員安排適當之責任保險，以彌償其就公司事務而產生之責任。

Directors	董事	Board meeting Attended/Held 董事會會議 出席／舉行之次數	AGM* Attended/Held 股東週年大會* 出席／舉行之次數
Executive Directors:	執行董事：		
Mr. Chau Cheok Wa	周焯華先生	10/15	0/1
Mr. Zeng Yunshu (retired on 1 June 2012)	曾雲樞先生 (於2012年6月1日退任)	2/9	N/A
Mr. Lee Chi Shing Caesar (resigned on 31 July 2012)	李志成先生 (於2012年7月31日辭任)	11/11	1/1
Ms. Yeung So Mui	楊素梅女士	10/15	0/1
Ms. Cheng Mei Ching	鄭美程女士	10/15	0/1
Ms. Yeung So Lai	楊素麗女士	15/15	1/1
Mr. Leung Ming Ho (resigned on 31 July 2012)	梁銘浩先生 (於2012年7月31日辭任)	10/11	0/1
Mr. Qiu Bin (appointed on 19 June 2012)	邱斌先生 (於2012年6月19日獲委任)	5/5	N/A

Corporate Governance Report

企業管治報告

Directors	董事	Board meeting Attended/Held 董事會會議 出席／舉行之次數	AGM* Attended/Held 股東週年大會* 出席／舉行之次數
Independent Non-Executive Directors:	獨立非執行董事：		
Dr. Li Jun (retired on 1 June 2012)	李珺博士 (於2012年6月1日退任)	3/9	N/A
Mr. Cheung Ngai Lam (retired on 1 June 2012)	張毅林先生 (於2012年6月1日退任)	3/9	N/A
Mr. Cheung Kwok Yu (retired on 1 June 2012)	張國裕先生 (於2012年6月1日退任)	3/9	N/A
Mr. Lui Man Wah (appointed on 20 February 2012 and resigned on 31 July 2012)	呂文華先生 (於2012年2月20日獲委任並於 2012年7月31日辭任)	2/6	0/1
Mr. Tou Kin Chuen (appointed on 26 April 2012)	杜健存先生 (於2012年4月26日獲委任)	3/7	0/1
Dr. Wu Kam Fun Roderick (appointed on 26 April 2012)	胡錦勳博士 (於2012年4月26日獲委任)	4/7	0/1
Mr. Lo Wai Tung John (appointed on 10 October 2012)	盧衛東先生 (於2012年10月10日獲委任)	0/1	N/A

* 2012 AGM held on 1 June 2012

* 2012年股東週年大會於2012年6月1日舉行

Regular Board meetings are attended to by a majority of the directors in person or through other electronic means of communication. Besides the regular Board meetings, special Board meetings are convened from time to time for the Board to discuss major matters that require the Board's timely attention. As some of the special Board meetings are concerned with the day-to-day management of the Company which often requires prompt decisions, usually only the executive directors attend. During 2012, apart from holding Board meetings, the Board also passed resolutions in writing to approve certain matters.

大部份董事親自或透過其他電子通訊方式出席之定期董事會會議。除定期董事會會議外，本公司亦會不時召開特別董事會會議，討論董事會須及時處理之主要事項。由於部份特別董事會會議涉及本公司之日常管理，需要即時作出決定，故往往只有執行董事出席。於2012年，除舉行董事會會議外，董事會亦會以書面決議案批准若干事項。

Accountability and Audit

The Directors were responsible for overseeing the preparation of the financial statements for the year ended 31 December 2012. The Directors' responsibilities in the preparation of the financial statements and the auditor's responsibility are set out in the Independent Auditor's Report.

問責性及審核

董事會負責監督編制截至2012年12月31日止年度之財務報表。董事編制財務報表之責任以及核數師之責任載於獨立核數師報告。

Corporate Governance Report

企業管治報告

Internal Controls

The Board has the responsibility to maintain an effective internal control system in order to protect the Group's assets and shareholders' interests. The Board and audit committee also conduct periodic reviews to ensure the effectiveness of the Group's internal control system. The internal control system includes a well-established corporate structure and organisation with clearly defined lines of responsibility and authority. Each department is responsible for its daily operations, and is also required to implement and monitor the strategies and policies adopted by the Board and effective employment of the resources of the Company, in order to avoid misappropriation of resources and damages made to the Company's assets, and prevent against errors and fraud.

The Board and audit committee assess the effectiveness of the internal control system and procedures based on information derived from discussions with the management of the Company and its external auditor. The Board and audit committee believe that the existing internal control system is adequate and effective.

The review covers all material controls, including financial, operational and compliance controls and risk management functions as well as the adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function, and their training programmes and budget.

The Board has established a clearly defined scope of activities, responsibility and authority for each department and its management staff within the Group. The Group has a defined goal for each department to accomplish, these goals were discussed in the Board meeting and pass on to the management through the executive directors. These goals will be implemented and closely monitored by the executive directors who shall review the operational and financial results from time to time, and to take any necessary actions for the improvement of its business activities.

Chairman and the Chief Executive Officer

Mr. Chau Cheok Wa is the chairman of the Company. The Chairman's responsibility is to oversee the functioning of the Board and the strategies and policies of the Group. Ms. Yeung So Lai is the chief executive officer of the Company. The chief executive officer's responsibility is to monitor the daily operation and management of the Company.

內部監控

董事會有責任維持一個有效的內部系統，以保障集團的資產及股東的權益。董事會及審核委員會亦定期檢討本集團內部監控系統以確保其效用性。內部監控系統包括公司的結構和組織，清楚界定各部門的職責範圍和權屬。各部門不僅負責日常業務的操作，還需要實施及監察董事會所決定的政策、策略及整體的資源有效運用，以防止濫用資源、資產受損、乃防止錯失及欺詐行為的發生。

董事會及審核委員會參考公司管理層及外聘核數師所提供的資料，評估內部監控及其程序之有效性。董事會及審核委員會相信現時之內部監控系統已經足夠及有效地運用。

審閱涵蓋所有重大監控範疇，包括財務、營運和合規監控、風險管理職能以及資源足夠性、本公司會計及財務申報部門的員工資歷及經驗，以及彼等的培訓計劃及預算。

董事會對各行政管理人員設有清晰而明確的權責。本集團訂立明確的目標予各部門來完成，各項目標均在董事會會議決定後，由執行董事交給各管理部門執行。各執行董事會密切監察公司的各項業務、審閱業務進度和財務報告、檢討及作出相應的改善。

主席及行政總裁

周焯華先生為本公司主席。主席之責任為監督董事會之運作以及本集團之策略及政策。楊素麗女士為本公司行政總裁。行政總裁負責監察本公司之日常運作及管理。

Corporate Governance Report

企業管治報告

Professional Development

Every newly appointed Director will be given an induction training so as to ensure that he has appropriate understanding of the Group's business and of his/her duties and responsibilities under the Listing Rules and the relevant statutory and regulatory requirements.

The Company also provides regular updates on the business development of the Group. The Directors are regularly briefed on the latest development regarding the Listing Rules and other applicable statutory requirements to ensure compliance and upkeep of good corporate governance practices. In addition, the Company has been encouraging the Directors to enroll in professional development courses and seminars relating to the Listing Rules, companies ordinance and corporate governance practices organized by professional bodies or chambers in Hong Kong. All directors are requested to provide the Company with their respective training records pursuant to the Code.

All Directors have participated in appropriate continuous professional development and refresh their knowledge and skills during the year. Such professional development was completed either by way of attending briefings, conference, forum, courses and seminars and self-reading which are relevant to the business or directors duties.

Company Secretary

The company secretary of the Company is Mr. Luk Chi Keung, a member of The Hong Kong Institute of Certified Public Accountants. The company secretary assists the Board by ensuring good information flow within the Board and that Board policy and procedures are followed. Mr. Luk has taken not less than 15 hours of relevant professional training in 2012.

專業發展

每名新委任董事獲提供就職培訓，以確保其妥為了解本集團之業務以及其根據上市規則及相關法定及監管規定之職責。

本公司定期提供本集團業務發展的最新資料。董事定期獲簡介上市規則及其他適用法定規定之最新發展，以確保遵守及掌握良好公司管治常規。此外，本公司一直鼓勵董事參加由香港專業團體或商會籌辦有關上市規則、公司條例及企業管治常規之專業培訓課程及研討會。所有董事須根據守則向本公司提供其各自之培訓記錄。

所有董事已於年內參與適當的持續專業發展，並更新其知識及技巧。董事透過出席簡報會、會議、論壇、課程及研討會以及自行閱讀有關業務或董事職責的刊物而完成有關專業發展的培訓。

公司秘書

本公司之公司秘書為陸志強先生，彼為香港會計師公會會員。公司秘書透過確保董事會內之良好資訊溝通而協助董事會，並確保董事會政策及程序得以遵守。陸先生於2012年曾接受不少於15小時的有關專業培訓。

Corporate Governance Report

企業管治報告

Remuneration Committee

The remuneration committee is responsible for ensuring that the Company has formal and transparent procedures for developing and overseeing its policies on the remuneration of the Directors and senior management. The committee's authorities and duties are set out in written terms of reference.

5 remuneration committee meetings were held during the year ended 31 December 2012. Members of the remuneration committee and the attendance of each member are set out below:

Committee members

委員會成員

		Attended/Held 出席／舉行
Mr. Lo Wai Tung John (<i>Chairman</i>)	盧衛東先生(主席)	0/0
Dr. Li Jun	李璿博士	3/3
Mr. Zeng Yunshu	曾雲樞先生	2/3
Mr. Cheung Ngai Lam	張毅林先生	3/3
Mr. Cheung Kwok Yu	張國裕先生	3/3
Mr. Lui Man Wah	呂文華先生	2/3
Mr. Tou Kin Chuen	杜健存先生	2/2
Dr. Wu Kam Fun Roderick	胡錦勳博士	2/2

The terms of reference of the remuneration committee are posted on the Company's website. The principal functions include:

- (i) to make recommendations on the Company's policies and structure for all the remuneration of Directors;
- (ii) to propose the specific remuneration packages of the executive Directors, and to make recommendations on the remuneration of the non-executive Directors for the Board's approval;
- (iii) to review and propose performance-based remuneration for executive Directors by reference to corporate goals and objectives resolved by the Board from time to time; and
- (iv) to administer and make determinations with regard to the Company's share option scheme.

薪酬委員會

薪酬委員會負責確保本公司擁有正式及透明的程序，制訂及監督董事及高級管理層薪酬之政策。該委員會的授權及職責載於書面職權範圍內。

薪酬委員會於截至2012年12月31日止年度舉行5次會議。薪酬委員會成員及彼等之出席會議次數載列如下：

薪酬委員會的職權範圍於本公司網站登載。主要職能包括：

- (i) 就本公司有關董事所有薪酬的政策及架構提出推薦意見；
- (ii) 就執行董事的特別薪酬待遇提出建議，及就非執行董事的薪酬提出推薦意見以供董事會批准；
- (iii) 參照董事會不時議決的公司目標及宗旨、審閱及建議執行董事基於表現的薪酬；及
- (iv) 管理本公司的認股權計劃並就此作出決定。

Corporate Governance Report

企業管治報告

Nomination Committee

The nomination committee is responsible to make recommendation to the Board on the appointment of Directors and the management of the Board's succession. The committee's authorities and duties are set out in written terms of reference.

5 nomination committee meetings were held during the financial year ended 31 December 2012. Members of the nomination committee and the attendance of each member are set out below:

Committee members

委員會成員

Dr. Wu Kam Fun Roderick (<i>Chairman</i>)	胡錦勳博士(主席)
Mr. Cheung Kwok Yu	張國裕先生
Mr. Cheung Ngai Lam	張毅林先生
Dr. Li Jun	李珺博士
Mr. Lui Man Wah	呂文華先生
Mr. Tou Kin Chuen	杜健存先生
Mr. Lo Wai Tung John	盧衛東先生

The terms of reference of the nomination committee are posted on the Company's website. The principal functions include:

- (i) to review the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and make recommendations to the Board regarding any proposed changes;
- (ii) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of, individuals nominated for directorships;
- (iii) to assess the independence of independent non-executive directors; and
- (iv) to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors in particular the chairman and the chief executive officer.

提名委員會

提名委員會負責就委任董事及董事會繼任管理向董事會提出推薦意見。委員會之授權及職責載於書面職權範圍。

提名委員會於截至2012年12月31日止年度舉行5次會議。提名委員會成員及其出席會議次數載列如下：

Attended/Held

出席/舉行

	2/2
	3/3
	3/3
	3/3
	2/3
	2/2
	0/0

提名委員會的職權範圍於本公司網站登載。主要職能包括：

- (i) 定期檢討董事會的架構、規模及組成(包括技能、知識及經驗)及就任何建議調整向董事會提出推薦建議；
- (ii) 物色具備合適資格可擔任董事之人士，及挑選獲提名出任董事之人士或就此向董事會提出推薦意見；
- (iii) 評估獨立非執行董事的獨立性；及
- (iv) 就有關委任或重新委任董事以及董事(尤其是主席及(行政總裁)繼任計劃的相關事宜向董事會提出推薦意見。

Corporate Governance Report

企業管治報告

Audit Committee

2 audit committee meetings were held during the year ended 31 December 2012. Attendance of the Members is set out below:

Committee members

委員會成員

		Attended/Held
		出席／舉行
Mr. Tou Kin Chuen (<i>Chairman</i>)	杜健存先生(主席)	1/1
Mr. Cheung Ngai Lam	張毅林先生	1/1
Dr. Li Jun	李珺博士	1/1
Mr. Cheung Kwok Yu	張國裕先生	1/1
Mr. Lui Man Wah	呂文華先生	0/1
Dr. Wu Kam Fun Roderick	胡錦勳博士	1/1
Mr. Lo Wai Tung John	盧衛東先生	0/0

The terms of reference of the audit committee are posted on the Company's website. The principal functions include:

- (i) to make recommendations with respect to the appointment, reappointment and removal of the Company's external auditor, and to evaluate their independence, objectivity and effectiveness of the audit process;
- (ii) to review and monitor the interim and annual financial statements, reports and accounts of the Company, and to review significant and judgemental financial reporting issues contained therein;
- (iii) to review the Company's financial controls, internal controls and risk management systems; and
- (iv) to discuss with the management the system of internal controls, and to ensure that the management has discharged its duties and responsibilities in implementing an effective internal control system.

The Group's 2012 interim report and 2012 annual report have been reviewed by the audit committee, which was of the opinion that such reports were prepared in accordance with the applicable accounting standards and requirements. For the 2012 annual report, the audit committee met with the external auditor to discuss auditing, internal control, statutory compliance and financial reporting matters before recommending it to the Board for approval. The committee also monitored the Company's progress in implementing the code provisions on corporate governance practices as required under the Listing Rules.

審核委員會

審核委員會於截至2012年12月31日止年度舉行2次會議。成員出席會議次數載列如下：

審核委員會的職權範圍於本公司網站登載。主要職能包括：

- (i) 就委任、重新委任及罷免本公司的外聘核數師提出推薦意見，以及客觀評估彼等的獨立性及審核程序的成效；
- (ii) 檢討及監察本公司的中期及年度財務報表、報告及賬目，以及檢討其中所載的重大及決策性財務申報事宜；
- (iii) 檢討本公司的財務監控、內部監控及風險管理系統；及
- (iv) 與管理層討論內部監控系統，以及確保管理層於落實有效的內部監控系統方面已履行其職責及責任。

審核委員會已審閱本集團2012年中期報告及2012年年報，並認為有關報告根據適用之會計準則及規定而編制。審核委員會於向董事會推薦2012年年報供批准前，已與外聘核數師討論審核、內部監控、法定合規情況及財務報告事宜。審核委員會亦已監察本公司實施上市規則下要求的公司管治常規之守則條文的進展。

Corporate Governance Report

企業管治報告

Auditor's Remuneration

During the year ended 31 December 2012, the fees paid/payable to auditor in respect of audit services and non-audit services provided by the auditor to the Group were as follows:

Nature of services		2012	2011
服務性質		RMB'000	RMB'000
		人民幣千元	人民幣千元
Audit	核數		
– Current year	– 本年度	1,136	1,216
– Under provision in prior year	– 以往年度不足撥備	–	130
Others	其他	429	684
		1,565	2,030

核數師酬金

截至2012年12月31日止年度，就核數師向本集團提供的核數服務及非核數服務而已付／應付予核數師的費用如下：

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The Company believes that effective communication with shareholders is essential for enhancing investor relations and investors' understanding of the Group's business performance and strategies. The Group also recognises the importance of transparency and timely disclosure of corporate information which enables shareholders and investors to make a properly informed investment decision.

The Company continues to enhance communications and relationships with its investors. Enquiries from investors are dealt with in an informative and timely manner. Investors may write directly to the Company at its principal place of business in Hong Kong for any inquiries.

To promote effective communication, the Company maintains a website at www.sun1383.com, where extensive information and updates on the Company's business developments and operations, financial information, corporate governance practices and other information are available for public access.

The Board confirmed that, during the year, there were no significant changes made to the Company's Articles of Association affecting its operations and reporting practices.

與股東及投資者溝通

本公司相信與股東有效溝通，是提升投資者關係以及加強投資者對本集團業務表現及策略之了解屬不可或缺。本集團深明透明度以及迅速披露公司資料，該股東及投資者作出恰當知情的投資決定的重要性。

本公司繼續加強與投資者之溝通及關係。本公司會快速處理投資者之垂詢，並提供相關資料。投資者若有任何垂詢，可直接致函本公司的香港主要營業地點。

本公司為加強有效溝通，已設置一個網址 (www.sun1383.com)，提供大量資訊，包括有關本公司業務發展及營運、財務資料、企業管治常規及其他資料，供公眾瀏覽。

董事會確認，年內公司之章程細則並無影響其營運及申報常規之重大變動。

Corporate Governance Report

企業管治報告

SHAREHOLDER RIGHTS

Under the Company's Articles of Association, the Board, on the requisition of shareholders of the Company holding not less than 10% of the paid-up capital of the Company by sending a written notice to the Board or the Company Secretary at the Company's principal place of business in Hong Kong, shall convene an extraordinary general meeting to address specific issues of the Company within 21 days from the date of deposit of written notice. The same requirement and procedure also applies to any proposal to be tabled at shareholders' meetings for adoption.

Specific enquiries by shareholders requiring the Board's attention can be sent in writing to the Board or the Company Secretary at the Company's principal place of business in Hong Kong.

In addition, the Company maintains contact with its shareholders through annual general meeting or other general meetings, and encourages shareholders to attend those meetings.

Notice of general meeting is sent by mail to the registered shareholders of the Company. Agenda and resolutions are set out in the notice of general meeting. A proxy form for use at a general meeting is enclosed with the notice. Shareholders who do not intend or are unable to be present at the meeting should fill out the form and return the same to the share registrar and transfer office of the Company, so as to appoint a representative, another shareholder or the chairman of the meeting as their proxy.

股東權利

根據本公司組織章程細則，任何持有不少於本公司繳足股本十分之一的本公司股東有權透過向於香港主要營業地點之董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理本公司特定事項；且該大會須於遞呈書面通知後21日內舉行。上述規定及程序亦適用於提呈股東大會以供採納之任何建議。

股東要求董事會垂注之特別垂詢，可致函於香港主要營業地點之董事會或公司秘書。

此外，本公司透過股東週年大會及其他股東大會與股東聯繫，並鼓勵股東出席該等大會。

股東大會通告將以郵遞方式寄至本公司登記股東。議程及議案載於股東大會通告。隨通告奉附股東大會代表委任表格。不擬出席或未能出席大會之股東應填妥表格並交回本公司之股份過戶登記處，以委任一名代表、另一名股東或大會主席作為其代表。

Independent Auditor's Report

獨立核數師報告



Andes Glacier CPA Limited

CERTIFIED PUBLIC ACCOUNTANTS

思捷會計師行有限公司

Unit 1, 20/Floor, No. 50 Gloucester Road,
Wanchai, Hong Kong
香港灣仔告士打道50號馬來西亞大廈20樓01室

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SUN CENTURY GROUP LIMITED (FORMERLY KNOWN AS HONG LONG HOLDINGS LIMITED)

(Incorporated in the Cayman Islands with limited liability)

Report on the Consolidated Financial Statements

We have audited the consolidated financial statements of Sun Century Group Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 41 to 128 which comprise the consolidated statement of financial position as at 31 December 2012, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

致太陽世紀集團有限公司
(前稱為鴻隆控股有限公司)股東
之獨立核數師報告
(於開曼群島註冊成立的有限公司)

綜合財務報表報告書

本核數師(以下簡稱「我們」)已審核列載於第41頁至第128頁太陽世紀集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)的綜合財務報表,此綜合財務報表包括於2012年12月31日的綜合財務狀況表與截至該日止年度的綜合全面收益表、綜合權益變動表和綜合現金流量表,以及主要會計政策概要及其他說明資料。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》的披露要求編製真實而公平的綜合財務報表,以及就董事認為必要的有關內部監控負責,以確保編製綜合財務報表並無重大錯誤陳述(不論是因欺詐或錯誤而引起)。

核數師的責任

我們的責任是根據我們的審核對該等綜合財務報表作出意見。我們謹根據協定的聘用條款向整體股東報告。除此以外,我們的報告書不可用作其他用途。我們概不就本報告書的內容,對任何其他人士負責或承擔法律責任。我們已根據香港會計師公會頒佈的香港審計準則進行審核。這些準則要求我們遵守道德規範,並規劃及執行審核,以合理確定此等綜合財務報表是否不存有任何重大錯誤陳述。

Independent Auditor's Report

獨立核數師報告

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

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31 December 2012, and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Andes Glacier CPA Limited

Hsu Yuk King, Mercedes

Practising Certificate Number: P03548

Hong Kong, 28 March 2013

審核涉及執程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該公司編製真實而公平的綜合財務報表相關的內部控制，以設計適當的審核程序，但並非為對公司的內部控制的效能發表意見。審核亦包括評價董事所採用的會計政策的合適性及所作出的會計估計的合理性，以及評價綜合財務報表的整體列報方式。

我們相信，我們所獲得的審核憑證是充足和適當地為我們的審核意見提供基礎。

意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實而公平地反映 貴集團於2012年12月31日的事務狀況及 貴集團截至該日止年度的溢利及現金流量，並已按照香港《公司條例》之披露要求妥為編製。

思捷會計師行有限公司

徐玉琮

執業牌照號碼：P03548

香港，2013年3月28日

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 31 December 2012 截至2012年12月31日止年度

		Notes 附註	2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Turnover	營業額	6	324,669	324,494
Cost of sales	銷售成本		(129,183)	(270,857)
Gross profit	毛利		195,486	53,637
Other net income/(expenses)	其他收入/(支出)淨額	7	134,773	(3,801)
Selling and distribution expenses	銷售及分銷費用		(13,568)	(7,390)
General and administrative expenses	一般及行政費用		(54,675)	(54,544)
Other operating expenses	其他營運費用		(329,288)	(233,344)
Net increase/(decrease) in fair value of investment properties	投資物業的公允值的增加/(減少)淨額	17	293,570	(752,000)
Impairment loss on inventories	存貨之減值虧損		(48,000)	(260,506)
Profit/(Loss) from operations	經營溢利/(虧損)		178,298	(1,257,948)
Net change in fair value of derivative financial instruments	衍生金融工具的公允值的變動淨額		8	14,267
Finance costs	融資成本	9	(185,982)	(156,023)
Gain on derecognition of available-for-sale financial assets	終止確認可供出售金融資產的收益		-	33,306
Gain on disposal of subsidiaries	出售附屬公司的收益		17,719	81,873
Impairment loss on subsidiaries group classified as held for sale	分類為持作出售之附屬集團之減值虧損	24(a)	-	(8,861)
Profit/(Loss) before tax	除稅前溢利/(虧損)		10,043	(1,293,386)
Income tax credit	所得稅抵免	10	29,277	175,259
Profit/(Loss) and total comprehensive income/(expense) for the year	本年度溢利/(虧損)及全面收益/(開支)總額		39,320	(1,118,127)
Attributable to:	以下人士應佔：			
Owners of the Company	本公司擁有人		39,320	(1,118,121)
Non-controlling interests	非控股權益		-	(6)
			39,320	(1,118,127)
			RMB cents 人民幣分	RMB cents 人民幣分 (Restated) (重列)
Earnings/(Loss) per share	每股盈利/(虧損)	15		
Basic and diluted	基本及攤薄		6.12	(290.27)

