



深圳控股有限公司
SHENZHEN INVESTMENT LIMITED

股份代號 Stock Code: 00604

二 | 零 | 一 | 六 | 年 | 年 | 報

Annual Report 2016



Contents

目 錄

2	Corporate Profile 公司簡介	72	Directors' Report 董事會報告
4	Corporate Information 公司資料	93	Independent Auditor's Report 獨立核數師報告
5	Highlights of 2016 Results 二零一六年業績摘要	103	Consolidated Statement of Profit or Loss 綜合損益表
7	Five-year Financial Summary 五年財務摘要	104	Consolidated Statement of Profit or Loss and Other Comprehensive Income 綜合損益及其他全面收益表
10	Chairman's Statement 主席報告	105	Consolidated Statement of Financial Position 綜合財務狀況表
20	Management Discussion and Analysis 管理層討論及分析	107	Consolidated Statement of Changes in Equity 綜合權益變動表
35	Directors and Senior Management 董事及高級行政人員	109	Consolidated Cash Flows Statement 綜合現金流量表
46	Corporate Governance Report 企業管治報告	113	Notes to Financial Statements 財務報表附註
		242	Schedule of Major Properties 主要物業表

Corporate Profile

公 司 簡 介

Shenzhen Investment Limited has been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 1997, which is the largest listed real estate company under Shenzhen State Owned Assets Supervision and Administration Commission. Its core business includes property development (mainly residential real estate, also including industrial real estate and commercial complex), property investment and management. With a clear focus on Shenzhen, and plan for other core cities in China, the Company is committed to be a first-class real estate developer and real estate operator.

Now the Group has a land reserve with a planned total gross floor area close to 8 million square meters in various cities of China, of which the quality land reserve with a planned total gross floor area of approximately 2.7 million square meters is located in Shenzhen. The Company is committed to further optimize its land reserves structure, and further concentrate its assets and business in first-tier cities including Shenzhen and key second-tier cities.

It has all along been the Company's core strategy objective to promote the long term sustainable development of its business, with an aim to bring a stable return and create value appreciation for its shareholders.

深圳控股有限公司於1997年在香港聯合交易所有限公司主板上市，是深圳市國資委旗下最大的房地產上市公司。公司核心業務包括物業開發（主要為住宅地產，亦包括產業地產及商業綜合體）、物業投資及管理。公司聚焦深圳，佈局其他中國核心城市，致力於成為一流的房地產開發及不動產運營商。

目前本集團於國內多個城市合共擁有規劃總建築面積近800萬平方米的土地儲備，其中位於深圳的優質土地儲備的規劃總建築面積約270萬平方米。公司致力進一步優化土地儲備的結構，將資產和業務進一步向深圳等一線城市和重點二線城市集中。

公司一貫之核心策略目標，乃致力推動業務長期持續發展，以期為股東帶來整體穩定回報及締造價值增長。

Yundonghai 雲東海



Corporate Profile

公司簡介



Corporate Information

公 司 資 料

Executive Directors

Dr. LU Hua, *Chairman*
Mr. HUANG Wei, *President*
Mr. MOU Yong
Mr. LIU Chong

Non-Executive Directors

Dr. WU Jiesi
Mr. HUANG Yige (Resigned on 18 January 2017)
Mr. LIU Shichao (Appointed on 18 January 2017)

Independent Non-Executive Directors

Mr. WU Wai Chung, Michael
Mr. LI Wai Keung
Dr. WONG Yau Kar, David

Company Secretary

Mr. LEE Ka Sze, Carmelo

Auditors

KPMG, *Certified Public Accountants*
Hong Kong

Legal Adviser

Woo, Kwan, Lee & Lo, Solicitors & Notaries

Principal Bankers

Bank of China (Hong Kong) Ltd.
DBS Bank Ltd., Hong Kong Branch
The Bank of East Asia, Ltd.
China Construction Bank (Asia) Corporation Limited
Shanghai Pudong Development Bank Co., Ltd. Hong Kong Branch
Hang Seng Bank Ltd.
Nanyang Commercial Bank Ltd.
Wing Lung Bank Limited

Registered Office

8th Floor, New East Ocean Centre,
9 Science Museum Road, Tsim Sha Tsui,
Kowloon, Hong Kong

Share Listing

The Stock Exchange of Hong Kong Limited
(Stock code: 00604)

Share Registrar

Tricor Standard Limited
Level 22 Hopewell Centre,
183 Queen's Road East, Hong Kong

Website

www.shenzheninvestment.com

執行董事

呂華博士·主席
黃偉先生·總裁
牟勇先生
劉崇先生

非執行董事

武捷思博士
黃一格先生 (於2017年1月18日辭任)
劉世超先生 (於2017年1月18日獲委任)

獨立非執行董事

吳偉聰先生
李偉強先生
黃友嘉博士

公司秘書

李嘉士先生

核數師

畢馬威會計師事務所·執業會計師
香港

法律顧問

胡關李羅律師行

主要往來銀行

中國銀行(香港)有限公司
星展銀行香港分行
東亞銀行有限公司
中國建設銀行(亞洲)股份有限公司
上海浦東發展銀行股份有限公司香港分行
恒生銀行有限公司
南洋商業銀行有限公司
永隆銀行有限公司

註冊辦事處

香港九龍
尖沙咀科學館道9號
新東海商業中心8樓

股份上市

香港聯合交易所有限公司
(股份代號: 00604)

股份過戶處

卓佳標準有限公司
香港皇后大道東183號
合和中心22樓

網址

www.shenzheninvestment.com

Highlights of 2016 Results

二零一六年業績摘要

Results 業績

		For the year ended 31 December 截至十二月三十一日止年度		
		2016 二零一六年 HK\$ million 百萬港元	2015 二零一五年 HK\$ million 百萬港元	Changes 變動
Revenue	收益	21,354.00	18,428.17	+15.9%
Cost of sales	銷售成本	13,083.23	12,053.69	+8.5%
Gross profits	毛利	8,270.77	6,374.48	+29.7%
Share of profits less losses of joint ventures and associates	應佔合營公司及聯營公司溢利減虧損	1,142.98	607.84	+88.0%
Profit before tax	除稅前溢利	8,292.79	6,510.63	+27.4%
Profit for the year attributable to equity shareholders of the Company	本公司權益股東年內應佔溢利	3,170.58	2,868.80	+10.5%
Basic earnings per share (HK cents)	每股基本盈利 (港仙)	42.36	40.56	+4.4%
Interim and proposed final and special dividends per share (HK cents)	每股中期及建議末期及特別股息 (港仙)	22.00	16.00	+37.5%

Financial Position 財務狀況

		As at 31 December 於十二月三十一日		
		2016 二零一六年 HK\$ million 百萬港元	2015 二零一五年 HK\$ million 百萬港元	Changes 變動
Net assets excluding non-controlling interests	資產淨值 (不包括非控股權益)	32,810.81	33,325.87	-1.5%
Cash and deposits (including restricted cash)	現金及存款 (包括受限制現金)	12,063.68	13,818.78	-12.7%
Net loans	淨貸款	7,693.56	7,556.31	+1.8%
Net assets per share excluding non-controlling interests (HK\$)	每股資產淨值 (不包括非控股權益) (港元)	4.29	4.51	-4.9%

Highlights of 2016 Results

二零一六年業績摘要

Key Ratios

主要比率

		2016 二零一六年	2015 二零一五年
Gross profit margin	毛利率	38.73%	34.59%
Net loan to net assets excluding non-controlling interests	淨貸款與資產淨值 (不包括非控股權益)之比率	23.45%	22.67%
Dividend payout ratio	派息比率	51.94%	39.45%

Results (by operating segment)

業績 (按經營分類)

		2016 二零一六年 HK\$ million 百萬港元	2015 二零一五年 HK\$ million 百萬港元
Revenue	收益		
Property development	物業開發	17,807.88	15,056.91
Property investment	物業投資	764.80	789.47
Property management	物業管理	1,556.80	1,369.01
Manufacturing	製造	298.05	430.80
Others	其他	926.46	781.98
Total	總額	21,353.99	18,428.17
Segment Results – Profits/(Loss)	分類業績 – 溢利/(虧損)		
Property development	物業開發	4,764.08	4,853.63
Property investment (Note 1)	物業投資 (附註1)	2,815.31	2,125.26
Property management	物業管理	124.63	84.90
Manufacturing	製造	38.40	11.44
Others	其他	1,342.07	(58.83)
Total	總額	9,084.49	7,016.40

Notes:

- Segment results included the increase in fair value of investment properties of approximately HK\$1,204.14 million (2015: HK\$1,082.18 million) and the recognition of change in fair value of completed properties held for sale and properties under development upon transfer to investment properties of approximately HK\$654.52 million (2015: HK\$432.10 million).
- Details of segment results of the Group is set out in note 4 to the financial statements.

附註:

- 分類業績包括投資物業公允值增加約1,204.14百萬港元(二零一五年: 1,082.18百萬港元)及確認持作銷售用途之已落成物業及發展中物業轉移至投資物業之公允值變動約654.52百萬港元(二零一五年: 432.10百萬港元)。
- 本集團分類業績詳情載於財務報表附註4。

Five-Year Financial Summary

五年財務摘要

		2016	2015	2014	2013	2012
		二零一六年	二零一五年	二零一四年	二零一三年	二零一二年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
						Restated 經重列
RESULTS	業績					
REVENUE FROM CONTINUING OPERATIONS	持續經營業務之收益	21,353,993	18,428,172	13,827,105	9,778,807	8,312,726
PROFIT BEFORE TAX	除稅前溢利					
(Including profit before tax from a discontinued operation)	(包括非持續業務之除稅前溢利)	8,292,792	6,510,629	5,855,454	5,093,193	3,701,801
Income tax expense (Including income tax expense from a discontinued operation)	所得稅開支 (包括非持續業務之所得稅開支)	(4,821,911)	(3,423,377)	(2,349,413)	(1,982,204)	(1,141,561)
PROFIT FOR THE YEAR	年內溢利	3,470,881	3,087,252	3,506,041	3,110,989	2,560,240
ATTRIBUTABLE TO:	下列應佔：					
Equity shareholders of the Company	本公司權益股東	3,170,581	2,868,796	3,131,316	2,738,432	2,156,069
Non-controlling interests	非控股權益	300,300	218,456	374,725	372,557	404,171
		3,470,881	3,087,252	3,506,041	3,110,989	2,560,240
ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS	資產、負債及非控股權益					
Current assets	流動資產	56,984,059	55,498,072	59,685,807	49,718,511	34,882,126
Non-current assets	非流動資產	39,561,506	35,587,146	34,819,100	27,173,014	19,509,881
Total assets	總資產	96,545,565	91,085,218	94,504,907	76,891,525	54,392,007
Total liabilities	總負債	(60,324,631)	(55,516,152)	(61,731,272)	(49,312,179)	(34,882,164)
Net assets	資產淨值	36,220,934	35,569,066	32,773,635	27,579,346	19,509,843
Non-controlling interests	非控股權益	(3,410,121)	(2,243,201)	(2,277,775)	(2,241,535)	(1,961,947)
Net assets excluding non-controlling interests	資產淨值 (不包括非控股權益)	32,810,813	33,325,865	30,495,860	25,337,811	17,547,896





Melodious Melodies

樂韻悠揚



Building Living Vision to
Achieve Undertakings in Shenzhen

建築生活美景 成就深圳事業

Chairman's Statement

主 席 報 告

The Group has seized the prime time during the first half of 2016 and proactively promoted its property sales and disinvestment of the projects in the third- and fourth-tier cities, so as to achieve its annual target in advance and gain a satisfactory performance in spite of the most stringent market controlling measures.

本集團抓住二零一六年上半年的時間窗口，積極推動旗下樓盤銷售以及三四線項目的退出，使本集團在史上最嚴厲調控之下，仍提前完成全年目標，取得理想業績。

LU Hua 呂華
Chairman 主席



Chairman's Statement

主席報告



UpperHills
深業上城



The 2016 PRC real estate market was complex and volatile. In the first half year, with the direction of destocking policy, the first and second-tier cities saw a pickup both in terms of trading prices and volumes while the third- and fourth-tier cities saw a recovery in the real estate market. Although cities including Shanghai and Shenzhen have implemented their moderate macro-controlling policies in March, factors like supply-and-demand fundamentals and funds have continuously pushed up the property prices of the first- and certain second-tier cities, which brought the market with a number of record high land transactions and higher market risk accordingly. In October, all major cities have further implemented a series of strict controlling measures to suppress the overheating real estate market. Accordingly, the real estate markets in first- and second-tier cities cooled down substantially, with severe decline in transaction volume, and strong wait-and-see atmosphere in the market.

The Group has seized the prime time during the first half year and proactively promoted its property sales and disinvestment of the projects in the third- and fourth-tier cities, so as to achieve its annual target in advance and gain a satisfactory performance in spite of the most stringent market controlling measures.

2016 Results

During the year, the Group achieved a turnover of HK\$21,354.0 million, representing an increase of 15.9% over the same period of last year. Net profit for the year attributable to the shareholders was HK\$3,170.6 million, representing an increase of 10.5% over the same period of last year. If excluding the net effects on the changes in fair value of investment properties attributable to the

二零一六年的中國房地產市場複雜多變。上半年，在去庫存的政策導向下，一二線城市房地產價量齊升，部分三四線城市復蘇回暖。三月份，上海、深圳等地出台了較為溫和的調控政策，然而供需基本面、資金等因素仍推動一線及部分二線城市房價繼續上漲，土地市場地王頻現，市場風險隨之加劇。十月份，各主要城市進一步出台了一系列針對房地產市場過熱的嚴厲調控政策，受此影響，一二線城市房地產市場熱度銳減，交易量明顯下降，觀望氣氛濃厚。

本集團抓住上半年的時間窗口，積極推動旗下樓盤銷售以及三四線項目的退出，使本集團在史上最嚴厲調控之下，仍提前完成全年目標，取得理想業績。

二零一六年業績

年內，本集團實現營業額21,354.0百萬港元，同比上升15.9%；實現股東應佔純利3,170.6百萬港元，比同期上升10.5%。如剔除本集團所屬投資物業的公允值變動、廉價收購利得、訴訟撥備及對三四線土地項目的撥備

Chairman's Statement

主席報告

Group, gain on a bargain purchase, provision for litigation and provision of land projects in third- and fourth-tier cities, net profit attributable to the shareholders was HK\$2,614.9 million, representing an increase of 21.1% over the same period of last year. Basic earnings per share were HK42.36 cents, representing an increase of 4.4% over the same period of last year. The Board recommends the payment of a final dividend of HK10.00 cents per share for year 2016. To celebrate the 20th anniversary of the Company's listing on Hong Kong Stock Exchange and to appreciate the long-term support of the shareholders, the Board also recommends the payment of a special dividend of HK5.00 cents per share. The proposed final dividend and special dividend will be paid in cash, with scrip dividend alternative. Together with the interim dividend of HK7.00 cents per share already paid, the total dividend for the whole year will amount to HK22.00 cents per share.

Satisfactory Sales Results

The Group captured the surge of market and capitalized on its diverse product mix and superior product quality. It had basically completed in the first nine months contracted sales of its major projects through close to the market marketing activities such as bulk sale of properties, and thus effectively avoided the impact of the national macro-controlling measures in October. The Group achieved contracted sales of RMB19.1 billion for the year, representing an increase of 19.8% over the same period of last year, of which, the contribution from Shenzhen projects of the Group with higher gross profit margin accounted for approximately 77%. The Group outperformed the annual target for contracted sales of RMB18.5 billion, and its core projects including Shum Yip UpperHills, Shum Yip Dongling and Shum Yip Zhongcheng all recorded satisfactory sales results.

Further Intensification of the Development in Shenzhen and Expansion of Future Resources through Strategic Cooperation

During a high momentum market period, the Group remained calm and no land was acquired at high price through public listing-for-sale during the year, and instead, through strategic cooperation, urban redevelopment etc., further accelerated the development of quality land resources in Shenzhen. During the year, the Group acquired 50% equity interest of the first phase of Shenzhen International Qianhai project, with a gross floor area (GFA) of approximately 52,900 square meters, at the consideration of RMB1.12 billion. The Group made effective progress in the development of potential projects in Pingshan and Guangming New Districts. During the year, the Group, together with the parent company, strengthened communication with local governments of various districts of Shenzhen to successfully obtain the qualification of general coordinator for certain zones reform projects covering an area of nearly 10 square kilometers in Bagualing, Chegongmiao, center of High-tech Park, Xin'an and Nantou Ancient Town, which was beneficial for the Group to compete for more urban redevelopment resources in Shenzhen. In addition, Shum Yip Group, the parent

的淨影響，股東應佔純利2,614.9百萬港元，同比上漲21.1%。每股基本盈利為42.36港仙，比上年同期上升4.4%。董事會建議派發二零一六年末期股息每股10.00港仙。為慶祝本公司於香港聯合交易所上市20週年，董事會亦建議派發特別股息每股5.00港仙，以答謝股東的長期支持。建議派發的末期股息及特別股息將以現金（及附有以股代息選擇方式）派發。連同已派發之中期股息每股7.00港仙，全年股息合共每股22.00港仙。

銷售理想

本集團把握住市場上升時機，憑藉多元的產品結構，優秀的產品品質，通過大宗銷售等貼近市場的營銷手段，在前九個月基本完成主要項目的銷售，有效規避了十月份席卷全國的樓市調控，全年完成合同銷售額人民幣191億元，同比上漲19.8%，其中，盈利水平較高的深圳項目佔比約77%，超額完成全年人民幣185億元合同銷售目標。重點項目深業上城、深業東嶺、深業中城等均取得理想的銷售業績。

進一步聚焦深圳，通過戰略合作拓展未來資源

在市場氣氛炙熱之時，本集團始終保持冷靜，年內未曾通過高價競拍方式獲取土地，而是通過戰略合作、城市更新等方式，進一步加快深圳優質土地資源的拓展。年內，本集團以人民幣11.2億元獲取深國際前海首期住宅項目（建築面積約5.29萬平方米）50%的股權。本集團在坪山、光明新區的潛在項目拓展，均取得進展。年內，本集團攜母公司先後與深圳各區政府溝通，成功取得八卦嶺、車公廟、科技園中片區、新安片區、南頭古城等近10平方公里的片區改造統籌主體資格。片區統籌主體資格的取得，將有利於本集團爭取更多深圳的城市更新資源。另外，母公司深業集團與深圳廣播電影電視集團簽訂戰略合作協議，就位於

Chairman's Statement

主 席 報 告

company, signed a strategic cooperation agreement with Shenzhen Media Group (SZMG) and reached an understanding on the joint development of potential projects in regions such as Futian District, Nanshan District, Luohu District and Longhua District. These strategic cooperations shall establish a new channel for the Group to acquire new resources and quality land in Shenzhen going forward.

福田區、南山區、羅湖區、龍華區等潛在項目的合作開發達成意向。此類戰略合作將為本集團未來獲取深圳優質土地增設新渠道。



Guanlan Rose Garden 觀瀾玫瑰苑

Chairman's Statement

主席報告

Further implementation steps in disposal of projects in the third- and fourth-tier cities

The pickup of real estate market in the third- and fourth-tier cities has created a favorable condition for the disposal of projects in the third- and fourth-tier cities of the Group. During the year, the Group has reached agreements with local governments and decided to sell back the undeveloped lands of approximately 620,000 square meters located at Heyuan to the local governments. More measures will be adopted by the Group to revitalize its assets effectively, optimize land structure and reduce operational risk.

Fruitful results achieved in attracting commercial tenants in UpperHills

The commercial projects of the Shum Yip UpperHills under the Group successfully attracted commercial tenants. In December 2016, the first three-in-one project of MUJI in the world, combining flagship shop, restaurant and hotel, was set up in the Shum Yip UpperHills. Till now, the occupancy rate of commercial area of the Shum Yip UpperHills is 60%, with more than 300 shops planned covering food and beverages, retail, design, life experiences and other aspects, and an approximately 40% of which are brands newly arriving in Shenzhen. "Shenzhen International Consumer Electronics Exhibition and Trade Center" led by the Shenzhen government was officially established in Shum Yip UpperHills during the year. The center is positioned as an exhibition and trading platform for high-end international consumer electronic products at LOFT-D area and part of the commercial area in Shum Yip UpperHills spanning a total of 50,000 square meters of industrial space as its core, featuring the three major elements of technology, innovation and fashion and gradually introducing big domestic and foreign high-end consumer electronic brands. The establishment of "Shenzhen International Consumer Electronics Exhibition and Trade Center" and the innovation for commercial design and attracting commercial investment, shall enrich the forms and categories of businesses for Shum Yip UpperHills and enhance the appeal to consumers of multi-level and innovative enterprises.