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2012 於2012年12月31日

		Notes	2012	2011
		附註	RMB'000 人民幣千元	RMB'000 人民幣千元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	16	7,676	3,836
Investment properties	投資物業	17	1,080,000	780,000
Deferred tax assets	遞延稅項資產	30	3,505	8,924
			1,091,181	792,760
Current assets	流動資產			
Inventories	存貨	18	1,585,656	1,273,475
Trade and other receivables	應收賬款及其他應收款	19	681,341	760,199
Consideration receivables	應收代價款	20	–	75,603
Trading securities	買賣證券	21	2,130	2,296
Pledged deposits	抵押存款	22	1,155	1,078
Bank and cash balances	銀行及現金結餘	23	14,068	49,049
			2,284,350	2,161,700
Subsidiaries group classified as held for sale – assets	分類為持作出售之 附屬集團 – 資產	24	–	447,108
Current liabilities	流動負債			
Trade and other payables, and accruals	應付賬款、其他應付款 及預提費用	25	561,558	963,766
Receipts in advance	預收賬款	26	14,816	18,046
Rental and other deposits	租賃及其他按金	27	28,934	11,768
Derivative financial liabilities	衍生金融負債	28	–	8
Bank and other borrowings	銀行及其他借貸	29	1,803,822	865,957
Current tax liabilities	即期稅項負債		19,431	138,414
			2,428,561	1,997,959
Subsidiaries group classified as held for sale – liabilities	分類為持作出售之 附屬集團 – 負債	24	–	201,408
Net current (liabilities)/assets	流動(負債)/資產淨額		(144,211)	409,441
Total assets less current liabilities	資產總值減流動負債		946,970	1,202,201
Non-current liabilities	非流動負債			
Bank and other borrowings	銀行及其他借貸	29	–	447,000
Deferred tax liabilities	遞延稅項負債	30	176,250	98,091
			176,250	545,091
NET ASSETS	資產淨額		770,720	657,110

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 December 2012 於2012年12月31日

		Notes 附註	2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Capital and reserves	資本及儲備			
Share capital	股本	31	18,949	11,971
Reserves	儲備	34	751,771	645,139
Equity attributable to owners of the Company	本公司擁有人應佔權益		770,720	657,110
Non-controlling interests	非控股權益		-	-
TOTAL EQUITY	權益總額		770,720	657,110

Approved by the Board of Directors on 28 March 2013

董事會於2013年3月28日批准並授權刊發。

Chau Cheok Wa

周焯華

Director

董事

Yeung So Lai

楊素麗

Director

董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 December 2012 截至2012年12月31日止年度

Attributable to owners of the Company

本公司擁有人應佔

	Notes 附註	Share capital 股本 RMB'000 人民幣千元	Share premium 股份溢價 RMB'000 人民幣千元	Merger reserve 合併儲備 RMB'000 人民幣千元	Statutory reserve 法定儲備 RMB'000 人民幣千元	Capital reserve 資本儲備 RMB'000 人民幣千元	Convertible notes reserve 可換股 票據儲備 RMB'000 人民幣千元	(Accumulated losses)/ retained profits (累計虧損)/ 保留溢利	Total	Non- controlling interests 非控股權益 RMB'000 人民幣千元	Total equity 權益總額 RMB'000 人民幣千元
								RMB'000 人民幣千元			
At 1 January 2011	於2011年1月1日	11,971	765,604	24,227	49,373	17,694	-	906,362	1,775,231	995	1,776,226
Loss and total comprehensive expense for the year	本年度虧損及 全面支出總額	-	-	-	-	-	-	(1,118,121)	(1,118,121)	(6)	(1,118,127)
Disposal of subsidiaries	出售附屬公司	36(a)	-	-	-	-	-	-	-	(989)	(989)
Change in equity for the year	本年度權益變動	-	-	-	-	-	-	(1,118,121)	(1,118,121)	(995)	(1,119,116)
At 31 December 2011	於2011年12月31日	11,971	765,604	24,227	49,373	17,694	-	(211,759)	657,110	-	657,110
Profit and total comprehensive income for the year	本年度溢利及 全面收益總額	-	-	-	-	-	-	39,320	39,320	-	39,320
Issue of shares	發行股份	4,981	44,897	-	-	-	-	-	49,888	-	49,888
Equity component of convertible notes	可換股票據 之權益部份	32	-	-	-	-	6,911	-	6,911	-	6,911
Conversion of convertible notes	兌換可換股票據	32	1,987	22,415	-	-	(6,911)	-	17,491	-	17,491
Share option cancelled	已註銷的認股權	35(c)	-	-	-	(6,372)	-	6,372	-	-	-
Change in equity for the year	本年度權益變動	6,978	67,312	-	-	(6,372)	-	45,692	113,610	-	113,610
At 31 December 2012	於2012年12月31日	18,949	832,916	24,227	49,373	11,322	-	(166,067)	770,720	-	770,720

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2012 截至2012年12月31日止年度

	Notes 附註	2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
OPERATING ACTIVITIES	經營活動		
Profit/(Loss) before tax	除稅前溢利/(虧損)	10,043	(1,293,386)
Adjustments for:	調整項目:		
Interest income	利息收入	(52)	(3,142)
Finance costs	融資成本	185,982	156,023
Amortisation and depreciation	攤銷及折舊	2,769	2,731
Impairment loss on trade and other receivables	應收賬款及其他應收賬款減值虧損	196,336	–
Provision for impairment on prepaid land cost	預付土地成本的減值撥備	27,540	–
Reversal of impairment on other receivables	撥回其他應收款減值	(45,000)	–
Gain/(Loss) on disposal of property, plant and equipment	出售物業、廠房及設備收益/(虧損)	(136)	20,714
Gain on derecognition of available-for-sale financial assets	終止確認可供出售金融資產的收益	–	(33,306)
Gain on disposal of subsidiaries	出售附屬公司的收益	(17,719)	(81,873)
Net (increase)/decrease in fair value of investment properties	投資物業的公允值的(增加)/減少淨額	(293,570)	752,000
Net change in fair value of derivative financial instruments	衍生金融工具的公允值的變動淨額	(8)	(14,267)
Net realised and unrealised (gain)/loss on trading securities	買賣證券的變現及未變現(收益)/虧損淨額	(241)	764
Impairment loss on inventories	存貨之減值虧損	48,000	260,506
Operating profit/(loss) before working capital changes	營運資金變動前的經營溢利/(虧損)	113,944	(233,236)
Increase in inventories	存貨增加	(104,930)	(236,893)
Decrease/(Increase) in trade and other receivables	應收賬款及其他應收款減少/(增加)	48,588	(200,904)
(Increase)/Decrease in pledged deposits	抵押存款(增加)/減少	(77)	1,615
(Decrease)/Increase in trade and other payables, and accruals	應付賬款、其他應付款及預提費用(減少)/增加	(587,895)	730,369
(Decrease)/Increase in receipts in advance	預收賬款(減少)/增加	(3,230)	69,122
Increase/(Decrease) in rental and other deposits	租賃及其他按金增加/(減少)	17,166	(24)
Cash (used in)/generated from operations	營運(動用)/產生的現金	(516,434)	130,049
Income tax paid	已付所得稅	(6,441)	(23,819)
Net cash (used in)/generated from operating activities	經營活動(動用)/產生的現金淨額	(522,875)	106,230

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2012 截至2012年12月31日止年度

		Notes	2012	2011
		附註	RMB'000 人民幣千元	RMB'000 人民幣千元
INVESTING ACTIVITIES	投資活動			
Purchase of property, plant and equipment	購置物業、廠房及設備		(6,905)	(2,906)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項		389	6,796
Decrease in consideration receivables	應收代價款減少		75,603	88,927
Proceeds from disposal of investment properties	出售投資物業所得款項		-	60,000
Proceeds from sale of trading securities	出售買賣證券所得款項		407	-
Proceeds from derecognition of available-for-sale financial assets	終止確認可供出售金融資產所得款項		-	272,098
Disposal of subsidiaries	出售附屬公司	36(a)	116,316	139,193
Interest received	已收利息		52	3,142
Net cash generated from investing activities	投資活動產生的現金淨額		185,862	567,250
FINANCING ACTIVITIES	融資活動			
Drawdown of bank loans	提取銀行貸款		1,016,204	230,357
Repayment of bank loans	償還銀行貸款		(522,339)	(783,980)
Proceeds from issue of convertible notes	發行可換股票據之所得款項	32	24,402	-
Proceeds from issue of shares	發行股份所得款項		49,888	-
Interest paid	已付利息		(273,695)	(156,023)
Net cash generated from/(used in) financing activities	融資活動產生/(動用)的現金淨額		294,460	(709,646)
NET DECREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物的減少淨額		(42,553)	(36,166)
CASH AND CASH EQUIVALENTS AT 1 JANUARY	1月1日的現金及現金等價物		56,621	92,787
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	12月31日現金及現金等價物		14,068	56,621
ANALYSIS OF CASH AND CASH EQUIVALENTS	現金及現金等價物分析			
Bank and cash balances	銀行及現金結餘		14,068	49,049
Bank and cash balances classified as assets of subsidiaries group classified as held for sale	分類為持作出售之附屬集團資產之銀行及現金結餘		-	7,572
			14,068	56,621

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

1. General Information

The Company was incorporated in the Cayman Islands with limited liability. The address of its registered office is Cricket Square, Hutchins Drive, PO Box 2681, George Town, Grand Cayman KY1-1111, the Cayman Islands. The address of its principal place of business is Room 2101-2109, Tower F, Xihaimingchu Building, No. 1 Taoyuan Road, Nan Shan District, Shenzhen 518052, Guangdong Province, the People's Republic of China (the "PRC"). The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Company is an investment holding company. The principal activities of its principal subsidiaries are set out in note 41 to the financial statements.

2. Application of New and Revised Hong Kong Financial Reporting Standards ("HKFRSs")

In the current year, the Group has applied, for the first time, the following new standard, amendment and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are effective for the Group's financial period beginning 1st January, 2012.

HKFRS 1 (Amendment)	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
HKFRS 7 (Amendment)	Disclosures – Transfers of Financial Assets
HKAS 12 (Amendment)	Deferred Tax: Recovery of Underlying Assets

The adoption of the new HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

1. 一般資料

本公司於開曼群島註冊成立為有限公司。註冊辦事處的地址位於 Cricket Square, Hutchins Drive, PO Box 2681, George Town, Grand Cayman KY1-1111, the Cayman Islands。主要營業地點的地址為中華人民共和國(「中國」)廣東省深圳南山區桃園路1號西海明珠大廈F座2101-2109室，郵編為518052。本公司的股份於香港聯合交易所有限公司(「聯交所」)主板上市。

本公司是投資控股公司，其主要附屬公司的主要業務載於財務報表附註41。

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

於本年度內，本集團首次應用下列由香港會計師公會(「香港會計師公會」)頒佈的新準則、修訂及詮釋(「新香港財務報告準則」)。該等新香港財務報告準則在本集團於2012年1月1日開始之財政期間生效。

香港財務報告準則第1號(修訂本)	嚴重高通脹及剔除首次採用者的固定日期
香港財務報告準則第7號(修訂本)	披露—轉讓財務資產
香港會計準則第12號(修訂本)	遞延稅項：收回相關資產

採納新香港財務報告準則對目前或過往會計期間業績及財務狀況之編製及呈列方式並無構成重大影響。故此，無需進行前期調整。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Cont’d)

The Group has not early applied the following new and revised standards or interpretations that have been issued but are not yet effective.

HKFRS 1 (Amendment)	Government Loans (b)
HKFRS 7 (Amendment)	Disclosures – Offsetting Financial Assets and Financial Liabilities (b)
HKFRS 9	Financial Instruments (d)
HKFRS 10	Consolidated Financial Statements (b)
HKFRS 11	Joint Arrangements (b)
HKFRS 12	Disclosure of Interests in Other Entities (b)
HKFRS 10, HKFRS 11 and HKFRS 12 Amendment	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance (b)
HKFRS 10, HKFRS 12 and HKAS 27 (2011) Amendment	Investment Entities (c)
HKFRS 13	Fair Value Measurement (b)
HKAS 1 Amendment	Presentation of Items of Other Comprehensive Income (a)
HKAS 19 (2011)	Employee Benefits (b)
HKAS 27 (2011)	Separate Financial Statements (b)
HKAS 28 (2011)	Investments in Associates and Joint Ventures (b)
HKAS 32 Amendment	Offsetting Financial Assets and Financial Liabilities (c)
HK(IFRJC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine (b)
Annual Improvements Project	Annual Improvements 2009-2011 Cycle (b)

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本集團尚未提早應用以下已頒佈但尚未生效之新訂及經修訂準則或詮釋。

香港財務報告準則第1號 (修訂本)	政府貸款(b)
香港財務報告準則第7號 (修訂本)	披露－抵銷金融資產及金融負債(b)
香港財務報告準則第9號	財務工具(d)
香港財務報告準則第10號	綜合財務報表(b)
香港財務報告準則第11號	聯合安排(b)
香港財務報告準則第12號	於其他實體權益之披露(b)
香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號 (修訂本)	綜合財務報表、合營安排及其他實體權益之披露：過渡指引(b)
香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號(2011年) (修訂本)	投資實體(c)
香港財務報告準則第13號	公允值計量(b)
香港會計準則第1號 (修訂本)	呈列其他全面收益的條款(a)
香港會計準則第19號 (2011年)	僱員福利(b)
香港會計準則第27號 (2011年)	獨立財務報表(b)
香港會計準則第28號 (2011年)	於聯營公司及合營公司之投資(b)
香港會計準則第32號 (修訂本)	抵銷金融資產及金融負債(c)
香港(國際財務報告準則詮釋委員會)－詮釋第20號	地表礦區生產階段的剝採成本(b)
年度改進項目	2009年至2011年週期年度改進(b)

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

2. Application of New and Revised Hong Kong Financial Reporting Standards (“HKFRSs”) (Cont’d)

- (a) Effective for annual periods beginning on or after 1st July 2012.
- (b) Effective for annual periods beginning on or after 1st January 2013.
- (c) Effective for annual periods beginning on or after 1st January 2014.
- (d) Effective for annual periods beginning on or after 1st January 2015.

The Directors anticipate that the application of these standards or interpretations will have no material impact on the results and the financial position of the Group.

3. Significant Accounting Policies

These financial statements have been prepared in accordance with HKFRSs, accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance. These financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, financial instruments classified as trading securities and derivative financial instruments which are carried at their fair values.

The preparation of financial statements in conformity with HKFRSs requires the use of certain key assumptions and estimates. It also requires the directors to exercise their judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to these financial statements, are disclosed in note 4 to the financial statements.

As at 31 December 2012, the Group had net current liabilities of RMB144,211,000. In the opinion of the Directors, the Group is able to operate as a going concern in the coming year after taking into consideration the results of the fund raising activities conducted subsequent to the end of the reporting period which raised net proceeds of approximately RMB200,000,000 in aggregate.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

- (a) 於2012年7月1日或之後開始的年度期間生效。
- (b) 於2013年1月1日或之後開始的年度期間生效。
- (c) 於2014年1月1日或之後開始的年度期間生效。
- (d) 於2015年1月1日或之後開始的年度期間生效。

董事預期應用該等準則或詮釋將不會對本集團之業績及財務狀況產生重大影響。

3. 主要會計政策

此等財務報表乃根據香港財務報告準則、香港公認會計原則以及聯交所證券上市規則及香港公司條例之適用披露規定編製。此等財務報表乃按歷史成本常規編製，並就重估按公允值入賬之投資物業、分類為買賣證券的金融工具及衍生金融工具作出修訂。

財務報表乃遵照香港財務報告準則編製，當中須採用若干主要假設及估計，亦要求董事於應用該等會計政策過程中作出判斷。涉及關鍵判斷及對此等財務報表而言屬重大假設及估計之範疇，乃於財務報表附註4披露。

於2012年12月31日，本集團的流動負債淨額為人民幣144,211,000元。經考慮報告期後進行的集資活動籌得所得款項淨額合共約為人民幣200,000,000元後，董事認為，本集團來年有能力持續經營。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

3. Significant Accounting Policies (Cont'd)

The significant accounting policies applied in the preparation of these financial statements are set out below.

(a) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has control. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has control.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases. The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill relating to that subsidiary and any related accumulated foreign currency translation reserve.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated statement of comprehensive income as an allocation of profit or loss and total comprehensive income for the year between the non-controlling shareholders and owners of the Company.

3. 主要會計政策(續)

於編製此等財務報表時應用之重大會計政策載列如下。

(a) 綜合賬目

綜合財務報表包括本公司及其附屬公司截至12月31日止之財務報表。附屬公司指本集團擁有控制權之實體。控制權指監管該實體之財務及營運政策以自其業務獲利之權力。在評估本集團是否控制另一實體時，會考慮現時可行使或可兌換之潛在投票權之存在及影響。

附屬公司在控制權轉移至本集團之日起綜合入賬。附屬公司在控制權終止之日起停止綜合入賬。因出售附屬公司而導致失去控制權之盈虧為(i)出售代價之公允值加任何保留於該附屬公司之投資之公允值及(ii)本公司應佔該附屬公司資產淨值加任何有關該附屬公司之剩餘商譽及任何有關累計匯兌儲備兩者間之差額。

集團內公司間之交易、交易結餘及未變現溢利已對銷。未變現虧損亦會對銷，除非該交易有證據顯示所轉讓資產出現減值則作別論。附屬公司之會計政策已按需要變更，以確保與本集團所採納政策貫徹一致。

非控股權益為非本公司直接或間接應佔之附屬公司權益。非控股權益於綜合財務狀況表及綜合權益變動表之權益內呈列。非控股權益於綜合全面收益表內呈列為非控股股東與本公司擁有人應佔本年度損益及全面收益總額之分配。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

3. Significant Accounting Policies (Cont'd)

(a) Consolidation (Cont'd)

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling shareholders even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions (i.e. transactions with owners in their capacity as owners). The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

(b) Business Combination and Goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The cost of acquisition is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

The excess of the cost of acquisition over the Company's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Company.

In a business combination achieved in stages, the previously held equity interest in the subsidiary is re-measured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the cost of acquisition to calculate the goodwill.

3. 主要會計政策(續)

(a) 綜合賬目(續)

即使導致非控股權益出現虧損結餘，其盈虧及其他全面收益之各個組成部份仍歸屬予本公司擁有人及非控股股東。

對於附屬公司擁有權之變動，若無導致本集團失去其控制權，則列作權益交易入賬(即與擁有人以其股東身份進行之交易)。控股及非控股權益之賬面值會作出調整，以反映彼等於附屬公司之相關權益變動。對非控股權益作出調整之金額與已付或已收代價之公允值兩者間之任何差額會直接於權益確認，並歸屬予本公司擁有人。

(b) 業務合併及商譽

就業務合併，本集團採用收購會計處理法就收購附屬公司入賬。收購成本按收購日期所給予資產、所發行股本工具、所產生負債及或然代價之公允值計量。收購相關成本於產生成本及接受服務之期間內確認為開支。收購時有關附屬公司之可識別資產及負債按收購日期之公允值計量。

收購成本超出本公司應佔有關附屬公司可識別資產及負債公允淨值之差額以商譽列賬。本公司應佔可識別資產及負債公允淨值超出收購成本之差額，於綜合損益確認為議價收購之收益，並歸屬予本公司。

於分階段進行之業務合併中，先前於附屬公司持有之股權按其收購日期之公允值重新計量，而所得盈虧於綜合損益內確認。有關公允值會加入收購成本以計算商譽。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

3. Significant Accounting Policies (Cont'd)

(b) Business Combination and Goodwill (Cont'd)

If the changes in the value of the previously held equity interest in the subsidiary were recognised in other comprehensive income (for example, available-for-sale investment), the amount that was recognised in other comprehensive income is recognised on the same basis as would be required if the previously held equity interest were disposed of.

Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is measured at cost less accumulated impairment losses. The method of measuring impairment losses of goodwill is the same as that of other assets as stated in the accounting policy (v) below. Impairment losses of goodwill are recognised in consolidated profit or loss and are not subsequently reversed. Goodwill is allocated to cash-generating units that are expected to benefit from the synergies of the acquisition for the purpose of impairment testing.

The non-controlling interests in the subsidiary are initially measured at the non-controlling shareholders' proportionate share of the net fair value of the subsidiary's identifiable assets and liabilities at the acquisition date.

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Renminbi ("RMB"), which is the Company's functional and presentation currency as well as the functional currency of the principal operating subsidiaries of the Group.

3. 主要會計政策(續)

(b) 業務合併及商譽(續)

倘先前於附屬公司持有之股權之價值變動已於其他全面收益(例如可供出售投資)確認，則已於其他全面收益確認之金額會按假設先前持有之股權已出售之相同基準確認。

商譽每年進行減值測試，或當有事件或情況變動顯示可能出現減值時則更頻繁地進行減值測試。商譽乃按成本減累計減值虧損計量。商譽減值虧損之計量方法與下文會計政策(v)所述其他資產之計量方法相同。商譽減值虧損於綜合損益內確認，且其後不會撥回。就減值測試而言，商譽會分配至預期將從收購之協同效應中獲益之現金產生單位。

附屬公司之非控股權益初步按有關非控股股東佔該附屬公司於收購日期可識別資產及負債公允淨值之比例計量。

(c) 外幣換算

(i) 功能及呈列貨幣

本集團各實體之財務報表所列項目，均以該實體營運主要經濟環境所採用之貨幣(「功能貨幣」)計量。綜合財務報表乃以本公司之功能及呈列貨幣以及本集團主要營運附屬公司之功能貨幣人民幣(「人民幣」)呈列。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

3. Significant Accounting Policies (Cont'd)

(c) Foreign currency translation (Cont'd)

(ii) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

(d) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss during the period in which they are incurred.

3. 主要會計政策(續)

(c) 外幣換算(續)

(ii) 各實體財務報表之交易及結餘

外幣交易於初步確認時按交易日期之適用匯率換算為功能貨幣。以外幣呈列之貨幣資產及負債按各報告期末適用之匯率換算。換算政策所產生之盈虧於損益確認。

按公允值計量之外幣非貨幣項目按釐定公允值當日之匯率換算。

倘非貨幣項目之盈虧於其他全面收益確認，則該盈虧之任何匯兌部份於其他全面收益確認。倘非貨幣項目之盈虧於損益確認，則該盈虧之任何匯兌部份於損益確認。

(d) 物業、廠房及設備

物業、廠房及設備均按成本扣除累計折舊及減值虧損列賬。

僅在與項目相關之日後經濟效益有可能流入本集團及能可靠計算項目成本之情況下，其後成本方會計入資產賬面值或確認為獨立資產(視適用情況而定)。所有其他維修及保養開支於其產生期間在損益確認。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

3. Significant Accounting Policies (Cont'd)

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

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The estimated useful lives are as follows:

- Buildings held for own use which are situated on leasehold land are depreciated 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 are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 20 years.
- Furniture and fixtures 3-5 years
- Motor vehicles 4 years

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

(e) Investment properties

Investment properties are land and/or buildings held to earn rentals and/or for capital appreciation. An investment property is measured initially at its cost including all direct costs attributable to the property.

After initial recognition, the investment property is stated at its fair value based on valuation by an external independent valuer. Gains or losses arising from changes in fair value of the investment property are recognised in profit or loss for the period in which they arise.

If a property held for sale becomes investment property, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognised in profit or loss.

The gain or loss on disposal of an investment property is the difference between the net sales proceeds and the carrying amount of the property, and is recognised in profit or loss.