Sound Financial Position Maintained

The Group continued to maintain a good sales proceeds collection and strengthened fund integrated planning and management to maintain a low level of gearing ratio. As of 31 December 2016, net gearing ratio (including all interest-bearing liabilities) of the Group was 38.9%.

三四線項目處置進一步落實

三四線城市房地產的回暖為本集團三四線項目的退出創造了良好條件。年內，本集團與當地政府部門達成協議，將位於河源地區的未開發土地（佔地面積約62萬平方米）回售給當地政府。本集團將繼續採取更多措施，有效盤活資產，優化土地結構，降低經營風險。

深業上城招商成果豐碩

本集團旗下深業上城商業項目招商順利，二零一六年十二月，全球首個無印良品旗艦店、餐廳及酒店三合一項目落戶深業上城，至此，深業上城商業部分入駐率達到60%，規劃的300多個店舖涵蓋餐飲、零售、設計、生活體驗等多方面，其中約40%是首次在深圳出現的新品牌。年內，政府主導的「深圳國際消費電子展示交易中心」正式落戶深業上城。該交易中心以深業上城LOFT-D區和部分商業面積合計5萬平方米產業空間為核心，定位為高端國際消費電子產品的展示交易平台，突出科技、創新、時尚三大要素，逐步引入國內外大型高端消費電子品牌。「深圳國際消費電子展示交易中心」的落戶和深業上城在商業設計和招商上的創新，將豐富深業上城的商業業態和品類，提升項目對多層次消費群體以及創新創意型企業的吸引。

財務保持穩健

本集團繼續保持良好的銷售回款，強化資金統籌管理，將負債率維持在較低水平。於二零一六年十二月三十一日，本集團淨負債率（包含所有帶息負債）38.9%。

Chairman's Statement

主 席 報 告



Tanglang City
塘朗城

Outlook

Since October 2016, Shenzhen is under the most rigid and comprehensive control in the real estate industry. The macro-controlling policies involve limitations on purchase, loan, and pricing, and tighter financing conditions on developers and stringent requirements of examination upon completion of projects and design and planning, etc. In 2017, Shenzhen real estate market is entering into a new adjustment period, which is full of challenges. With the effects of macro-controlling policies, both supply and demand curtail, seeing a substantial decrease in transaction volume and a relatively stable price. The Group considers that Shenzhen, as an innovation center of the PRC, is a city with strong competitive advantages and attractive to outsiders. Thus, fundamentals such as huge demand for properties and lack of land resources will strongly support the real estate market in Shenzhen growing healthily. We believe that quality assets at core areas of Shenzhen have long-term value. Therefore, the Group will target at maintaining stable sales and realizing the long-term value of assets when it prepares and implements its 2017 sales scheme.

前景展望

自二零一六年十月以來，深圳處於「史上最嚴」的全方位房地產調控中，調控政策涉及限購、限貸、限價、對開發商融資收緊及對竣工驗收，設計規劃方面的限制等等。二零一七年，深圳房地產市場進入新的調整周期，將充滿挑戰。受調控影響，需求端與供給端均有所萎縮，交易量明顯減少，價格相對穩定。本集團認為，深圳作為中國的創新中心，具有強大的城市競爭力和對外來人口的吸引力，大量的購房需求和土地資源稀缺等基本因素將支撐深圳房地產市場的健康發展，我們堅信深圳核心位置優質資產具有長期價值。因此，本集團在制訂和實施二零一七年銷售計劃時，將在保持穩定銷售的同時，兼顧資產長期價值的實現。

Chairman's Statement

主席報告

On property sales, in 2017, the Group has an annual saleable value of approximately RMB31 billion, of which, the saleable value in Shenzhen accounts for over 80%. The contracted sales target for 2017 is RMB19.1 billion, remaining the same as last year. During the period of implementing macro-controlling policies, the government may adopt various measures, which may bring further uncertainties to the transaction volume and prices of real estates. The Group will follow closely with the trend of policy and adjust its sales strategies, to optimize its structure of saleable products and reduce risk resulting from controlling measures.

The Group will keep seeking opportunities to acquire land projects in Shenzhen proactively. On the one hand, the Group will deepen its cooperation with its parent company; on the other hand, the Group will continue to implement the cooperation with state-owned enterprises, such as Shenzhen Media Group, Shenzhen Metro, Shenzhen Bus Group and Shenzhen Press Group, and to make great efforts to increase resources for new projects in Shenzhen. The Group will capture the opportunity of certain old urban redevelopment projects and capitalize on the advantage of being the coordinator in zones reform. Through improving the communication and coordination with district governments, and leveraging on its professional abilities of introducing industries, comprehensive operation and arranging public space and ancillary facilities, the Group strives to acquire more resources to develop quality areas.

The Group will pay close attention to opportunities in other key first-tier and second-tier cities. The Group has established a strategic cooperation relationship with Shenzhen Capital Group Co., Ltd. and Suzhou Industrial Park Trirun Investment Holding Group Co., Ltd. (蘇州工業區兆潤投資控股集團有限公司), respectively, earlier, trying to expand park resources in areas such as Nanjing and Suzhou through setting up joint funds, jointly developing parks and other ways of cooperation.

With the PRC real estate market reaching a stage of assets stabilization and retention, the ability of asset operating will become the key competitiveness of the property developers. The Group continues to establish an operation service platform, to enhance its standard of operating services and to go ahead on its path of strategic transformation. Currently, its three main operation service centers, namely commercial management operation center, wisdom park operation center and residential property services center have been basically integrated. In 2017, the newly established commercial management operating center has made use of the opening ceremony of the commercial portion of Shum Yip UpperHills to lift its professional operation standard. Through introducing new brands and new elements, combining retail and servicing experiences, and integrating culture of

在房地產銷售上，二零一七年，本集團全年可售貨值約人民幣310億元，其中深圳貨值佔比超過80%。二零一七年全年合同銷售目標為人民幣191億元，與去年持平。在調控期間，政府可能採用的各項措施會給房產交易量和售價增加進一步不確定性。本集團將緊貼政策動向，適時調整銷售策略，優化可售產品結構，減少調控帶來的風險。

本集團將積極尋找機會，拓展深圳土地項目。一方面，將深化與母公司的深度合作；另一方面，繼續落實與深圳廣電集團、深圳地鐵、深圳巴士集團、深圳報業集團等國企的合作，努力增加新的深圳項目資源。本集團將重點抓住舊改片區統籌的機遇，把握住作為若干城市更新片區統籌主體的優勢，加大與各區政府的溝通協調，在對片區城市更新的組織推進中，發揮本集團在產業導入、綜合運營及公共空間配套等方面的專業能力，全力爭取更多的優質片區的開發資源。

本集團將積極關注其他重點一二線城市的機會。早前，本集團分別與深圳創新投資集團有限公司、蘇州工業區兆潤投資控股集團有限公司建立了戰略合作關係，嘗試以組建合資基金、園區聯合開發等合作方式，拓展南京、蘇州等地的園區資源。

中國房地產市場已經進入了存量時代，資產運營能力將成為地產商的核心競爭力。本集團將繼續打造運營服務平台，提升運營服務水平，在戰略轉型道路上持續前行。目前，商業管理運營、智慧園區運營和住宅物業服務三大運營服務中心已基本完成整合。二零一七年，新組建的商業管理運營中心以深業上城商業開業為契機，提升運營的專業化水平，通過新品牌、新元素的引入，通過零售與服務式體驗相結合模式的打造，結合文化藝術和原創設計，為消費者帶來與眾不

Chairman's Statement

主 席 報 告

arts with innovative design, the center has provided consumers with special life experiences. By integrating resources and upgrading value-added services of the park, its wisdom park operation platform will benefit from scale of economy and thus its operation efficiency and brand effect will both be enhanced. Its residential property services platform will strive to provide comprehensive and considerate services to its customers. The Group will put great efforts in improving its operation efficiency and standards of services, promoting the formation of light asset business, and adding value to its key assets.

In the next five years, with the vision of "Leader in Value Creation for City Spaces", the Group will continue to firmly focus on Shenzhen and its strategic development of exploring Shenzhen. While maintaining a steady growth in the size of developments and sales, the Group will intensify its development in Shenzhen, enlarge moderately the scale of its investment property, optimize its investment properties portfolio, achieve high-efficiency operation, and seek higher asset quality and level of return continuously. By building an operation and service platform with core competitiveness and capitalizing on building a strategic cooperation platform and the "Urban Dreams" platform with outstanding innovative enterprises, the Group captures its advantages of urban upgrading capability and strengthens its strategic coordination and operational capability, to enhance its brand effect and provide comprehensive value-added service to its customers, building a urban space with enhanced value in industrial park, commercial and residential areas.

I believe that, through unremitting efforts, the Group will be able to achieve a balance between scale expansion and value enhancement in the next five years and a constant optimization of the structure of land reserves and assets. At the same time, we will spur with long accumulation on a well-grounded strategy for transformation and upgrading in branding to achieve a sound and sustainable development of the Company and create better benefits and return for shareholders.

LU Hua
Chairman

Hong Kong, 27 March 2017

同的生活體驗。智慧園區運營平台將通過資源整合，升級園區增值服務，形成規模效應，提升運營效率和品牌效應。住宅物業服務平台將致力於為客戶提供更全面貼心的服務。本集團將致力提升運營效率和服務水平，推動輕資產業務成型，並帶動核心資產價值提升。

在未來的五年，本集團以「城市空間價值塑造引領者」為願景，繼續堅定聚焦深圳，拓展深圳的發展策略；在保持開發銷售規模穩健增長的同時深耕深圳，通過適度擴大投資物業規模和優化投資物業組合，高效運營，不斷提升資產質量和回報水平；通過打造具備核心競爭能力的運營服務平台，借力與優秀創新企業建立的戰略合作平台及「城市夢工廠」平台，發揮在城市功能升級方面的優勢，強化戰略協同與運營能力，提升品牌效應，為客戶提供全周期的增值服務，打造提升產業園區、商業、居住的城市空間價值。

本人相信，經過堅持不懈的努力，本集團能夠在未來五年實現規模增長與價值提升的良好平衡，實現土地儲備結構和資產結構的不斷優化。同時，在轉型升級方面厚積薄發，創造品牌，實現公司的有質量、可持續發展，為股東創造更好的效益與回報。

主席
呂華

香港，二零一七年三月二十七日

Concentric to Perform

同 | 心 | 合 | 奏



Leading
Health • Quality • Culture

引領
健康 • 品質 • 文化



Shum Yip Zhongcheng
深業中城



Management Discussion and Analysis

管 理 層 討 論 與 分 析

Overall Results

The 2016 PRC real estate market was complex and volatile. In the first half year, benefiting from the destocking policy, the first and second-tier cities saw a pickup both in terms of trading prices and volumes while the third- and fourth-tier cities saw accelerated destocking process. With the rise in property prices, a number of record high land transactions emerged in land market, which brought higher market risk accordingly. In October, the major cities intensively introduced a series of stringent control policies for real estate, where the control policies in Shenzhen were particularly stringent. Affected by the control, the trend of property prices are stabilizing gradually.

During the year, the Group has seized the time and proactively promoted its projects sales and disinvestment of the lands in the third- and fourth-tier cities. Despite the stringent control policies, the Group still achieved its annual target in advance and gained a satisfactory performance.

For the year ended 31 December 2016, the Group achieved a turnover of HK\$21,354.0 million, representing an increase of 15.9% over the same period of last year. The gross profit margin was 38.7%, representing an increase of 4.1 percentage points over the same period of 2015. The Group achieved a net profit attributable to shareholders of HK\$3,170.6 million, representing an increase of 10.5% over the same period of last year. If excluding the net effects on the changes in fair value of investment properties attributable to the Group, gain on a bargain purchase, provision for litigation and provision of land projects in third- and fourth-tier cities, net profit attributable to equity shareholders was HK\$2,614.9 million, representing an increase of 21.1% over the same period of last year. Basic earnings per share were HK42.36 cents, representing an increase of 4.4% over the same period of last year.

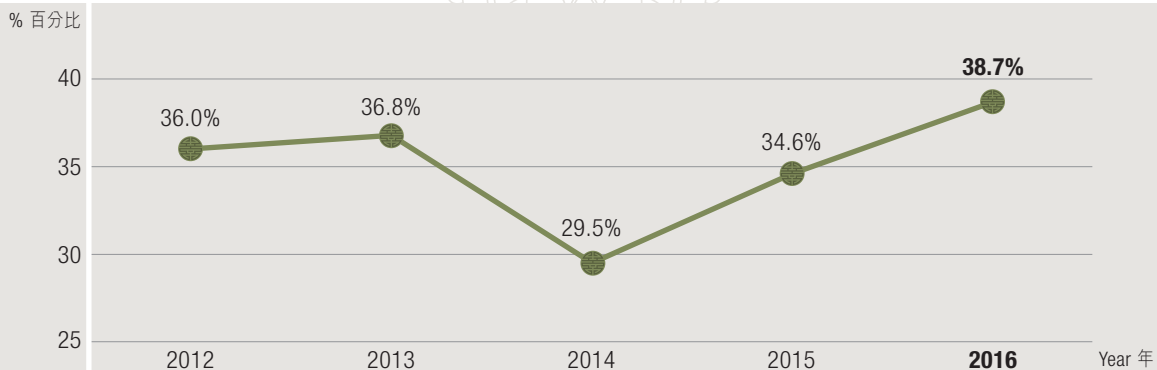
整體業績

二零一六年中國房地產市場複雜多變。上半年，得益於去庫存的政策，一二線城市房地產產量價齊升，部分三四線城市去化加快。伴隨著房價上漲，土地市場地王頻現，市場風險加劇。十月份，各主要城市密集出臺一系列嚴厲的房地產調控政策，其中深圳的調控政策尤為嚴厲，受調控影響，價格走勢漸趨平穩。

年內，本集團抓住時間窗口，積極推進旗下項目銷售以及三四線土地的退出，儘管面對嚴厲調控政策，本集團仍提前完成全年目標，取得了理想的成績。

本集團截至二零一六年十二月三十一日止年度實現營業額21,354.0百萬港元，同比上漲15.9%。毛利率為38.7%，與二零一五年同期相比上升4.1個百分點。實現股東應佔純利3,170.6百萬港元，同比上漲10.5%。如剔除本集團所屬投資物業的公允價值變動、廉價收購利得、訴訟撥備及對三四線土地項目的撥備的淨影響，股東應佔純利2,614.9百萬港元，同比上漲21.1%。每股基本盈利為42.36港仙，同比上升4.4%。

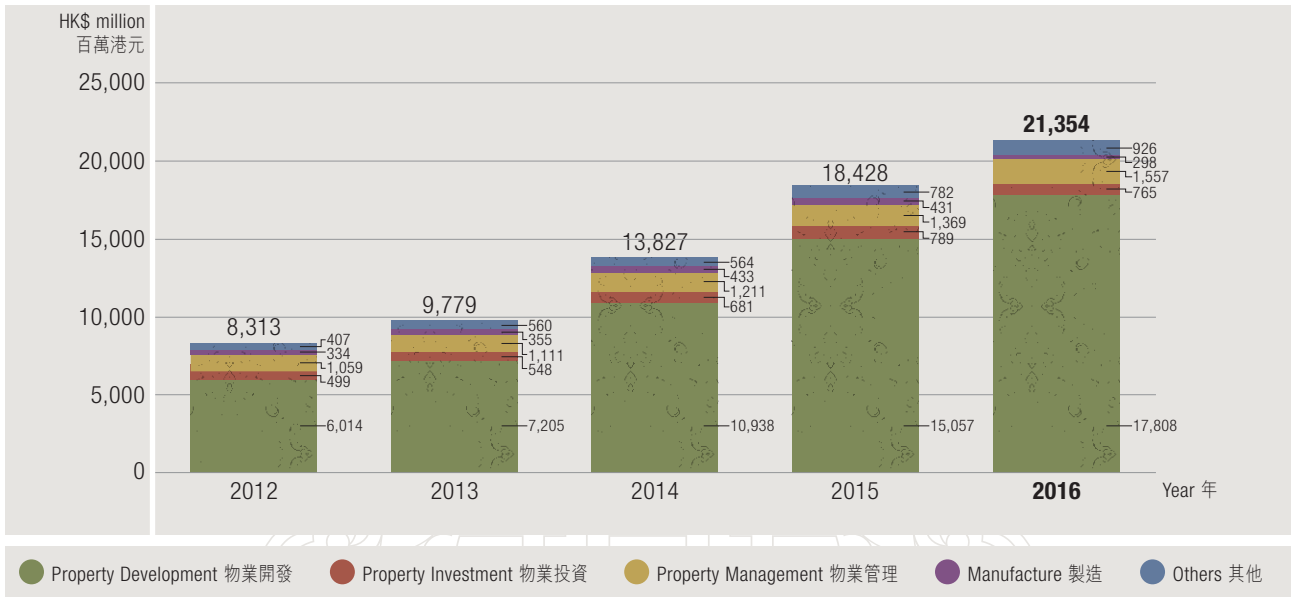
Gross Profit Margin 毛利率



Management Discussion and Analysis

管 理 層 討 論 與 分 析

Business Segment Revenue
業務分類收益



Property Development Business

The Group seized the rising opportunities in market, and actively promoted the sales of several major projects in Shenzhen. Leveraging on a diversified product mix and superior product quality, the Group completed the sale of its main projects substantially prior to the control in early October through marketing means close to market such as bulk sale, and exceeded its full year sales target. In addition, the Group strengthened the management over the progress of projects to ensure the successful completion of the key projects and achieved satisfactory operating results.

物業開發業務

本集團把握住市場上升時機，積極推動深圳幾大主力項目銷售，憑借多元的產品結構，優秀的產品品質，通過大宗交易等貼近市場的行銷手段，於十月初調控前基本完成主要項目的銷售，並超額完成全年的銷售目標。此外，本集團加強工程進度管控，確保重點項目順利完工，取得了理想的經營業績。

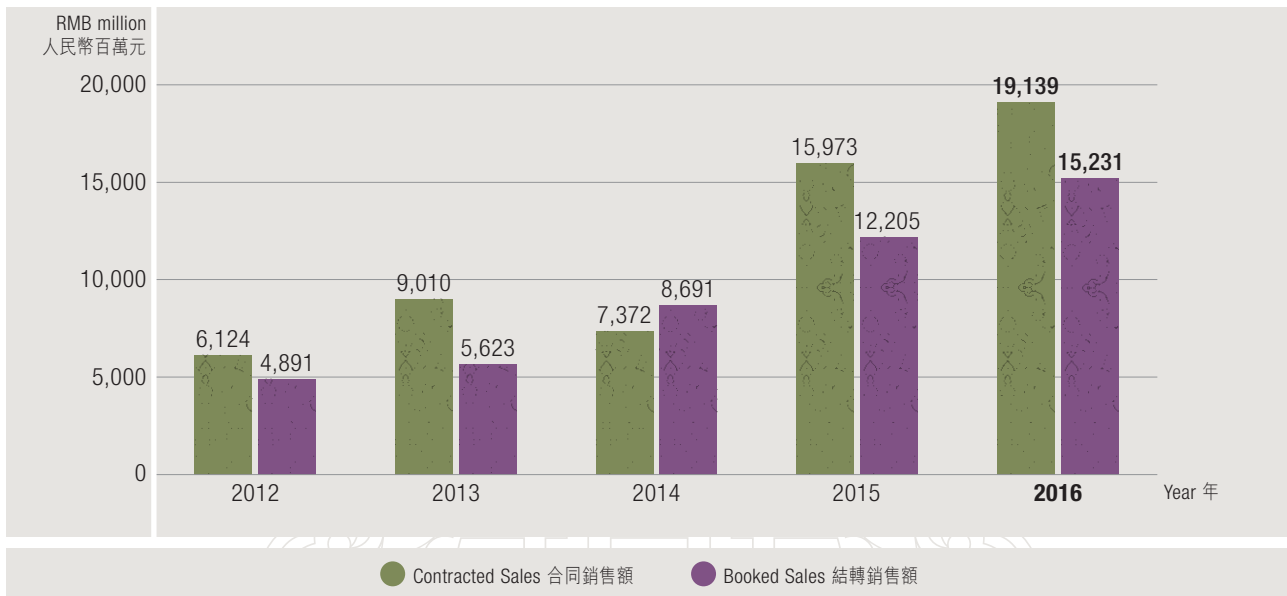


Chegongmiao Project
車公廟項目

Management Discussion and Analysis

管 理 層 討 論 與 分 析

Contracted Sales & Booked Sales Performance 合同銷售和結轉銷售表現



Sales Revenue Booked: During the year, the Group recorded property sales of approximately 922,000 sq.m. (excluding the interests attributable to the Group in its two material associates and one material joint venture), representing an increase of 15% over the same period of last year, and achieved a net revenue from property sales of approximately RMB15,230.8 million (equivalent to HK\$17,807.9 million) representing an increase of approximately 18% over the same period of last year. The gross profit margin of property development and sales was 41.3%, representing an increase of 4.4 percentage points over the same period of last year. The percentage of those Shenzhen projects with high gross profit in total sales revenue booked during the year was 72.1%. During the year, the average gross profit margin for Shenzhen projects of the Group was approximately 49.9%, whereas those for other first-tier cities, second-tier cities and third-tier cities, being approximately 36.1%, 31.8% and 11%, respectively.

結轉銷售收入：年內，本集團結轉物業銷售面積約92.2萬平方米（不包括本集團在兩家重要聯營公司和一家重要合營公司所佔權益），比去年同期上升約15%；實現物業銷售淨收入約人民幣15,230.8百萬元，相當於17,807.9百萬港元，同比上升約18%。房地產開發銷售毛利率41.3%，同比上升4.4個百分點。結轉銷售收入中，高毛利的深圳項目佔比為72.1%。年內，本集團深圳項目平均毛利率約為49.9%，其它一線城市平均毛利率約為36.1%，二線城市平均毛利率約為31.8%，三線城市平均毛利率約為11%。



Qingshuihe Auto Park
清水河國際汽車產業園

Management Discussion and Analysis

管 理 層 討 論 與 分 析

Property Sales Booked in 2016

二零一六年結轉物業銷售

Property Name 樓盤名稱	Type 用地性質	Sales Area 銷售面積 (sq.m.) (平方米)	Net Sales 銷售淨額 (RMB million) (人民幣百萬元)	Unit Price 銷售單價 (RMB/sq.m.) (人民幣元/平方米)
Wanlin Lake 萬林湖	Residential/villa/shop 住宅／別墅／商鋪	23,578	151	6,404
Rui Cheng 睿城	Residential 住宅	107,351	451	4,201
Noah Mountain Forest 諾亞山林	Villa 別墅	622	3	4,823
Splendid City 錦繡姜城	Residential 住宅	90,602	324	3,576
Garden Hill 半山名苑	Villa 別墅	928	9	9,698
Euro-view Garden 歐景麗苑	Residential/shop 住宅／商鋪	2,017	22	10,907
Shanglin Garden 上林苑	Residential 住宅	62,327	283	4,541
Nanhu Rose Bay 南湖玫瑰灣	Residential/villa/shop 住宅／別墅／商鋪	12,088	138	11,416
Yihu Rose Garden 怡湖玫瑰苑	Residential/shop 住宅／商鋪	16,302	60	3,681
Guanlan Rose Pavilion 觀瀾玫瑰軒	Office building 辦公樓	7,056	147	20,833
Guanlan Rose Garden 觀瀾玫瑰苑	Residential 住宅	53,312	1,265	23,728
Shum Yip Zhongcheng 深業中城	Office building 辦公樓	20,154	1,101	54,629
Shum Yip City 深業城	Residential 住宅	98,879	672	6,796
Yundonghai 雲東海	Villa 別墅	12,825	95	7,407
Saina Bay 塞納灣	Residential/villa/shop 住宅／別墅／商鋪	27,949	111	3,972
Jiangyue Bay 江悅灣	Residential/shop 住宅／商鋪	39,183	703	17,941
Boxing Building 博興大廈	Office building 辦公樓	4,426	133	30,050
Bolong Building 博隆大廈	Office building 辦公樓	10,617	299	28,162
Royal Spring Garden North 半湯御泉莊北區	Villa 別墅	10,018	95	9,483
UpperHills North 深業上城北區	Residential 住宅	22,396	1,755	78,362
UpperHills South 深業上城南區	Office building 辦公樓	111,758	6,207	55,540
Ma'anshan Shum Yip Huafu 馬鞍山深業華府	Residential 住宅	135,026	646	4,784
Changzhou Shum Yip Huafu 常州深業華府	Residential 住宅	50,800	333	6,555
Others 其他	Residential 住宅	2,162	82	
Parking place sales* 車位銷售*	Parking place 車位	–	146	
Total 合計		922,376	15,231	

Note*: A total of 1,060 parking lots were sold.

註*：車位共計銷售1,060個。

Management Discussion and Analysis

管 理 層 討 論 與 分 析

Contracted sales: During the year, the Group realized contracted sales area of approximately 896,000 sq.m., and contracted sales revenue of approximately RMB19.1 billion, representing a significant increase of 19.8% over the same period of last year.

合同銷售情況: 本集團年內實現合同銷售面積約89.6萬平方米，合同銷售收入約人民幣191億元，同比大幅上漲19.8%。

Contracted Sales in 2016

二零一六年合同銷售

Project Name 樓盤名稱	City 城市	Type 用地性質	Sales Area 銷售面積	Sales 銷售金額	Unit Price 單價
			(sq.m.) (平方米)	(RMB million) (人民幣百萬元)	(RMB/sq.m.) (人民幣元/平方米)
UpperHills 深業上城	Shenzhen 深圳	Complex 綜合	152,817	9,270	60,661
Shum Yip Dongling 深業東嶺	Shenzhen 深圳	Complex 綜合	56,352	3,479	61,737
Ma'anshan Shum Yip Huafu 馬鞍山深業華府	Ma'anshan 馬鞍山	Residential 住宅	169,955	921	5,419
Guanlan Rose Garden 觀瀾玫瑰苑	Shenzhen 深圳	Complex 綜合	31,149	660	21,189
Shum Yip City 深業城	Shunde 順德	Residential 住宅	78,317	658	8,402
Jinshazhou 金沙洲	Guangzhou 廣州	Residential 住宅	24,371	602	24,702
Changzhou Shum Yip Huafu 常州深業華府	Changzhou 常州	Residential 住宅	62,673	446	7,116
Garden Hill 半山名苑	Huizhou 惠州	Residential 住宅	59,902	365	6,093
Rui Cheng 睿城	Changsha 長沙	Residential 住宅	71,844	346	4,816
Royal Spring Garden 半湯御泉莊	Chaohu 巢湖	Residential 住宅	14,402	159	11,040
Shanglin Garden 上林苑	Taizhou 泰州	Residential 住宅	27,686	150	5,418
Wanlin Lake 萬林湖	Huizhou 惠州	Residential 住宅	18,832	135	7,169
Splendid City 錦繡姜城	Jiangyan 姜堰	Residential 住宅	33,304	123	3,693
Saina Bay 塞納灣	Heyuan 河源	Residential 住宅	23,555	110	4,670
Nanhu Rose Bay 南湖玫瑰灣	Wuhan 武漢	Residential 住宅	8,785	110	12,521
Tanglang City* 塘朗城*	Shenzhen 深圳	Complex 綜合	2,784	109	39,152
Yundonghai 雲東海	Sanshui 三水	Residential 住宅	12,213	88	7,205
Qingshuihe Auto Park 清水河國際汽車產業園	Shenzhen 深圳	Warehouse/Commercial 倉儲/商業	2,633	84	31,903
Yihu Rose Garden 怡湖玫瑰苑	Chengdu 成都	Residential 住宅	18,715	79	4,221
European City 歐景城	Dongguan 東莞	Residential 住宅	4,840	53	10,950
Terra Building 泰然大廈	Shenzhen 深圳	Industrial/Commercial 產業/商業	170	10	58,824
Noble Times 東晟時代	Shenzhen 深圳	Residential 住宅	252	10	39,683
Noah Mountain Forest 諾亞山林	Changsha 長沙	Residential 住宅	622	4	6,431
Shum Yip Zhongcheng 深業中城	Shenzhen 深圳	Complex 綜合	20,154	1,168	57,954
Total 合計			896,327	19,139	

Note*: Tanglang City project was co-developed with Shenzhen Metro Group, as to 50% owned by the Group, and it is accounted based on equity method.

附註*: 塘朗城項目與深圳地鐵集團合作開發，持有50%權益，以權益法核算。

Management Discussion and Analysis

管 理 層 討 論 與 分 析

Project development: During the year, the Group had a new construction area of approximately 412,000 sq.m., and a completed area of approximately 1,020,000 sq.m.

項目開發情況：年內，本集團新開工面積約41.2萬平方米，完工面積約102萬平方米。

New Construction Projects in 2016

二零一六年新開工項目

Project Name 項目名稱	City 城市	Type 用地性質	Total GFA 總建築面積 (sq.m.) (平方米)	Saleable Area 可售面積 (sq.m.) (平方米)
Building 5&6 of Yihu Rose Garden Phase 1.1 怡湖玫瑰苑1.1期5及6樓	Chengdu 成都	Residential 住宅	17,761	14,400
Shum Yip Dongling Land Plot 04-01 (Huangbeiling Project) 深業東嶺04-01地塊(黃貝嶺項目)	Shenzhen 深圳	Commercial (Including Hotel & Office) 商業(含酒店及辦公)	76,733	54,089
Rui Cheng Phase 3.1 睿城3.1期	Changsha 長沙	Residential 住宅	73,433	49,189
Chaohu North Phase 3 巢湖北區3期	Chaohu 巢湖	Residential 住宅	5,721	5,617
Wanlin Lake Phase 9 (Wanlin Lake South) 萬林湖9期(萬林湖南)	Huizhou 惠州	Residential 住宅	74,427	54,390
Shanglin Garden Phase 1.2 上林苑1.2期	Taizhou 泰州	Residential 住宅	106,405	105,573
Chaohu North Phase 4.1 巢湖北區4期1批次	Chaohu 巢湖	Residential 住宅	4,853	4,727
Qianhai 19-06-06 Project 前海19-06-06項目	Shenzhen 深圳	Residential 住宅	52,900	52,900
Total 合計			412,233	340,885



Yundonghai Villa 雲東海別墅

Management Discussion and Analysis

管 理 層 討 論 與 分 析

Completed Projects in 2016

二零一六年完工項目

Project Name 項目名稱	City 城市	Type 用地性質	Total GFA 總建築面積 (sq.m.) (平方米)	Saleable Area 可售面積 (sq.m.) (平方米)
Rui Cheng Phase 2.1 睿城2.1期	Changsha 長沙	Residential 住宅	123,778	87,115
Splendid City Phase 2.2 錦繡姜城2.2期	Jiangyan 姜堰	Residential 住宅	100,807	96,325
Shum Yip City Phase 3.1B 深業城3.1期B	Shunde 順德	Residential 住宅	115,006	73,411
Shanglin Garden Phase 1.1 上林苑1.1期	Taizhou 泰州	Residential 住宅	153,801	91,693
Shum Yip Zhongcheng (Land Plot 05-03) 深業中城(05-03地塊)	Shenzhen 深圳	Complex 綜合	24,659	20,154
Guanlan Rose Garden & Pavilion 觀瀾玫瑰苑及玫瑰軒	Shenzhen 深圳	Complex 綜合	164,200	113,147
UpperHills South T2 (Low-tower) 深業上城南區T2(低塔)	Shenzhen 深圳	Complex 綜合	153,018	121,351
Chaohu North Phase 2 巢湖北區2期	Chaohu 巢湖	Residential 住宅	13,102	10,937
Qingshuihe Auto Park Phase 3 清水河國際汽車產業園3期	Shenzhen 深圳	Warehouse/Commercial 倉儲/商業	36,102	15,070
Ma'anshan Shum Yip Huafu Phase 3.1 馬鞍山深業華府3期1組團	Ma'anshan 馬鞍山	Residential 住宅	135,965	107,713
Total 合計			1,020,438	736,916



Ma'anshan Shum Yip Huafu 馬鞍山深業華府

Management Discussion and Analysis

管 理 層 討 論 與 分 析

Land Reserves

New Projects: On 20 December 2016, Shum Yip Land Company Limited (“SY Land”), a wholly-owned subsidiary of the Company, entered into an agreement with Shenzhen International Qianhai Real Estate (Shenzhen) Co., Ltd and Shenzhen International Qianhai Investment and Management (Shenzhen) Co., Ltd, pursuant to which, SY Land agreed to, through capital increase, make a capital contribution of RMB1.12 billion to acquire 50% equity interests of Shenzhen International Qianhai Real Estate (Shenzhen) Co., Ltd., which in turn enabled SY Land to own 50% interests of the Qianhai 19-06-06 Project owned by Shenzhen International. In respect of settlement of the above consideration, RMB560 million had been paid in December 2016 pursuant to the agreement, and the remaining will be paid by 31 December 2018. The project is located at Block 6, Unit 19 of Qianhai Shenzhen-Hong Kong Cooperation Zone (前海深港合作區十九單元06街坊) in Shenzhen. The project occupies a land site area of approximately 12,491 square meters with total gross floor area of 52,900 square meters, among which, GFA of the residential and commercial parts are 50,000 square meters and 2,900 square meters, respectively. The project has commenced construction at the end of 2015, and is expected to commence sales in 2018. We will capitalize on our own experience and advantages in development and operation of commercial, residential and complex properties, targeting to improve project quality and space value.

Disposal of inefficient land projects: During the year, the Group made attempt on various measures with focus on promoting the disposal of projects in third- and fourth-tier cities. In January 2016, the Group and relevant department of the Heyuan government reached an agreement under which the local government would resume approximately 620,000 square meters of undeveloped land and would return the land premium to the Company after the land is sold through public listing-for-sale. The Group has made a provision of approximately HK\$857.3 million during the year ended 31 December 2016 for its projects in third- and fourth-tier cities.

As of the end of December 2016, the Group owned land reserves with an aggregate planned GFA of approximately 7.859 million sq.m. (among which the Group was interested in 7.239 million sq.m.) and a capacity building area of 5.99 million sq.m. (among which the Group was interested in 5.485 million sq.m.), among which, the projects under construction had a total planned GFA of approximately 3.596 million sq.m. (among which the Group was interested in 3.326 million sq.m.) and a capacity building area of 2.651 million sq.m. (among which the Group was interested in 2.438 million sq.m.).

土地儲備

新增項目：於二零一六年十二月二十日，本公司全資附屬企業深業置地有限公司（「深業置地」）與深國際前海置業（深圳）有限公司及深國際前海投資管理（深圳）有限公司簽訂協定，以人民幣11.2億元，通過增資擴股的方式，獲得深國際前海置業（深圳）有限公司50%權益，從而持有深國際前海19-06-06項目50%權益。其中，人民幣5.6億元已按協議於二零一六年十二月支付，餘下對價將於二零一八年十二月三十一日前支付。項目位於深圳市前海深港合作區十九單元06街坊，項目土地面積約12,491平方米，總建築面積為52,900平方米，其中住宅面積50,000平方米，商業2,900平方米。項目已於二零一五年底開工，預計二零一八年開始銷售。我們將發揮自身在商業、住宅和綜合體開發運營的經驗和優勢，提升項目品質及空間價值。

處置低效土地項目：年內，本集團嘗試多種措施，重點推進對三四線城市項目的處置。二零一六年一月，本集團與河源政府相關部門達成協議，地方政府收回未開發土地約62萬平方米，並在通過招拍掛方式重新出讓後，退還地價款予公司。截至二零一六年十二月三十一日，本集團對旗下三四線城市項目做了撥備約857.3百萬港元。

截至二零一六年十二月底，土地儲備規劃總建築面積約785.9萬平方米（權益部分723.9萬平方米），計容建築面積599萬平方米（權益部分548.5萬平方米），其中在建項目規劃總建面約359.6萬平方米（權益部分332.6萬平方米），計容建築面積265.1萬平方米（權益部分243.8萬平方米）。

Management Discussion and Analysis

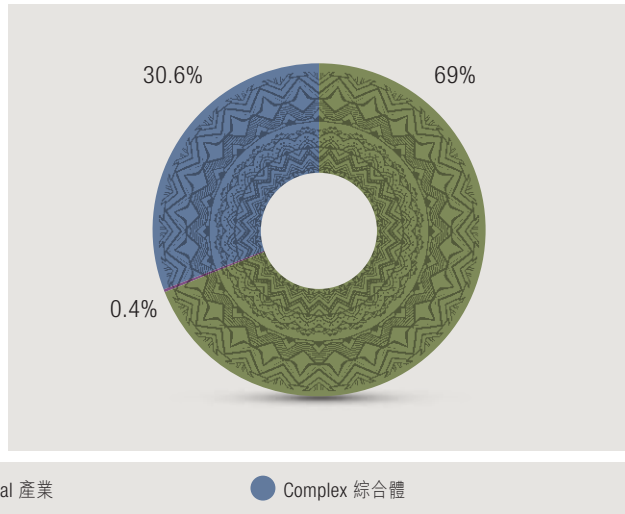
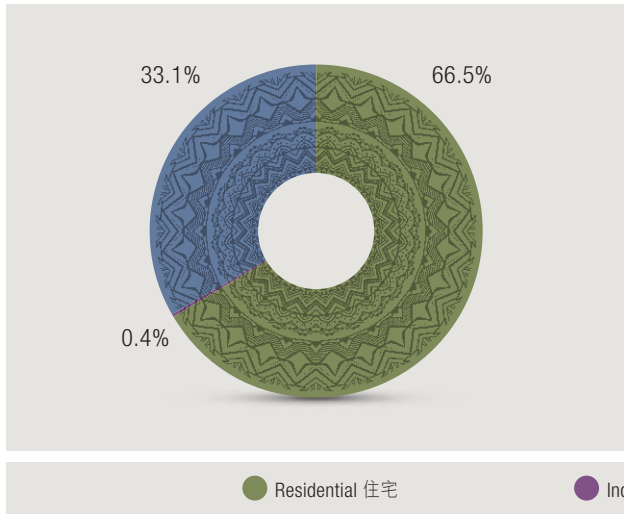
管 理 層 討 論 與 分 析

Distribution of Land Reserves (As at 31 December 2016)

土地儲備分佈 (於二零一六年十二月三十一日)

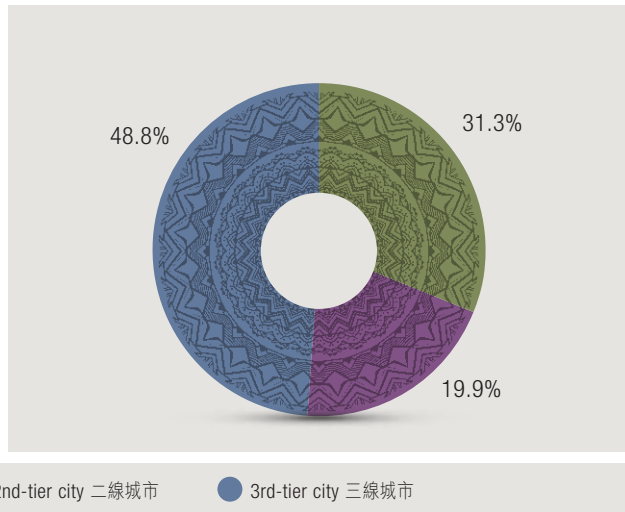
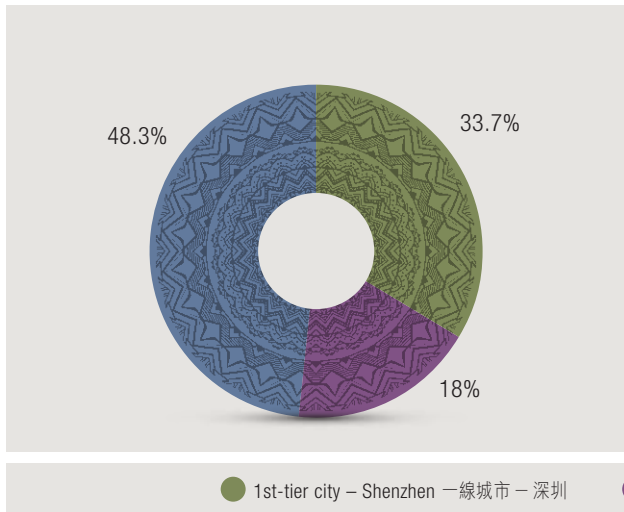
By type – Planned GFA notes 1 and 3 (sq.m.)
產品類型分佈 – 規劃建築面積附註1,3 (平方米)

By type – Capacity Building Area notes 2 and 3 (sq.m.)
產品類型分佈 – 計容建築面積附註2,3 (平方米)



By City – Planned GFA notes 1 and 3 (sq.m.)
城市分佈 – 規劃建築面積附註1,3 (平方米)

By City – Capacity Building Area notes 2 and 3 (sq.m.)
城市分佈 – 計容建築面積附註2,3 (平方米)



Notes:

1. Planned GFA: the sum of the gross floor area of all the floors above and under the ground of a single building or buildings within the scope of the land for construction.
2. Capacity building area: the sum of the gross floor area which is used in the calculation of the plot ratio within the land for construction.
3. Excluded the land for Heyuan project which have been returned to the local governments.