3. 主要會計政策(續)

(d) 物業、廠房及設備(續)

物業、廠房及設備以直線法按足以撇銷其成本減餘值之比率，於估計可使用年期計算折舊。估計可使用年期如下：

- 持作自用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年進行折舊。
- 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)的較短者進行折舊。
- 傢俱及裝置 3至5年
- 汽車 4年

本集團會於各報告期末檢討及調整(如適用)餘值、可使用年期及折舊方法。

出售物業、廠房及設備之盈虧為出售所得款項淨額與相關資產之賬面值兩者間之差額，於損益中確認。

(e) 投資物業

投資物業乃就賺取租金及/或作資本增值持有之土地及/或樓宇。投資物業初步按其成本(包括物業應佔之所有直接成本)計量。

於初步確認後，投資物業根據外聘獨立估值師作出的估值按公允值列值。投資物業之公允值變動所產生之盈虧於其產生期間之損益內確認。

倘持作出售的物業成為投資物業，則於轉讓日期此項目的賬面值與公允值產生的任何差額於損益中確認。

出售投資物業之盈虧為出售所得款項淨額與物業賬面值兩者間之差額，於損益中確認。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

3. Significant Accounting Policies (Cont'd)

(f) Leases

The Group as lessee

(i) Operating leases

Leases that do not substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as operating leases. Lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term.

(ii) Finance leases

Leases that substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as finance leases. At the commencement of the lease term, a finance lease is capitalised at the lower of the fair value of the leased asset and the present value of the minimum lease payments, each determined at the inception of the lease.

The corresponding liability to the lessor is included in the statement of financial position as finance lease payable. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Assets under finance leases are depreciated over the lease term or, where it is likely the Group will obtain ownership of the asset, the life of the asset, as set out in note 3(d).

The Group as lessor

(i) Operating leases

Leases that do not substantially transfer to the lessees all the risks and rewards of ownership of assets are accounted for as operating leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

3. 主要會計政策(續)

(f) 租約

本集團作為租用人

(i) 營運租約

不會將資產擁有權之大部份風險及回報轉移予本集團之租約，均列為營運租約。租賃款項(扣除出租人給予之任何優惠)按租期以直線法確認為開支。

(ii) 融資租約

凡將資產擁有權之大部份風險及回報轉移予本集團之租約，均列為融資租約。融資租約在開始時按租賃資產之公允值及最低租賃付款現值兩者之較低者(兩者均在租賃開始時釐定)撥充資本。

出租人之相應債務於財務狀況表中列作應付融資租約承擔。租賃款項按比例分配為財務費用及削減未付債務。財務費用在租賃期內各期間內分攤，以為餘下債務結餘得出貫徹之定期利率。

倘有可能本集團將取得資產的所有權，則融資租約的資產按資產年期於租賃期內折舊(載於附註3(d))。

本集團作為出租人

(i) 營運租約

不會將資產擁有權之大部份風險及回報轉移予租用人之租約，均列為營運租約。來自營運租約之租金收入按有關租期以直線法確認。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

3. Significant Accounting Policies (Cont'd)

(g) Inventories

(i) *Properties for future development/under development for sale*

Properties for future development/under development for sale are stated at the lower of cost and net realisable value. Costs include acquisition costs, prepaid land lease payments, construction costs, borrowing costs capitalised and other direct costs attributable to such properties. Net realisable value is determined by reference to sale proceeds received after the reporting period less selling expenses and the anticipated costs to completion, or by estimates based on prevailing market condition. On completion, the properties are reclassified to properties held for sale at the then carrying amount. Properties for future development/under development for sale are classified as current assets unless the construction period of the relevant property development project is expected to complete beyond normal operating cycle.

(ii) *Properties held for sale*

Properties held for sale are stated at the lower of cost and net realisable value. Costs of properties include acquisition costs, prepaid land lease payments, construction costs, borrowing costs capitalised and other direct costs attributable to such properties. Net realisable value is determined by reference to sale proceeds received after the reporting period less selling expenses, or by estimates based on prevailing market condition.

3. 主要會計政策(續)

(g) 存貨

(i) 供出售未來發展／發展中物業

供出售未來發展／發展中物業按成本及可變現淨值之較低者入賬。成本包括收購成本、預付土地租賃款、建築成本、撥充資本之借貸成本及有關物業應佔之其他直接成本。可變現淨值乃參考報告期後收取的所得銷售款項扣除銷售開支及預計完成成本釐定，或根據當時市況作出估計。於竣工後，有關物業按其當時賬面值，重新分類為持作出售物業。除非相關在建物業項目的建築期預期於正常營運周期後才完成，否則供出售未來發展／發展中物業將列為流動資產。

(ii) 持作出售物業

持作出售物業按成本值及可變現淨值之較低者入賬。物業成本包括收購成本、預付土地租賃款、建築成本、撥充資本之借貸成本及有關物業應佔之其他直接成本。可變現淨值乃參考報告期後收取的所得銷售款項扣除銷售開支釐定，或根據當時市況作出估計。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

3. Significant Accounting Policies (Cont'd)

(h) Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the receivables' carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate computed at initial recognition. The amount of the allowance is recognised in profit or loss.

Impairment losses are reversed in subsequent periods and recognised in profit or loss when an increase in the receivables' recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the receivables at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

(i) Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

3. 主要會計政策(續)

(h) 應收賬款及其他應收款

應收賬款及其他應收款為固定或可確定付款金額及沒有活躍市場報價之非衍生金融資產，初步按公允值確認，其後則以實際利率法按攤銷成本扣除減值撥備計算。應收賬款及其他應收款之減值撥備於有客觀證據顯示本集團無法按應收賬款之原有條款收回所有金額時作出。撥備金額為應收賬款賬面值與估計日後現金流量按初步確認時所用實際利率貼現之現值兩者間之差額。撥備金額於損益內確認。

倘應收賬款之可收回金額客觀上因確認減值後發生之事件增加，則減值虧損於往後期間撥回並在損益確認，惟應收賬款於撥回減值日期之賬面值不得超逾假設並無確認減值應存在之攤銷成本。

(i) 確認及終止確認金融工具

金融資產及金融負債於本集團成為有關工具合約條文之訂約方時，於財務狀況表內確認。

當收取資產現金流之合約權利屆滿時，本集團轉讓相關資產擁有權之絕大部份風險及回報，或本集團既不轉讓亦不保留資產擁有權之絕大部份風險及回報，惟不保留資產之控制權，則終止確認為金融資產。於終止確認一項金融資產時，該項資產之賬面值與已收代價之差額及已於其他全面收益中確認之累計盈虧於損益中確認。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

3. Significant Accounting Policies (Cont'd)

(i) Recognition and derecognition of financial instruments (Cont'd)

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

(j) Investments

Investments are recognised and derecognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, plus directly attributable transaction costs except in the case of financial assets at fair value through profit or loss.

The Group's investments are classified as financial assets at fair value through profit or loss.

Financial assets at fair value through profit or loss are either investments classified as held for trading or designated as at fair value through profit or loss upon initial recognition. These investments are subsequently measured at fair value. Gains or losses arising from changes in fair value of these investments are recognised in profit or loss.

3. 主要會計政策(續)

(i) 確認及終止確認金融工具(續)

當相關合約中規定之責任獲解除、註銷或屆滿，則終止確認為金融負債。已終止確認之金融負債之賬面值與已付代價間之差額於損益中確認。

(j) 投資

投資是以購入或出售投資項目，根據市場情況按合同條款規定期限於交易日期確認入賬及終止確認，並按公允值加直接交易成本作初步計算，惟按公允值計入損益之金融資產則除外。

本集團的投資分類為按公允值計入損益的金融資產。

初步確認時，按公允值計入損益的金融資產均為持作買賣或指定為按公允值計入損益的投資。此等投資隨後按公允值計量。此等投資公允值變動引起的盈虧均在損益確認。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

3. Significant Accounting Policies (Cont'd)

(k) Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents.

(l) Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

(i) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(ii) Financial guarantee contract liabilities

Financial guarantee contract liabilities are measured initially at their fair values and are subsequently measured at the higher of:

- the amount of the obligations under the contracts, as determined in accordance with HKAS 37 "Provisions, Contingent Liabilities and Contingent Assets"; and
- the amount initially recognised less cumulative amortisation recognised in profit or loss on a straight-line basis over the terms of the guarantee contracts.

3. 主要會計政策(續)

(k) 現金及現金等價物

就綜合現金流量表而言，現金及現金等價物乃指銀行及手頭現金、銀行及其他財務機構之活期存款及可隨時轉換為確實數額之現金及存在非重大價值變動風險之短期高度流動投資項目。須於要求時償還之銀行透支為本集團現金管理之組成部份，亦會列作現金及現金等價物。

(l) 金融負債及股本工具

金融負債及股本工具乃按所訂立合約安排之內容及香港財務報告準則下金融負債及股本工具之釋義分類。股本工具為反映扣除所有負債後本集團資產剩餘權益之合約。下文載列就特定金融負債及股本工具所採納之會計政策。

(i) 借貸

借貸初步按公允值扣除所產生交易成本確認，其後以實際利率法按攤銷成本計量。

借貸分類為流動負債，除非本集團具無條件權力，遞延負債還款期至報告期後最少12個月則作別論。

(ii) 財務擔保合約負債

財務擔保合約負債最初按其公允值計量，其後則按以下兩者中較高者計量：

- 根據香港會計準則第37號「撥備、或然負債及或然資產」確定之合約承擔金額；及
- 初步確認之金額減去於擔保合約期限內按直線基準於損益內確認之累計攤銷。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

3. Significant Accounting Policies (Cont'd)

(I) Financial liabilities and equity instruments (Cont'd)

(iii) Convertible notes

Convertible notes issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or financial assets for a fixed number of the Group own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to share premium. Where the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained profits. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the liability component are included in the carrying amount of the liability component and amortised over the lives of the convertible notes using the effective interest method.

3. 主要會計政策(續)

(I) 金融負債及股本工具(續)

(iii) 可換股票據

本集團發行之可換股票據根據合約安排之性質與金融負債及股本工具之定義分別分類為金融負債及權益。將以固定金額現金或金融資產交換本集團固定數目之本身權益工具之方式結清之換股權，則列為股本工具。

於發行日期，負債部分之公平值乃按同類不可兌換工具之現行市場利率評估。該金額按攤銷成本基準，以實際利息法記入負債，直至於轉換當日或該工具到期日註銷為止。

分類為權益之換股權乃透過自整體複合工具之公平值中扣減負債部分金額而釐定。其將於扣除所得稅影響後在權益中確認及記賬，且隨後不可重新計量。此外，分類為權益之換股權一直保留於權益內，直至該換股權獲行使，而在此情況下，於權益內確認之結餘將轉入股份溢價。倘換股權於可換股票據到期日仍未獲行使，於權益內確認之結餘將轉入保留溢利。換股權獲轉換或到期時將不會於損益內確認任何盈虧。

與發行可換股票據有關之交易成本，按所得款項總額之分配比例分配至負債及權益部分。與負債部分有關之交易成本則計入負債部分之賬面值，並利用實際利息法於可換股票據期限內予以攤銷。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

3. Significant Accounting Policies (Cont'd)

(l) Financial liabilities and equity instruments (Cont'd)

(iv) Trade and other payables

Trade and other payables are stated initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

(v) Equity instruments

Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

(m) Derivative financial instruments

Derivative financial instruments are initially recognised and subsequently measured at fair value. Changes in the fair value of derivatives are recognised in profit or loss as they arise.

(n) Non-current assets held for sale

Non-current assets or disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the non-current asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

3. 主要會計政策(續)

(l) 金融負債及股本工具(續)

(iv) 應付賬款及其他應付款

應付賬款及其他應付款初步按公允值入賬，其後以實際利率法按攤銷成本計量，除非貼現影響甚微，於此情況下，則按成本入賬。

(v) 股本工具

本集團發行之股本工具以已收所得款項減直接發行成本入賬。

(m) 衍生金融工具

衍生金融工具會初步確認及其後按公允值計量。衍生工具公允值變動於發生時在損益確認。

(n) 持作出售之非流動資產

非流動資產或出售組別之帳面值如可透過出售交易而非透過持續使用而收回，則會分類為持作出售。此條件僅於很有可能達成出售及非流動資產(或出售組別)可於現況下即時出售時方可符合。管理層必須對出售作出承諾，而出售預期應可於分類日期起計1年內合資格確認為已完成出售。

當本集團承諾進行涉及失去一間附屬公司控制權之出售計劃時，不論本集團是否將於出售後保留前附屬公司之非控股權益，該附屬公司之所有資產及負債於符合上述分類為持作出售之條件時則分類為持作出售。

分類為持作出售之非流動資產(及出售組別)乃按資產以往帳面值及公平值兩者中之較低者減出售成本計量。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

3. Significant Accounting Policies (Cont'd)

(o) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.

(i) Sales of properties

Revenue from the sale of properties held for sale is recognised 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 sales 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 statement of financial position under 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 operating leases. 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. Rental income excludes business tax or other sales related taxes.

(iii) Property management income

Revenue from property management is recognised in the accounting period in which the services are rendered.

(iv) Dividend income

Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established. Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

3. 主要會計政策(續)

(o) 收入確認

收入乃按已收或應收代價的公允值計量，並在經濟效益可能流入本集團及收入金額可予準確計算的前提下確認。

(i) 銷售物業

持作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，已計入財務狀況表的預收款項內。

(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經營租賃所產生的收益模式時則除外。租賃獎勵於損益中確認為應收租賃淨付款總額的組成部分。或然租金於其產生的會計期間內確認為收入。租金收入不包括營業稅及其他銷售相關稅項。

(iii) 物業管理收入

物業管理收入於提供服務的會計期間確認。

(iv) 股息收入

股息收入乃當股東收取款項的權利確定時確認。上市投資的股息收入乃投資項目的股價除息時確認。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

3. Significant Accounting Policies (Cont'd)

(o) Revenue recognition (Cont'd)

(v) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

(p) Employee benefits

(i) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(ii) Pension obligations

The Group contributes to defined contribution retirement schemes as required under the Hong Kong Mandatory Provident Fund Schemes Ordinance. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

The Group contributes to appropriate local defined contribution retirement schemes pursuant to the relevant labour rules and regulations in the PRC. Contributions to the schemes by the Group are recognised as an expense in profit or loss as incurred, to the extent that they are not capitalised as inventories.

(iii) Termination benefits

Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

3. 主要會計政策(續)

(o) 收入確認(續)

(v) 利息收入

利息收入按實際利率法以時間比例基準確認。

(p) 僱員福利

(i) 僱員享有假期

僱員之年假及長期服務休假之權利乃於僱員應享有時確認。本集團已就截至報告期末止僱員已提供之服務而產生之年假及長期服務休假之估計負債作出撥備。

僱員之病假及產假不作確認，直至僱員正式休假為止。

(ii) 退休金責任

本集團根據香港《強制性公積金計劃條例》的規定向界定供款退休計劃作出供款。本集團及僱員對退休福利計劃之供款乃按照僱員基本薪金之百分比計算。扣自損益之退休福利計劃成本指本集團應向基金支付之供款。

根據中國相關勞動規則及規例向當地適當的定額供款退休計劃作出供款，本集團向計劃作出的供款於產生時在損益中確認為開支，惟未資本化為存貨者則除外。

(iii) 終止合約福利

本集團須通過周詳、正式之計劃(該計劃並無任何實際撤銷之可能性)，明確地表示終止僱用員工或對自願遣散之僱員提供福利，方會確認終止合約福利。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

3. Significant Accounting Policies (Cont'd)

(q) Share-based payments

The Group issues equity-settled share-based payments to certain directors, employees and consultants.

Equity-settled share-based payments to directors and employees are measured at fair value (excluding the effect of non market-based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions, with a corresponding increase in capital reserve.

Equity-settled share-based payments to consultants are measured at the fair value of the services rendered or if the fair value of the services rendered cannot be reliably measured, at the fair value of the equity instruments granted. The fair value is measured at the date the Group receives the services and recognised as expense.

At the time when the share options are exercised, the amount previously recognised in capital reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in capital reserve will be transferred to (accumulated losses)/retained profits.

(r) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

3. 主要會計政策(續)

(q) 股份付款

本集團向若干董事、僱員及顧問發放股本結算股份付款。

董事及僱員之股本結算股份付款於授出日期按股本工具的公允值計量(不包括非市場歸屬條件之影響)。按股本結算股份付款授出日期釐定之公允值，乃根據本集團估計股份最終歸屬及就非市場歸屬條件調整，按歸屬期以直線法支銷，於資本儲備計入相應增加。

顧問之股本結算股份付款以提供服務之公允值計量，或所提供的服務公允值不能可靠計量，以授出股本工具公允值計量。公允值乃於本集團接獲服務及確認為費用之日計量。

行使認股權時，早前於資本儲備已確認之數額將轉撥至股份溢價。倘認股權於歸屬日期後被沒收或於屆滿日期時仍未獲行使，早前於資本儲備已確認之數額將轉入(累計虧損)/保留溢利。

(r) 借貸成本

收購、建設或生產需長時間方準備就緒作擬定用途或出售之合資格資產而直接涉及之借貸成本均撥充資本作為該等資產之部份成本，直至資產大致上準備就緒作擬訂用途或出售為止。在特定借貸撥作合資格資產之支出前暫時用作投資所賺獲之投資收入，會自合資格撥充資本之借貸成本中扣除。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

3. Significant Accounting Policies (Cont'd)

(r) Borrowing costs (Cont'd)

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(s) Taxation

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

3. 主要會計政策(續)

(r) 借貸成本(續)

就於一般情況及用作取得合資格資產而借入之資金而言，合資格撥充資本之借貸成本金額乃就用於該資產之開支應用資本化比率計算。資本化比率為本集團於期內尚未償還借貸(就取得合資格資產而借入之特定借貸除外)適用之加權平均借貸成本。

所有其他借貸成本均於產生期間在損益內確認。

(s) 稅項

所得稅為即期稅項與遞延稅項之總和。

應付稅項乃按本年度應課稅溢利計算。應課稅溢利與損益中確認之溢利不同，因應課稅溢利不包括其他年度之應課稅收入或可扣減開支項目，亦不包括毋須課稅或不可扣稅項目。本集團之即期稅項負債乃按報告期末前已頒佈或實質頒佈之稅率計算。

遞延稅項乃按財務報表中資產及負債之賬面值與用作計算應課稅溢利之相應稅基間之差額確認。遞延稅項負債通常會就所有應課稅暫時性差額確認，倘有應課稅溢利可用以抵銷可扣減暫時性差異、未動用稅項虧損或未動用稅項抵免，則會確認為遞延稅項資產。於一項交易中，倘因其他資產及負債之商譽或初步確認(業務合併除外)而產生之暫時性差額不影響應課稅溢利及會計溢利時，則不會確認該等資產及負債。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

3. Significant Accounting Policies (Cont'd)

(s) Taxation (Cont'd)

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

(t) PRC Land Appreciation Tax ("LAT")

LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures including land costs, borrowing costs, business taxes and all property development expenditures. LAT is recognised as an income tax. LAT paid is a deductible expense for PRC corporate income tax purposes.

3. 主要會計政策(續)

(s) 稅項(續)

遞延稅項負債就投資於附屬公司產生之應課稅暫時性差額確認，除非本集團能控制撥回暫時性差額以及暫時性差額在可見將來不會被撥回。

遞延稅項資產之賬面值於各報告期末均會作出檢討，並在預期不再有足夠應課稅溢利抵銷全部或部份資產時扣減。

遞延稅項乃以預期於償還負債或變現資產當期基於報告期末前已頒佈或實質頒佈之稅率計算。遞延稅項會於損益確認，倘遞延稅項與已於其他全面收益或直接於權益中確認之項目有關則除外，在此情況下，遞延稅項亦會於其他全面收益或直接於權益中確認。

倘有法定可行使權利將即期稅項資產及即期稅項負債抵銷，且兩者與同一稅務機構徵收之所得稅有關，而本集團擬按淨額基準結算即期稅項資產及負債，則可抵銷遞延稅項資產及負債。

(t) 中國土地增值稅(「土地增值稅」)

中國土地增值稅是按土地價值的增加，以累進稅率30%至60%計算，為銷售物業所得款項減可扣減支出，包括土地成本、借貸成本、營業稅和所有物業發展開支。土地增值稅確認為所得稅。已付土地增值稅就中國企業所得稅而言是可扣減開支。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

3. Significant Accounting Policies (Cont'd)

(u) Related parties

A related party is a person or entity that is related to the Group.

(A) A person or a close member of that person's family is related to the Group if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or of a parent of the Group.

(B) An entity is related to the Group if any of the following conditions applies:

- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third party.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan the sponsoring employers are also related to the Group.

3. 主要會計政策(續)

(u) 關連人士

關連人士為與本集團有關連之人士或實體。

(A) 倘屬以下人士，即該人士或與該人士關係密切的家庭成員與本集團有關連：

- (i) 控制或共同控制本集團；
- (ii) 對本集團有重大影響；或
- (iii) 為本集團或本集團母公司之主要管理層人員。

(B) 倘符合下列任何條件，即該實體與本集團有關連：

- (i) 該實體與本集團屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關連)。
- (ii) 一間實體為另一實體的聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)。
- (iii) 兩間實體均為同一第三方的合營企業。
- (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方的聯營公司。
- (v) 該實體為本集團或與本集團有關連之實體就僱員利益設立的離職福利計劃。倘本集團本身為該項計劃，則其營辦僱主亦為與本集團有關連。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

3. Significant Accounting Policies (Cont'd)

(u) Related parties (Cont'd)

- (B) An entity is related to the Group if any of the following conditions applies: (Cont'd)
- (vi) The entity is controlled or jointly controlled by a person identified in (A).

 - (vii) A person identified in (A)(i) has significant influence over the entity or is a member of key management personnel of the entity (or of a parent of the entity).

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

(v) Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its assets except investment properties, deferred tax assets, inventories and financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

3. 主要會計政策(續)

(u) 關連人士(續)

- (B) 倘符合下列任何條件，即該實體與本集團有關連：(續)
- (vi) 該實體受於(A)所述的人士控制或受共同控制。

 - (vii) 於(A)(i)所述的人士對該實體有重大影響力或屬該實體(或該實體的母公司)主要管理層成員。

與該人士關係密切的家庭成員是指他們在與實體進行交易時，預期可能會影響該人士或受該人士影響的家庭成員。

(v) 資產減值

於各報告期末，本集團均會審閱其資產之賬面值(投資物業、遞延稅項資產、存貨及金融資產除外)，以釐定是否有任何跡象顯示該等資產已出現減值虧損。如有任何減值情況，則會估計資產之可收回金額，以釐定減值虧損之程度。如不能估計個別資產之可收回金額，則本集團會估計資產所屬現金產生單位之可收回金額。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

3. Significant Accounting Policies (Cont'd)

(v) Impairment of assets (Cont'd)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset or cash-generating unit in prior years.

A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(w) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present 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 expenditures 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 is remote. Possible obligations, whose existence will only be confirmed by the occurrence or nonoccurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow is remote.

3. 主要會計政策(續)

(v) 資產減值(續)

可收回金額為公允值減去出售成本及使用價值兩者中之較高者。於評估使用價值時，估計未來現金流量乃以稅前貼現率貼現至現值以反映市場現時所評估之金錢時值及資產特定風險。

倘資產或現金產生單位之可收回金額估計將少於賬面值，則資產或現金產生單位之賬面值會減少至其可收回金額。減值虧損會即時於損益確認，除非有關資產乃按重估金額列賬則除外，在該情況下，減值虧損視為重估減少。

倘其後撥回減值虧損，則資產或現金產生單位之賬面值會增至經修訂之預計可收回金額，惟增加後之賬面值不得超逾過往年度並無就資產或現金產生單位確認減值虧損應予釐定之賬面值(經扣除攤銷或折舊)。

減值虧損撥回會即時於損益確認，惟倘有關資產按重估金額列賬，則減值虧損撥回會視作重估增加處理。

(w) 撥備及或然負債

倘本集團因過往事件負上現有法律或推定責任而可能需要撥出以履行責任經濟利益並可作出可靠估計，則會就未有確定時間或金額之負債確認撥備。倘金錢之時間價值重大，撥備會以履行義務預期所需支出之現值列賬。

倘需要撥出經濟利益之可能性不大，或未能可靠估計有關金額，則除非撥出經濟利益之可能性極微，否則有關責任將列作或然負債披露。須視乎某宗或多宗未來事件是否發生才能確定存在與否之潛在責任，亦會披露為或然負債，除非撥出經濟利益之可能性極微則作別論。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

3. Significant Accounting Policies (Cont'd)

(x) Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

4. Critical Judgements and Key Estimates

(a) Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

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

As explained in note 3(g), 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.