附註:

1. 規劃建築面積：建設用地範圍內單棟或多棟建築物地面以上及地面以下各層建築面積之總和。
2. 計容建築面積：建設用地範圍內所有計算容積率的建築面積之總和。
3. 已剔除河源項目退還當地政府的土地。

Management Discussion and Analysis

管 理 層 討 論 與 分 析

Completion of Relevant Asset Injection for Shum Yip Dongling Project

On 11 March 2016, the transaction in respect of the acquisition of approximately 95% equity interests in Fairwind Power Limited from Shum Yip Holdings Company Limited, the parent company of the Company, was passed at the extraordinary general meeting of the Company. Fairwind Power Limited holds the Shum Yip Dongling project located in Luohu District, Shenzhen. The transaction was completed on 15 March 2016. The transaction generated a gain on bargain purchase of HK\$526.2 million, which was included in the profit or loss for the year.

Property Investment

As at 31 December 2016, the Group has a total area of above 1,100,000 square meters in investment properties, the majority of which are located in Shenzhen. During the year, the Group recorded rental income of HK\$764.8 million, representing a decrease of approximately 3.1% over the same period of last year. The gross profit margin of its property investment business was approximately 84.9%, representing a decrease of 2.9 percentage points over the same period of last year. Thanks to the increase in property value, the Group recorded a revaluation gain in its investment property portfolio of HK\$1,204.1 million for the year. In addition, to implement the operating strategy of “developing, sale, holding and management equally”, the Group reclassified LOFT-B&C area of Shum Yip UpperHills North from “Properties under development” to “Investment properties” and other certain “Completed properties held for sale” to “Investment properties”, which resulted in a revaluation gain of HK\$654.5 million. With completion of the projects such as Shum Yip UpperHills and Taifu Square in future, the Group’s revenue from, and the scale of, investment properties, will continue to increase.

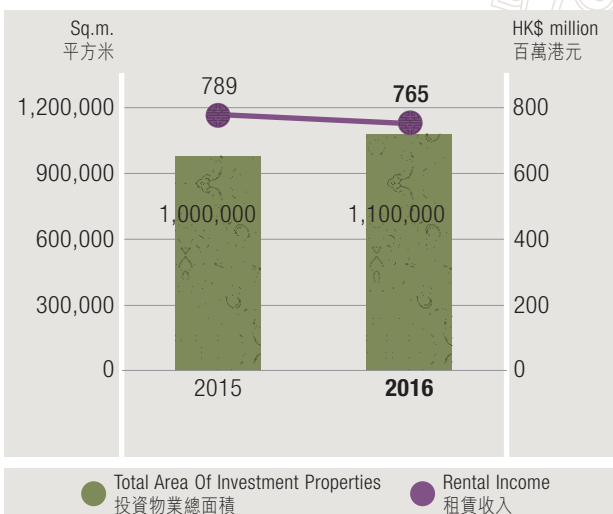
完成深業東嶺項目相關資產注入交易

於二零一六年三月十一日，本公司股東特別大會通過了向母公司深業（集團）有限公司收購Fairwind Power Limited約95%股權的交易。Fairwind Power Limited持有位於深圳市羅湖區的深業東嶺項目。有關交易已於二零一六年三月十五日完成。該交易產生廉價收購利得526.2百萬港元已計入本年損益。

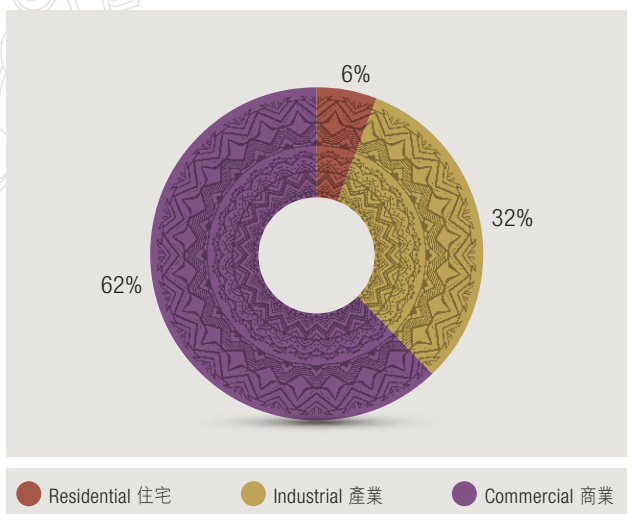
物業投資

於二零一六年十二月三十一日，本集團投資物業總面積超過110萬平方米，其中大部份位於深圳。年內，實現租賃收入764.8百萬港元，比上年同期下降約3.1%，物業投資業務毛利率約84.9%，比上年同期下降2.9個百分點。得益於物業價值提升，年內本集團所屬投資物業組合重估增值1,204.1百萬港元。此外，為落實「開發銷售與持有運營並重」的經營策略，本集團年內將旗下深業上城南區LOFT項目的B、C區從「發展中物業」轉為「投資物業」和個別「用於銷售用途之已落成物業」轉為「投資物業」，合計產生重估增值654.5百萬港元。隨著未來深業上城、泰富廣場等項目建成，本集團投資物業的收入和規模將繼續上升。

Property Investment
物業投資



Distribution of Rental Income by Property Type
租賃收入分佈（按物業類型劃分）



Management Discussion and Analysis

管 理 層 討 論 與 分 析

Property Management

The Group holds six property management companies possessing first class property management qualifications at the national level. The property management team is committed to improving services, supporting the development of real estate business, and helping to enhance the corporate brand. As of the end of the year, the total area of properties under the Group's management was approximately 40 million square meters, covering a variety of property types such as government offices, office buildings, residential communities, villas, and science and technology parks, which are mainly located in the Pearl River and Yangtze River deltas as well as the central region. During the year, the property management business contributed a turnover of approximately HK\$1,556.8 million to the Group, representing an increase of approximately 13.7% over the same period of last year.

Hotel Operations

The Group has three hotels in operation and three under construction. Those in operation are Suzhou Marriott Hotel (with 293 guest rooms), Chaohu Shum Yip Bantang Hot Spring Hotel (with 20 spring villas) and Holiday Inn Resort Chaohu Hot Spring (with 203 guest rooms). Those under construction are Mandarin Oriental Shenzhen (with 190 guest rooms planned), Shum Yip UpperHills Boutique Hotel (with 90 guestrooms planned), and Tanglang City project hotel (with 200 guest rooms planned) which is co-developed with Shenzhen Metro Group.

During the year, the three hotels in operation recorded operating income (included in the segment of other operations) of approximately HK\$167.7 million, representing a decrease of 7.8% over the same period of last year.

Manufacturing Business

The Group's manufacturing business mainly represents the LCD manufacturing and metal materials processing and other businesses which have been held by the companies under the Group over the years. During the year, the manufacturing business recorded operating income of approximately HK\$298.1 million, representing a decrease of 30.8% over the same period of last year.

物業管理

本集團擁有六家國家一級資質的物業管理企業，物業管理團隊致力於提升服務，配合地產業務的發展，協助提升公司品牌。於年末，本集團接管物業面積約4,000萬平方米，物業主要分佈在珠三角、長三角和中部地區，服務涵蓋政府機關、寫字樓、住宅社區、別墅、科技業園區等多種物業類型。年內本集團物業管理業務營業收入約1,556.8百萬港元，同比上漲約13.7%。

酒店業務

本集團擁有三家運營中的酒店和三家建設中的酒店，運營中的酒店分別是蘇州萬豪酒店（設有293間客房），巢湖深業半湯溫泉度假酒店（設有20間溫泉別墅）和巢湖深業溫泉假日度假酒店（設有203間客房）。建設中的酒店為深圳文華東方酒店（擬設有190間客房）、深業上城精品酒店（擬設有90間客房）及與深圳地鐵集團合作的塘朗城項目酒店（擬設有200間客房）。

年內，三家運營中的酒店實現酒店經營收入（其他經營分類項下）約167.7百萬港元，同比下降7.8%。

製造業務

本集團的製造業務主要來自所屬企業多年以來一直持有的液晶顯示器製造及金屬片材加工等業務。年內，製造業務經營收入實現約298.1百萬港元，同比下降30.8%。



Royal Spring Garden
半湯御泉莊

Management Discussion and Analysis

管 理 層 討 論 與 分 析

Joint Ventures

During the year, Taizhou Shum Yip Investment Development Limited (a 51% owned company of the Group) maintained almost the same results as the corresponding period of last year, and it made a loss contribution of HK\$2.0 million to the Group this year. The principal activity of this company is to assist local government in primary land development, while the local government did not make any arrangement to launch such lands during the year. In addition, Shenzhen Langtong Property Development Company Limited (a 50% owned company of the Group) made a net profit contribution of HK\$117.0 million to the Group for the year. This company is the project company responsible for developing Shenzhen Tanglang City Project which is co-developed with Shenzhen Metro Group. Shenzhen Tianan Cyber Park (Group) Company Limited, made a net profit contribution of HK\$542.5 million to the Group including non-controlling interests, representing an increase of 23.3% over the same period of last year.

Performance of Associates

During the year, the associates invested by the Group performed as expected. Of which, Road King Infrastructure Limited, a listed company in Hong Kong, made a net profit contribution of HK\$341.8 million to the Group, representing an increase of 52.5% over the same period of last year. Coastal Greenland Limited, a listed company in Hong Kong, made a net profit contribution of HK\$137.2 million to the Group, whereas it made a loss contribution of HK\$77.6 million for the same period of last year.

Financing

During the year, the Group focused on integrated financial management to safeguard its business development.

During the year, the Company entered into an agreement with certain banks in Hong Kong in respect of a syndicated transferrable term loan facility in the principal amount up to US\$230 million and HK\$1,000 million for a period of five years.

As at 31 December 2016, the Group's total bank loans and other borrowings amounted to HK\$19,757.3 million (31 December 2015: HK\$21,375.1 million), of which HK\$15,485.4 million were floating-rate loans, and the remaining were fixed-rate loans. Long-term loans amounted to HK\$14,468.8 million, accounting for approximately 73.2% of the total borrowings, and short-term loans were HK\$5,288.5 million, accounting for approximately 26.8% of the total borrowings. Borrowings from Hong Kong and overseas capital market amounted to HK\$12,942.6 million, representing 65.5% of the total borrowings, and the remaining were borrowings from mainland China, representing 34.5% of the total borrowings. During the year, the average comprehensive interest rate of the Group in respect of its bank loans and other borrowings was about 4.9% per annum.

合營公司

年內，本集團持有51%權益的泰州市深業投資發展有限公司業績持平，該公司本年為本集團帶來虧損2.0百萬港元。該公司的主要業務是協助當地政府進行土地一級開發，年內當地政府未安排相關土地推出。另外，本集團持有50%權益的深圳朗通房地產開發有限公司本年為本集團帶來純利貢獻117.0百萬港元。該公司為與深圳地鐵集團合作開發深圳塘朗城之項目公司。深圳天安數碼城(集團)有限公司為本集團帶來純利貢獻542.5百萬港元(包括非控股權益)，比上年同期上升23.3%。

聯營公司業績

年內，本集團投資的聯營公司業績表現合乎預期。其中，本港上市公司路勁基建有限公司，為本集團帶來純利貢獻341.8百萬港元，比上年同期上升52.5%。本港上市公司沿海綠色家園有限公司為本集團帶來純利貢獻137.2百萬港元，去年同期為虧損77.6百萬港元。

融資情況

年內，本集團著重進行財務統籌管理，為集團發展提供保障。

年內，本公司與香港若干銀行簽訂一項本金額高達230百萬美元及本金額高達1,000百萬港元之可轉讓定期貸款融資的銀團貸款協定，為期五年。

於二零一六年十二月三十一日，本集團銀行及其他借款總額19,757.3百萬港元(二零一五年十二月三十一日：21,375.1百萬港元)，其中15,485.4百萬港元為浮息借款，其餘均為定息借款；長期部分14,468.8百萬港元，約佔總借款總額的73.2%，短期部分5,288.5百萬港元，約佔總借款總額的26.8%。香港及海外借款為12,942.6百萬港元，佔總借款總額的65.5%，其他為在中國大陸的借款，佔總借款總額34.5%。年內，本集團銀行及其他借款平均綜合利率約為年息4.9%。

Management Discussion and Analysis

管 理 層 討 論 與 分 析

As at 31 December 2016, the Group's cash and bank balance (including restricted cash) was HK\$12,063.7 million (31 December 2015: HK\$13,818.8 million) of which approximately 89.1% and 10.9% were denominated in Renminbi and other currencies (mainly in US\$ and HK\$) respectively.

The Group's assets are mainly denominated in Renminbi. Of the bank loans and other borrowings, 34.5% are denominated in Renminbi, while 65.5% are denominated in HK\$ and US\$. HK\$ is adopted as the reporting currency in the Group's financial statements. The effect of the decrease in RMB exchange rate on the Group's finance will be mainly reflected in the depreciation of the asset and earnings denominated in Renminbi against HK\$, the reporting currency. The Group will monitor foreign exchange risk, and consider prudently applying financial instruments to hedge the foreign exchange risk in due time.

As at 31 December 2016, the Group had net assets attributable to equity shareholders of the Company of HK\$32,810.8 million (31 December 2015: HK\$33,325.9 million). The net gearing ratio (being the difference between total interest-bearing liabilities and cash and bank balance (including restricted cash) divided by net assets (excluding non-controlling interests)) was 23.4% (in case that the liabilities only consisted of bank loans and other borrowings) and 38.9% (in case that the liabilities consisted of loans from shareholders of parent company and all the other interest-bearing liabilities). The gross gearing ratio (being the ratio of total liabilities over total assets) was 62.5%.

於二零一六年十二月三十一日，本集團的現金結存為12,063.7百萬港元（包括受限制現金）（二零一五年十二月三十一日：13,818.8百萬港元），其中約89.1%和10.9%分別以人民幣和其他貨幣（主要是美元和港元）計值。

本集團的資產主要以人民幣為貨幣單位，銀行及其他借款中34.5%是人民幣借款，65.5%為境外的港幣或美元借款。本集團的財務報告以港幣作為報告的貨幣單位，人民幣匯率下降對本集團財務的影響主要體現在人民幣資產以及收益相對報告貨幣港幣的貶值。本集團將監控匯率風險，並審慎考慮在合適的時機利用金融工具對沖匯率風險。

於二零一六年十二月三十一日，本集團歸屬本公司股東淨資產為32,810.8百萬港元（二零一五年十二月三十一日：33,325.9百萬港元），淨負債率（即帶息負債總額與現金結存（包括受限制現金）之差額除以除非控股股東權益後淨資產）為23.4%（若負債只包含銀行貸款及其他借款），如負債包含母公司股東貸款及其他所有帶息負債，淨負債率為38.9%。總負債率（總負債佔總資產比率）為62.5%。

Financial Position

財務情況

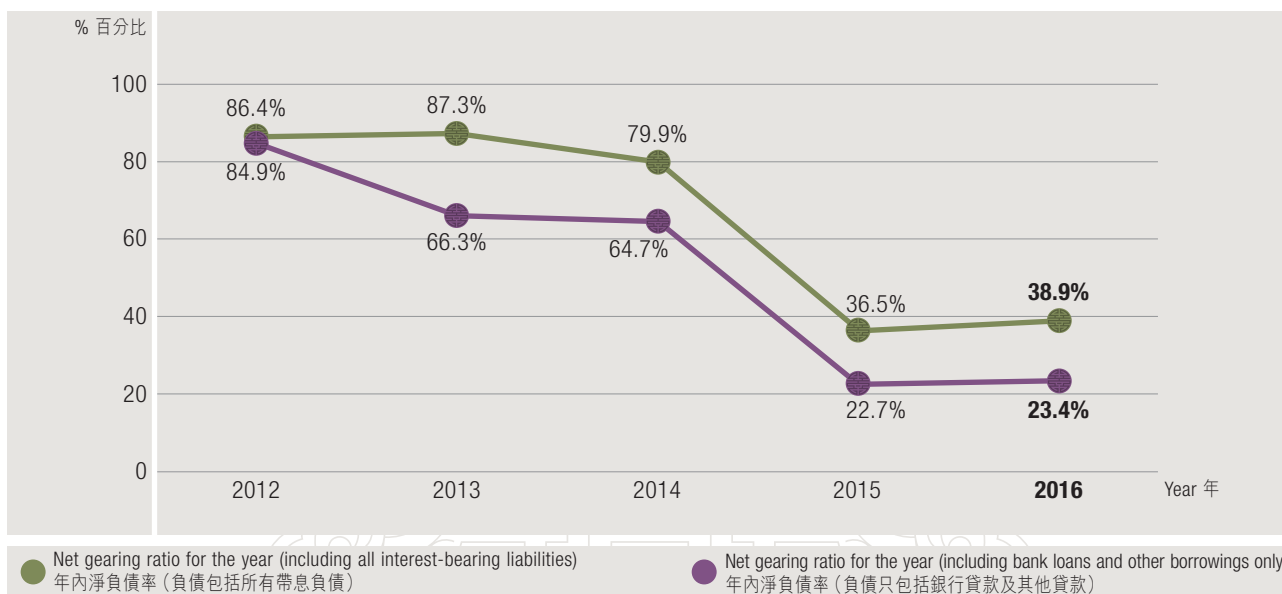
HK\$ million		As at 31 December 2016	As at 31 December 2015
百萬港元		於二零一六年 十二月三十一日	於二零一五年 十二月三十一日
Bank loans and other borrowings	銀行貸款及其他借貸	19,757.2	21,375.1
Long-term debts	長期負債	14,468.8	16,100.9
Short-term debts	短期負債	5,288.5	5,274.2
Floating-rate loans	浮息貸款	15,485.4	16,672.7
Cash and bank balance (including restricted cash)	現金及銀行結餘（包括受限制現金）	12,063.7	13,818.8
Net gearing ratio with the liabilities including bank loans and other borrowings only	淨負債率（負債只包括銀行及其他貸款）	23.4%	22.7%
Net gearing ratio with the liabilities including all interest-bearing liabilities	淨負債率（負債包括所有帶息負債）	38.9%	36.5%

Management Discussion and Analysis

管 理 層 討 論 與 分 析

Net Gearing Ratio

淨負債率



As at 31 December

於十二月三十一日

HK\$ million 百萬港元		2016 二零一六年		2015 二零一五年	
		(RMB loans) (人民幣貸款)	(HK\$/US\$ loans) (港元/ 美元貸款)	(RMB loans) (人民幣貸款)	(HK\$/US\$ loans) (港元/ 美元貸款)
Within one year	一年內	2,696.3	2,592.2	4,775.1	499.1
One to two years	一至二年內	357.3	4,475.5	1,726.2	2,391.7
Three to five years	三至五年	3,593.4	5,874.9	3,497.2	7,565.4
Over five years	五年以上	167.7	—	920.4	—

Land Appreciation Tax ("LAT")

During the year, the Group recorded a LAT of HK\$2,912.9 million, representing 13.6% of turnover. The LAT mainly arose from the apartments and office buildings of Shum Yip UpperHills. The book gross profit margin of the apartments and office buildings of Shum Yip UpperHills was 59% and 48% respectively. As the LAT rate is progressive, the higher the profitability of a project is, the higher LAT rate and the LAT amount is needed to be borne.

土地增值稅

年內，本集團錄得土地增值稅2,912.9百萬港元，佔營業收入13.6%。土地增值稅主要是來自深業上城公寓及寫字樓。深業上城公寓及寫字樓的帳面毛利率分別為59%和48%。由於土地增值稅率是累進的，項目盈利水平越高，需要承擔的增值稅率及需繳納的增值稅也更高。

Management Discussion and Analysis

管 理 層 討 論 與 分 析

Pledge of Assets and Contingent Liabilities

As at 31 December 2016, the Group had total loans of HK\$638.2 million (31 December 2015: HK\$1,917.6 million) that were pledged with assets (for details, see note 30 to the financial statements).

As at 31 December 2016, the Group had provided guarantees to a maximum of HK\$7,869.3 million (31 December 2015: HK\$8,857.7 million) to banks for housing loans extended by the banks to the purchasers of the Group's properties (for details, see note 42 to the financial statements).

The Wuhan project of Shum Yip Terra (Holdings) Company Limited ("Terra Company"), a 75.05%-owned subsidiary of the Company, and its wholly-owned subsidiary, Wuhan Shum Yip Terra Property Development Company Limited ("Wuhan Terra Company") was implicated in the criminal investigation due to involvement in the corruption of the local government officials. The People's Procuratorate of Jianli County of Hubei Province has frozen the bank accounts of Wuhan Terra Company amounting to RMB540 million. Wuhan Terra Company received an indictment issued from People's court of Jianli county, Hubei province during the year, and People's Procuratorate of Jianli county, Hubei province raised a prosecution against Wuhan Terra Company and its 3 members of management in the name of crime of offering bribery by entities and the crime of offering bribery to entities. Wuhan Terra Company has engaged professional lawyers to follow up the legal procedures for this case in order to maintain its legal interests. Although the case was at the stage of court proceedings and the final judgment cannot be determined, however, the Company decided to make provision of RMB540 million subject to this case at Wuhan Terra Company level.

Employees and Remuneration Policy

As at 31 December 2016, the Group employed 18,643 employees (2015: 17,995) of whom 39 were stationed in Hong Kong (mainly managerial and finance related personnel), and the rest were in Mainland China. The total remuneration for the year ended 31 December 2016 amounted to approximately HK\$1,322.0 million (2015: HK\$1,084.8 million).

Employee benefits and bonuses are based on their individual performance, the Group's profit condition, benefit level of the industry and the current market condition. The remuneration packages are reviewed on an annual basis to ensure internal equity and its competitiveness in the market. In driving performance, we also grant share options, under the share option scheme of the Group, to employees based on individual performance and the results of the Group.

資產抵押及或然負債狀況

於二零一六年十二月三十一日，本集團有資產抵押的貸款共638.2百萬港元（二零一五年十二月三十一日：1,917.6百萬港元）（詳情參閱財務報表附註30）。

於二零一六年十二月三十一日，本集團就銀行給於本集團物業買家之房屋貸款向銀行提供不多於7,869.3百萬港元的擔保（二零一五年十二月三十一日：8,857.7百萬港元）（詳情參閱財務報表附註42）。

本公司持股75.05%的附屬公司深業泰然（集團）股份有限公司（「泰然公司」）及其全資附屬公司武漢市深業泰然房地產開發有限公司（「武漢泰然」）旗下位於武漢的項目牽涉當地有關政府人士貪腐案件而涉及刑事調查，湖北省監利縣人民檢察院查封了武漢泰然合計人民幣5.4億之銀行賬戶。武漢泰然於年內收到湖北省監利縣人民法院發來的起訴狀，湖北省監利縣人民檢察院對武漢泰然及3名管理人員以單位行賄罪及對單位行賄罪提起公訴。武漢泰然已聘請專業律師跟進該案件的法庭審理程序，盡力維護公司的合法權益。儘管該案件仍處於法院訴訟階段，最終的判決結果無法確定，但出於審慎會計處理考慮，本公司決定在武漢泰然層面對本案涉及的金額人民幣5.4億元作全額減值撥備處理。

僱員及薪酬政策

於二零一六年十二月三十一日，本集團共聘用18,643名（二零一五年：17,995名）僱員，其中在香港工作的員工39名，主要為管理及財務人員，其餘為在國內工作員工。截至二零一六年十二月三十一日止年度，總薪酬約為1,322.0百萬港元（二零一五年：1,084.8百萬港元）。

本集團僱員之薪酬及花紅，以僱員個別之表現、本集團盈利狀況、同業薪酬水平及現時市況而釐定。並每年審閱薪酬組合以達致內部公平及確保具市場競爭力。我們亦根據本集團購股權計劃按個人表現及本集團業績授出購股權以推動表現。

Directors and Senior Management

董 事 及 高 級 行 政 人 員



Dr. LU Hua
呂華博士

Chairman
主席

Dr. LU Hua, aged 53, an Executive Director since 21 June 2011 and the Chairman of the Board since 31 January 2013. Dr. LU was the President of the Company during the period from 21 June 2011 to 30 January 2013 and the Acting Chairman of the Board during the period from 24 April 2012 to 30 January 2013. He is also the chairman of the board of directors of Shum Yip Group Limited and Shum Yip Holdings Company Limited. Dr. LU is also a director of various members of the Group. Dr. LU holds a doctorate degree in Political Economics from The Nankai University and a master's degree in Finance from The University of Reading in UK. Dr. LU held the position as the president of Shum Yip Group Limited and Shum Yip Holdings Company Limited from April 2009 to December 2012. Prior to this, Dr. LU served as the chairman of Shahe Industrial Co., Ltd. (000014.SZ) and Shenzhen Shahe Industry (Group) Co., Ltd. and the general manager of Shenzhen Property Development Company Ltd.. Dr. LU also served as a non-executive director of Ping An Insurance (Group) Company of China, Ltd. (2318.HK) and Road King Infrastructure Limited (1098.HK). At present, he is a director of Shenzhen SEZ Construction and Development Group Co., Ltd.. He has vast experience of over twenty years in property development, corporate governance and administrative management.

呂華博士，五十三歲，自二零一一年六月二十一日起出任執行董事及自二零一三年一月三十一日起擔任董事會主席。呂博士於二零一一年六月二十一日至二零一三年一月三十日期間擔任本公司總裁及於二零一二年四月二十四日至二零一三年一月三十日期間擔任代董事會主席。彼亦為深業集團有限公司及深業（集團）有限公司董事局主席。呂博士亦為本集團若干成員公司之董事。呂博士持有南開大學政治經濟學博士學位和英國雷丁大學金融學碩士學位。呂博士自二零零九年四月至二零一二年十二月，出任深業集團有限公司及深業（集團）有限公司總裁職務。此前，呂博士曾擔任沙河實業股份有限公司(000014.SZ)、深圳市沙河集團有限公司董事長及深圳市物業工程開發公司總經理。呂博士亦曾為中國平安保險（集團）股份有限公司(2318.HK)及路勁基建有限公司(1098.HK)之非執行董事。現時，彼為深圳市特區建設發展集團有限公司董事。彼在房地產開發、企業管治及行政管理方面擁有逾二十年之豐富經驗。

Directors and Senior Management

董 事 及 高 級 行 政 人 員



Mr. HUANG Wei
黃偉先生

Executive Director
執行董事

Mr. HUANG Wei, aged 46, an Executive Director and President since 21 July 2015. Mr. HUANG was an on-the-job graduate at Guangdong Academy of Social Sciences, where he graduated with a major in law. He holds a master's degree in Business Administration from Guanghua School of Management, Peking University. Mr. HUANG is currently a director and president of Shum Yip Group Limited and Shum Yip Holdings Company Limited. He is also a director of various members of the Group. Prior to joining the Group, he served as a deputy secretary of the Party Working Committee, a deputy director of the Management Committee and a director of Social Work Committee of CPC Shenzhen Dapeng New District and served as a member of the Standing Committee, a director of District Committee (district government) Office and a district government party member of Longgang District and the Longgang District Youth League secretary. Mr. HUANG has extensive experience in management.

黃偉先生，四十六歲，自二零一五年七月二十一日起擔任執行董事及總裁。黃先生畢業於廣東省社會科學院法學專業，在職研究生學歷，及北京大學光華管理學院工商管理碩士。黃先生現任深業集團有限公司及深業（集團）有限公司董事及總裁。彼亦為本集團若干成員公司之董事。在加入本集團之前，黃先生歷任中共深圳市大鵬新區黨工委副書記、管委會副主任、社工委主任、龍崗區常委、區委（區政府）辦公室主任、區政府黨組成員及龍崗區團委書記。黃先生在管理方面有相當之工作經驗。

Directors and Senior Management

董 事 及 高 級 行 政 人 員



Mr. MOU Yong
牟勇先生

Executive Director
執行董事

Mr. MOU Yong, aged 54, an Executive Director since 1 December 2009. At present, he is also a director of Shum Yip Group Limited and Shum Yip Holdings Company Limited and its various subsidiaries. He graduated from The Shaanxi University of Technology with major in Chinese Language and Literature and obtained an advanced MBA from The Peking University. He is a lawyer of The People's Republic of China and an arbitrator of The Shenzhen Arbitration Commission. Prior to joining the Group in 2009, he held the positions of the head of Enterprise Leadership Personnel Management and the chief of General Office at The Shenzhen Municipal People's Government State-owned Assets Supervision and Administration Commission. At present, Mr. MOU is also a non-executive director of Road King Infrastructure Limited (1098.HK). Mr. MOU has extensive experience in corporate governance and administrative management.

牟勇先生，五十四歲，自二零零九年十二月一日起出任執行董事。彼現時亦為深業集團有限公司、深業（集團）有限公司及其若干附屬公司之董事。彼畢業於陝西理工學院漢語言文學專業，擁有北京大學高級工商管理碩士學位。彼為中華人民共和國律師及深圳仲裁委員會仲裁員。在二零零九年加入本集團之前，彼曾任深圳市人民政府國有資產監督管理委員會企業領導人員管理處處長、辦公室主任。現在，牟先生亦為路勁基建有限公司(1098.HK)之非執行董事。牟先生在企業治理及行政管理等領域有豐富的工作經驗。

Directors and Senior Management

董 事 及 高 級 行 政 人 員



Mr. LIU Chong
劉崇先生

Executive Director
執行董事

Mr. LIU Chong, aged 57, an Executive Director since 30 December 2010 and a Vice President of the Company since April 2010. Mr. LIU is also a vice president of Shum Yip Group Limited and Shum Yip Holdings Company Limited and a director of Shum Yip Shahe (Group) Company Limited. He holds a bachelor's degree and postgraduate qualification from The Jiangxi University of Finance and Economics with major in Accounting and he is a senior accountant. Mr. LIU is also a director of various members of the Group. Prior to joining the Group, he used to serve successively as a deputy general manager and financial controller of Shenzhen SDG Company Limited (深圳市特發集團有限公司), a director and financial controller of Shenzhen Petrochemical Group Co., Ltd., a director and financial controller of Shenzhen Health Mineral Water Co., Ltd., a director of Shenzhen Tellus (Group) Company Limited (200025.SZ), and was an independent director of Shenzhen Shenxin Taifeng Group Co., Ltd. (000034.SZ) during the period from May 2009 to February 2014. At present, Mr. LIU is also a non-executive director of Ping An Insurance (Group) Company of China, Ltd. (2318.HK). Mr. LIU has over 30 years of experience in finance and accounting management.

劉崇先生，五十七歲，自二零一零年十二月三十日起出任執行董事及自二零一零年四月起出任本公司副總裁。劉先生現亦為深業集團有限公司、深業(集團)有限公司副總裁及深業沙河(集團)有限公司董事。彼擁有江西財經大學會計專業學士學位及研究生學歷，並為高級會計師。劉先生亦為本集團若干成員公司之董事。加入本集團前，彼歷任深圳市特發集團有限公司副總經理、財務總監，深圳石化集團有限公司董事、財務總監，深圳市益力礦泉水股份有限公司董事、財務總監，深圳市特力(集團)股份有限公司(200025.SZ)董事及在二零零九年五月至二零一四年二月期間為深圳市深信泰豐(集團)股份有限公司(000034.SZ)之獨立董事。現在，劉先生亦為中國平安保險(集團)股份有限公司(2318.HK)之非執行董事。劉先生擁有超過三十年之財會管理工作經驗。

Directors and Senior Management

董 事 及 高 級 行 政 人 員



Dr. WU Jiesi
武捷思博士

Non-executive Director
非執行董事

Dr. WU Jiesi, aged 65, a Non-executive Director since 11 May 2006. Dr. WU holds a doctorate degree in Economics and conducted post-doctorate research work in theoretical economics at The Nankai University in the PRC and was conferred a professorship qualification by The Nankai University in 2001. Dr. WU served in various positions in Industrial and Commercial Bank of China from 1984 to 1995 and served as the president of the Shenzhen Branch. From 1995 to 1998, he served as the deputy mayor of the Shenzhen Municipal Government. From 1998 to 2000, he served as the assistant to the Governor of Guangdong Province.

Dr. WU served as the chairman and honorary president of Guangdong Investment Limited (270.HK), the director and honorary president of Guangdong Tannery Limited (1058.HK), an executive director of Hopson Development Holdings Limited (754.HK), an independent non-executive director of Yingli Green Energy Holding Company Limited (NYSE:YGE) and China Merchants Bank Co., Ltd (3968.HK), respectively, a non-executive director of China Water Affairs Group Limited (855.HK), an executive director, a non-executive director and vice chairman of China Aoyuan Property Group Limited (3883.HK), and an independent director of China Merchants Securities Co., Ltd. (600999.SH). At present, Dr. WU is a non-executive director of Silver Base Group Holdings Limited (886.HK), an independent director of China Life Franklin Asset Management Co., Ltd, and an independent non-executive director of China Taiping Insurance Holdings Company Limited (966.HK), Beijing Enterprises Holdings Limited (392.HK), Industrial and Commercial Bank of China (Asia) Limited and China CITIC Bank International Limited respectively. Dr. WU has rich experience in finance and corporate management.

武捷思博士，六十五歲，自二零零六年五月十一日起出任非執行董事。武博士擁有經濟學博士學位，並於中國南開大學完成理論經濟學博士研究後，於二零零一年獲南開大學授予教授資格。武博士於一九八四年至一九九五年期間任職於中國工商銀行，曾任該行的深圳分行行長。彼於一九九五年至一九九八年期間出任深圳市政府副市長。彼於一九九八年至二零零零年期間出任廣東省省長助理。

武博士曾分別出任粵海投資有限公司(270.HK)之主席及名譽董事長、粵海製革有限公司(1058.HK)之董事及名譽董事長、合生創展集團有限公司(754.HK)之執行董事、英利綠色能源控股有限公司 (NYSE:YGE) 及招商銀行股份有限公司(3968.HK)之獨立非執行董事、中國水務集團有限公司(855.HK)之非執行董事、中國奧園地產集團股份有限公司(3883.HK)之執行董事及非執行董事兼副主席等之職務、招商證券股份有限公司(600999.SH)之獨立董事。武博士現時分別擔任銀基集團控股有限公司(886.HK)之非執行董事、中國人壽富蘭克林資產管理有限公司之獨立董事、中國太平保險控股有限公司(966.HK)、北京控股有限公司(392.HK)、中國工商銀行(亞洲)有限公司及中信銀行(國際)有限公司之獨立非執行董事。武博士於財務及企業管理方面具有豐富經驗。

Directors and Senior Management

董 事 及 高 級 行 政 人 員



Mr. LIU Shichao
劉世超先生

Non-executive Director
非執行董事

Mr. LIU Shichao, aged 45, a Non-executive Director since 18 January 2017. He is a director and the chief financial officer of Shum Yip Group Limited and a director of Shum Yip Holdings Company Limited. He graduated from Zhongnan University of Finance and Economics (now known as Zhongnan University of Economics and Law) majoring in accountancy. He holds a bachelor's degree in economics and the title of senior accountant. Mr. LIU was the deputy head of statistics and assessment (budget finance) department and the deputy head of the second division of enterprise department of the State-owned Assets Supervision and Administration Commission of the Shenzhen Municipal People's Government. Mr. LIU was a director and the chief financial officer of Shenzhen Energy Group Co. Ltd. (000027.SZ). He is currently also a director of Shahe Industrial Co., Ltd (000014.SZ), a director of Kashi City Shenzhen Investment and Development Co., Ltd. (喀什市深圳城投資發展有限公司), a director of Shenzhen United Assets and Equity Exchange Co., Ltd. (深圳市聯合產權交易所股份有限公司) and a director of China Resources SZITIC Investment Co. Ltd. (華潤深國投投資有限公司). Mr. LIU has considerable working experience in financial management and financial auditing.

劉世超先生，四十五歲，於二零一七年一月十八日起出任非執行董事，彼為深業集團有限公司董事及財務總監、深業(集團)有限公司董事。劉先生畢業於中南財經大學(現為中南財經政法大學)會計學專業，擁有經濟學學士學位和高級會計師職稱。劉先生曾任深圳市人民政府國有資產監督管理委員會統計評價(預算財務)處副處長、企業二處副處長、深圳能源集團股份有限公司(000027.SZ)董事及財務總監。彼現亦為沙河實業股份有限公司(000014.SZ)董事，喀什市深圳城投資發展有限公司董事，深圳市聯合產權交易所股份有限公司董事及華潤深國投投資有限公司董事。彼在財務管理及財務審計等方面有相當之工作經驗。

Directors and Senior Management

董 事 及 高 級 行 政 人 員



Mr. WU Wai Chung, Michael
吳偉聰先生

Independent
Non-executive Director
獨立非執行董事

Mr. WU Wai Chung, Michael, aged 67, an Independent Non-executive Director since 9 October 2002. He was formerly the deputy chairman of the Shanghai Stock Exchange and a commissioner in the Strategy & Development Committee of the China Securities Regulatory Commission. Prior to that, he was the deputy chairman, chief operating officer and executive director and responsible for the Intermediaries Division, comprising the Licensing and Intermediaries Supervision Departments of the Securities and Futures Commission until 31 December 1997. In addition, Mr. WU also served as an independent non-executive director of Sunwah Kingsway Capital Holdings Limited (188.HK), an independent non-executive director and chairman of Cypress Jade Agricultural Holdings Limited (renamed as China Finance Investment Holdings Ltd.) (875.HK) and an executive director of Tradelink Electronic Commerce Ltd. (536.HK).

吳偉聰先生，六十七歲，自二零零二年十月九日起出任獨立非執行董事，彼曾任上海證券交易所副理事長及中國證券監督管理委員會規劃發展委員會委員。在此之前，彼為證券及期貨事務監察委員會中介團體監察科（包括發牌及中介團體監察部）之副主席、營運總裁及執行董事直至一九九七年十二月三十一日。此外，吳先生亦曾為新華匯富金融控股有限公司(188.HK)之獨立非執行董事、從玉農業控股有限公司（改名為中國金控投資集團有限公司）(875.HK)之獨立非執行董事兼主席及貿易通電子貿易有限公司(536.HK)之執行董事。

Directors and Senior Management

董 事 及 高 級 行 政 人 員



Mr. LI Wai Keung
李偉強先生

Independent
Non-executive Director
獨立非執行董事

Mr. LI Wai Keung, aged 60, an Independent Non-executive Director since 27 September 2004. Mr. LI graduated from The Hong Kong Polytechnic and holds a master's degree in Business Administration from The University of East Asia. He is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. Mr. LI had worked for Henderson Land Development Company Limited (12.HK). He was also an independent non-executive director of Sun Century Group Limited (1383.HK). Mr. LI is currently a non-executive director of Guangdong Investment Limited (270.HK) and an executive director and financial controller of GDH Limited, an executive director of Guangdong Land Holdings Limited (formerly known as Kingway Brewery Holdings Limited) (124.HK), an independent non-executive director of Hans Energy Company Limited (554.HK) and China South City Holdings Limited (1668.HK), and a director of Shenzhen City Airport (Group) Company Limited (000089.SZ). In addition, he is appointed as the chairman of the Council of the Hong Kong Chinese Orchestra Limited on 26 October 2015, and he is also a management accounting advisor of the Ministry of Finance, PRC, the vice chairman of the Financial and Accounting Affairs Steering Committee of the Hong Kong Chinese Enterprises Association, and the president of Hong Kong Business Accountants Association Limited.

李偉強先生，六十歲，自二零零四年九月二十七日起出任獨立非執行董事。李先生畢業於香港理工學院，並持有東亞大學工商管理學碩士學位。彼為英國特許公認會計師公會及香港會計師公會資深會員。李先生曾任職於恒基兆業地產有限公司(12.HK)。彼亦曾擔任太陽世紀集團有限公司(1383.HK)之獨立非執行董事。李先生現任粵海投資有限公司(270.HK)之非執行董事及粵海控股集團有限公司之執行董事兼財務總監、粵海置地控股有限公司(前稱金威啤酒集團有限公司)(124.HK)執行董事、漢思能源有限公司(554.HK)和華南城控股有限公司(1668.HK)之獨立非執行董事及深圳市機場(集團)有限公司(000089.SZ)之董事。此外，他於二零一五年十月二十六日起獲委任為香港中樂團理事會主席，他亦為中華人民共和國財政部管理會計諮詢專家、香港中國企業協會財會專業委員會副主任委員及香港商界會計師協會有限公司會長。

Directors and Senior Management

董 事 及 高 級 行 政 人 員



Dr. WONG Yau Kar, David
黃友嘉博士

Independent
Non-executive Director
獨立非執行董事

Dr. WONG Yau Kar, David BBS, JP, aged 59, an Independent Non-executive Director since 13 June 2013. Dr. WONG received a doctorate degree in Economics from the University of Chicago in 1987. Dr. WONG has extensive experience in manufacturing, direct investment and international trade. Dr. WONG is active in public service. He is a Hong Kong deputy of the 12th National People's Congress of the People's Republic of China (第十二屆全國人民代表大會). He is also the chairman of the Land and Development Advisory Committee, the Mandatory Provident Fund Schemes Authority and the Protection of Wages on Insolvency Fund Board. Dr. WONG was appointed as a Justice of Peace (JP) in 2010 and was awarded a Bronze Bauhinia Star (BBS) in 2012 for his valuable contribution to the society.