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.

3. 主要會計政策(續)

(x) 報告期後事項

本集團於報告期末業務狀況之額外資料或顯示持續經營假設並不適當之報告期後事項為調整事項，並反映於財務報表。並非調整事項之報告期後事項，倘屬重大時，則於財務報表附註內披露。

4. 關鍵判斷及主要估計

(a) 估計不明朗因素之主要來源

有極大風險導致未來財政年度之資產與負債之賬面值出現重大調整之有關未來之主要假設，以及於報告期末估計不明朗因素之其他主要來源均於下文論述。

(i) *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3(g)所解釋，本集團持作出售的已竣工物業、供出售未來開發及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。

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及供出售未來開發物業及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。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

4. Critical Judgements and Key Estimates (Cont'd)

(a) Key sources of estimation uncertainty (Cont'd)

- (i) *Provision for completed properties held for sale and properties for future development and under development for sale (Cont'd)*

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 reporting date. Any increase or decrease in the provision would affect profit or loss in future years.

- (ii) *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 title documents of the land use rights. The Group is in the process of obtaining title documents of these land use rights. Should the title documents of these land use rights cannot be obtained subsequently, certain prepaid costs may not be recoverable. The Group provides for 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.

- (iii) *Impairment losses on loans and advances*

The Group reviews the recoverability and ageing of loans and receivables and provides for 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.

4. 關鍵判斷及主要估計(續)

(a) 估計不明朗因素之主要來源(續)

- (i) *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)*

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報告日所估計的所得。準備的任何增加或減少將對未來的溢利或虧損構成影響。

- (ii) *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業權文件的若干項目，預付土地及建築成本。本集團現正採取行動獲取該等土地使用權的業權文件。倘本集團於日後未能獲取該等土地使用權的業權文件，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準備。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。

- (iii) *貸款及墊款的減值虧損*

本集團審核貸款及應收款項的可收回性及賬齡，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，而估計的任何變動可能會影響日後的損益。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

4. Critical Judgements and Key Estimates (Cont'd)

(a) Key sources of estimation uncertainty (Cont'd)

(iv) Estimated income taxes (including LAT) and deferred taxes

The Group is subject to income taxes mainly in the PRC. Significant estimates are required in determining the amount of the provision for tax and the timing of payment of the related tax. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the periods in which such determination are made.

The Group is subject to land appreciation taxes in the PRC. However, the implementation and settlement of these taxes varies among various tax jurisdictions in cities of the PRC, and the Group has not finalised its land appreciation taxes calculation and payments with any local tax authorities in the PRC. Accordingly, significant judgment is required in determining the amount of the land appreciation and its related taxes. The Group recognised these land appreciation taxes based on management's best estimates according to the understanding of the tax rules. The final tax outcome could be different from the amounts that were initially recorded, and these differences will impact the cost of sales and deferred tax provision in the periods in which such taxes have been finalised with local tax authorities.

Deferred tax assets relating to certain temporary differences and tax losses are recognised when management considers to be probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. The outcome of their actual utilisation may be different.

Deferred tax liabilities are recognised for revaluation of investment properties and depreciation allowances in excess of related depreciation in the PRC and any change in estimates would affect profit or loss in future years.

4. 關鍵判斷及主要估計(續)

(a) 估計不明朗因素之主要來源(續)

(iv) 估計所得稅(包括中國土地增值稅)及遞延稅項

本集團主要須繳納中國之所得稅，於釐定相關稅項之稅項撥備金額及支付時間時，需要作出重大估計。於日常業務過程中有頗多未能確定最終稅項之交易及計算。倘該等事宜之最終稅務結果與初步記錄之金額不符，有關差異將影響作出釐定之期間內之所得稅及遞延稅項撥備。

本集團須支付中國之土地增值稅。然而，有關稅項之執及結算在中國各城市不同稅務司法權區有異，而本集團尚未與中國任何地方稅務機關落實土地稅務機關落實土地增值稅之計算及付款方式。因此，須作出重大判斷以釐定土地增值及其相關稅項之金額。本集團根據管理層按其對稅務規則之理解作出最佳估計，確認此等土地增值稅。最終稅務結果可能與最初步記錄的金額不同，而有關差異將影響地方稅務機關落實有關稅項之銷售成本及遞延稅項撥備。

倘管理層認為未來的應課稅溢利可能被用作抵銷暫時性差異或稅項虧損，則確認與若干暫時性差異及稅項虧損有關的遞延稅項資產。其真實使用的結果可能不同。

遞延稅項負債就中國物業投資重估及超出相關折舊之折舊抵免而確認，任何估計變可能影響未來年度的溢利或虧損。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

4. Critical Judgements and Key Estimates (Cont'd)

(a) Key sources of estimation uncertainty (Cont'd)

(v) *Derivative financial instruments*

The fair values calculated on the basis of well-established valuation techniques using current market parameters are theoretical values applicable at a given reporting date, and hence can only be used as an indicator of value realisable in a future sale. These techniques involve uncertainties and are significantly affected by the assumptions used and judgements made regarding risk characteristics of various financial instruments, discount rates, estimates of future cash flows, future expected loss and other factors. Changes in assumptions could significantly affect these estimates and the resulting fair values. Derived fair value estimates cannot necessarily be substantiated by comparison to independent markets and, in many cases, could not be realised in an immediate sale of the instruments.

(vi) *Valuation of investment properties*

As described in note 17 to the financial statements, investment properties are stated at fair value based on the valuation performed by an independent firm of professional surveyors after taking into consideration the net rental income allowing for reversionary income potential.

In determining the fair value, the surveyors have based on a method of valuation which involves, inter alia, certain estimates including current market rents for similar properties in the same location and condition, appropriate discount rates and expected future market rents. In relying on the valuation report, the directors have exercised their judgement and are satisfied that the method of valuation is reflective of the current market conditions.

(vii) *Financial guarantee contracts*

Details of guarantees provided by the Group are set out in note 37 to the financial statements. Based on expectations at the reporting date, the directors consider that it is more likely than not that such an amount will not be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

4. 關鍵判斷及主要估計(續)

(a) 估計不明朗因素之主要來源(續)

(v) *衍生金融工具*

根據信譽卓著的估值方法採用當前市場參數計算的公允值為適用於某一報告日期的理論價值，因此僅可用作日後出售時可變現價值的指標。該等方法涉及不明朗因素，及受到所採用假設、就各種金融工具的風險特徵作出的判斷、折現率、估計未來現金流量、未來預期虧損經驗及其他因素的顯著影響。假設變動可顯著影響該等估計及就此產生的公允值。所推算的公允值估計不一定能夠透過與獨立市場作比較而獲得證實，而在很多情況下，本集團均不能將該等工具直接出售以變現公允值。

(vi) *投資物業的估值*

誠如財務報表附註17所述，投資物業根據獨立專業測量師於考慮租金收入淨額及可能的復歸收入後所進行的估值按公允值列賬。

測量師根據涉及若干估計，其中包括目前市場上所處位置及狀況相同的同類物業租金、適當折現率及預期未來市場租金的估值方法釐定公允值。於倚賴估值報告時，董事已作出判斷及信納估值方法可反映目前市況。

(vii) *財務擔保合約*

本集團提供擔保的詳情載於財務報表附註37。根據報告日之預期，董事認為很大可能毋須根據安排支付款項。然而，上述估計將視乎對手方根據擔保提出申索之可能性而有變，而提出申索之可能性則取決於對手方所持獲擔保財務應收款項出現信貸虧損之可能性。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

5. Financial Instruments

(a) Categories of financial instruments

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Financial assets	金融資產		
Trading securities	買賣證券	2,130	2,296
Loans and receivables (including bank and cash balances)	貸款及應收款 (包括銀行及現金結餘)	66,217	172,887
Financial liabilities	金融負債		
Financial liabilities at amortised cost	按攤銷成本計量的金融負債	2,394,314	2,288,491
Derivative financial liabilities	衍生金融負債	-	8

(b) Financial risk management

(i) Foreign currency risk

The Group's activities expose it to a variety of financial risks: foreign currency risk, price risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

All the Group's revenue-generating activities were transacted in RMB. Exposure to foreign currency risks is mainly attributable to bank deposits, bank and other borrowings that are denominated in currencies other than RMB. Foreign currency risk is measured by employing sensitivity analysis, taking into account current and anticipated exposures.

At 31 December 2012, it is estimated that had the Hong Kong Dollars exchange rate (versus RMB) increased/decreased by 5% (2011: 5%), with all other variables remaining constant, the Group's profit after tax for the year would have decreased/increased by approximately RMB22,151,000 (2011: the Group's loss after tax would have increased/decreased by approximately RMB1,596,000).

5. 金融工具

(a) 金融工具的分類

	2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Financial assets		
Trading securities	2,130	2,296
Loans and receivables (including bank and cash balances)	66,217	172,887
Financial liabilities		
Financial liabilities at amortised cost	2,394,314	2,288,491
Derivative financial liabilities	-	8

(b) 財務風險管理

(i) 外幣風險

本集團業務須承受各種財務風險，包括外幣風險、價格風險、信貸風險、流動資金風險及利率風險。本集團之整體風險管理計劃專注於金融市場不可預測之特性，務求降低對本集團財務表現帶來之潛在負面影響。

本集團所有產生收入的業務均以人民幣進行交易。所面對的外幣風險主要為銀行存款、銀行及其他借貸以人民幣以外的貨幣計值。外幣風險乃採用敏感度分析計量，並計及當前及預期的風險。

於2012年12月31日，在所有其他變量維持不變之情況下，如每港元兌人民幣匯率分別上調／下調5%（2011年：5%），則本集團於本年度的除稅後溢利估計將分別減少／增加約人民幣22,151,000元（2011年：本集團除稅後虧損將增加／減少約人民幣1,596,000元）。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

5. Financial Instruments (Cont'd)

(b) Financial risk management (Cont'd)

(ii) Price risk

The Group's exposure to equity price risk is mainly attributable to the Warrants (note 28) issued by the Company. The Warrants are measured at fair value at the end of each reporting period and the Warrants' fair value are changed in response to the change in market price of the Company's shares. As the warrants has expired during the year 2012, no risk exposed equity prices at 31 December 2012.

At 31 December 2011, it is estimated that had the market price of the Company's shares increased/decreased by 10%, with all other variables remaining constant, the Group's loss after tax for the year would have increased/decreased by approximately RMB3,456.

(iii) Credit risk

At 31 December 2012, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

The Group has a defined credit policy. In addition, the Group reviews the ageing of its individual debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors consider that the Group's credit risk is significantly reduced.

5. 金融工具(續)

(b) 財務風險管理(續)

(ii) 價格風險

本集團面臨的股本價格風險主要由於本公司發行的認股權證(附註28)所致。認股權證於各報告期末按公允值計量，並且認股權證的公允值會因應本公司股份的市價變動而有所變化。由於認股權證於2012年已逾期，於2012年12月31日，並無面對股本價格風險。

於2011年12月31日，在所有其他變量維持不變之情況下，如本公司股份的市價分別上升/下降10%，則本集團於本年度的除稅後虧損估計將分別減少/增加約人民幣3,456元。

(iii) 信貸風險

於2012年12月31日，本集團之最高信貸風險自綜合財務狀況表所述各已確認金融資產之賬面值產生。信貸風險會因對手方未能履行責任而對本集團造成財務損失。

本集團擁有清晰的信貸政策。此外，本集團於各報告期末檢討個別債項之賬齡，以確保對不可收回金額計提足夠減值虧損。就此而言，本公司董事認為本集團之信貸風險已大幅降低。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

5. Financial Instruments (Cont'd)

(b) Financial risk management (Cont'd)

(iii) Credit risk (Cont'd)

The credit risk on pledged deposits, bank and cash balances is limited because the counterparties are banks with high credit-ratings. The Group has arranged bank financing for certain purchasers of properties and provided guarantees to certain former subsidiaries, its tenant and business associates. Details of these guarantees are set out in note 37 to the financial statements.

(iv) Liquidity risk

Individual subsidiaries within the Group are responsible for their own cash management based on the Group's internal guidelines on liquidity requirement, including raising loans to cover the expected cash demand, and obtaining credit lines, subject to approval by the Board. The Group's objective is to strike a balance between continuity of funding and flexibility through the use of banking facility and other borrowings. The Group financed its operations and investment activities with internally generated cash flows, balanced with proceeds from the line of credit obtain from banks. There has been no default on repayment of interest and/or bank borrowings as at year end or at any time during the year.

5. 金融工具(續)

(b) 財務風險管理(續)

(iii) 信貸風險(續)

由於對手方為擁有高信貸評級之銀行，故抵押存款、銀行及現金結餘的信貸風險有限。本集團亦為若干物業買家提供銀行融資及為若干前附屬公司、其租戶及業務聯繫人士提供擔保。有關擔保的詳情列載於財務報表附註37。

(iv) 流動性風險

本集團個別附屬公司根據本集團有關流動資金規定的內部指引，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及獲得融資額，惟須取得董事會批准。本集團的目標是致力於透過運用銀行信貸及其他借貸達致資金持續性與靈活性之間的均衡。本集團以內部產生的現金流量為其經營業務及投資活動提供資金，同時以銀行獲授的融資額為補充。於年結或年內任何時間並無任何償還利息及／或銀行借款的違約情況。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

5. Financial Instruments (Cont'd)

(b) Financial risk management (Cont'd)

(iv) Liquidity risk (Cont'd)

The following tables show the remaining contractual maturities at the reporting date of the Group's non-derivative financial liabilities (excluding receipts in advance), which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the reporting date) and the earliest date the Group can be required to pay:

		2012					
		Contractual undiscounted cash outflow					
		合約未折現現金流出					
		More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	Carrying amount	
		1年內 或按 要求	1年以上但 少於2年	2年以上但 少於5年	5年以上	總額	
		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	
Trade and other payables, and accruals	應付賬款、其他應付賬款及預提費用	561,558	-	-	-	561,558	561,558
Rental and other deposits	租賃及其他按金	28,934	-	-	-	28,934	28,934
Bank and other borrowings	銀行及其他借貸	1,803,822	-	-	-	1,803,822	1,803,822
Total	合計	2,394,314	-	-	-	2,394,314	2,394,314

		2011					
		Contractual undiscounted cash outflow					
		合約未折現現金流出					
		More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	Carrying amount	
		1年內 或按 要求	1年以上但 少於2年	2年以上但 少於5年	5年以上	總額	
		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	
Trade and other payables, and accruals	應付賬款、其他應付賬款及預提費用	963,766	-	-	-	963,766	963,766
Rental and other deposits	租賃及其他按金	11,768	-	-	-	11,768	11,768
Bank and other borrowings	銀行及其他借貸	903,268	464,750	-	-	1,368,018	1,312,957
Total	合計	1,878,802	464,750	-	-	2,343,552	2,288,491

The above table excluded all non-cash settled contractual liabilities.

上表不包括所有非現金結算之合約負債。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

5. Financial Instruments (Cont'd)

(b) Financial risk management (Cont'd)

(v) Interest rate risk

The Group's interest rate risk arises primarily from interest-bearing assets and liabilities. It is the Group's intention to keep its borrowings at floating interest rate with an aim to reflect market costs of funding. It is this reason that cost of specific borrowings financing the Group's development projects would be capitalised at a rate reflecting market conditions. The Group's effect on changes in interest rate is considered immaterial to the Group's profit or loss.

Sensitivity analysis

At 31 December 2012, it is estimated that a general increase/decrease of 1% (2011: 1%) in interest rates, with all other variables held constant, would decrease/increase the Group's profit after tax for the year by approximately RMB8,923,000 (2011: increase/decrease the Group's loss after tax by RMB9,847,000).

(c) Fair values

The directors consider that the carrying amounts of the financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values. The following disclosures of fair value measurements use a fair value hierarchy which has 3 levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

5. 金融工具(續)

(b) 財務風險管理(續)

(v) 利率風險

本集團的利率風險主要來自於計息資產及負債。本集團有意繼續保留浮息借貸，藉以反映資金的市場成本，原因是為本集團開發項目提供資金的特定借貸成本將按反映市場情況之利率予以資本化。本集團認為利率變動對本集團溢利或虧損的影響極微。

敏感度分析

於2012年12月31日，在所有其他變量維持不變之情況下，如利率全面上調/下調1% (2011年：1%)，則本集團於本年度的除稅後溢利將減少/增加約人民幣8,923,000元(2011年：本集團之除稅後虧損增加/減少人民幣9,847,000元)。

(c) 公允值

董事認為綜合財務狀況表所列示金融資產及金融負債之賬面值與其各自公允值相若。以下乃按公允值計量分為三個公平價值層級之披露：

第1層：相同資產或負債之活躍市場報價(未經調整)。

第2層：第一層所包括之報價以外，資產或負債直接(即價格)或間接(即從價格推算)觀察得出之輸入數據。

第3層：並非根據可觀察市場數據得出之資產或負債輸入數據(無法觀察輸入數據)。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

5. Financial Instruments (Cont'd)

(c) Fair values (Cont'd)

Disclosures of level in fair value hierarchy at 31 December 2012:

		Level 1 第1層 RMB'000 人民幣千元	Level 2 第2層 RMB'000 人民幣千元	Level 3 第3層 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Assets	資產				
Trading securities	買賣證券				
– Listed	– 已上市	2,130	–	–	2,130
Liabilities	負債				
Derivative financial liabilities	衍生工具負債				
– Warrants	– 認股權證	–	–	–	–

During the year, decrease in derivative financial liabilities measured at fair value based on level 3 represented the fair value gain of approximately RMB8,000 recognised in the profit or loss.

年內，以第3級為基準按公允價值計量的衍生金融負債減少指於損益中確認公允價值收益約人民幣8,000元。

Disclosures of level in fair value hierarchy at 31 December 2011:

於2011年12月31日的公允價值層級之披露：

		Level 1 第1層 RMB'000 人民幣千元	Level 2 第2層 RMB'000 人民幣千元	Level 3 第3層 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Assets	資產				
Trading securities	買賣證券				
– Listed	– 已上市	2,296	–	–	2,296
Liabilities	負債				
Derivative financial liabilities	衍生工具負債				
– Warrants	– 認股權證	–	–	8	8

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

6. Turnover

The principal activities of the Group are property development and property leasing in the PRC.

Turnover represents income from sales of properties, rental income and management fee income recognised during the year, net of business tax and other sales related taxes and discounts allowed. The amount of each significant category of revenue recognised in turnover during the year is as follows:

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Sales of properties	銷售物業	278,431	288,552
Rental income	租金收入	40,678	24,370
Management fee income	管理費收入	5,560	11,572
		324,669	324,494

7. Other Net Income/(Expenses)

6. 營業額

本集團的主要業務為在中國從物業開發及物業租賃。

營業額即於本年度內確認的銷售物業收入及租金收入及管理費用收入(已扣除營業稅及其他銷售有關稅項及折扣)。本年度內，已於營業額確認的各主要收益分類的金額如下：

7. 其他收入/(支出)淨額

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	136	1,386
Interest income	利息收入	52	3,142
Loss on disposal of investment properties	出售投資物業之虧損	-	(22,100)
Net exchange gain/(loss)	匯兌收益/(虧損)淨額	544	(11)
Net realised and unrealised gain/(loss) on trading securities	買賣證券已變現及未變現收益/(虧損)淨額	241	(764)
Net utilities expenses related to property leasing business	物業租賃業務相關之公共費用支出淨額	(2,114)	(1,064)
Reversal of impairment on other receivables	撥回其他應收款項減值	62,822	-
Reversal of overprovision of accruals	撥回預提費用超額撥備	68,673	9,847
Waiver of other payables	豁免其他應付款	-	3,600
Others	其他	4,419	2,163
		134,773	(3,801)

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

8. Segment Information

The Group has two reportable segments as follows:

Property development – this segment develops and sells office premises, residential and retail properties. Currently all the Group’s property development activities are carried out in the People’s Republic of China (the “PRC”).

Property leasing – this segment leases retail properties to generate rental income and to gain from the appreciation in the properties’ values in the long term. Currently the Group’s entire investment property portfolio is located in the PRC.

The Group’s reportable segments are strategic business units that offer different products and services. They are managed separately because each business segment requires different marketing strategies.

The accounting policies of the operating segments are the same as those of the Group. Segment profits or losses do not include finance costs, net change in fair value of derivative financial instruments and corporate income and expenses. Segment assets include all current and non-current assets with the exception of trading securities, deferred tax assets and other corporate assets. Segment liabilities include all trade and other payables, accruals, receipts in advance and rental and other deposits.

8. 分部資料

本集團有如下兩個報告分部：

物業開發 – 本分部開發及銷售寫字樓、住宅及零售物業。現時本集團之所有物業開發業務均於中華人民共和國（「中國」）進行。

物業租賃 – 本分部租賃零售物業以賺取租金收入和獲取長期物業升值收益。現時本集團之投資物業組合均位於中國。

本集團之報告分部為提供不同產品及服務之策略業務單位，由於各業務分部須應用不同市場策略，故報告分部乃分開管理。

經營分部之會計政策與本集團所採納者一致。分部損益不包括融資成本、金融衍生工具之公允值變動淨額及企業收入及開支。分部資產包括所有流動及非流動資產（除買賣證券、遞延稅項資產及其他企業資產外）。分部負債包括所有應付賬款及其他應付款、預提費用、預收賬款、租金及其他按金。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

8. Segment Information (Cont'd)

Information about reportable segment profit or loss, assets and liabilities

8. 分部資料(續)

有關須報告分部損益、資產及負債的資料

		Property development 物業開發 RMB'000 人民幣千元	Property leasing 物業租賃 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
For the year ended 31 December 2012	截至2012年12月31日止年度			
Revenue from external customers	外來客戶收入	278,431	46,238	324,669
Segment profit	分部溢利	116,807	325,405	442,212
Other information:	其他資料：			
Gain on disposal of property, plant and equipment	出售物業、廠房及設備 之收益	136	-	136
Reversal of over provision of accruals	撥回預提費用之超額撥備	68,673	-	68,673
Depreciation	折舊	2,032	683	2,715
Impairment loss on trade and other receivables	應收賬款及其他應收 賬款減值虧損	2,160	-	2,160
Net increase in fair value of investment properties	投資物業的公允值的 增加淨額	-	293,570	293,570
Impairment loss on inventories	存貨之減值虧損	48,000	-	48,000
Gain on disposal of subsidiaries	出售附屬公司的收益	17,719	-	17,719
Provision for impairment on prepaid land cost	預付土地成本減值虧損	27,540	-	27,540
Additions to segment non-current assets	新增至分部的非流動資產	3,051	3,247	6,298
At 31 December 2012	於2012年12月31日			
Segment assets	分部資產	1,685,721	1,090,997	2,776,718
Segment liabilities	分部負債	544,809	49,080	593,889

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

8. Segment Information (Cont'd)

Information about reportable segment profit or loss, assets and liabilities (Cont'd)

8. 分部資料(續)

有關須報告分部損益、資產及負債的資料(續)

		Property development 物業開發 RMB'000 人民幣千元	Property leasing 物業租賃 RMB'000 人民幣千元	Total 合計 RMB'000 人民幣千元
For the year ended 31 December 2011	截至2011年12月31日止年度			
Revenue from external customers	外來客戶收入	288,552	35,942	324,494
Segment loss	分部虧損	368,357	763,461	1,131,818
Other information:	其他資料:			
Gain on disposal of property, plant and equipment	出售物業、廠房及設備 之收益	1,386	–	1,386
Loss on disposal of investment properties	出售投資物業之虧損	–	22,100	22,100
Reversal of over provision of accruals	撥回預提費用之超額撥備	9,847	–	9,847
Depreciation	折舊	1,935	730	2,665
Impairment loss on trade receivables	應收賬款減值虧損	160,157	1,106	161,263
Net decrease in fair value of investment properties	投資物業的公允值的 減少淨額	–	752,000	752,000
Impairment loss on inventories	存貨之減值虧損	260,506	–	260,506
Gain on derecognition of available-for-sale financial assets	終止確認可供出售 金融資產的收益	33,306	–	33,306
Gain on disposal of subsidiaries	出售附屬公司的收益	80,799	1,074	81,873
Impairment loss on subsidiaries group classified as held for sale	分類為持作出售之附屬 集團之減值虧損	8,861	–	8,861
Additions to segment non-current assets	新增至分部的 非流動資產	306	21	327
At 31 December 2011	於2011年12月31日			
Segment assets	分部資產	2,437,073	813,109	3,250,182
Segment liabilities	分部負債	1,123,726	20,229	1,143,955

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

8. Segment Information (Cont'd)

Reconciliations of reportable segment profit or loss, assets and liabilities

8. 分部資料(續)

須報告分部損益、資產及負債的對賬

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Profit/(Loss)	溢利/(虧損)		
Total profit/(loss) of reportable segments	須報告分部溢利/(虧損)總額	442,212	(1,131,818)
Other net income	其他收入淨額	1,570	2,082
Depreciation and amortisation	折舊及攤銷	(54)	(32)
Corporate finance costs	企業融資成本	(185,982)	(156,023)
Net change in fair value of derivative financial instruments	衍生金融工具公允值變動淨額	8	14,267
Other corporate expenses	其他企業開支	(247,711)	(21,862)
Consolidated profit/(loss) before tax	除稅前綜合溢利/(虧損)	10,043	(1,293,386)
Assets	資產		
Total assets of reportable segments	須報告分部資產總額	2,776,718	3,250,182
Trading securities	買賣證券	2,130	2,296
Deferred tax assets	遞延稅項資產	3,505	8,924
Unallocated corporate assets	未能分類的企業資產	593,178	140,166
Consolidated total assets	綜合總資產	3,375,531	3,401,568
Liabilities	負債		
Total liabilities of reportable segments	須報告分部負債總額	593,889	1,143,955
Current tax liabilities	即期稅項負債	19,431	138,414
Deferred tax liabilities	遞延稅項負債	176,250	98,091
Unallocated corporate liabilities	未能分類的企業負債	1,815,241	1,363,998
Consolidated total liabilities	綜合總負債	2,604,811	2,744,458

Geographical information

All the revenue generated by the Group for the two years ended 31 December 2012 and 2011 were attributable to customers based in the PRC. In addition, majority of the Group's non-current assets are located in the PRC. Accordingly, no geographical analysis is presented.

Revenue from major customers

During the year, revenue derived from the Group's largest customer which accounted for 10% or more of the Group's total revenue amounted to approximately RMB118,260,000. This revenue is attributable to the property development segment. During the year ended 31 December 2011, revenue derived from the Group's largest customer which accounted for 10% or more of the Group's total revenue amounted to approximately RMB69,996,000.

地區資料

本集團於截至2012年及2011年12月31日止各兩個年度產生的所有收入均歸屬於中國的客戶。此外，本集團的大部分非流動資產均位於中國。因此，並未呈列地區分析。

來自主要客戶的收入

年內，本集團來自最大客戶的收入(佔本集團總收入10%或以上)約為人民幣118,260,000元。該收入歸屬於物業開發分部。截至2011年12月31日止年度，來自本集團最大客戶的收入約為人民幣69,996,000元，佔本集團總收入的10%或以上。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

9. Finance Costs

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Interest on bank and other loans wholly repayable within five years	須於5年內全部償還的銀行貸款及其他借貸利息	273,695	178,423
Total borrowing costs	借貸成本總額	273,695	178,423
Less: Amount capitalised	減：資本化金額	(87,713)	(22,400)
		185,982	156,023

The borrowing costs have been capitalised at interest rates ranging from 5.84% to 6.32% per annum (2011: 5.60% to 6.98% per annum).

借貸成本已分別按年利率介乎5.84%至6.32% (2011年：年利率5.60%至6.98%) 予以資本化。

10. Income Tax Credit

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

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Current tax	即期稅項		
Hong Kong Profits Tax	香港利得稅		
– Under provision in respect of prior year	– 上年度不足撥備	–	16
PRC Corporate Income Tax	中國企業所得稅		
– Provision for the year	– 年內撥備	5,238	13,343
– Over provision in respect of prior years	– 以往年度超額撥備	(85,319)	–
		(80,081)	13,359
Land Appreciation Tax (“LAT”)	中國土地增值稅 (「土地增值稅」)		
– Provision for the year	– 年內撥備	4,524	–
– Over provision in prior years	– 以往年度超額撥備	(37,298)	–
		(32,774)	–
		(112,855)	13,359
Deferred tax	遞延稅項		
Origination and reversal of temporary differences	暫時差異之產生及撥回	84,334	(188,618)
Effect of changes in tax rate on opening deferred tax balances	稅率變動對期初遞延稅項結餘的影響	(756)	–
		83,578	(188,618)
		(29,277)	(175,259)

9. 融資成本

10. 所得稅抵免

(a) 綜合全面收益表內的稅項：

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

10. Income Tax Credit (Cont'd)

- (a) Taxation in the consolidated statement of comprehensive income: (Cont'd)

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands ("BVI"), the Group is not subject to any income tax in the Cayman Islands and the BVI. Hong Kong Profits Tax has been provided at a rate of 16.5% (2011:16.5%) on the estimated assessable profits arising in Hong Kong.

The provision for the PRC Corporate Income Tax is based on a statutory rate of 25% (2011: 25%) of the taxable profits determined in accordance with the relevant income tax rules and regulations in the PRC for the year ended 31 December 2012. Certain subsidiaries of the Group located within the special economic zones in the PRC for which the applicable preferential tax rate is 24% for 2011. The preferential tax rate is increased to 25% for the year ended 31 December 2012. Accordingly, the deferred tax of the Group is recognised based on tax rates that are expected to apply to the period when the asset is realised or the liability is settled.

LAT 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 expenditure including lease charges of land use rights, borrowing costs and all property development expenditure.

10. 所得稅抵免(續)

- (a) 綜合全面收益表內的稅項：(續)

根據開曼群島及英屬處女群島(「英屬處女群島」)的規則及規例，本集團毋須繳納開曼群島及英屬處女群島的任何所得稅。香港利得稅已就於香港所產生之估計應課稅溢利按稅率16.5%(2011年：16.5%)作出準備。

中國企業所得稅準備乃按照中國截至2012年12月31日止年度相關的所得稅規則及規例釐定的25%(2011年：25%)應課稅溢利的法定比率計算。於2011年，本集團若干位於中國經濟特區之附屬公司的適用優惠稅率為24%。優惠稅率於截至2012年12月31日止年度上調至25%。因此，本集團的遞延稅項將於變現資產或償付負債時根據預期於該期間適用的稅率確認。

本集團銷售所發展的物業須按土地價值增幅以30%至60%的累進稅率繳納中國土地增值稅，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(包括土地使用權租賃支出、借貸成本及所有物業發展開支)計算。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

10. Income Tax Credit (Cont'd)

(b) Reconciliation between income tax and accounting profit/(loss) at applicable tax rate:

10. 所得稅抵免(續)

(b) 按適用稅率計算的所得稅與會計溢利/(虧損)的對賬：

		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Profit/(Loss) before tax	除稅前溢利/(虧損)	10,043	(1,293,386)
Notional tax on profit/(loss) before tax calculated at 25% (2011: 24%) in Shenzhen	按深圳的稅率25% (2011年：24%)計算的除稅前溢利/(虧損)的名義稅項	2,510	(310,413)
Effect of changes in tax rate on opening deferred tax balances	稅率變動對期初遞延稅項結餘的影響	(756)	-
Tax effect on LAT deductible for calculation of income tax purpose	可在所得稅扣減的中國土地增值稅的稅項影響	(1,131)	-
Tax effect on reversal of LAT for calculation in prior years	計算以往年度中國土地增值稅撥回的稅項影響	9,325	-
Tax effect of different tax rates applied to certain PRC subsidiaries	適用於若干中國附屬公司不同稅率的稅項影響	-	3,260
Tax effect of non-taxable revenue	毋須計稅收入的稅項影響	(106,143)	(6,824)
Tax effect of non-deductible expenses	不可扣減支出的稅項影響	183,959	126,994
Tax effect of unused tax losses not recognised	未予以確認未動用稅項虧損的稅項影響	2,520	6,301
LAT	中國土地增值稅	4,524	-
Reversal of LAT provided in prior years	以往年度撥備的中國土地增值稅撥回	(37,298)	-
(Over provision)/Under provision in prior years	以往年度(超額撥備)/不足撥備	(85,319)	16
Others	其他	(1,468)	5,407
Income tax credit	所得稅抵免	(29,277)	(175,259)

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

11. Profit/(Loss) and Total Comprehensive Income/(Expense) for the year

11. 本年度溢利／(虧損)及全面收益／(開支)總額

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Depreciation	折舊	2,795	2,731
Less: Amount capitalised	減：資本化金額	(26)	(34)
		2,769	2,697
Auditor's remuneration:	核數師酬金：		
– Current year	– 本年度	1,136	1,216
– Under provision in prior year	– 上年度不足撥備	–	130
– Other services	– 其他服務	429	684
		1,565	2,030
Staff costs including directors' emoluments:	員工成本包括董事酬金：		
– Salaries, bonus and allowances	– 工資、獎金和津貼	17,333	24,479
– Retirement benefit scheme contributions	– 退休福利計劃供款	2,106	2,935
		19,439	27,414
Less: Amount capitalised	減：資本化金額	(2,109)	(2,238)
		17,330	25,176
Operating lease charges in respect of:	以下各項的經營租賃費用：		
– Sub-leased properties	– 分租物業	–	5,846
– Office premises and staff quarters	– 辦公室及員工宿舍	2,365	4,800
Cost of inventories sold	存貨銷售成本	128,079	256,402
Impairment loss on trade and other receivables	應收賬款及其他應收款之減值虧損	256,542	161,263
Impairment loss on prepaid land costs	預付土地成本之減值虧損	27,540	–
Direct outgoings (note)	直接開支(附註)	1,104	14,455

Note:

Direct outgoings represent operating lease charges (in respect of sub-leased properties which are disclosed separately above) and management fee expenses.

附註：

直接開支指上文獨立披露的轉租物業經營租賃費用及管理費開支。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

12. Directors' and Employee's Emoluments

The emoluments of each director are as follows:

Year ended 31 December 2012

12. 董事及僱員酬金

各董事酬金如下：

截至2012年12月31日止年度

Name of director	董事姓名	Fees 袍金 RMB'000 人民幣千元	Salaries and allowances 薪金及津貼 RMB'000 人民幣千元	Discretionary bonus 酌定花紅 RMB'000 人民幣千元	Retirement benefit scheme contributions 退休福利 計劃供款 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<i>Executive directors</i> 執行董事						
CHAU Cheok Wa	周焯華	98	-	-	4	102
ZENG Yunshu (Note (a))	曾雲樞(附註(a))	-	-	-	2	2
CHENG Mei Ching	鄭美程	98	-	-	4	102
LEE Chi Shing Caesar (Note (b))	李志成(附註(b))	65	-	-	2	67
LEUNG Ming Ho (Note (b))	梁銘浩(附註(b))	57	-	-	2	59
QIU Bin (Note (c))	邱斌(附註(c))	57	919	-	13	989
YEUNG So Lai	楊素麗	98	836	-	9	943
YEUNG So Mui	楊素梅	106	-	-	4	110
<i>Independent non-executive directors</i> 獨立非執行董事						
CHEUNG Kwok Yu (Note (a))	張國裕(附註(a))	41	-	-	-	41
CHEUNG Ngai Lam (Note (a))	張毅林(附註(a))	51	-	-	-	51
LI Jun (Note (a))	李珺(附註(a))	51	-	-	-	51
LO Wai Tung John (Note (d))	盧衛東(附註(d))	22	-	-	-	22
LUI Man Wah (Note (b))	呂文華(附註(b))	33	-	-	-	33
TOU Kin Chuen (Note (e))	杜健存(附註(e))	66	-	-	-	66
WU Kam Fun (note (e))	胡錦勳(附註(e))	66	-	-	-	66
Total	總計	909	1,755	-	40	2,704

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

12. Directors' and Employee's Emoluments (Cont'd)

Year ended 31 December 2011

12. 董事及僱員酬金(續)

截至2011年12月31日止年度

Name of director	董事姓名	Fees 袍金 RMB'000 人民幣千元	Salaries and allowances 薪金及津貼 RMB'000 人民幣千元	Discretionary bonus 酌定花紅 RMB'000 人民幣千元	Retirement benefit scheme contributions 退休福利 計劃供款 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
<i>Executive directors</i>		<i>執行董事</i>				
CHAU Cheok Wa (Note (f))	周焯華(附註(f))	33	-	-	-	33
ZENG Yunshu	曾雲樞	-	867	-	10	877
ZENG Sheng (Note (g))	曾勝(附註(g))	-	52	-	1	53
JIN Leo (Note (h))	JINLeo(附註(h))	33	131	-	-	164
YE Qingdong (Note (i))	葉慶東(附註(i))	-	413	-	7	420
OUYANG Junxin (Note (j))	歐陽俊新(附註(j))	-	227	-	5	232
LEE Chi Shing Caesar	李志成	91	-	-	-	91
CHAN Ting Lai (Note (k))	陳鼎禮(附註(k))	59	-	-	-	59
YEUNG So Mui	楊素梅	91	-	-	-	91
HUANG Ling (Note (l))	黃玲(附註(l))	-	275	-	-	275
CHAU Sui Heng (Note (m))	周瑞卿(附註(m))	33	-	-	-	33
CHAN Wai Leng (Note (m))	陳慧玲(附註(m))	33	-	-	-	33
CHENG Mei Ching (Note (f))	鄭美程(附註(f))	33	-	-	-	33
YEUNG So Lai (Note (f))	楊素麗(附註(f))	33	-	-	-	33
LEUNG Ming Ho (Note (f))	梁銘浩(附註(f))	33	-	-	-	33
<i>Non-executive directors</i>		<i>非執行董事</i>				
ZHANG Yijun (Note (n))	張宜均(附註(n))	83	152	-	8	243
ZHANG Yiyun (Note (o))	張奕炎(附註(o))	33	757	-	9	799
<i>Independent non-executive directors</i>		<i>獨立非執行董事</i>				
LI Jun	李璠	114	-	-	-	114
CHEUNG Ngai Lam	張毅林	114	-	-	-	114
WANG Fosong (Note (p))	王佛松(附註(p))	73	-	-	-	73
LI Wai Keung (Note (q))	李偉強(附註(q))	53	-	-	-	53
CHEUNG Kwok Yu (Note (r))	張國裕(附註(r))	41	-	-	-	41
Total	總計	983	2,874	-	40	3,897

Note:

- (a) retired on 1 June 2012
 (b) resigned on 31 July 2012
 (c) appointed on 19 June 2012
 (d) appointed on 10 October 2012
 (e) appointed on 26 April 2012
 (f) appointed on 2 September 2011
 (g) resigned on 14 January 2011
 (h) appointed on 29 July 2011 and resigned on 5 December 2011
 (i) resigned on 30 November 2011
 (j) resigned on 31 July 2011
 (k) resigned on 2 September 2011
 (l) appointed on 5 January 2011 and resigned on 5 December 2011
 (m) appointed on 2 September 2011 and resigned on 31 December 2011
 (n) re-designated on 31 January 2011 and resigned on 3 November 2011

附註：

- (a) 於2012年6月1日退任
 (b) 於2012年7月31日辭任
 (c) 於2012年6月19日獲委任
 (d) 於2012年10月10日獲委任
 (e) 於2012年4月26日獲委任
 (f) 於2011年9月2日獲委任
 (g) 於2011年1月14日辭任
 (h) 於2011年7月29日獲委任並於2011年12月5日辭任
 (i) 於2011年11月30日辭任
 (j) 於2011年7月31日辭任
 (k) 於2011年9月2日辭任
 (l) 於2011年1月5日獲委任及於2011年12月5日辭任
 (m) 於2011年9月2日獲委任及於2011年12月31日辭任
 (n) 於2011年1月31日調任及於2011年11月3日辭任

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

12. Directors' and Employee's Emoluments (Cont'd)

Note: (Cont'd)

- (o) re-designated on 30 June 2011 and resigned on 24 November 2011
- (p) resigned on 5 September 2011
- (q) retired on 27 May 2011
- (r) appointed on 5 September 2011

There was no arrangement under which a director waived or agreed to waive any emoluments during the year.

The five highest individuals in the Group during the year included 2 (2011: 3) directors whose emoluments are reflected in the analysis presented above. The emoluments of the remaining 3 individuals for the year ended 31 December 2012 is set out below:

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Salaries and allowances	薪金及津貼	1,533	1,114
Retirement benefit scheme contributions	退休福利計劃供款	22	20
		1,555	1,134

The emoluments of the 3 individuals with the highest emolument is within the following band:

		Number of individuals 僱員數目 2012	Number of individuals 僱員數目 2011
Nil to HK\$1,000,000 (equivalent to approximately RMB818,000)	零至1,000,000港元 (相等於約人民幣818,000元)	3	2

During the year, no emoluments were paid by the Group to any of the directors or the highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

12. 董事及僱員酬金(續)

附註：(續)

- (o) 於2011年6月30日調任及於2011年11月24日辭任
- (p) 於2011年9月5日辭任
- (q) 於2011年5月27日退休
- (r) 於2011年9月5日獲委任

並無安排董事於本年度放棄或同意放棄任何酬金。

本集團於本年度五名最高酬金人士包括2名董事(2011年：3名)，其酬金載於上文分析。其餘3名截至2012年12月31日止年度的酬金總額如下：

其餘3名酬金最高的人士的酬金範圍如下：

本年度內，本集團概無向任何董事或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。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

13. Profit/(Loss) Attributable to Owners of the Company

The consolidated profit/(loss) attributable to owners of the Company includes a loss of approximately RMB223,423,000 (2011: RMB22,847,000) which has been dealt with in the financial statements of the Company.

14. Dividends

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2012 (2011: nil).

15. Earnings/(Loss) Per Share

The calculation of the basic and diluted earnings/(loss) per share attributable to the owners of the Company is based on the following data:

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Profit/(Loss) for the year attributable to owners of the Company and earnings/(loss) for the purpose of basic and diluted earnings/(loss) per share	本公司擁有人年內應佔盈利/(虧損)及計算每股基本及攤薄盈利/(虧損)之盈利/(虧損)	39,320	(1,118,121)
		Number of shares 股份數目	
		2012	2011 (restated) (經重列)
Weighted average number of ordinary shares for the purpose of basic and diluted earnings/(loss) per share	計算每股基本及攤薄盈利/(虧損)之普通股加權平均數	642,767,406	385,200,143

The weighted average number of ordinary shares for the purpose of calculating basic and diluted earnings/(loss) per share for both periods have been retrospectively adjusted for the effect of bonus element in connection to the open offer completed in January 2013.

The Company's outstanding share options and warrants had no dilutive effect on earnings/(loss) per share upon deemed exercise during the two years ended 31 December 2012 and 2011 as the exercise price of the share options and warrants were higher than the average market price of the Company's shares.

13. 本公司擁有人應佔溢利/(虧損)

本公司擁有人應佔綜合溢利/(虧損)包括約人民幣223,423,000元的虧損(2011年：人民幣22,847,000元)，該虧損已於本公司的財務報表中處理。

14. 股息

董事並無建議派付截至2012年12月31日止年度末期股息(2011年：無)。

15. 每股盈利/(虧損)

本公司擁有人應佔每股基本及攤薄盈利/(虧損)之計算基準如下：

用作該兩個期間計算每股基本及攤薄盈利/(虧損)之股份加權平均數已就2013年1月完成之公開發售所產生紅利部分之影響而作出追溯調整。

由於認股權及認股權證之行使價較本公司股份之平均市價高，本集團之尚未行使認股權及認股權證於被視為於截至2012年及2011年12月31日止各兩個年度內行使時並無對每股盈利/(虧損)產生攤薄影響。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

16. Property, Plant And Equipment

16. 物業、廠房及設備

		Buildings held for own use	Leasehold improvements	Furniture and fixtures	Motor vehicles	Total
		持作自用樓宇	租賃裝修	傢俱及裝置	汽車	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
Cost	成本					
At 1 January 2011	於2011年1月1日	3,470	4,099	5,920	7,346	20,835
Additions	添置	-	2,532	374	-	2,906
Disposal	出售	(3,470)	(3,882)	(127)	(1,296)	(8,775)
Disposal of subsidiaries	出售附屬公司	-	-	(589)	(552)	(1,141)
Transfer to subsidiaries group classified held for sale	轉移至分類為持作 出售之附屬集團	-	-	(321)	(609)	(930)
At 31 December 2011 and 1 January 2012	於2011年12月31日 及2012年1月1日	-	2,749	5,257	4,889	12,895
Re-classification	重新分類	-	(704)	704	-	-
Additions	添置	-	-	1,009	5,896	6,905
Disposal	出售	-	-	(444)	(351)	(795)
Written off	撇銷	-	(1,895)	-	-	(1,895)
Disposal of subsidiaries	出售附屬公司	-	-	(21)	-	(21)
At 31 December 2012	於2012年12月31日	-	150	6,505	10,434	17,089
Accumulated depreciation	累計折舊					
At 1 January 2011	於2011年1月1日	1,480	2,306	2,484	4,694	10,964
Charge for the year	本年度折舊	67	712	995	957	2,731
Disposal	出售	(1,547)	(487)	(68)	(1,263)	(3,365)
Disposal of subsidiaries	出售附屬公司	-	-	(425)	(522)	(947)
Transfer to subsidiaries group classified held for sale	轉移至分類為持作 出售之附屬集團	-	-	(166)	(158)	(324)
At 31 December 2011 and 1 January 2012	於2011年12月31日 及2012年1月1日	-	2,531	2,820	3,708	9,059
Re-classification	重新分類	-	(577)	577	-	-
Charge for the year	本年度折舊	-	7	1,407	1,381	2,795
Disposal	出售	-	-	(386)	(156)	(542)
Written back	撥回	-	(1,895)	-	-	(1,895)
Disposal of subsidiaries	出售附屬公司	-	-	(4)	-	(4)
At 31 December 2012	於2012年12月31日	-	66	4,414	4,933	9,413
Carrying values	賬面值					
At 31 December 2012	於2012年12月31日	-	84	2,091	5,501	7,676
At 31 December 2011	於2011年12月31日	-	218	2,437	1,181	3,836

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

17. Investment Properties

17. 投資物業

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
At 1 January	於1月1日	780,000	1,614,100
Additions	添置	6,430	-
Disposals	出售	-	(82,100)
Net increase/(decrease) in fair value	公允值增加/(減少)淨額	293,570	(752,000)
At 31 December	於12月31日	1,080,000	780,000

(a) All of the Group's investment properties held under operating lease for rental purposes are measured using the fair value model. The Group's investment properties were revalued as at 31 December 2012 and 31 December 2011 by an independent firm of surveyors, Ascent Partners Transaction Services Limited, who has among their staff Fellows of the Hong Kong Institute of Surveyors with recent experience in the location and category of properties being valued, on a market value basis calculated by reference to the net rental income allowing for reversionary income potential.

(b) On 27 March 2012, the Group entered a sale and purchase agreement to dispose of Hong Long Plaza at RMB780 million and the agreement was lapsed at 30 September 2012. A decrease in fair value of RMB715 million loss has then been recognised during the year ended 31 December 2011.