Dr. WONG is currently an independent non-executive director of Huayi Tencent Entertainment Company Limited (formerly known as China Jiu hao Health Industry Corporation Limited) (419.HK), Concord New Energy Group Limited (formerly known as China Windpower Group Limited) (182.HK), Redco Properties Group Limited (1622.HK), Yunfeng Financial Group Limited (formerly known as Reorient Group Limited) (376.HK), and Sinopec Kantons Holdings Limited (934.HK), which are listed on the Main Board of the Stock Exchange.

黃友嘉博士 (BBS, JP), 五十九歲, 自二零一三年六月十三日起出任獨立非執行董事。彼於一九八七年獲得芝加哥大學之經濟學博士學位。黃博士於製造業、直接投資及國際貿易方面擁有豐富經驗。黃博士一直積極參與公共服務。彼現為第十二屆全國人民代表大會香港區代表。他亦現任土地及建設諮詢委員會、強制性公積金計劃管理局及破產欠薪保障基金委員會主席。於二零一零年, 黃博士獲委任為太平紳士(JP), 及於二零一二年, 黃博士獲頒授銅紫荊星章(BBS), 以表揚彼對社會作出之寶貴貢獻。

黃博士現為聯交所主板上市公司華誼騰訊娛樂有限公司(前稱中國9號健康產業有限公司)(419.HK)、協合新能源集團有限公司(前稱中國風電集團有限公司)(182.HK)、力高地產集團有限公司(1622.HK)、雲鋒金融集團有限公司(前稱瑞東集團有限公司)(376.HK)及中石化冠德有限公司(934.HK)之獨立非執行董事。

Directors and Senior Management

董 事 及 高 級 行 政 人 員

Mr. WANG Minyuan

王敏遠先生

Mr. WANG Minyuan, aged 57, engineer, is currently a Vice President of the Company and Shum Yip Group Limited. Mr. WANG joined the Group in August 2012. Prior to this, Mr. WANG had served successively as a deputy general manager of Shenzhen Metro Group Co., Ltd. and Shenzhen Expressway Co., Ltd. He holds a bachelor's degree in Civil Engineering from The Zhejiang University. He has over thirty years of extensive experience in engineering design and construction and corporate management.

王敏遠先生，五十七歲，工程師，現任本公司、深業集團有限公司副總裁。王先生於二零一二年八月加入本集團。在此之前，王先生歷任深圳市地鐵集團有限公司及深圳市高速公路開發有限公司副總經理。彼擁有浙江大學土木工程學士學位。彼在工程設計、開發建設及企業管理等領域有逾三十年之豐富工作經驗。

Mr. LIANG Kaiping

梁開平先生

Mr. LIANG Kaiping, aged 58, is currently a Vice President of the Company, Shum Yip Group Ltd. and Shum Yip Holdings Co., Ltd.. He graduated from The Wuhan University, holding a master's degree in history. He joined the Group since 2000. Prior to this, he was the director and president of Shenzhen Futian Investment and Development Co., a general manager of Shenzhen Futian Real Estate Development Co., Ltd., and an associate supervisor of Office of Futian District Committee of Shenzhen. Mr. LIANG has over thirty years of experience in corporate management.

梁開平先生，五十八歲，現任本公司、深業集團有限公司及深業(集團)有限公司副總裁。彼畢業於武漢大學，持有歷史學碩士學位。彼於二零零零年加入本集團。在此之前，彼曾任深圳市福田投資發展公司董事兼總裁、深圳市福田房地產開發公司總經理、深圳市福田區委辦公室副主任等職位。梁先生在企業管理等方面有逾三十年之經驗。

Mr. DONG Fang

董方先生

Mr. DONG Fang, aged 44, is currently a Vice President of the Company, Shum Yip Group Limited and Shum Yip Holdings Company Limited. He graduated from The Hunan University with a master's degree and a senior engineer qualification. He joined the Group since 2006 and served as a general manager of the real estate department and investment department of the Company, and a deputy general manager of Huizhou Canton River Expressway Co., Ltd.. Prior to this, he used to work in the Transport Commission of Shenzhen Municipality. Mr. DONG is currently the non-executive director of Road King Infrastructure Limited (1098.HK). He has extensive experience in corporate management, property investment and operation management.

董方先生，四十四歲，現任本公司、深業集團有限公司及深業(集團)有限公司副總裁。彼畢業於湖南大學，擁有碩士學位及高級工程師資格。彼於二零零六年加入本集團，歷任本公司地產部總經理、投資部總經理、惠州廣河高速公路有限公司副總經理。此前，彼曾任職於深圳市交通局。董先生現任路勁基建有限公司(1098.HK)之非執行董事。彼於企業管理、房地產投資及運營管理等方面有豐富經驗。

Directors and Senior Management

董 事 及 高 級 行 政 人 員

Dr. DAI Jingming

戴敬明博士

Dr. DAI Jingming, aged 52, is currently the General Manager of Planning and Finance Department of the Company and Shum Yip Group Ltd.. Dr. DAI graduated from The Faculty of Agricultural Mechanical Engineering of China Huazhong Agricultural University with a bachelor of engineering degree in 1986 and from The Zhongnan University of Economics and Law with a master degree in economics in 1992. He also obtained his Ph.D. degree in economics from The China Ministry of Finance Institute of Fiscal Science in 1998. He is currently an accountant. Dr. DAI joined the Group since 1998 and held a position as general manager of administrative office department, audit department and risk management department respectively. Prior to this, he used to work in Hubei Province Agricultural Engineering Head Limited and Wuhan City Branch of the Agricultural Bank of China. Dr. DAI is currently a non-executive director of Coastal Greenland Limited (1124.HK). Dr. DAI possesses extensive professional knowledge and experience in corporate finance, investment and financing management.

戴敬明博士，五十二歲，現任本公司及深業集團有限公司計劃財務部總經理。戴博士於一九八六年畢業於中國華中農業大學農業機械系，獲工學士學位，一九九二年畢業於中南財經大學，獲經濟學碩士學位，並於一九九八年畢業於中國財政部財政科學研究所，獲經濟學博士學位，現為會計師。戴博士於一九九八年加入本集團，曾分別擔任辦公室、審計部、風險管理部總經理。在此之前，彼曾任職於湖北省農業機械總公司及中國農業銀行武漢市分行。戴博士現任沿海綠色家園有限公司(1124.HK)之非執行董事。戴博士於企業財務及投融資管理方面有豐富的專業知識和經驗。

Mr. LU Jiqiang

陸繼強先生

Mr. LU Jiqiang, aged 46, is currently the General Manager of the Board Secretariat and Chief Legal Officer of the Group. He holds a master's degree of Civil and Commercial Law from Law School of The Peking University. Presently, he is a PRC Lawyer and arbitrator of China International Economic and Trade Arbitration Commission (CIETAC), Shenzhen Court of International Arbitration, and Shanghai International Economic and Trade Arbitration Commission. He joined the Group since 2003. Prior to this, he worked in China Merchants Group. Mr. LU is currently a non-executive director of Coastal Greenland Limited (1124.HK). Mr. LU has extensive experience in corporate operation management, law affairs, compliance and risk management control.

陸繼強先生，四十六歲，現任本集團董事會秘書處總經理及法律事務總監。彼擁有北京大學法學院民商法碩士學位。現為中國律師及中國國際經濟貿易仲裁委員會(CIETAC)、深圳國際仲裁院、上海國際經濟貿易仲裁委員會仲裁員。彼於二零零三年加入本集團。在此之前，彼任職於招商局集團。陸先生現任沿海綠色家園有限公司(1124.HK)之非執行董事。陸先生於企業經營管理、法律事務、合規及風險控制方面有豐富經驗。

Mr. ZHU Guoqiang

朱國強先生

Mr. ZHU Guoqiang, aged 43, is currently the General Manager of Capital Market Department of the Company. He obtained a master's degree in Business Administration from The Hong Kong University of Science & Technology. He joined the Group since 2004, and held positions as general manager of investment department and strategic management department of the Company. Prior to this, he worked in Shenzhen Construction Investment Holdings Ltd.. Mr. ZHU is familiar with the real estate market and property development process and has maintained good communication with investors.

朱國強先生，四十三歲，現任本公司資本運營部總經理。彼擁有香港科技大學工商管理碩士學位。彼於二零零四年加入本集團，歷任本公司投資部及戰略管理部總經理。在此之前，彼曾任職於深圳市建設投資控股公司。朱先生熟悉房地產市場及物業開發流程，與投資者保持着良好溝通。

Corporate Governance Report

企 業 管 治 報 告

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standard of corporate governance. The board of directors of the Company (the "Board") strongly believes that good corporate governance is essential for effective management, a healthy corporate culture, successful business growth and enhancing shareholders' value. The Company has applied the principles and complied with all code provisions of the Corporate Governance Code ("CG Code") as set out in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") throughout the year 2016, except for code provision E.1.2 that our Chairman, Dr. LU Hua was not able to attend the annual general meeting of the Company held on 2 June 2016 due to other business commitment. Our President, Mr. HUANG Wei chaired the meeting and, together with the chairman of the audit committee, nomination committee and remuneration committee and other directors, were present to answer the shareholders' questions.

Looking ahead, we will keep our corporate governance practices under continual review to ensure their consistent application and to improve our practices having regard to the latest developments including any new amendment to the CG Code.

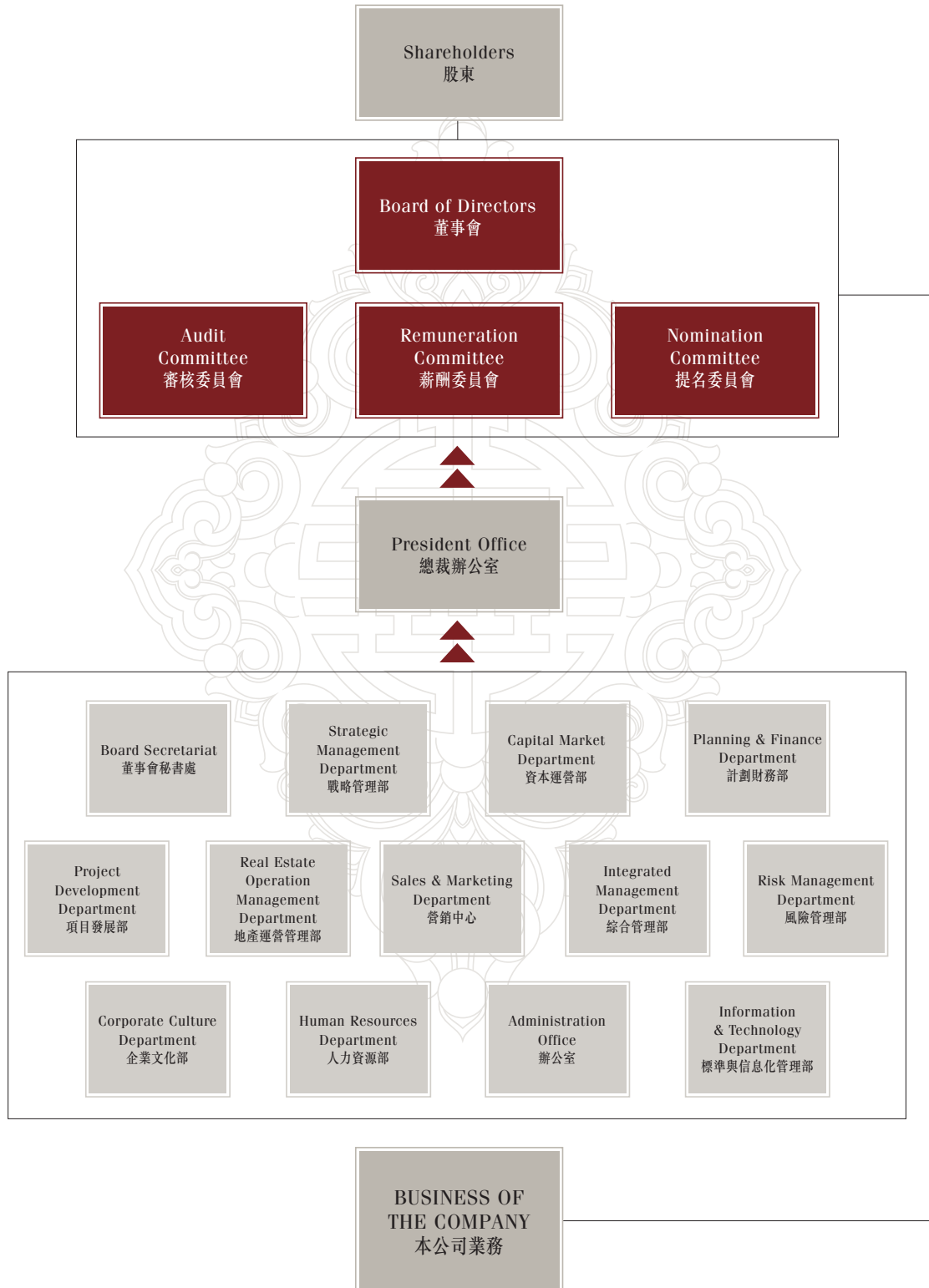
企業管治常規

本公司承諾恪守奉行高標準之企業管治。本公司董事會（「董事會」）堅信，良好企業管治對有效之管理、健全之企業文化、成功之業務發展，以及提升股東價值至關重要。本公司已於整個二零一六年應用並遵守香港聯合交易所有限公司證券上市規則（「上市規則」）附錄十四所載之企業管治守則（「企業管治守則」）之所有原則及守則條文，惟就守則條文第E.1.2條而言，本公司主席呂華博士因其他事務未能出席本公司於二零一六年六月二日舉行之股東週年大會。本公司總裁黃偉先生主持股東週年大會，連同審核委員會、提名委員會及薪酬委員會主席以及其他董事，均有出席以解答股東的提問。

展望未來，我們將不斷檢討集團的企業管治職能以確保貫徹應用並在考慮最新發展（包括企業管治守則的任何新修訂）後改善本公司的常規。

Corporate Governance Report

企 業 管 治 報 告



Corporate Governance Report

企 業 管 治 報 告

BOARD OF DIRECTORS

Responsibilities and Delegation

Under the leadership of the Chairman, the Board is responsible for formulating overall strategies and policies of the Company, supervising and evaluating business and financial performance of the Company, determining appropriate corporate governance practices applicable to the Company's circumstances and ensuring operational efficiency and effectiveness by establishing a comprehensive corporate governance framework with appropriate risk control measures and aiming to enhance long-term shareholders' value.

The Board has delegated certain functions to respective committees, including Audit Committee, Nomination Committee and Remuneration Committee, the details of the responsibilities, membership and activities during the year of each of them are set out in the section headed "Board Committees" below. These Board committees assist the Board to discharge its duties while the responsibilities of the day-to-day operations and business management are delegated to the executive directors and senior management. Matters specifically reserved to the Board include approval of financial statements, dividend policy, significant changes in corporate structure, mergers and acquisitions, major investments, material acquisition and disposal of assets, selection of directors, changes to remuneration policy for directors and senior management, terms of reference of board committees, as well as major corporate policies.

All Board members have separate and independent access to the management, and are provided with full and timely information about the conduct of the business and development of the Company, including reports on significant matters. Besides, all Board members are provided with monthly management updates which contain periodic financials with summaries of key events, outlook and business related matters of the Group. Should independent professional advice be considered necessary by the directors, such kind of services would be made available to the directors upon request.

The Company has arranged Directors & Officers Liability and Company Reimbursement Insurance for its directors and officers in respect of legal proceedings and other claims against them arising from their office and execution of their powers, duties and responsibilities.

董事會

職責及授權

董事會在主席的領導下，負責制定本公司的整體策略及政策，監督及評估公司的業務與財務表現；釐定適用於公司情況的合適企業管治常規以及通過建立健全的企業管治架構及制定適當的風險控制措施，確保其營運的效率及效益，致力提升長遠股東價值。

董事會將若干職能授權予相關委員會，包括審核委員會、提名委員會及薪酬委員會，該等委員會各自於年內之職責、成員身份及活動詳情載於下文「董事委員會」一節。該等董事委員會協助董事會履行職責，而執行董事和高級管理人員則獲授權管理日常營運及業務。特定保留予董事會決定的事宜包括批准財務報表、股息政策、公司架構的重大變動、併購、主要投資、重大收購及出售資產、膺選董事、董事及高級管理層薪酬政策的變動、董事委員會職權範圍以及主要企業政策。

所有董事會成員均可個別及獨立與管理層接觸，亦可獲得有關本公司業務經營及發展的全面及即時的資料，包括重大事項的報告。此外，全體董事會成員亦獲提供每月最新管理信息，內容載有本集團之定期財務資料及重要事項、前景及業務相關事宜之撮要。倘董事認為有必要尋求獨立專業意見時，該類服務將應要求提供予董事。

本公司已就董事及高級職員因其職務及執行其權力、職責及責任而引起的法律程序及其他索償而投購董事和高級職員責任及公司補償保險。

Corporate Governance Report

企 業 管 治 報 告

Composition

The Board currently comprises four executive directors and five non-executive directors of whom three are independent non-executive directors. Our independent non-executive directors constitute not less than one-third and non-executive directors constitute more than half of the Board.

Mr. WU Wai Chung, Michael and Mr. LI Wai Keung, our independent non-executive directors, have served the Board for more than nine years. The Board considers that they have continued to exercise independent judgment on the matters of the Group and there is no evidence that length of tenure is having an adverse impact on their independence. The Board therefore considers that Mr. WU Wai Chung, Michael and Mr. LI Wai Keung remain independent, notwithstanding the length of their tenure.

The Company has received from each independent non-executive director a confirmation of his independence pursuant to the criterion set out in Rule 3.13 of the Listing Rules and considers that all independent non-executive directors are independent.

All directors, including the non-executive directors, have a specific term of appointment which is not more than three years. Each director has entered into an appointment letter with the Company and pursuant to the Articles of Association of the Company, every director, including the non-executive directors, shall be subject to retirement by rotation at least once every three years. One-third of the directors (or if their number is not a multiple of three, then the number nearest to one-third) shall retire from office at each annual general meeting and eligible for re-election by shareholders. Also, any director appointed to fill a casual vacancy shall retire at the next general meeting of the Company and be eligible for re-election by shareholders. Separate resolutions are proposed for the re-election of each director.

The Board members do not have any financial, business, family or other material/relevant relationships with each other. Brief biographical particulars of the directors are set out from pages 35 to 45 of this annual report.

組成

董事會目前由四名執行董事及五名非執行董事組成，其中三名為獨立非執行董事。我們的獨立非執行董事不少於董事會人數三分之一，而非執行董事則佔董事會人數一半以上。

我們的獨立非執行董事吳偉聰先生及李偉強先生服務本公司董事會已逾九年。董事會認為，彼等持續對本集團的事務行使獨立判斷，及概無任何證據顯示任期長短對彼等獨立性構成不利影響。因此，董事會認為，不論任期長短，吳偉聰先生及李偉強先生仍保持獨立。

根據上市規則第3.13條所載的準則，本公司已接獲各獨立非執行董事的獨立性確認書，並認為所有獨立非執行董事均為獨立。

全體董事（包括非執行董事）均有不超過三年的特定委任期限。每名董事已與本公司訂立委任函，及根據本公司的組織章程細則，每名董事（包括非執行董事）須每三年至少輪值告退一次。每屆股東週年大會上須有三分之一的董事（或若董事人數並非三之倍數，則以最接近三分之一之數目為準）退任，並有資格由股東膺選連任。另外，任何獲委任以填補臨時空缺的董事須於本公司下屆股東大會上退任並有資格由股東膺選連任。本公司就重選每一名董事提呈獨立的決議案。

各董事會成員之間並無任何財務、業務、親屬或其他重大／相關關係。董事的個人履歷詳情載於本年報第35至45頁。

Corporate Governance Report

企 業 管 治 報 告

Chairman of the Board and President

The roles of Chairman of the Board are performed by Dr. LU Hua, whereas the roles of President are performed by Mr. HUANG Wei. The Chairman of the Board is responsible for leading the Board to formulate good corporate governance practices and procedures together with the directors, determine the strategic directions, business plans and investment proposals of the Company, assess its performance and supervise the business affairs of the management in ensuring the effectiveness of the Board, whereas the President is responsible for overseeing overall operations of the Company and ensuring the implementation of plans efficiently.

Board Meeting

The Board meets regularly to review the financial and operating performance of the Company and to discuss future strategy. Four regular Board meetings and two special Board meetings were held in 2016. At the Board meetings, the Board reviewed significant matters including the Company's business development, proposals for final and interim dividends, annual report and half-year report and discloseable and connected transactions. At least fourteen days' notice of a regular Board meeting was given to all directors who were provided with an opportunity to include matters for discussion in the agenda. The agenda and the accompanying board papers were sent to Directors at least three days before the intended date of a Board meeting. Draft and final versions of minutes of each Board meeting were circulated to directors for their comment and record respectively. In addition to the Board meetings, the Chairman of the Board also held a separate meeting with non-executive directors and independent non-executive directors without executive directors present on an annual basis.