(c) The Group's investment properties at their carrying amounts are analysed as follows:

(a) 本集團按營運租約持作租賃用途之所有投資物業均以公允值模式計量。本集團投資物業在2012年12月31日及2011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艾升資產交易服務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) 於2012年3月27日，本集團簽訂買賣協議，以人民幣780,000,000元出售鴻隆廣場及該協議於2012年9月30日取消。人民幣715,000,000元之公允值減值因此而於2011年12月31日止年度內確認。

(c) 本集團投資物業按其賬面值分析如下：

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
In Shenzhen, PRC	中國深圳		
- Long lease	- 長期租賃	1,080,000	780,000
- Medium-term lease	- 中期租賃	-	-
		1,080,000	780,000

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

17. Investment Properties (Cont'd)

- (d) The Group leases out certain investment 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. None of the leases has significant contingent elements as at 31 December 2012.

The Group's total future minimum lease payments under noncancellable operating leases from investment properties are receivable as follows:

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Within one year	1年內	38,726	34,711
In the second to fifth years inclusive	2年至5年 (首尾兩年包括在內)	125,960	122,782
After five years	5年後	174,778	215,586
		339,464	373,079

- (e) At 31 December 2012, all investment properties of the Group were pledged against certain bank and other borrowings granted to the Group and details of which are set out in note 29(d) to the financial statements.

18. Inventories

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Properties for future development and under development for sale	供出售的未來開發及發展中物業	1,462,201	1,000,194
Completed properties held for sale	持作出售的已竣工物業	123,455	273,281
		1,585,656	1,273,475

17. 投資物業(續)

- (d) 本集團根據經營租賃出租若干投資物業。通常該等租約初步均為期一至20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2012年12月31日，該等租賃均不含重大或然因素。

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：

- (e) 於2012年12月31日，本集團所有投資物業已作授予本集團若干銀行及其他貸款抵押之用，有關詳情載於財務報表附註29(d)。

18. 存貨

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

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:

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
In PRC	中國		
– Long leases	– 長期租賃	161,009	217,468
– Medium-term leases	– 中期租賃	–	–
		161,009	217,468

Included above are amounts totalled approximately RMB15,288,000 (2011: RMB15,288,000) representing lease payment for land use rights of certain pieces of land in the PRC. The Group is in the process of applying for the land use right certificates subject to the approval from the relevant PRC authorities.

Based on the legal opinion obtained, the directors of the Company are of the opinion that the Group is the beneficial owner of the land use rights and is entitled to lawfully and validly use these land use rights.

- (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:

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Properties for future development and under development for sale	供出售的未來開發及發展中物業	188,959	345,871

Apart from the above, all inventories are expected to be recovered within one year.

- (c) At 31 December 2012, certain inventories were pledged against bank loans granted to the Group and details of which are set out in note 29(d) to the financial statements.

18. 存貨(續)

- (a) 包括在供出售的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：

上述金額包括合共約人民幣15,288,000元(2011年：人民幣15,288,000元)，即有關中國若干幅土地的土地使用權的租賃款項。本集團正申請土地使用權證，惟須待相關中國機構批准。

根據所獲得的法律意見，本公司董事認為本集團為土地使用權的實益擁有人，並有權合法有效使用該等土地使用權。

- (b) 預期超過1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：

除上述外，所有其他存貨預期可在1年內變現。

- (c) 於2012年12月31日，若干存貨被用作本集團獲授銀行貸款的抵押品，詳情載於財務報表附註29(d)。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

19. Trade and Other Receivables

19. 應收賬款及其他應收款

		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade receivables (note(a))	應收賬款(附註(a))	8,321	11,750
Other receivables (note(b))	其他應收款(附註(b))	11,611	2,127
Loans and advances (note(c))	貸款及墊款(附註(c))	31,062	33,280
Prepaid land costs (note(d))	預付土地成本(附註(d))	38,000	74,494
Prepayments and deposits	預付款及按金	592,347	638,548
		681,341	760,199

(a) Trade receivables are mainly arisen from leasing and sales of properties. Rental receivables from tenants are due on presentation of invoices and no credit terms for sales of properties unless otherwise specified in the underlying agreements with the purchasers.

(a) 應收賬款主要來自物業租賃及銷售。應收租戶租金於出具發票時到期，物業銷售並無信貸期限，與買家之相關協議另有規定則除外。

The ageing analysis of trade receivables, based on invoice date for property leasing and delivery date for property sales, is as follows:

應收賬款按物業租賃的發票日期及物業銷售交付日期的賬齡分析如下：

		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
0 to 3 months	0至3個月	6,530	11,670
More than 3 months but less than 6 months	超過3個月 但少於6個月	-	-
More than 6 months but less than 1 year	超過6個月 但少於1年	-	-
Over 1 year	超過1年	1,791	80
		8,321	11,750

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

19. Trade and Other Receivables (Cont'd)

(a) (Cont'd)

The ageing analysis of trade receivables which were past due but not impaired is as follows:

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
0 to 3 months	0至3個月	6,530	11,670
More than 3 months but less than 6 months	超過3個月 但少於6個月	-	-
More than 6 months but less than 1 year	超過6個月 但少於1年	-	-
Over 1 year	超過1年	1,791	80
		8,321	11,750

The above receivables relate to a number of independent purchasers and tenants. In respect of the trade receivables arose from sales of properties, the directors of the Company consider that these receivables would be recovered and no allowance was made against these past due receivables. Regarding the rental receivables, rental deposits were held as collateral over the balances. As such, the directors consider that no allowance for impairment is necessary in respect of these balances.

(b) Included in other receivables is an amount due from a major construction contractor of approximately RMB3,500,000 (2011: nil).

(c) Included in loans and advances are amounts of approximately:

(i) RMB30,000,000 (2011: nil) made to a business associate that is secured, interest-bearing at 3% monthly basis. Since there was a charge held as collateral over the balance, the directors consider that no allowance for impairment is necessary in respect of the balance.

19. 應收賬款及其他應收款(續)

(a) (續)

已逾期但尚未減值的應收賬款賬齡分析如下：

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
0 to 3 months	0至3個月	6,530	11,670
More than 3 months but less than 6 months	超過3個月 但少於6個月	-	-
More than 6 months but less than 1 year	超過6個月 但少於1年	-	-
Over 1 year	超過1年	1,791	80
		8,321	11,750

上述應收款項涉及若干獨立買方及租戶。就銷售物業產生的應收賬款而言，董事認為該等應收款項能夠收回，故並無對該等逾期應收款項作出撥備。關於應收租金，租金按金乃作為餘額抵押品而持有。因此，董事認為並無必要就該等餘額作出減值撥備。

(b) 其他應收款項中包括應收主要建築承包商款項約人民幣3,500,000元(2011年：無)。

(c) 給予下列人士的貸款及墊款中，其中：

(i) 業務聯繫人士的貸款及墊款人民幣30,000,000元(2011年：無)為有抵押、按月息3%計息。由於已就結欠持有押記作為抵押品，故董事認為無須就此結欠提撥減值準備。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

19. Trade and Other Receivables (Cont'd)

(c) (Cont'd)

- (ii) In 2011, RMB40,000,000 made to a business associate that is secured, interest-bearing at 110% of 1-3 year RMB benchmark lending rate as determined from time to time by the People's Bank of China per annum and interest receivable of approximately RMB7,164,000. The sum is secured by 27 shops in Shenzhen Baorun Decorative Material Mall. In view of the uncertainty of the recovery of the outstanding amount, the directors consider that it is appropriate, to make an allowance for impairment of approximately RMB20,000,000 on the amount outstanding in excess the value of the pledged assets. In 2012, there is a reversal of impairment of RMB20,000,000 and the sum was fully repaid.

(d) The Group's prepaid land costs comprise the following:

- (i) Included in prepaid land costs are amounts totalled of approximately RMB38,000,000 (2011: RMB74,494,000) relating to partial payment of land costs for acquisition of land use rights in the PRC upon successfully bidding at land auctions conducted by the PRC government and the related preparatory costs. In view of the uncertainty of the project costs, the directors consider that it is appropriate to make an impairment loss on prepaid land costs amounting to RMB27,540,000 during the year.

20. Consideration Receivables

- (a) Included in the consideration receivables in 2011 is an amount of RMB65,000,000 arising from the disposal of the Group's subsidiary, Huizhou Yintaida Company Limited* in 2010. This consideration receivable was fully settled in March 2012.

* For identification purposes only

19. 應收賬款及其他應收款(續)

(c) (續)

- (ii) 於2011年業務聯繫人士的貸款及墊款人民幣40,000,000元，為有抵押、按中國人民銀行每年不時釐定的一至三年期人民幣貸款基準利率的110%計息，應收利息約為人民幣7,164,000元。該等金額由深圳寶潤裝飾材料城27家店鋪抵押。由於收回未付款項之不確定性，董事認為，對超出資產抵押之餘額做出約人民幣20,000,000元撥備為合理的。於2012年，人民幣20,000,000元減值獲撥回且該款項已悉數償還。

(d) 本集團預付土地成本包括如下：

- (i) 計入預付土地成本的合共約人民幣38,000,000元(2011年：人民幣74,494,000元)乃涉及因成功中標中國政府土地拍賣後購買土地使用權而支付的部分土地成本以及相關籌辦費用。鑒於項目成本存有不明朗因素，董事認為就年內為數人民幣27,540,000元的預付土地本作出減值虧損實屬恰當。

20. 應收代價

- (a) 於2011年應收代價亦包括人民幣65,000,000元，該款項乃來自本集團在2010年出售附屬公司惠州市銀泰達實業有限公司。該應收代價已於2012年3月悉數結清。

* 僅供識別

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

20. Consideration Receivables (Cont'd)

- (b) Also included in the consideration receivables in 2011 is an amount of approximately RMB10,603,000, being the balance of consideration receivable of RMB284,000,000 arising on the disposal of the Group's equity interests in Shenzhen Huaxingguang Industrial Company Limited* was settled through offsetting against the Group's expenditure during the year.

21. Trading Securities

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Listed securities, outside Hong Kong, at fair value	香港境外上市證券(按公允值)	2,130	2,296
		2,130	2,296

The fair values of listed securities are based on quoted market bid prices.

22. Pledged Deposits

- (a) Included in pledged deposits are:
- (i) Deposits of approximately RMB287,000 (2011: RMB214,000) pledged with certain banks as guarantee deposits for mortgage loan facilities granted by the banks to purchasers of the Group's properties.
- (ii) Deposits of approximately RMB868,000 (2011: RMB864,000) pledged with banks securing the Group's bank loans as set out in note 29(d).
- (b) The pledged deposits are denominated in RMB. Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.
- (c) At 31 December 2012, the pledged deposits are subjected to floating interest rate ranged from 0% to 0.5% (2011: 0% to 0.5%) per annum.

20. 應收代價(續)

- (b) 於2011年應收代價亦包括約人民幣10,603,000元，即出售本集團於深圳市華興廣實業有限公司之股權所產生之應收代價人民幣284,000,000元之餘額已透過抵銷本集團於年內之開支而清償。

21. 買賣證券

上市證券的公允值乃按市場買入價的報價計算。

22. 抵押存款

- (a) 本集團抵押存款包括：
- (i) 現金約人民幣287,000元(2011年：人民幣214,000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。
- (ii) 就一筆載於附註29(d)的銀行貸款而抵押予銀行約為人民幣868,000元(2011年：人民幣864,000元)的存款。
- (b) 抵押存款以人民幣計值。人民幣兌換外幣須遵守中國外匯管理條例及結匯、售匯及付匯管理規定。
- (c) 於2012年12月31日，抵押存款按年利率介乎0%至0.5%(2011年：0%至0.5%)的浮動利率計息。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

23. Bank and Cash Balances

The carrying amounts of the Group's bank and cash balances are denominated in the following currencies:

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
RMB	人民幣	13,269	3,343
United States Dollars	美元	74	267
Hong Kong Dollars	港元	725	45,439
		14,068	49,049

Conversion of RMB into foreign currencies is subject to the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations.

At 31 December 2012, bank balances of approximately RMB13,712,000 (2011: RMB48,515,000) are subjected to floating interest rate ranged from 0% to 0.5% (2011: 0% to 0.50%) per annum.

24. Subsidiaries Group Classified As Held For Sale

In August 2011, the Group entered into a sale and purchase agreement to dispose of its 100% equity interest in Luxegood Developments Limited ("Luxegood") for a consideration of HK\$323,170,000 (equivalent to approximately RMB269,308,000). In December 2011, the Group entered into a supplemental agreement to adjust the consideration to HK\$294,840,000 (equivalent to approximately RMB245,700,000). The transaction was subsequently completed on 24 February 2012. In 2011, the assets and liabilities attributable to Luxegood had been classified as a disposal group held for sale and were presented separately in the consolidated statement of financial position (see below). In 2011, Luxegood was included in the Group's property development business for segment reporting purposes. The net carrying amount of the relevant assets and liabilities exceeded the net proceeds of disposal and accordingly, an impairment loss of RMB8,861,000 had been recognised in 2011.

23. 銀行及現金結餘

本集團銀行及現金結餘的賬面值以下列貨幣計值：

	2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
RMB	13,269	3,343
United States Dollars	74	267
Hong Kong Dollars	725	45,439
	14,068	49,049

人民幣兌換外幣須遵守中國外匯管理條例及結匯、售匯及付匯管理規定。

於2012年12月31日，銀行結餘約人民幣13,712,000元(2011年：人民幣48,515,000元)按年利率介乎0%至0.5%(2011年：0%至0.50%)的浮動利率計息。

24. 分類為持作出售之附屬集團

於2011年8月，本集團訂立買賣協議，出售華佳發展有限公司(「華佳」)100%股權，代價為323,170,000港元(相等於約人民幣269,308,000元)。於2011年12月，本集團訂立補充協議，將代價調整為294,840,000港元(相等於約人民幣245,700,000元)。交易其後於2012年2月24日完成。於2011年，應佔華佳的資產及負債已被分類為持作出售之附屬集團，並於其後於綜合財務狀況報表呈報(見下文)。於2011年，華佳已就報告分部目的納入本集團的物業發展業務。於2011年，相關資產及負債的賬面淨額大於出售所得款項淨額，並因此確認人民幣8,861,000元的減值虧損。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

24. Subsidiaries Group Classified as Held for Sale (Cont'd) 24. 分類為持作出售之附屬集團(續)

(a) Assets of subsidiaries group classified as held for sale

(a) 分類為持作出售之附屬集團資產

		2011 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	606
Deferred tax assets	遞延稅項資產	177
Inventories	存貨	399,631
Trade and other receivables	應收賬款及其他應收款	40,220
Taxation recoverable	應收稅項	6,188
Pledged deposits	抵押存款	1,575
Bank and cash balances	銀行及現金結餘	7,572
		455,969
Impairment loss recognised	已確認減值虧損	(8,861)
		447,108

(b) Liabilities of subsidiaries group classified as held for sale

(b) 分類為持作出售之附屬集團負債

		2011 RMB'000 人民幣千元
Trade and other payables	應付賬款及其他應付款	6,571
Receipt in advance	預收賬款	145,987
Bank and other borrowings	銀行及其他借貸	48,850
		201,408

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

25. Trade and Other Payables, and Accruals

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Trade payables	應付賬款	48,580	109,644
Amounts due to directors	應付董事款項	-	440
Other creditors and accrued charges	其他應付款及預提費用	512,978	853,682
		561,558	963,766

The ageing analysis of trade payables is as follows:

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
0 – 3 months or on demand	0至3個月或按要求	48,580	109,644
More than 3 months but less than 6 months	超過3個月 但少於6個月	-	-
More than 6 months but less than 1 year	超過6個月 但少於1年	-	-
Over 1 year	超過1年	-	-
		48,580	109,644

26. Receipts in Advance

Receipts in advance represented sales proceeds received from purchasers in connection with the Group's pre-sales of properties and prepaid rental from tenants of the Group's investment properties. All receipts in advance are expected to be settled within one year.

27. Rental and Other Deposits

Included in rental and other deposits were approximately RMB28,934,000 (2011: RMB11,768,000) which are expected to be settled after more than one year. All other rental and other deposits are expected to be settled within one year.

25. 應付賬款、其他應付款及預提費用

應付賬款賬齡分析如下：

26. 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及自本集團投資物業的租戶收取的預付租金。所有預收賬款預期於1年內結算。

27. 租賃及其他按金

租賃及其他按金中包括一筆預期於1年後償還為約人民幣28,934,000元的款項(2011年：人民幣11,768,000元)。所有其他租賃及其他按金均預期於1年內償還。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

28. Derivative Financial Liabilities

28. 衍生金融負債

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Warrants	認股權證	-	8

The Warrants, representing the fair value of the right to subscribe for the Company's ordinary share at the applicable exercise price, was lapsed in the year 2012. In 2011, the warrants was determined by an independent valuer, Asset Appraisal Limited, using the Binomial option pricing model.

Each warrant may be exercised from the date of issue up to 2 October 2012 at an initial exercise price, subject to certain conditions of resent and adjustment, of HK\$3.36 per ordinary share of the Company. On 20 September 2008, the exercise price of the Warrants has been reset to HK\$1.68, being 50% of the initial exercise price of HK\$3.36.

As a result of the share consolidation on 1 June 2012, an adjustment has made to the exercise price and the number of the outstanding Warrants from HK\$1.68 to HK\$16.80 and 81,000,000 Warrants to 8,100,000 Warrants.

Fair value of the Warrants and key assumptions were as follows:

		2012	2011
Fair value at measurement date	計量日期的公允值	-	HK\$0.0001
Share prices	股價	-	HK\$0.177
Exercise price	行使價	-	HK\$1.68
Expected volatility	預期波幅	-	85%
Expected dividends	預期股息	-	0%
Risk-free interest rate	無風險利率	-	0.24%

認股權證(相當於可按適用行使價認購本公司普通股的權利的公允值)已於2012年失效。於2011年，認股權證由獨立估值師資產評估顧問有限公司採用二項式期權定價模型計算。

每份認股權證可於發行日期起至2012年10月2日，按初始行使價每股本公司普通股3.36港元行使，惟須受若干重置及調整條件所規限。於2008年9月20日，認股權證之行使價已重設為1.68港元，為初始行使價3.36港元之50%。

由於於2012年6月1日進行股份合併，未行使認股權證的行使價及數目已由1.68港元調整至16.80港元及由81,000,000份認股權證調整至8,100,000份認股權證。

認股權證的公允值及主要假設如下：

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

29. Bank and Other Borrowings

29. 銀行及其他借貸

		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Bank loans	銀行貸款		
– Secured	– 有抵押	890,600	1,112,600
– Unsecured	– 無抵押	–	–
		890,600	1,112,600
Other loans	其他貸款		
– Secured	– 有抵押	32,661	110,000
– Unsecured	– 無抵押	880,561	90,357
		913,222	200,357
		1,803,822	1,312,957

(a) The bank and other borrowings are repayable as follows:

(a) 應償還的銀行及其他借貸如下：

		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Bank and other loans	銀行及其他貸款		
on demand or within one year	於要求時或1年內償還	1,803,822	865,957
In the second year	第2年	–	447,000
In the third to fifth years, inclusive	第3至5年（含第5年）	–	–
After the five years	5年後	–	–
		–	447,000
		1,803,822	1,312,957
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：應收12個月內結算的到期款項（列為流動負債）	(1,803,822)	(865,957)
Amount due for settlement after 12 months	應收12個月後結算的到期款項	–	447,000

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

29. Bank and Other Borrowings (Cont'd)

- (b) The carrying amounts of the Group's bank and other borrowings are denominated in the following currencies:

		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Hong Kong Dollars	港元	443,741	77,357
RMB	人民幣	1,360,081	1,235,600
United States Dollars	美元	-	-
		1,803,822	1,312,957

- (c) The following table details the interest rate profile of the Group's bank and other borrowings at the reporting date:

		2012		2011	
		Effective		Effective	
		interest rate		interest rate	
		實際利率		實際利率	
		%	RMB'000	%	RMB'000
			人民幣千元		人民幣千元
Fixed rate borrowings:	固定利率借貸：				
Bank and other loans	銀行及其他貸款	2.00-36.00	908,222	2.00-30.00	627,957
Variable rate borrowings:	浮動利率借貸：				
Bank and other loans	銀行及其他貸款	5.84-6.35	895,600	6.32-8.00	672,000
Interest-free borrowings:	免息借貸：				
		N/A	-	N/A	13,000

29. 銀行及其他借貸(續)

- (b) 本集團銀行及其他借貸的賬面值乃以下列貨幣計值：

- (c) 下表詳述本集團銀行及其他借貸於報告日期的利率狀況：

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

29. Bank and Other Borrowings (Cont'd)

- (d) At 31 December 2012, the Group's asset pledged as security for the Group's bank and other borrowing are as follows:

		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Investment properties	投資物業	1,080,000	780,000
Inventories	存貨	1,273,242	654,323
Prepaid land cost	預付土地成本	-	74,494
Pledged deposits	抵押存款	1,155	864
		2,354,397	1,509,681

At 31 December 2012, included in bank and other borrowings are certain loans amounted to approximately RMB440,600,000 (2011: RMB795,600,000) guaranteed by ex-director of the Company, Mr. ZENG Yunshu and/or Mr. ZENG Sheng.

At 31 December 2012, included in bank and other borrowings are certain loans amounted to approximately RMBNil (2011: RMB120,000,000) secured by certain certificates of land use rights of lands owned by a disposed subsidiary of the Group.

29. 銀行及其他借貸(續)

- (d) 於2012年12月31日，為本集團銀行及其他借貸而抵押的本集團資產如下：

於2012年12月31日，銀行及其他借貸包括由本公司前任董事曾雲樞先生及／或曾勝先生擔保的若干貸款約人民幣440,600,000元(2011年：人民幣795,600,000元)。

於2012年12月31日，銀行及其他借貸包括以本集團已出售附屬公司擁有的若干土地使用權證抵押的若干貸款約人民幣零元(2011年：人民幣120,000,000元)。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

30. Deferred Tax

The components of deferred tax (assets)/liabilities recognised in the consolidated statement of financial position and the movements during the year are as follows:

30. 遞延稅項

於綜合財務狀況表內確認的遞延稅項(資產)/負債部分及年內變動如下：

		Revaluation of investment properties	Depreciation allowances in excess of related depreciation	Temporary differences arising from deferred rent	Total deferred tax liabilities	Temporary differences arising from LAT	Capitalisation of interest expenses	Total deferred tax assets
		重估投資物業	超出有關折舊的折舊免稅額	遞延租金的暫時差異	遞延稅項負債總額	中國土地增值稅的暫時差異	資本化的利息支出	遞延稅項資產總值
		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 2011	於2011年1月1日	271,617	12,533	4,576	288,726	(3,612)	(9,621)	(13,233)
Charge/(Credit) to profit and loss	扣除/(計入)損益	(188,175)	2,116	(4,576)	(190,635)	(2,888)	4,905	2,017
Disposal of subsidiaries	出售附屬公司	-	-	-	-	2,067	48	2,115
Transfer to subsidiaries group classified as held for sale	轉移至持作出售資產之附屬公司組別	-	-	-	-	-	177	177
At 31 December 2011	於2011年12月31日	83,442	14,649	-	98,091	(4,433)	(4,491)	(8,924)
Effect of changes in tax rate on opening deferred tax balances to profit and loss	稅率變動對計入損益的期初遞延稅項之影響	-	-	-	-	-	(756)	(756)
Charge/(Credit) to profit and loss	扣除/(計入)損益	73,393	4,766	-	78,159	3,302	2,873	6,175
At 31 December 2012	於2012年12月31日	156,835	19,415	-	176,250	(1,131)	(2,374)	(3,505)

At 31 December 2012, the Group had unused tax losses of approximately RMB2,998,000 (2011: RMB59,107,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of RMB2,998,000 (2011: RMB59,107,000) will expire after five years from the year of assessment they relate to.

於2012年12月31日，本集團有未動用稅項虧損約人民幣2,998,000元(2011年：人民幣59,107,000元)可供抵押未來溢利。未來溢利流不可預測，故並無確認遞延稅項資產。計入未確認稅項虧損的虧損人民幣2,998,000元(2011年：人民幣59,107,000元)將自所涉及課稅年度起5年後屆滿。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

31. Share Capital

31. 股本

	Note 附註	Number of shares 股份數目		Share capital 股本	
		2012	2011	2012 HK\$'000 千港元	2011 HK\$'000 千港元
Authorised: Ordinary shares of HK\$0.10 each (31 December 2011: HK\$0.01 each)	法定： 每股面值0.10港元（於2011 年12月31日：每股面值 0.01港元）的普通股	3,000,000,000	30,000,000,000	300,000	300,000
Issued and fully paid: At 1 January 2012 and at 1 January 2011	已發行及繳足： 於2012年1月1日及 於2011年1月1日	1,230,671,384	1,230,671,384	12,307	12,307
	(a)	615,335,692	-	6,153	-
	(b)	244,299,674	-	2,443	-
	(c)	(1,881,276,075)	-	-	-
At 31 December 2012 and 31 December 2011	於2012年12月31日及 2011年12月31日	209,030,675	1,230,671,384	20,903	12,307
				2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
RMB equivalent	人民幣等額			18,949	11,971

Notes:

- (a) On 3 January 2012, the Company raised approximately HK\$6,153,000 by way of issuing 615,335,692 shares of HK\$0.01 each at the subscription price of HK\$0.10 per share basis on one offer share for every two shares held on 8 December 2011, the record date of the open offer.
- (b) In January 2012, the Company issued convertible notes in the principal amount of HK\$30 million to an independent third party. On 20 February 2012, 244,299,674 shares of HK\$0.01 each were issued by the Company on the conversion price of HK\$0.1228 per share as the note holder exercised the conversion rights attached to the convertible notes.
- (c) Pursuant to an ordinary resolution passed by the shareholders of the Company at an extraordinary general meeting on 1 June 2012, every 10 issued and unissued shares of HK\$0.01 each in share capital of the Company be consolidated into one share of HK\$0.10 each.

附註：

- (a) 於2012年1月3日，本公司按於公開發售之記錄日期2011年12月8日每持有兩股股份可獲發一股發售股份之基準，以每股0.10港元之認購價透過發行615,335,692股每股面值0.01港元股份，籌集約6,153,000港元。
- (b) 於2012年1月，本公司向一名獨立第三方發行本金金額30,000,000港元的可換股票據。於2012年2月20日，由於票據持有人行使可換股票據所附轉換權利，故244,299,674股每股面值0.01港元股份由本公司按每股0.1228港元的轉換價發行。
- (c) 根據本公司股東於2012年6月1日在股東特別大會上通過的普通決議案，本公司股本中每10股每股面值0.01港元之已發行及未發行股份合併為一股每股面值0.10港元之股份。

Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance.

資本管理

本集團管理資本的首要目標是保障本集團的持續經營能力，可透過達到債務與權益之平衡為股東帶來最大回報。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

31. Share Capital (Cont'd)

Capital management (Cont'd)

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of the net debt-to-equity ratio. For this purpose the Group defines net debt as total debt (which includes trade and other payables, and accruals; derivative financial liabilities and bank and other borrowings), less pledged deposits; and bank and cash balances.

During 2012, the Group's strategy, which was unchanged from 2011 was to maintain the net debt-to-equity ratio in line with market expectations. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debt.

The net debt-to-equity ratio at the reporting date is as follows:

		Note	2012	2011
		附註	RMB'000	RMB'000
			人民幣千元	人民幣千元
Trade and other payables, and accruals	應付賬款、其他應付款及預提費用	25	561,558	963,766
Derivative financial liabilities	衍生金融負債	28	-	8
Bank and other borrowings	銀行及其他借貸	29	1,803,822	1,312,957
Total debt	總負債		2,365,380	2,276,731
Less: Pledged deposits	減：抵押存款	22	(1,155)	(1,078)
Less: Bank and cash balances	減：銀行及現金結餘	23	(14,068)	(49,049)
Net debt	淨負債		2,350,157	2,226,604
Total equity	總權益		770,720	657,110
Net debt-to-equity ratio	淨負債對權益比率		305%	338%

The only externally imposed capital requirement is that for the Group to maintain its listing on the Stock Exchange it has to have a public float of at least 25% of the shares.

31. 股本(續)

資本管理(續)

本集團積極及定期對其資本架構進行檢討及管理，以在較高股東回報情況下可能伴隨的較高借貸水平與良好的資本狀況帶來的好處及保障之間取得平衡，並因應經濟環境的變化對資本架構作出調整。

本集團以淨負債對權益比率為基準監察其資本架構。為此本集團將淨負債界定為總負債(其包括應付賬款及其他應付款及預提費用、衍生金融負債及銀行及其他借貸)減去抵押存款及銀行及現金結餘。

於2012年內，本集團的策略與2011年保持不變，其淨負債對權益比率符合市場預期。為了維持或調整該比率，本集團或會調整已付予股東的股息金額、發行新股份、退還資本予股東、籌集新的債務融資或出售資產以減少負債。

於報告日期，淨負債對權益比率如下：

	Note	2012	2011
	附註	RMB'000	RMB'000
		人民幣千元	人民幣千元
Trade and other payables, and accruals	25	561,558	963,766
Derivative financial liabilities	28	-	8
Bank and other borrowings	29	1,803,822	1,312,957
Total debt		2,365,380	2,276,731
Less: Pledged deposits	22	(1,155)	(1,078)
Less: Bank and cash balances	23	(14,068)	(49,049)
Net debt		2,350,157	2,226,604
Total equity		770,720	657,110
Net debt-to-equity ratio		305%	338%

唯一外部資本需求為，為維持本集團於聯交所的上市地位，本集團須保持至少25%股份的公眾持股量。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

32. Convertible Notes

On 20 January 2012, the Company issued convertible notes in the principal amount of HK\$30,000,000 which is interest bearing 0.1% per annum, payable semi-annually in arrears. The convertible notes due on 11 January 2013 is convertible into fully paid ordinary shares with a par value of HK\$0.01 each of the Company at a conversion price of HK\$0.1228 per share, subject to adjustment. The effective interest rate is 33.42%. The convertible notes were fully converted in the current year.

Pursuant to the convertible notes agreement, if the market price of the Company's shares met certain predetermined mandatory conversion price, the Company shall have the right to require the conversion of the entire outstanding principal amount under the convertible notes.

The convertible notes contain liability and equity components. The equity component is presented in equity heading "convertible notes reserve".

The fair value of the liability component was estimated at the issuance date using an equivalent market interest rate for a similar bond without a conversion option. The residual amount is assigned as the equity component and is included in shareholders' equity.

32. 可換股票據

於2012年1月20日，本公司發行本金額為30,000,000港元，以及每年須按0.1厘支付半年息之可換股票據。將於2013年1月11日到期之可換股票據可按每股0.1228港元之換股價(可予調整)兌換為本公司每股面值0.01港元之繳足普通股。實際利率為33.42%。可換股票據已於本年度全數兌換。

根據可換股票據協議，倘本公司股份之市價達至若干預先設定之強制性轉換價，本公司有權要求轉換可換股票據全部未償還本金額。

可換股票據包含負債及權益部份。權益部份呈列為「可換股票據儲備」下之權益。

負債部份之公允值乃於發行日採用並無兌換權之類似債券之對等市場利率進行估計。剩餘款額列作權益部份，並計入股東權益內。

		RMB'000 人民幣千元
Proceeds of issue	發行所得款項	24,402
Liability component at date of issue	於發行日期的負債部份	(17,491)
Equity component	權益部份	6,911
Liability component at date of issue	於發行日期的負債部份	17,491
Interest charged calculated at an effective interest rate of 33.42%	按實際利率33.42%計算的利息開支	388
Waiver of interest expenses	豁免利息支出	(388)
Conversion during the year	年內兌換	(17,491)
At 31 December 2012	於2012年12月31日	-
Equity component at date of issue	於發行日期的權益部份	6,911
Conversion during the year	年內兌換	(6,911)
At 31 December 2012	於2012年12月31日	-

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

33. Statement of Financial Position of the Company 33. 本公司的財務狀況表

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Property, plant and equipment	物業、廚房及設備	13	-
Investments in subsidiaries	於附屬公司的投資	1,197,901	1,217,782
Prepayments and deposits	預付款項及按金	590,765	592,267
Bank balances and cash	銀行及現金結餘	296	45,460
Other payables and accruals	其他應付款項及預提費用	(8,313)	(84,816)
Amounts due to subsidiaries	應付附屬公司款項	(799,733)	(1,007,007)
Current tax liabilities	本期稅項負債	(4,333)	(4,333)
Derivatives financial liabilities	衍生金融負債	-	(8)
Borrowings	借貸	(443,741)	(77,357)
NET ASSETS	資產淨值	532,855	681,988
Share capital	股本	18,949	11,971
Reserves	儲備	513,906	670,017
TOTAL EQUITY	權益總額	532,855	681,988

34. Reserves

(a) Group

The amounts of the Group's reserves and movements therein are presented in the consolidated statement of comprehensive income and consolidated statement of changes in equity.

(b) Company

34. 儲備

(a) 本集團

本集團儲備及其變動的金額於綜合全面收益表及綜合權益變動表內呈列。

(b) 本公司

					Convertible notes	Accumulated	Total
	Note	Share premium 股份溢價 RMB'000 人民幣千元	Merger reserve 合併儲備 RMB'000 人民幣千元	Capital reserve 資本儲備 RMB'000 人民幣千元	可換股票據 儲備 RMB'000 人民幣千元	losses 累積虧損 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
At 1 January 2011	於2011年1月1日	765,604	(752)	17,694	-	(89,682)	692,864
Loss for the year	本年度虧損	-	-	-	-	(22,847)	(22,847)
At 31 December 2011	於2011年12月31日	765,604	(752)	17,694	-	(112,529)	670,017
Loss for the year	本年度虧損	-	-	-	-	(223,423)	(223,423)
Issue of shares	發行股份	44,897	-	-	-	-	44,897
Equity component of convertible notes	可換股票據之權益部份	-	-	-	6,911	-	6,911
Conversion of convertible notes	兌換可換股票據	22,415	-	-	(6,911)	-	15,504
Share options cancelled	已註銷的認股權	-	-	(6,372)	-	6,372	-
At 31 December 2012	於2012年12月31日	832,916	(752)	11,322	-	(329,580)	513,906

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

34. Reserves (Cont'd)

(c) Nature and purpose of reserves

(i) Share premium

Under the Companies Law of the Cayman Islands, the funds in the share premium account of the Company are distributable to the shareholders of the Company subject to the provisions of the Memorandum and Articles of Association and provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

(ii) 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 therefore.

(iii) Statutory reserve

The statutory reserve, which is non-distributable, is appropriated from the profit after tax of the Group's PRC subsidiaries under the applicable laws and regulations in the PRC.

(iv) Capital reserve

The capital reserve comprises the fair value of the actual or estimated number of unexercised share options granted by the Company recognised in accordance with the accounting policy adopted for equity-settled share-based payments in note 3(q) to the financial statements.

(v) Convertible notes reserve

The convertible notes reserve represents the equity components of each of the convertible notes issued. Each convertible note issued are split into their liability and equity components at initial recognition at the fair values of each of the convertible notes, which are determined by independent qualified professional valuer.

34. 儲備(續)

(c) 儲備的性質及目的

(i) 股份溢價

根據開曼群島公司法，本公司股份溢價賬中的資金可供分派予本公司股東，惟受組織章程大綱及組織章程細則的條文所規限；且緊隨建議派發股息之日期後本公司將能夠在日常業務過程中償清其到期債務。

(ii) 合併儲備

合併儲備乃指所收購的附屬公司股份的面值與本公司交易所用股份面值之間的差額。

(iii) 法定儲備

法定儲備不可分派，並根據中國適用法律及法規自本集團中國附屬公司的除稅後溢利中轉撥。

(iv) 資本儲備

資本儲備包括本公司所授出的未行使認股權實際或估計數目的公允值，乃根據財務報表附註3(q)中就股本結算以股份為基礎的付款而採納的會計政策確認。

(v) 可換股票據儲備

可換股票據儲備為各份已發行可換股票據之權益部分。各份已發行可換股票據於初步確認時分為負債及權益部分，並按各份可換股票據之公允值(由獨立合資格專業估值師釐定)確認。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

35. Equity-settled Share-based Payment

The Company adopted a share option scheme on 31 January 2007 whereby the directors of the Company are authorised, at their discretion, to invite eligible participants such as employees and consultants of the Group, including directors of any company in the Group, to subscribe for shares of the Company. These options generally vest after six months to one year from the date of grant and are exercisable within a period of five to ten years. Each option gives the holder the right to subscribe for one ordinary share of the Company at a predetermined exercise price plus a consideration of HK\$10 per option holder.

- (a) The terms and conditions of the grants that existed at the report date are as follows, whereby all options are settled by physical delivery of shares:

2012

		Number of options 認股權數目	Vesting conditions 歸屬條件	Contractual life of options 認股權合約年期	Exercise price 行使價
Options granted to employees	授予僱員的認股權：				
- on 15 May 2007	- 於2007年5月15日	166,594	Six months from the date of grant 由授出日期起計滿6個月	10-years 10年	HK\$14.80 14.80港元
- on 10 October 2007	- 於2007年10月10日	124,066	Six months from the date of grant 由授出日期起計滿6個月	10-years 10年	HK\$24.10 24.10港元
Options granted to third parties	授予第三方的認股權：				
- on 15 May 2007	- 於2007年5月15日	1,616,217	Six months from the date of grant 由授出日期起計滿6個月	10-years 10年	HK\$14.80 14.80港元
- on 13 February 2008	- 於2008年2月13日	992,701	Six months from the date of grant 由授出日期起計滿6個月	10-years 10年	HK\$13.70 13.70港元
		2,899,578			

35. 以權益結算及以股份為基礎的付款

本公司於2007年1月31日採納一項認股權計劃，據此本公司董事獲授權可酌情邀請本集團的僱員及顧問等合資格參與者（包括本集團旗下任何公司的董事）認購本公司股份。該等認股權一般自授出日期起滿6個月至1年後歸屬，及可於5至10年期間內行使。認股權持有人應付10港元作為代價，每份認股權賦予持有人權利，可按預定行使價認購一股本公司普通股。

- (a) 於報告日期尚存批授的條款及條件如下，據此所有認股權均以股份進行實物交付：

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

35. Equity-settled Share-based Payment (Cont'd)

- (a) The terms and conditions of the grants that existed at the report date are as follows, whereby all options are settled by physical delivery of shares: (Cont'd)

2011

		Number of options 認股權數目	Vesting conditions 歸屬條件	Contractual life of options 認股權合約年期	Exercise price 行使價
Options granted to directors	授予董事的認股權：				
- on 15 May 2007	- 於2007年5月15日	2,000,000	Six months from the date of grant 由授出日期起計滿6個月	10-years 10年	HK\$1.84 1.84港元
Options granted to employees	授予僱員的認股權：				
- on 15 May 2007	- 於2007年5月15日	12,935,000	Six months from the date of grant 由授出日期起計滿6個月	10-years 10年	HK\$1.84 1.84港元
- on 10 October 2007	- 於2007年10月10日	1,000,000	Six months from the date of grant 由授出日期起計滿6個月	10-years 10年	HK\$2.99 2.99港元
Options granted to third parties	授予第三方的認股權：				
- on 15 May 2007	- 於2007年5月15日	13,000,000	Six months from the date of grant 由授出日期起計滿6個月	10-years 10年	HK\$1.84 1.84港元
- on 13 February 2008	- 於2008年2月13日	8,000,000	Six months from the date of grant 由授出日期起計滿6個月	10-years 10年	HK\$1.70 1.70港元
		36,935,000			

35. 以權益結算及以股份為基礎的付款(續)

- (a) 於報告日期尚存批授的條款及條件如下，據此所有認股權均以股份進行實物交付：(續)

- (b) Terms of unexpired and unexercised share options at the reporting date:

- (b) 於報告日期尚未屆滿及尚未行使的認股權的期限：

Exercise period 行使期	Exercise price 行使價		Number of option 認股權數目	
	2012	2011	2012	2011
15 November 2007 to 14 May 2017 2007年11月15日至2017年5月14日	HK\$14.80 14.80港元	HK\$1.84 1.84港元	1,782,811	27,935,000
10 April 2008 to 9 October 2017 2008年4月10日至2017年10月9日	HK\$24.10 24.10港元	HK\$2.99 2.99港元	124,066	1,000,000
13 August 2008 to 12 August 2018 2008年8月13日至2018年8月12日	HK\$13.70 13.70港元	HK\$1.70 1.70港元	992,701	8,000,000
			2,899,578	36,935,000

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

35. Equity-settled Share-based Payment (Cont'd)

- (c) The number and weighted average exercised prices of share options are as follows:

		2012		2011	
		Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
		加權平均行使價	認股權數目	加權平均行使價	認股權數目
Outstanding at beginning of year	年初尚未行使	HK\$1.84	36,935,000	HK\$1.84	36,935,000
Exercised during the year	年內行使	N/A	-	N/A	-
Adjusted during the year	年內調整	N/A	(32,345,238)	N/A	-
Cancelled during the year	年內註銷	HK\$14.80	(1,690,184)	N/A	-
Outstanding at end of year	年終尚未行使	HK\$14.82	2,899,578	HK\$1.84	36,935,000
Exercise at end of year	年終可予行使	HK\$14.82	2,899,578	HK\$1.84	36,935,000

During the year ended 31 December 2012, 1,690,184 share options granted on 15 May 2007 were cancelled. Accordingly, the fair value on grant date of the share options so cancelled of approximately RMB6,372,000 was transferred from the capital reserve to retained profits.

The options outstanding at 31 December 2012 had exercise prices of HK\$13.70, HK\$14.80 or HK\$24.10 and a weighted average remaining contractual life of 4.81 years.

The options outstanding at 31 December 2011 had exercise prices of HK\$1.70, HK\$1.84 or HK\$2.99 and a weighted average remaining contractual life of 5.65 years.

35. 以權益結算及以股份為基礎的付款(續)

- (c) 認股權數目及其加權平均行使價如下：

截至2012年12月31日止年度，於2007年5月15日授出的1,690,184份認股權已註銷。因此，已註銷認股權於授出日期的公允值約人民幣6,372,000元已由資本儲備轉撥至保留溢利。

於2012年12月31日尚未行使認股權的行使價為13.70港元、14.80港元或24.10港元，而加權平均餘下合約年期4.81年。

於2011年12月31日尚未行使認股權的行使價為1.70港元、1.84港元或2.99港元，而加權平均餘下合約年期為5.65年。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

35. Equity-settled Share-based Payment (Cont'd)

(d) Fair value of share options and assumptions

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the share options granted is measured based on either the Black-Scholes pricing model or the binomial lattice model. The contractual life and expectations of early exercise of the share option were used as inputs into relevant models.

Fair value of share options and assumptions are as follows:

		15 May 2007 2007年5月15日	10 October 2007 2007年10月10日	13 February 2008 2008年2月13日
Fair value at measurement date	於計量日期的公允值	HK\$0.47	HK\$0.64	HK\$0.54
Share price	股價	HK\$1.84	HK\$2.93	HK\$1.61
Exercise price	行使價	HK\$1.84	HK\$2.99	HK\$1.70
Expected volatility (expressed as weighted average volatility used in the models)	預期波幅(以該等模式中採用的加權平均波幅表示)	48.9%	61.1%	56.2%
Option life (expressed as weighted average life used in the models)	認股權年期(以該等模式中採用的加權平均年期表示)	3.25 years	10 years	10 years
Expected dividends	預期股息	3.4%	1.21%	-
Risk-free interest rate (based on Exchange Fund Notes)	無風險利率(以外匯基金票據計算)	4.2%	4.3%	2.7%
Valuation model used	採用的估值模式	Black-Scholes	Binominal	Binominal

The expected volatility is based on the historical volatility (calculated based on the weighted average remaining life of the share options), adjusted for any expected changes to future volatility based on publicly available information.

Share options were granted under a service condition. The condition has not been taken into account in the grant date fair value measurement of the services received. There was no market conditions associated with the share option grants.

35. 以權益結算及以股份為基礎的付款(續)

(d) 認股權的公允值及假設

以授予認股權換取所收取服務的公允值乃參照所授予認股權的公允值計量。所授予認股權的公允值估計乃根據伯力克-舒爾斯定價模式或二項式點陣模式計量。認股權的合約年期及預期提早行使乃作為數據輸入有關模式。

認股權的公允值及假設如下：

預期波幅乃根據歷史波幅(根據認股權的加權平均餘下年期計算)，並就根據公開可用資料調整任何預期變動的未來波幅。

認股權根據服務狀況批授。該狀況並無計及所收取服務於授出日期的公允值計量。並無與認股權批授有關的市場條件。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

36. Notes to Consolidated Statement of Cash Flows

(a) Disposal of subsidiaries

During the year ended 31 December 2012, the Group disposed of certain subsidiaries. Net assets of the subsidiaries being disposed of at the date of disposal were as follows:

		Luxegood Development Limited	Shenyang Hong Long Real Estate Company Limited*	Huizhou Xing Wo Property Development Company Limited*	Total
		華佳發展 有限公司 RMB'000 人民幣千元	瀋陽鴻隆 置業有限公司 RMB'000 人民幣千元	惠州市 興沃房地產 開發有限公司 RMB'000 人民幣千元	總計 RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	606	17	-	623
Deferred tax assets	遞延稅項資產	177	-	-	177
Inventories	存貨	399,631	134,966	-	534,597
Trade and other receivables	應收賬款及其他應收款	40,220	39,120	-	79,340
Tax recoverable	應收稅項	6,188	-	-	6,188
Pledged deposits	抵押存款	1,575	-	-	1,575
Bank and cash balances	銀行及現金結餘	7,572	136	-	7,708
Trade and other payables, and accruals	應付賬款、其他應付款及 預提費用	(273,074)	(106,206)	-	(379,280)
Receipts in advances	預收賬款	(145,987)	-	-	(145,987)
Bank and other borrowings	銀行及其他借貸	(48,850)	(3,000)	-	(51,850)
Impairment of assets	資產減值	(8,861)	-	-	(8,861)
Net assets	資產淨額	(20,803)	65,033	-	44,230
The Group balance disposed	已出售集團餘額	265,731	-	20	265,751
Gain/(Loss) on disposal of subsidiaries	出售附屬公司 收益/(虧損)	772	16,967	(20)	17,719
Impairment loss on other receivables	其他應收賬款減值虧損	(194,176)	-	-	(194,176)
Total consideration	總代價				
- satisfied by cash	- 以現金支付	51,524	82,000	-	133,524
- consideration offsetting against the subsidiary's liability	- 抵銷附屬公司負債	-	(9,500)	-	(9,500)
		51,524	72,500	-	124,024
Net cash inflow arising from disposal:	出售產生的現金 流入淨額:				
Cash consideration received	已收現金代價	51,524	72,500	-	124,024
Cash and cash equivalent disposed of	所出售的現金及 現金等價物	(7,572)	(136)	-	(7,708)
		43,952	72,364	-	116,316

* For identification purpose only

* 僅供識別

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

36. Notes to Consolidated Statement of Cash Flows (Cont'd)

(a) Disposal of subsidiaries (cont'd)

During the year ended 31 December 2011, the Group disposed of certain subsidiaries. Net assets of the subsidiaries being disposed of at the date of disposal were as follows:

	Shenzhen Hong Long Weiy Property Development Company Limited*	Shenzhen Yinghua Development Company Limited*	Dongguan Honghua Industrial Investment Company Limited*	Powermore Limited	Meizhou Hong Long Shi Ye Company Limited*	Shenzhen Hong Long Real Estate Company Limited*	Shenzhen Kong Long Property Management Company Limited*	Shenzhen Yiurui Investment Development Company Limited*	Total
	深圳市鴻隆物業 房地產有限公司	深圳市英華實業 發展有限公司	東莞市鴻華實業 投資有限公司	力增有限公司	梅州鴻隆實業 有限公司	深圳市鴻隆置業 有限公司	深圳市港隆物業 有限公司	深圳市錦瑞投資 發展有限公司	合共
	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	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
Property, plant and equipment	-	-	-	83	18	-	93	-	194
Available-for-sale financial assets	-	-	-	-	-	2,500	-	-	2,500
Deferred tax assets	-	-	-	2,115	-	-	-	-	2,115
Inventories	-	-	-	78,832	1,922	8,533	-	5,248	94,535
Trade and other receivables	20,698	93,959	19,924	30,542	3,721	-	27	998	169,869
Trading securities	-	-	-	-	-	1,000	-	-	1,000
Amount due from the Group	-	-	5,018	48,026	36,863	128,436	1,051	-	219,394
Current tax assets	-	-	-	-	4,823	-	-	-	4,823
Pledged deposits	-	-	-	5,030	133	-	-	-	5,163
Bank and cash balances	3	6	47	12,238	109	(15)	1,529	2	13,919
Trade and other payables, and accruals	(600)	(65,860)	(15,105)	(32,896)	(2,606)	(18,000)	(2,003)	(1,248)	(138,318)
Receipts in advances	-	-	-	(24,811)	(1,023)	-	-	-	(25,834)
Amounts due to the Group	(176)	(4,148)	-	(38,163)	-	-	(543)	(5,000)	(48,030)
Bank and other borrowings	-	-	-	(20,000)	-	-	-	-	(20,000)
Current tax liabilities	-	-	-	(9,600)	-	(28,138)	-	-	(37,738)
Net assets	19,925	23,957	9,884	51,396	43,960	94,316	154	-	243,592
Non-controlling interest	-	-	(989)	-	-	-	-	-	(989)
The Group balance disposed	176	4,148	(5,018)	(9,863)	(36,863)	(128,436)	(508)	5,000	(171,364)
Gain/(Loss) on disposal of subsidiaries	699	(105)	123	25,059	903	53,120	1,074	1,000	81,873
Total consideration - satisfied by cash	20,800	28,000	4,000	66,592	8,000	19,000	720	6,000	153,112
Net cash inflow arising from disposal:									
Cash consideration received	20,800	28,000	4,000	66,592	8,000	19,000	720	6,000	153,112
Cash and cash equivalent disposed of	(3)	(6)	(47)	(12,238)	(109)	15	(1,529)	(2)	(13,919)
	20,797	27,994	3,953	54,354	7,891	19,015	(809)	5,998	139,193

* For identification purpose only

* 僅供識別

36. 綜合現金流量表附註(續)

(a) 出售附屬公司(續)

於2011年12月31日止年度，本集團出售若干附屬公司。出售附屬公司於出售日期的資產淨值如下：

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

36. Notes to Consolidated Statement of Cash Flows (Cont'd)

(b) Major non-cash transactions

Included in additions to investment properties during the year is an amount of approximately RMB6,430,000 which was transferred from prepayments.