董事會主席與總裁

董事會主席之角色由呂華博士擔任，而總裁之角色由黃偉先生擔任。董事會主席負責帶領董事會與全體董事共同制定良好的企業管治常規及程序，決定本公司的策略方針、業務計劃和投資方案，評估其表現和監督管理層的工作事務以確保董事會的有效性，而總裁則負責監督本公司的整體運作，及確保有效地執行計劃。

董事會會議

董事會定期舉行會議以審核本公司的財務及營運表現以及討論未來策略。二零一六年舉行了四次常規董事會會議及兩次特別董事會會議。於董事會會議上，董事會檢討的重大事宜，包括本公司的業務發展、建議末期及中期股息、年報及半年度報告及須予披露及關連交易。常規董事會會議的通知至少提前十四天向全體董事發出，全體董事均有機會提出擬商討之事項列入議程中。議程連同董事會會議文件在擬定董事會會議日期至少三天前發給董事。各董事會會議之會議記錄的初稿及最後定稿會發送給董事，初稿供其表達意見，而最後定稿則作記錄之用。除董事會會議外，董事會主席亦每年在執行董事避席的情況下與非執行董事及獨立非執行董事單獨會面。

Corporate Governance Report

企 業 管 治 報 告

Attendance Record at Board Meetings, Board Committee Meetings and General Meetings

The attendance record of each director at Board meetings, Board committee meetings and general meetings in 2016 is set out below:

董事會會議、董事委員會會議及股東大會的出席記錄

於二零一六年，各董事出席董事會會議、董事委員會會議及股東大會的記錄載列如下：

		Board Meeting 董事會會議	Audit Committee Meeting 審核委員會會議	Nomination Committee Meeting 提名委員會會議	Remuneration Committee Meeting 薪酬委員會會議	Annual General Meeting 股東週年大會	Extraordinary General Meeting 股東特別大會
No. of meetings held	舉行的會議次數	6	4	1	1	1	1
Executive Directors	執行董事						
LU Hua (Chairman)	呂華 (主席)	3/6	–	1/1	–	0/1	1/1
HUANG Wei (President)	黃偉 (總裁)	5/6	–	–	–	1/1	1/1
MOU Yong	牟勇	3/6	–	–	–	1/1	1/1
LIU Chong	劉崇	5/6	–	–	–	1/1	1/1
Non-executive Directors	非執行董事						
WU Jiesi	武捷思	4/6	–	–	–	0/1	1/1
HUANG Yige ⁽¹⁾	黃一格 ⁽¹⁾	6/6	–	–	–	1/1	1/1
LIU Shichao ⁽²⁾	劉世超 ⁽²⁾	–	–	–	–	–	–
Independent Non-executive Directors	獨立非執行董事						
WU Wai Chung Michael	吳偉聰	5/6	4/4	–	1/1	1/1	1/1
LI Wai Keung	李偉強	6/6	4/4	1/1	1/1	1/1	1/1
WONG Yau Kar David	黃友嘉	6/6	4/4	1/1	1/1	1/1	0/1

1. Resigned as a non-executive director with effect from 18 January 2017.

2. Appointed as a non-executive director with effect from 18 January 2017.

1. 於二零一七年一月十八日辭任非執行董事。

2. 於二零一七年一月十八日獲委任為非執行董事。

DIRECTORS' SECURITIES TRANSACTIONS

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules (the "Model Code") as the code of conduct of the Company for dealing in securities of the Company by the directors. Having made specific enquiry to all the directors, all directors confirmed that throughout the year, they had complied with the required standard set out in the Model Code. In addition, the Board has also adopted the principles and rules of the Model Code as written guidelines for relevant employees in respect of their dealings in the securities of the Company.

董事進行證券交易

董事會已採納上市規則附錄十所載上市發行人董事進行證券交易之標準守則（「標準守則」），作為本公司董事進行證券交易的行為準則。經向全體董事作出特定查詢後，全體董事均確認，彼等於整個年度內一直遵守標準守則所載的規定標準。此外，董事會亦已採納標準守則載列的原則及規則作為有關人員買賣本公司證券的書面指引。

Corporate Governance Report

企 業 管 治 報 告

DIRECTORS' CONTINUING PROFESSIONAL DEVELOPMENT PROGRAMME

Each newly appointed director will be provided with necessary induction information to ensure that he has a proper understanding of the Company's operations and businesses as well as his responsibilities under relevant statutes, laws, rules and regulations.

Directors' training is an on-going process, all directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. The Company also updates directors on any latest development regarding the Listing Rules and other applicable regulatory requirements from time to time to ensure compliance and enhance their awareness of good corporate governance practices.

In 2016, the Company had arranged an in-house directors' training on topic under the Listing Rules. The Company had also arranged a site visit to the Company's property development projects in Shenzhen, the PRC for the directors.

A summary of the training records (including participation in site visit) reported by the directors for year 2016 is set out as follow:

董事持續專業發展計劃

所有新委任的董事均獲提供必要的入職培訓資料，以確保其對本公司的營運及業務以及相關條例、法律、規則及法規下的責任有適當的了解。

董事培訓屬持續過程，本公司鼓勵所有董事參與持續專業發展，以發展及更新其知識及技能。本公司亦不時向董事提供上市規則以及其他適用監管規定的最新發展概況，以確保合規並提升其對良好企業管治常規的認識。

於二零一六年，本公司已就上市規則項下主題安排內部董事培訓。本公司亦安排董事實地考察本公司位於中國深圳的物業開發項目。

董事呈報於二零一六年的培訓記錄（包括參加實地考察）的概要載列如下：

		Type of training covered [#] 所涵蓋培訓的類型 [#]
LU Hua	呂華	1,2,3
HUANG Wei	黃偉	1,2,3
MOU Yong	牟勇	1,2,3
LIU Chong	劉崇	1,2,3
WU Jiesi	武捷思	1,2,3
HUANG Yige ¹	黃一格 ¹	1,2,3
LIU Shichao ²	劉世超 ²	—
WU Wai Chung Michael	吳偉驄	1,2,3
LI Wai Keung	李偉強	1,2,3
WONG Yau Kar David	黃友嘉	1,2,3

#:

1. Participation in briefings/training seminars/conferences/courses/workshops on subjects relating to directors' duties, corporate governance, legal and regulatory, finance and accounting, economic and industry specific matters etc.
2. Reading materials/regulatory updates/management monthly updates
3. Site visit

Notes:

1. Resigned as a non-executive director with effect from 18 January 2017
2. Appointed as a non-executive director with effect from 18 January 2017

#:

1. 參加有關董事責任、企業管治、法律及法規、財務及會計、經濟以及行業特定事宜等主題的簡介會／培訓研討會／會議／課程／研習會
2. 閱讀材料／監管更新資料／管理層每月更新資料
3. 實地考察

附註：

1. 於二零一七年一月十八日辭任非執行董事
2. 於二零一七年一月十八日獲委任為非執行董事

Corporate Governance Report

企 業 管 治 報 告

BOARD COMMITTEES

The Board has appointed a number of committees to discharge its functions. The respective roles, responsibilities and activities of each Board committee are set out below:

Audit Committee

The Audit Committee comprises three independent non-executive directors, who are all equipped with commercial and financial skills and experiences required for understanding of accounting information. It is chaired by Mr. LI Wai Keung and other members are Mr. WU Wai Chung, Michael and Dr. WONG Yau Kar, David.

Under its terms of reference, the duties of the Audit Committee include, but not limited to, making recommendations on the appointment of external auditor and monitoring the effectiveness of external audit, supervision of internal audit and oversight of the integrity of financial information and the financial reporting system, overseeing internal audit, risk management and internal control systems of the Company and ensuring such functions are adequately resourced. The full terms of reference of the Audit Committee are available on the Company's website and the website of The Stock Exchange of Hong Kong Limited ("Stock Exchange").

The Audit Committee performed the following in 2016:

Financial reporting

- Reviewed the 2015 annual financial statements, annual report and results announcement and recommended the same to the Board for approval;
- Reviewed the 2016 half-year financial statements, half-year report and results announcement and recommended the same to the Board for approval;

董事委員會

董事會已委任若干委員會以履行其職責。各個董事委員會各自的角色、職責及活動載列如下：

審核委員會

審核委員會由三名獨立非執行董事組成，彼等均具備了解會計資料所需的商業與財務技巧及經驗。審核委員會由李偉強先生擔任主席，其他成員為吳偉聰先生及黃友嘉博士。

根據其職權範圍，審核委員會負責包括（但不限於）建議聘請外聘核數師、監督外部審計之有效性、監督內部審計及監察財務信息及財務申報系統的完整性、監督本公司的內部審計、風險管理及內部監控系統以及確保該等功能有足夠資源。審核委員會的職權範圍全文可於本公司網站及香港聯合交易所有限公司（「聯交所」）網站內查閱。

審核委員會於二零一六年曾進行以下工作：

財務申報

- 審閱二零一五年度財務報表、年報及業績公告，並建議董事會批准；
- 審閱二零一六年半年度財務報表、半年度報告及業績公告，並建議董事會批准；

Corporate Governance Report

企 業 管 治 報 告

External audit and interim review

- Reviewed report submitted by external auditor on their statutory audit of the 2015 annual financial statements and their independent review of the 2016 half-year financial statements;
- Reviewed and discussed the observations and recommendations on the financial reporting and control matters set out in the 2015 management letter submitted by external auditor;
- Reviewed the representation letter issued by management to external auditor in connection with their audit of the 2015 financial statements;
- Reviewed with the external auditor their plan for statutory audit of the 2016 annual financial statements, including the nature and scope of the audit and reporting obligations.

Risk management, internal control and internal audit

- Reviewed the evaluation report on internal control and risk management systems for year 2015 issued by the risk management department;
- Reviewed with the risk management department on the risk management and internal control systems and their effectiveness, the overall risk management, internal control and internal audit work progress and findings, and the adequacy of resources and staffing for such functions.

In the meeting held on 27 March 2017, the Audit Committee reviewed and approved the 2016 annual financial statements, annual report and results announcement and, and considered reports from the external auditor. The Audit Committee also reviewed the evaluation report on internal control and risk management systems for year 2016 issued by the risk management department.

The meeting attendance of each member of the Audit Committee is set out in the paragraph headed "Attendance Record at Board Meetings, Board Committee Meetings and General Meetings" of this report.

外部審計及內部檢討

- 檢討外聘核數師出具之有關彼等對二零一五年年度財務報表之法定審計及彼等對二零一六年半年度財務報表之獨立意見之報告；
- 檢討及討論外聘核數師提交之二零一五年年度管理層函件所載就財務申報及控制事宜的意見及建議；
- 檢討管理層就外聘核數師對二零一五年年度財務報表之審計致彼等之聲明函；
- 與外聘核數師檢討彼等對二零一六年年度財務報表之法定審計計劃，包括審計性質和範疇及申報責任。

風險管理、內部監控及內部審計

- 審閱風險管理部就二零一五年內部監控及風險管理系統出具之評估報告；
- 與風險管理部檢討風險管理及內部控制系統及其有效性、整體風險管理、內部監控及內部審計進展及結果、及該等職能方面的資源及人力是否充足。

於二零一七年三月二十七日召開的會議上，審核委員會審核及批准了二零一六年年度財務報告、年報及業績公告，並審議了外聘核數師出具的報告。審核委員會亦檢討了風險管理部就二零一六年內部監控及風險管理系統出具之評估報告。

審核委員會各成員出席會議的記錄載於本報告「董事會會議、董事委員會會議及股東大會的出席記錄」一段。

Corporate Governance Report

企 業 管 治 報 告

Remuneration Committee

The Remuneration Committee comprises three independent non-executive directors. It is chaired by Dr. WONG Yau Kar, David and other members are Mr. LI Wai Keung and Mr. WU Wai Chung, Michael.

The Company adopted the model whereby the Remuneration Committee is responsible for making recommendation to the Board on the remuneration packages of individual executive director and senior management according to its terms of reference. The Remuneration Committee is also responsible for making recommendation to the Board on the remuneration matters of non-executive directors, the setting up of adequate and transparent procedures for setting such remuneration. The full terms of reference of the Remuneration Committee are available on the Company's website and the Stock Exchange's website.

No director or any of his associates is allowed to determine their own remuneration. In making recommendation to the Board on the remuneration of directors and senior management, the Remuneration Committee shall consider factors such as time commitment and responsibilities of directors, employment conditions of other positions within the Group and whether their remuneration are performance-related.

During the year, the Remuneration Committee reviewed the director fees of non-executive directors and the remuneration of executive directors and other incentive rewards such as grant of share options to directors and senior management. In January 2017, the Remuneration Committee made recommendation to the Board for the remuneration in respect of the appointment of Mr. LIU Shichao as non-executive director.

The remuneration of senior management by band for the year ended 31 December 2016 is set out below:

薪酬委員會

薪酬委員會由三名獨立非執行董事組成。薪酬委員會由黃友嘉博士擔任主席，其他成員為李偉強先生及吳偉聰先生。

本公司已採納由薪酬委員會負責根據其職權範圍就個別執行董事及高級管理人員的薪酬待遇向董事會提出建議的模式。薪酬委員會亦負責就非執行董事的薪酬事項向董事會提出建議及設立恰當及透明的程序以制訂薪酬。薪酬委員會的職權範圍全文可於本公司網站及聯交所網站內查閱。

任何董事或其任何聯繫人士不得自行釐訂其本身的薪酬。在向董事會建議董事及高級管理人員的薪酬時，薪酬委員會須考慮董事所付出的時間及職責、集團內其他職位的受僱條件及是否按表現等因素而釐定薪酬。

年內，薪酬委員會已審議非執行董事的董事袍金、執行董事之薪酬以及其他激勵報酬，例如向董事及高級管理人員授予購股權。於二零一七年一月，薪酬委員會就委任劉世超先生為非執行董事之薪酬向董事會作出推薦建議。

截至二零一六年十二月三十一日止年度，按薪酬範圍劃分的高級管理人員之薪酬載列如下：

Remuneration Bands	薪酬範圍	Number of Individuals 人數
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元	3
HK\$1,500,001 to HK\$2,000,000	1,500,001港元至2,000,000港元	3
HK\$2,000,001 or above	2,000,001港元或以上	—

Corporate Governance Report

企 業 管 治 報 告

Further particulars regarding Directors' and Chief Executive's remuneration and the five highest paid employees are set out in notes 9 and 10 to the financial statements.

The meeting attendance of each member of the Remuneration Committee is set out in the paragraph headed "Attendance Record at Board Meetings, Board Committee Meetings and General Meetings" of this report.

Nomination Committee

The Nomination Committee comprises three members of which two of them are independent non-executive directors. It is chaired by Dr. WONG Yau Kar, David and other members are Dr. LU Hua and Mr. LI Wai Keung.

The Nomination Committee is authorised by the Board to determine the policy for the nomination of directors, to set out the nomination procedures and criteria to select and recommend candidates for directorship. The Nomination Committee is also responsible for reviewing the structure, size and composition of the Board and assessing the independence of the independent non-executive directors. The full terms of reference of the Nomination Committee are available on the Company's website and the Stock Exchange's website.

During the year 2016, the Nomination Committee reviewed the structure, size and composition of the Board and opined that it is adequate for independent and effective decision making. The Nomination Committee also reviewed and recommended to the Board in relation to the re-election of the retiring directors at the annual general meeting of the Company held on 2 June 2016. The Nomination Committee also assessed the independency of the independent non-executive directors.

In January 2017, the Nomination Committee reviewed and recommended to the Board in relation to the appointment of Mr. LIU Shichao as non-executive director. All appointments of directors are first considered by the Nomination Committee. In assessing potential candidates for the Board, the Nomination Committee considers the diversity perspectives as set out in the paragraph below. Notwithstanding the diversity perspectives, all appointments to the Board are based on merit, having regard to the ability of candidates to complement and expand the skills, knowledge and experience of the Board as a whole. The recommendations of the Nomination Committee are then put to the full Board for decision.

The meeting attendance of each member of the Nomination Committee is set out in the paragraph headed "Attendance Record at Board Meetings, Board Committee Meetings and General Meetings" of this report.

有關董事及最高行政人員之薪酬及五名最高薪僱員的進一步詳情載於財務報表附註9及10。

薪酬委員會各成員出席會議的記錄載於本報告「董事會會議、董事委員會會議及股東大會的出席記錄」一段。

提名委員會

提名委員會由三名成員組成，其中兩名為獨立非執行董事。提名委員會主席由黃友嘉博士擔任，其他成員為呂華博士及李偉強先生。

提名委員會已獲董事會授權以釐定董事提名政策、設立提名程序、甄選及推薦董事候選人所採用的準則。提名委員會亦負責檢討董事會的架構、規模及組成以及評核獨立非執行董事的獨立性。提名委員會的職權範圍全文可於本公司網站及聯交所網站內查閱。

於二零一六年，提名委員會已檢討董事會的架構、規模及組成，並認為其足夠獨立及可有效地作出決策。提名委員會亦已審議關於本公司於二零一六年六月二日舉行之股東週年大會上重選退任董事並向董事會提供推薦建議。提名委員會亦已評核獨立非執行董事之獨立性。

於二零一七年一月，提名委員會已審議並向董事會推薦委任劉世超先生為非執行董事。所有董事委任先由提名委員會審議。於評估董事會之潛任人選時，提名委員會考慮下段載列之多元化層面。除多元化層面之外，董事會之委任以才能為基礎，並計及候選人補足及提升董事會整體技能、知識及經驗之能力。提名委員會之相關提議交由董事會進行決策。

提名委員會各成員出席會議的記錄載於本報告「董事會會議、董事委員會會議及股東大會的出席記錄」一段。

Corporate Governance Report

企 業 管 治 報 告

BOARD DIVERSITY POLICY

The Company has adopted a board diversity policy which sets out the approach to achieve diversity on the Board, a copy of which is available on the Company's website. The Board recognizes the benefits of a diverse Board with members possessing a balance of skills, experience and expertise which complement to the business success of the Group, and seeks increasing diversity at Board level to enhance the effectiveness of the Board and to achieve a sustainable and balanced development.

The Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will continue to be made on a merit basis and candidates will be considered against objective criteria, having due regard to the benefits of diversity on the Board.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for, and has performed during the year, the following corporate governance duties:

- to develop and review the Company's policies and practices on corporate governance;
- to review and monitor the training and continuous professional development of directors and senior management;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual applicable to employees and directors;
- to review the Company's compliance with the CG Code and disclosure in the corporate governance report.

董事會成員多元化政策

本公司已採納董事會成員多元化政策，其中載列董事會成員達致多元化的方法，有關政策可於本公司網站內查閱。董事會深信多元化的董事會擁有互補各成員所具備的技能、經驗及專長的好處，有助於本集團業務成功，董事會亦尋求在董事會層面提升多元化，以提高董事會效率，並實現可持續及均衡發展。

本公司透過考慮多種要素尋求達致董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年資。充分考慮到董事會多元化的好處，董事會所有委任將繼續以用人唯才為原則並考慮候選人的多項客觀標準。

企業管治職能

董事會負責且已於年內履行以下企業管治職能：

- 制定及檢討本公司的企業管治政策及常規；
- 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規則方面的政策及常規；
- 制定、檢討及監察適用於僱員及董事的操守準則及合規手冊；
- 檢討本公司遵守企業管治守則及企業管治報告內披露的情況。

Corporate Governance Report

企 業 管 治 報 告

RISK MANAGEMENT AND INTERNAL CONTROL

Responsibility

The Board is responsible for the risk management and internal control systems and reviewing the effectiveness of such systems. Management is responsible for designing and implementing an internal control system to manage the risks to the Company to the maximum extent, in order to identify and manage these risks so as to understand, reduce, mitigate, divert or avoid these risks. The Board hereby explains that the systems are designed to manage, rather than eliminate, the risk of failure to meet business objectives, and only to provide reasonable, but not absolute, assurance against material misstatement or loss.

Risk Management Structure

Board Oversight

Audit Committee, acting on behalf of the Board

- Ensure that an appropriate and effective risk management framework is established and maintained by the Group.
- Oversee management in the design, implementation and monitoring of the risk management framework.
- Oversee management in their risk mitigation efforts.