During the current year, additions to inventories of approximately RMB290,417,000 included in trade and other payables, and accruals was increased property consideration of acquisition of Shenzhen City Zirui Real Estate Development Company Limited in 2008.

Included in additions to inventories during the year is an amount of approximately RMB12,061,000 which was included in trade and other payables, and accruals.

37. Contingent Liabilities

- (a) At 31 December 2012, the Group provided guarantees to certain banks in respect of mortgage facilities granted in connection with the mortgage loans entered into by purchasers of the Group's properties as follows:

Guarantees given to banks for mortgage facilities granted to purchasers	就買方獲授按揭融資額度向銀行提供擔保

Pursuant to the terms of the guarantees, if there are any defaults on the mortgages, the Group is responsible to repay the outstanding mortgage principals together with accrued interest and penalty owed by the defaulting purchasers to banks. The Group is then entitled to take over the legal title and possession of the related properties. The guarantees shall be released in accordance with the terms of the guarantee contracts, such as:

- (i) upon the issue of the relevant purchaser's property ownership certificate and in the custody of the bank; or
- (ii) up to a maximum of two years after the full repayment of mortgage loan by the relevant purchaser.

At 31 December 2012, the directors do not consider it probable that a claim will be made against the Group under the above guarantees.

The fair value of the guarantees at date of inception is not material and is not recognised in the consolidated financial statements.

36. 綜合現金流量表附註(續)

(b) 主要非現金交易

計入年內投資物業添置包括轉撥自預付款項約人民幣6,430,000元之款項。

於本年度內，計入應付賬款、其他應付款及預提費用包括存貨添置約人民幣290,417,000元，為於2008年收購深圳紫瑞房地產開發有限公司增加之物業代價。

計入年內存貨添置包括計入應付賬款、其他應付款及預提費用約人民幣12,061,000元。

37. 或然負債

- (a) 於2012年12月31日，本集團就有關本集團物業買方訂立的按揭貸款而授出的按揭融資額度，向若干銀行提供擔保如下：

	2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Guarantees given to banks for mortgage facilities granted to purchasers	-	30,462

根據擔保之條款，倘按揭出現違約情況，本集團須負責償還違約買方結欠銀行之未償還按揭本金連同應計利息及罰款。本集團之後有權接管相關物業的法定業權及所有權。有關擔保將根據擔保合約條款解除，如：

- (i) 相關買方的房屋所有權證獲頒發及由銀行保管；或
- (ii) 相關買方悉數償還按揭貸款後最多兩年。

於2012年12月31日，董事認為本集團因上述擔保而面臨索償的機會不大。

有關擔保於提供日期之公允值並不重大，因此並無於綜合財務報表確認。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

37. Contingent Liabilities (Cont'd)

- (b) At 31 December 2012, the Group provided guarantees to certain banks and financial institutions to the extent of RMB981,000,000 (2011: RMB1,131,000,000) in respect of loan facilities granted to certain disposed subsidiaries. The maximum liability of the Group, at 31 December 2012, under the guarantees was the total facilities utilised by the disposed subsidiaries as at the same date which amounted to approximately RMB503,000,000 (2011: RMB756,000,000). The guarantees shall be released, in accordance with the terms of the guarantee contracts, up to a maximum of two years after the full repayment of the loans.

At 31 December 2012, the directors do not consider it probable that a claim will be made against the Group under the above guarantees since the loan facilities were also secured by certain certificates of land use rights of lands owned by the disposed subsidiaries and 100% equity interest of the disposed subsidiaries.

The fair value of the guarantees at date of inception is not material and is not recognised in the consolidated financial statements.

- (c) Pursuant to a purchase agreement of land use right and a supplement agreement both dated 31 January 2008, if the Group cannot complete the underlying property development project at Chaohu City, Anhui Province, the PRC ("Chaohu Project") on or before 31 December 2010, the vendor shall charge the Group a daily penalty of 0.1% on the land premium amount. At 31 December 2012, the Group experienced a delay in the construction progress and would not be able to meet the contractual construction completion date. However, up to the date of the approval of the financial statements, the Group has not received any enforcement notice from the vendor in relation to the above. Based on past experience, the directors are of the opinion that the first phase of Chaohu Project shall be completed in 2013 and the Group will not be subject to any penalties relating to the delay in the contractual construction completion date. Hence, no provision has been made in the consolidated financial statements.
- (d) At 31 December 2012, the Group has been in litigation in relation to various claims totalled RMB560,600,000, in which RMB440,600,000 due to Shenzhen Branch of China Construction Bank has already been accrued. Based on the legal advice obtained, the directors believe that the Group has reasonable good chances of successfully defending those claims. Hence no further provision has been made in the consolidated financial statements.

37. 或然負債(續)

- (b) 於2012年12月31日，本集團就授予若干已出售的附屬公司的貸款融資向若干銀行及金融機構提供擔保達人民幣981,000,000元(2011年：人民幣1,131,000,000元)。本集團2012年12月31日於擔保下的最高負債，為該已出售附屬公司於同日所動用的融資總額約人民幣503,000,000元(2011年：人民幣756,000,000元)。該擔保將根據擔保合約條款，即悉數償還按揭貸款後最多兩年內解除。

於2012年12月31日，因有關貸款融資亦以該已出售附屬公司所擁有的若干土地使用權證書及該已出售的附屬公司的全部股權作抵押，董事認為本集團因上述擔保而面臨索償的機會不大。

有關擔保於提供日期之公允值並不重大，因此並無於綜合財務報表確認。

- (c) 根據日期均為2008年1月31日的土地使用權購買協議及補充協議，倘本集團於2010年12月31日或之前未能完成於中國安徽省巢湖市的相關物業發展項目(「巢湖項目」)，賣方應按土地出讓金數額0.1%向本集團收取每日罰款。於2012年12月31日，本集團遇到施工進度延期，未能達到合同竣工日期。然而，截至財務報表批准日期，本集團尚未就上述事項收到賣方任何執行通知。根據過往經驗，董事認為，巢湖項目第一期將於2013年完成及本集團將不會就有關合同竣工日期延期受到任何處罰。因此，並無於綜合財務報表作出撥備。
- (d) 於2012年12月31日，本集團就合共人民幣560,600,000元(其中已預提應付中國建設銀行深圳分行的人民幣440,600,000元)之多項索償而面臨訴訟。根據所取得之法律意見，董事相信本集團有合理的機會於該等索償中勝訴。因此，並無於綜合財務報表作出進一步準備。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

38. Lease Commitments

At 31 December 2012, the total future minimum lease payments under non-cancellable operating leases are payable as follows:

		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Within one year	1年內	2,597	2,093
In the second to fifth years inclusive	第2年至第5年 (含第5年)	1,801	3,458
After five years	5年以上	-	-
		4,398	5,551

Operating lease payments represent rentals payable by the Group for its offices, staff quarters and sub-leased properties. Leases are typically negotiated for periods from two to fifteen years and do not include contingent rentals.

During the year, approximately RMB Nil (2011: RMB5,846,000) was recognised in profit or loss as rental expenses in respect of sub-leased properties.

39. Capital Commitments

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

		The Group 本集團	
		2012 RMB'000 人民幣千元	2011 RMB'000 人民幣千元
Authorised but not contracted for	已授權但未訂約	837,968	1,340,625
Contracted but not provided for	已訂約但未撥備	261,993	403,073
		1,099,961	1,743,698

38. 租賃承擔

於2012年12月31日，不可撤銷經營租賃下應付日後最低租賃款項總額如下：

經營租賃款項指本集團就其寫字樓、員工宿舍及分租物業應付的租金。租賃通常協定2至15年期間，且不包括或然租金。

於本年度，約人民幣零元(2011年：人民幣5,846,000元)已於損益內確認為分租物業的租金開支。

39. 資本承擔

於12月31日尚未在財務報表中撥備之資本承擔如下：

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

40. Related Party Transactions

In addition to those related party transactions and balances disclosed elsewhere in the financial statements, the Group had the following transactions and balances with related parties during the year:

(a) Key management personnel compensation

The key management personnel of the Group comprises all directors, details of their emoluments were disclosed in note 12 to the financial statements.

(b) Balances with related parties

40. 關連人士交易

除於財務報表其他地方披露的該等關連人士交易及結餘外，本集團與關連人士於年內的交易及結餘如下：

(a) 主要管理人員薪酬

本集團的主要管理人員包括所有董事，彼等的薪酬詳情披露於財務報表附註12。

(b) 與關連人士的結餘

		2012	2011
		RMB'000	RMB'000
		人民幣千元	人民幣千元
Included in trade and other payables, and accruals	計入應付賬款、其他應付款及預提費用		
Amount due to a related party, which is beneficially owned and controlled by Mr. ZENG Yunshu, an ex-executive Director	應付一名關連人士(由前任執行董事曾雲樞先生實益擁有及控制)款項	-	200
Amount due to a former director, ZENG SHENG	應付前董事曾勝款項	437	437
Included in bank and other borrowings	計入銀行及其他借貸		
Amount due to shareholder, which is beneficially owned and controlled by Mr. Chau Cheok Wa, an executive Director and Mr. Cheng Ting Kong, the spouse of Ms. Yeung So Miu, an executive Director	應付一名股東(由執行董事周焯華先生及鄭丁港先生(執行董事楊素梅之配偶)實益擁有及控制)款項	443,741	77,357
Included in finance cost	計入融資成本		
Interest accrued for the shareholder's loan, which is beneficially owned and controlled by Mr. Chau Cheok Wa, an executive Director and Mr. Cheng Ting Kong, the spouse of Ms. Yeung So Mui, an executive Director	股東貸款(由執行董事周焯華先生及鄭丁港先生(執行董事楊素梅女士之配偶)實益擁有及控制)的應計利息	4,647	-

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

41. Principal Subsidiaries

The following list contains only the particulars of subsidiaries which principally affected the results, assets and liabilities of the Group. To give details of other subsidiaries would in the opinion of the directors, result in particulars of excessive length. The class of shares held is ordinary unless otherwise stated.

41. 主要附屬公司

下表僅載列主要影響本集團業績、資產及負債的附屬公司的詳情。董事認為，提供其他附屬公司詳情將導致有關詳情過於冗長。除另有說明外，所持有的股份類別為普通股。

Name of subsidiaries 附屬公司名稱	Place of incorporation or registration 註冊成立/ 登記地點	Place of operation 經營地點	Issued and paid up capital 已發行及實繳資本	Percentage ownership interest/ voting power/ profit sharing		Principal activities 主要業務	Legal form 法定形式
				應佔擁有權權益/ 投票權/溢利百分比			
				Direct 直接 %	Indirect 間接 %		
Access Achievement Limited	BVI 英屬處女群島	The PRC 中國	US\$10,000 10,000美元	100	–	Investment holding 投資控股	Private limited liabilities company 私人有限公司
Sun Century Property Group Company Limited (Formerly known as Hong Long Property Group Company Limited) 太陽世紀地產集團有限公司(前稱為鴻隆地產集團有限公司)	The PRC 中國	The PRC 中國	RMB299,000,000 人民幣299,000,000元	–	100	Property development and property investment 物業開發及物業投資	Wholly foreign owned enterprises 外商獨資企業
Shenzhen Hong Long Commercial Management Company Limited 深圳市鴻隆商業管理有限公司	The PRC 中國	The PRC 中國	RMB10,680,000 人民幣10,680,000元	–	100	Property leasing and sub-leasing 物業租賃及轉租	Limited liabilities company 有限公司
Shenzhen Zirui Real Estate Development Limited [#] 深圳紫瑞房地產開發有限公司 [#]	The PRC 中國	The PRC 中國	RMB21,000,000 人民幣21,000,000元	–	100	Property development 物業開發	Limited liabilities company 有限公司

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

41. Principal Subsidiaries (Cont'd)

41. 主要附屬公司(續)

Name of subsidiaries 附屬公司名稱	Place of incorporation or registration 註冊成立/ 登記地點	Place of operation 經營地點	Issued and paid up capital 已發行及實繳資本	Percentage ownership interest/ voting power/ profit sharing		Principal activities 主要業務	Legal form 法定形式
				應佔擁有權權益/ 投票權/溢利百分比			
				Direct 直接 %	Indirect 間接 %		
Shenzhen Guang Long City Commercial Management Company Limited 深圳市港隆城商業管理有限公司	The PRC 中國	The PRC 中國	RMB1,000,000 人民幣1,000,000元	-	100	Property leasing and sub-leasing 物業租賃及轉租	Limited liabilities company 有限公司
Hong Long Winfinder (Shenyang) Real Estates Company Limited 鴻隆致勝(瀋陽)置業有限公司	The PRC 中國	The PRC 中國	RMB74,000,000 人民幣74,000,000元	-	100	Property development 物業開發	Wholly foreign owned enterprises 外商獨資企業
Chaohu Boshong Tourism Development Company Limited 巢湖寶昇旅遊開發有限公司	The PRC 中國	The PRC 中國	US\$7,000,000 7,000,000美元	-	100	Property development 物業開發	Wholly foreign owned enterprises 外商獨資企業

* The Group acquired 90% of the equity interest of Shenzheng Zirui Real Estate Development Limited ("SZ Zirui") in 2008. According to the share transfer agreement entered, the vendor shall transfer the remaining 10% equity interest to the Group upon the delivery of certain properties to the vendor upon completion of construction. However, the vendor shall not share any profits in SZ Zirui and shall not participate in the financial and operating policies of SZ Zirui. Hence, the Group regards SZ Zirui as a wholly-owned subsidiary.

* 本集團於2008年收購深圳紫瑞(「深圳紫瑞」)的90%股權。根據股份轉讓協議，賣方將於向賣方交付若干竣工物業後向本集團轉讓餘下10%股權。然而，賣方不得分佔深圳紫瑞的任何溢利，且不得參與制訂深圳紫瑞的財務及營運政策。故此，本集團將深圳紫瑞視為全資附屬公司。

42. Other Matters

On 21 December 2009, the Company entered into a Credit Note with CCB International Asset Management Limited ("CCB") under which CCB agreed to make available to the Company an Offshore Financing in the amount of US\$40,000,000. Grand Prosperity Limited ("Grand Prosperity"), the then majority shareholder of the Company, was acting as the corporate guarantor in favour of CCB under the Credit Note.

42. 其他事項

於2009年12月21日，本公司與建銀國際資產管理有限公司(「建銀」)訂立信貸票據，據此，建銀同意向本公司提供金額為40,000,000美元之境外融資。Grand Prosperity Limited(「Grand Prosperity」)，為本公司當時之主要股東，根據信貸票據擔任建銀之企業擔保人。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

42. Other Matters (Cont'd)

Under the Credit Note, the Company agreed to pay to CCB an up-front fee of HK\$76,000,000, which was settled by issue and allotment of 80,000,000 Consideration Shares by the Company at the issue price of HK\$0.95.

Under the Credit Note, Grand Prosperity has granted a Put Option to CCB. On exercise of the Put Option, the price payable by Grand Prosperity for the purchase of each Consideration Share would be HK\$1.50 per share, being the aggregate of HK\$120,000,000.

On 20 November 2012, the Company received a letter (the "Letter") from the solicitors acting on behalf of CCB ("CCB Solicitors") alleging and claiming that:

- (i) as a result of the exercise of the Put Option by CCB, Grand Prosperity was required under the Credit Note to pay CCB the aggregate exercise price of the option shares of HK\$120,000,000;
- (ii) CCB has received from Grand Prosperity only partial payment in the sum of HK\$35,000,000, leaving the outstanding balance of HK\$85,000,000 which remains due and payable;
- (iii) pursuant to the terms of the Credit Note, the Company is required to indemnify CCB against any cost, loss or liability incurred by CCB as a result of, respectively, an event of default, and the failure by Grand Prosperity (being an obligor) to pay any amount due under a finance document as defined under the Credit Note on its due date; and
- (iv) pursuant to the terms of the Credit Note, an event of default includes the non-payment by an obligor of any amount payable pursuant to a finance document as defined under the Credit Note.

Under the Letter, CCB's Solicitors demanded payment from the Company (by way of indemnity) of (i) the unpaid sum of HK\$85,000,000, together with (ii) default interest at the rate of ten per cent per annum from 13 January 2012, the original completion date of the alleged exercise of the Put Option, until the date of payment and (iii) all costs and expenses (including legal fees) incurred by them in recovering payment.

42. 其他事項(續)

根據信貸票據，本公司同意向建銀支付預付費76,000,000港元，該款項乃由本公司通過按發行價0.95港元發行及配發80,000,000股代價股份結清。

根據信貸票據，Grand Prosperity已向建銀授出認沽權。於行使認沽權時，Grand Prosperity就購買每股代價股份應付之價格為每股1.50港元，合共為120,000,000港元。

於2012年11月20日，本公司接獲代表建銀之律師(「建銀之律師」)之函件(「該函件」)，聲稱及申索：

- (i) 由於建銀行使認沽權，Grand Prosperity須根據信貸票據向建銀支付選擇權股份之行使價合共120,000,000港元；
- (ii) 建銀僅收到Grand Prosperity支付之部分款項合計35,000,000港元，尚有到期應付之未支付餘款85,000,000港元；
- (iii) 根據信貸票據之條款，本公司須分別就建銀因違約事件及Grand Prosperity(即債務人)未能根據信貸票據所界定之融資文件於任何款項到期日支付該等到期款項而招致之任何成本、虧損或負債向建銀作出彌償；及
- (iv) 根據信貸票據之條款，違約事件包括債務人未有根據信貸票據所界定之融資文件支付任何應付款項。

根據該函件，建銀之律師要求本公司以彌償之方式支付(i)未付款項85,000,000港元，連同(ii)自2012年1月13日(聲稱行使認沽權之最初完成日期)起至付款日期按年息率10%計算之罰息及(iii)彼等於收回付款時產生之所有成本及開支(包括律師費)。

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

42. Other Matters (Cont'd)

On 8 February 2013, the Company received a Writ of Summons issued out of the Court with respect to the dispute between CCB as the plaintiff with the Company as one of the defendants. For the avoidance of doubt, Grand Prosperity, Mr. Zeng Yunshu, being a director of Grand Prosperity and the then Chairman and President of the Company and Mr. Zeng Sheng, being a director of Grand Prosperity and the then Vice-Chairman of the Company, have been joined as the other defendants.

Based on counsel opinion, the directors are of the view that the claims are not valid.

No judgment on the legal proceedings has been made yet and the financial impact of the legal proceedings cannot be ascertained at the date of this annual report. Hence, no provision has been made in the consolidated financial statements.

43. Comparative Figures

Certain comparative figures for the consolidated statement of comprehensive income have been reclassified to conform with the current year's presentation. No consolidated statement of financial position has been presented as the reclassifications would not affect consolidated statement of financial position as at 31 December 2011 and 1 January 2011.

Details are set out as follows:

		As previously report 如前呈報	Reclassification 重新分類	As restated 重列
Other net expenses	其他支出淨額	(18,886)	15,085	(3,801)
Other income	其他收入	15,085	(15,085)	-

42. 其他事項(續)

於2013年2月8日，本公司接獲法院發出的傳訊令狀，內容關於建銀(作為原告)與本公司(作為被告之一)之爭議事項。為免存疑，Grand Prosperity、曾雲樞先生(Grand Prosperity之董事及本公司當時之主席及總裁)及曾勝先生(為Grand Prosperity之董事及本公司當時之副主席)亦同被列為其他被告。

根據法律意見，董事認為申索並無理據。

於本年報日期，法律程序尚未有判決，因此無法確定法律程序之財務影響。因此，並無於綜合財務報表作出撥備。

43. 比較數字

綜合全面收益表之若干比較數字已重新分類，以配合本年度之呈列方式。由於重新分類不會影響2011年12月31日及2011年1月1日之綜合財務狀況表，故未並呈列綜合財務狀況表。

詳情如下：

Notes to the Financial Statements

財務報表附註

(Expressed in Renminbi Yuan unless otherwise indicated) (除另有所指外，以人民幣元列示)

44. Events After the Reporting Period

On 5 September 2012, the Board proposed to raise approximately HK\$313 million before expenses and the set off of the shareholder's loan of approximately HK\$69 million by issuing 1,254,184,050 offer shares at the subscription price of HK\$0.25 per offer share on the basis of six offer shares for every one share of the Company held on 27 December 2012 (the "Open Offer"). The resolution approving the Open Offer has been passed by the shareholders at the extra-ordinary general meeting held on 17 December 2012. The acceptance of and payment for the offer shares closed at 15 January 2013 and a total of 255 valid acceptances of offer shares have been received for a total of 716,186,608 offer shares. The remaining 537,997,442 un-subscribed offer shares were underwritten and taken up the underwriter. The net proceeds of the Open Offer raised is approximately HK\$244 million. The share certificates for the offer shares have been dispatched to those relevant shareholders on 23 January 2013.

45. Approval of Financial Statements

The financial statements were approved and authorised for issue by the Board of Directors on 28 March 2013.

44. 報告其後事項

於2012年9月5日，董事會建議按於2012年12月27日每持有本公司1股股份可獲發6股發售股份之基準，以每股發售股份0.25港元之認購價發行1,254,184,050股發售股份，籌集約313,000,000港元（未計開支及抵銷股東貸款約69,000,000港元前）（「公開發售」）。批准公開發售之決議案已於2012年12月17日舉行之股東特別大會上獲股東批准。接納及支付發售股份之截止日期為2013年1月15日，並合共接獲255份發售股份之有效接納，涉及合共716,186,608股發售股份。餘下未認購之537,997,442股發售股份已獲包銷商包銷及認購。公開發售所得款項淨額約244,000,000港元。發售股份之股票已於2013年1月23日寄發予有關股東。

45. 批准財務報表

董事會已於2013年3月28日批准並授權刊發財務報表。