Risk Management, Reporting and Communication

Risk Management Department

- Being the specialized risk management department, is responsible for the construction and operation of the comprehensive risk management system of the Group; guide and supervise the overall risk management of other departments and the respective enterprises which they belong to.
- Risk management: Regularly conduct systematic risk evaluation and carry out prior risk audit to major businesses.
- Internal control: inspect, evaluate and optimize the implementation of internal control system, to avoid the risk of implementation.
- Internal audit: carry out multi-level audit, to implement the risk of rectification, prevention and operation of audit.
- Ensure that a review of the effectiveness of the risk management framework has been conducted at least annually and provide such confirmation to the Board through the Audit Committee.

風險管理與內部監控

責任

董事會須對風險管理及內部監控系統負責，有責任檢討該等制度的有效性，而管理層則負責設計及執行內部監控制度以最大限度的管理公司面臨的風險，達到識別和管理這些風險，從而可以掌握、降低、舒緩、轉移或規避這些風險。董事會謹在此闡釋該等系統旨在管理而非消除未能達成業務目標的風險，而且只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

風險管理架構

董事會監督

代表董事會行事的審核委員會

- 確保集團已設立及維持一個合適和有效的風險管理架構。
- 監督管理層在風險管理架構的設計、執行及監察方面的工作。
- 監督管理層在風險舒緩方面的工作。

風險管理、彙報及溝通

風險管理部

- 為風險管理專職部門，負責集團全面風險管理體系建設與運作的具體工作；指導、督促其他各部門及各所屬企業開展全面風險管理工作。
- 風險管理：定期進行系統風險評估、對重大業務進行事前風險審核。
- 內部控制：檢查、評價和優化內控制度的執行情況，規避執行上的風險。
- 內部審計：開展多層次的審計工作，落實審計問題整改，防範營運風險。
- 確保至少每年檢討一次風險管理架構的成效，並透過審核委員會向董事會作出有關確認。

Corporate Governance Report

企 業 管 治 報 告

Performing Daily Risk and Monitoring Responsibility

Functional Departments, Risk Management Departments of Subsidiaries and Individuals

- Responsible for carrying out risk management procedures and internal control measures in their daily operations.
- Regularly review the risk profile and report to the risk management department and management on the risks within their respective operating and functional areas.

執行日常風險及監控權責

職能部門、附屬企業風險管理部門及個人

- 負責於日常營運執行風險管理程序及內部監控措施。
- 定期審視風險狀況及就其各自營運及職能範圍內的風險向風險管理部及管理層進行彙報。

Risk Management Process

The Company adopts an integrated “bottom-up” and “top-down” risk review process, requiring the heads of functional departments and business units of the Company to participate in identifying operational risks and incorporate them into various business and decision-making processes, including strategy formulation, business development, business planning, capital allocation, investment decisions, internal controls and daily operations, to enable

- (1) Comprehensive identification and prioritisation of all significant risks throughout the Group,
- (2) Escalation of significant risks at the right managerial level,
- (3) Effective risk dialogue among the management.

風險管理程序

公司採用「由下而上」的方式配合「由上而下」的綜合風險檢討程序，要求公司職能部門及業務部門主管參與識別營運風險，納入各項業務及決策流程中，包括策略制定、業務發展、業務規劃、資金分配、投資決定、內部監控及日常營運等，以便於

- (1) 全面識別集團內部所有的重大風險，並進行優次排序，
- (2) 將重大風險上報至適當的管理層級別，
- (3) 讓管理層就風險進行有效溝通。

Bottom-up Process

- Business units and functional departments identify, evaluate, propose and implement risk management solutions for specific operations within their terms of reference; and report annually to the risk management department of the Company on significant risks identified during the risk management process.
- The departments of the Company are responsible for inspecting their own business processes, collecting and sorting out the internal and external risk initial information within their scope of functions extensively and continuously. The risk management department regularly screens, abstracts, compares, classifies and combines the initial risk information collected by each department and draws the risk coordinates map based on the risk evaluation results of each department and preliminarily determines the management priority of various risk of the Company, formulates risk management strategies, and proposes and implements of risk management solutions.

由下而上的程序

- 業務部門和公司職能部門對職責範圍內的具體業務進行風險辨識、評估，提出和實施風險管理解決方案；並年度須向公司風險管理部彙報在風險管理過程中識別的重大風險。
- 公司各部門負責梳理自身業務流程，廣泛、持續地收集、整理本部門職能範圍內的內部、外部風險初始信息。風險管理部定期對各部門收集的風險初始信息進行必要的篩選、提煉、對比、分類、組合，並根據各部門的風險評估結果，繪製風險坐標圖，初步確定公司本部各項風險的管理優先順序、制定風險管理策略和提出和實施風險管理解決方案。

Corporate Governance Report

企 業 管 治 報 告

- The risk management department of the Company, through aggregation, filtering and prioritising processes as well as consultation process, compiles a corporate annual work report on comprehensive risks and an evaluation report on internal control and risk management systems.
- The risk management department of the Company reports their works to the Audit Committee annually and submits Evaluation Report on Internal Control and Risk Management Systems to the Audit Committee and the Board for their review.
- 公司風險管理部通過彙集、篩選及排序的步驟以及訪談程序，編寫企業全面風險管理年度工作報告及《內部監控及風險管理系統評估報告》。
- 公司風險管理部按年向審核委員會報告其工作，並提呈《內部監控及風險管理系統評估報告》供審核委員會及董事會審閱。

Top-down Process

- The Audit Committee examines the new-born risks or significant strategic risks that may have a significant impact on the Company in the long run, and reviews the effectiveness of the risk management and internal control systems of the Company.
- In addition to the risk evaluation function, the management from the functional departments is responsible for identifying and evaluating the financial and other risks in different areas of the Group from the aspects such as investment auditing and strategic planning, financial management and legal compliance respectively, and forms a normalized mechanism for risk evaluation to regularly carry out systematic significant risk evaluation, so as to achieve dynamic management for significant risks.
- A normalized mechanism for risk evaluation has been formed, which regularly carries out systematic significant risk evaluation, to identify, evaluate and analyze all kinds of existing or potential risks in current business development, and timely tracks and monitors the moving trend of significant risks, control the progress and effectiveness, so as to achieve dynamic management for significant risks.
- Prior comprehensive risk evaluation and audit is required to be conducted for significant business such as tender, bidding and listing of land, equity acquisition, joint venture and partnership etc., in order to achieve such an operating mechanism that the audit opinions without prior risk evaluation will not be submitted to meetings for approval, thus the significant business risks has been effectively controlled.
- Annual review is performed to strengthen the systematic and standardized construction for internal audit.

由上而下的程序

- 審核委員會按年度檢查及討論可能對公司長遠構成重大影響的新生風險或重大的戰略風險，檢討公司風險管理及內部監控系統的功效。
- 有關風險評估職能外，職能部門管理層還分別從投資審核及戰略規劃、財務管理、法律合規等方面負責識別及評估集團不同領域的財務及其他風險，並形成風險評估常態化機制，定期開展系統性重大風險評估工作，實現了重大風險動態管理。
- 形成了風險評估常態化機制，定期開展系統性重大風險評估工作，對當前經營發展中存在或潛在的各類風險進行識別、評估和分析，並及時跟蹤監測重大風險變化趨勢、管控進展和成效，實現了重大風險動態管理。
- 對土地招拍掛、股權收購、合資合作等重大業務要求必須事前進行全面的風險評估和審核，實現無事前風險評估審核意見不能提交上會審議的運行機制，重大業務風險得到了有效地控制。
- 每年進行檢討，加強內審工作的制度化、標準化建設。

Corporate Governance Report

企 業 管 治 報 告

INTERNAL CONTROL

The internal control system of the Company is based on the principles under the COSO (the Committee of Sponsoring Organizations of the Treadway Commission). The internal control and risk management systems are seriously evaluated and reviewed annually by the risk management department of the Company, the scope of which covering five aspects such as control environment, risk assessment, control activities, monitoring measures and information and communication in order to assess whether the internal control and risk management systems is sound, appropriate, effective and sufficient. The risk management department annually forms an evaluation report on internal control and risk management systems.

內部監控

公司的內部監控系統是根據COSO (the Committee of Sponsoring Organizations of the Treadway Commission)以下的原則所訂立，公司風險管理部每年度對內部監控及風險管理系統進行認真評估與檢討，檢討涵蓋監控環境、風險評估、監控活動、監察措施及信息與溝通等五個方面，以此評估公司內部監控及風險管理系統是否穩健、妥善、有效及足夠。風險管理部每年度形成公司內部監控及風險管理系統評估報告。

Principal Policies and Measures of Internal Control

Control Environment

- The Company has established a code of discipline of corporate governance policy, human resource management policy, regulatory business operation and governance, as well as regular review and refresher training on key ethical practices.
- The Company has compiled the human resource compilation system. Through implementation of the management guidance manual, the human resource concepts, policies, systems get further unified and standardized, and the policy get more transparent; in achieving the corporate objectives of the Company, the accountability has been implemented for each employee as to the internal control responsibility.

主要內部監控政策與措施

監控環境

- 公司制定企業管治政策、人力資源管理政策、監管業務運作及管治工作的紀律守則，以及對重要道德操守的定期檢討和進修培訓。
- 公司制定了人力資源制度彙編。通過落實執行該管控指導手冊，使人力資源理念、政策、制度得到進一步統一和規範，政策更加透明；在達到公司的企業目標過程中，對每名員工在內部控制責任上，實施問責制度。

Risk Assessment

- The risk management functional department identifies and assesses the systemic risks faced by the Group by regular risk inspection; It controls the risk situation of subsidiaries through regular risk management reporting system of subsidiaries and the risk assessment and control for significant projects and business, and identifies and assesses the changes that may have a significant impact on the internal control system.
- In addition to the risk management functions, the relevant functional departments of the Company are responsible for identifying and assessing financial and other risks in different areas of the Company from the aspects such as strategy planning and investment auditing, financial management and legal compliance.
- Compile a comprehensive risk management report and submit it to the Audit Committee for consideration and timely take corresponding risk management measures.

風險評估

- 風險管理職能部門通過定期開展風險梳理，識別評估集團所面臨的系統性風險；通過附屬企業定期風險管理報告制度和對重大項目、業務的風險評估與監控，對附屬企業風險狀況進行控制，識別和評估可能對內部監控系統產生重大影響的變更。
- 除風險管理職能外，公司相關職能部門還分別從戰略規劃及投資審核、財務管理、法律合規等方面負責識別及評估公司不同領域的財務及其他風險。
- 匯總編製全面風險管理報告並提交審核委員會審議，並及時採取相應的風險管理措施。

Corporate Governance Report

企 業 管 治 報 告

Control Activities

- Ensure that policies are implemented effectively through the development of policies with specific requirements and formulation of procedures.
- Key control systems and processes, including budget and cost control, submitting management report, corporate policies and corporate daily activities, for approval, review and division of duties through financial reporting systems and processes. The internal control system of the Company includes a mature organisational structure, a clear definition for the duties and powers of each unit. The Company has established policies and procedures for major business functions and business units.
- The Company has formed a set of effective performance appraisal mechanism through years of experience. In 2015, the Company established and circulated the Administrative Rules on Supervision and Management of Audit Rectification for the first time, which included the completion of audit rectification into annual appraisal indicators for related subsidiaries, and initially established a circular managerial accountability mechanism of audit rectification.

監控活動

- 通過制訂要求明確的政策及訂立程序，確保政策得以切實執行。
- 主要監控系統及流程，包括預算及成本監控、透過財務彙報系統及流程提呈管理報告、公司政策及公司日常活動進行的審批、覆核及職責劃分。公司的內部監控系統包括一個成熟的組織架構，清楚界定各單位的職責及權力。公司對主要業務功能及業務部門制訂了政策及程序。
- 公司通過多年經驗已形成了一套行之有效的績效考核機制。二零一五年，公司制定下發了《審計發現問題整改監督管理細則》，首次將審計整改完成情況列入對所屬企業的年度考核指標，初步建立起審計整改監督閉環管理問責機制。

Monitoring Measures

- Continuously inspect compliance and conduct risk management and internal control reviews.
- The Board Secretariat and relevant functional departments are responsible for the overall assessment and monitoring for the established procedures to ensure compliance with the Listing Rules and to monitor the compliance with applicable laws and other key provisions.
- The internal audit is performed by the risk management department of the Company, which is responsible for independent auditing towards risk management and internal control.

監察措施

- 持續檢查合規情況並進行風險管理和內部監控檢討。
- 董事會秘書處及相關職能部門負責整體評估及監察既定程序以確保遵守上市規則及監督有關適用法律及其他主要規定的合規事項。
- 內部審計職能由公司風險管理部門擔任，負責對風險管理及內部監控進行獨立審核。

Corporate Governance Report

企 業 管 治 報 告

Information and Communication

- Implement, maintain and continuously develop business and information management systems to support the business and operations of the Company, including financial, information disclosure and collaborative oversight.
- Disseminate corporate information in a timely manner through the intranet of the Company, collaborative office systems and corporate e-mail system.
- Establish the website of the Company and implement shareholder communication policies to ensure that shareholders receive comprehensive, clear, transparent and timely information about the Company.

信息與溝通

- 實施、維護及持續開發業務及信息管理系統，以支持公司的業務及營運，包括財務、信息披露及協同監督等。
- 通過公司的內聯網、協同辦公系統及公司電郵系統，及時傳播企業信息。
- 公司網站及股東通訊政策的建立和實施確保股東獲得有關公司的全面清晰透明及及時的信息。

INTERNAL AUDITING

The risk management department is responsible for the internal audit of the Group. It reviews the risks involved in daily operations of the Company and its subsidiaries by using the audit plans and procedures set out in the Comprehensive Risk Management Manual and the Interim Measures for Internal Audit Management it established, and conducts regular post-evaluation reviews on internal audit items to ensure the effectiveness of risk management framework.

Each year, following the strategic plan of the Company and based on the operational management needs and the annual work arrangement of the Company, the risk management department determines the priorities of internal audit work and formulates annual internal audit plans.

The annual internal audit plan shall include the following basic elements:

- 1) Annual work objectives of internal audit;
- 2) The specific audit items to be implemented and the order in which they should be implemented;
- 3) The audit resources allocated to each audit item

內部審計

風險管理部門負責集團內部審計，運用其設立的《全面風險管理手冊》及《內部審計工作管理暫行辦法》中清晰列明的審核計劃及程序，檢討公司及附屬企業的日常運營面臨的風險，並對內部審計項目做定期後評價檢討以保證風險管理架構的成效。

風險管理部每年度按照公司戰略部署，根據經營管理需要和公司的年度工作安排，確定內部審計工作重點，制定年度內部審計計劃。

年度內部審計計劃當包括以下基本內容：

- 1) 內部審計年度工作目標；
- 2) 需要執行的具體審計項目及其先後順序；
- 3) 各審計項目所分配的審計資源

Corporate Governance Report

企 業 管 治 報 告

According to the Interim Measures for Internal Audit Management, the items must be audited shall include the following:

按照《內部審計工作管理暫行辦法》，必須進行審計的事項包括下列各項：

Type of Audit 審計類型	Content 內容
Economic Responsibility Audit 經濟責任審計	During the three years of term of office of the corporate management team, at least one internal economic responsibility audit shall be performed 企業經營班子3年任職期間，需要進行至少1次任內經濟責任審計 The departure of a leader of enterprise requires an economic responsibility audit 企業領導人離任，需要進行經濟責任審計
Item Audit 項目審計	For significant investment projects, at least one audit in every three years is required 重大投資項目，每3年內需要進行至少1次審計 For on-going operating projects, at least one audit in every three years is required 持續經營項目，每3年內需要進行至少1次審計
Post-Evaluation Audit 後評價審計	After the investment projects are all completed, a comprehensive post-evaluation is required towards to their operation and economic effectiveness 投資項目全部完成後，需要對其運作和經濟效益等進行全面的後評價審計

In addition to the above, the risk management department will also conduct specialized internal audit in respect of functional departments and subsidiaries, having considered the actual operational and management situation, the work focus of the year as well as the risks faced by the Group as assessed at the beginning of each year, The risk management department conducts internal audit supervision towards following matters of the wholly-owned and controlled enterprises of the Company:

除上述外，風險管理部門亦會按經營管理實際情況、公司年度工作重點、以及公司每年年初評估的集團所面臨的風險，就各職能部門、附屬企業營運重點進行專項內部審計工作，其中風險管理部對公司所屬全資、控股企業下列事項進行內部審計監督：

- The implementation of the relevant financial laws, regulations, rules and regimes by the state, government and superior authorities;
- 國家、政府和上級主管部門有關財經法律、法規、規章和制度的貫徹執行情況；
- The implementation of the operating guidelines, policies, rules and regulations formulated by the wholly-owned and controlled enterprises of the Company;
- 所屬全資、控股企業制定的經營方針、政策、規章制度的貫徹執行情況；
- The soundness, rationality, effectiveness and implementation of internal control systems and regimes;
- 內部控制系統和制度的健全性、合理性、有效性和執行情況；
- Financial revenue and expenditure, asset quality, operating performance and other related economic activities;
- 財務收支、資產質量、經營績效以及其他有關的經濟活動；
- The establishment and implementation of various operating plans, planned budgets;
- 各種經營方案、計劃預算的制訂和執行情況；
- Important economic contracts, investment projects, mortgages loans or provision of guarantees, infrastructure projects, etc.
- 重要經濟合同、投資項目、抵押貸款或提供擔保、基建工程等的有關情況。

Corporate Governance Report

企 業 管 治 報 告

REVIEW OF EFFECTIVENESS OF RISK MANAGEMENT AND INTERNAL CONTROL AND MAIN PROCEDURES TO ADDRESS THE LACK OF INTERNAL CONTROL

Based on the above risk management and internal control systems, the risk management department of the Company conducts regular review and evaluation in accordance with three aspects of risk management, internal control and internal audit, to identify the deficiencies of internal control and improve the system process.

The risk management department establishes a work plan for the coming year in the later part of every year, which sets out the objectives and scope of the audit.

Internal auditing includes the testing of the monitoring on the finance, operation and compliance. The risk management department shall engage an external accounting firm to issue an annual internal audit report, and the risk management department shall, towards the deficiencies in monitoring raised by the accounting firm, make rectification on the details of the audit disclosed by the internal audit report and on the audit results of the department concerned.

Towards the identified deficiencies of internal control, the risk management department communicates the issues with relevant functional departments or subsidiaries in time, put forward measures of rectification and establish corresponding policies after discussion with management, and circulate a notice of rectification to the functional departments or subsidiaries, so as to urge enterprises to complete the rectification within the prescribed time.

During this year, the implementation of the rectification towards enterprises turned out good, and passed the second round of testing on internal control conducted by the accounting firm.

The risk management department has not identified any significant deficiencies of internal control in the internal control carried out during the year. Based on the results of the audit and the feedback of management, the management believes that the existing internal control system is still valid as a whole.

檢討風險管理及內部監控系統的有效性及解決內控缺失的主要程序

公司風險管理部根據上述風險管理及內控系統，按風險管理、內部監控、內部審計這三個方面進行定期進行檢討與評估，查找內控缺陷，完善制度流程。

風險管理部於每年較後期制訂來年之工作計劃，當中載明將進行審計工作的目標及範圍。

內部審計包括測試有關本公司財務、經營及合規方面的監控。風險管理部門聘請外部會計師事務所出具年度內部審計報告內，風險管理部針對會計師事務所提出監控的不足之處，就該內部審計報告披露的審計工作的詳情以及該部門所有審計工作的結果進行整改。

針對發現的內部控制缺陷，風險管理部及時將問題與相關職能部門或附屬企業進行溝通，與管理層討論後提出整改措施和制定相應政策，並對職能部門或附屬企業下發整改通知書，督促各企業在規定時間內完成整改。

本年度各企業整改落實情況良好，並通過了會計師事務所執行的內部控制第二輪測試。

在本年度進行的內部監控工作中，風險管理部並無發現任何有重大內控缺陷，根據有關的審核結果及管理層響應，管理層認為，整體而言，現有內部監控系統仍屬有效。

Corporate Governance Report

企 業 管 治 報 告

REVIEW ON EFFECTIVENESS OF RISK MANAGEMENT AND INTERNAL CONTROL IN 2016

The risk management department has predicted and analyzed the risks faced by the operation and management of the Group in 2016. After assessment, there are 3 major risks faced by the Group in 2016, namely resource security risk, industrial structure risk and asset management risk. The risk management department has put forward operational and responsive measures and strategies towards these risks, and during the year, has simultaneously strengthened the audit in advance for major business risks, carried out special risk research for key projects, and monitored the changes in corporate risk profiles through regular evaluation of financial risk warning indicators including solvency, asset operation capability, profitability and capital operation capability.

During the year, the risk management department has conducted internal audit and examination on rectification of audit opinions on the subordinate enterprises:

- Commenced specific audit of leasing of resource assets. By audit classification method, specific audit was adopted comprehensively to the work on leasing and management of resource assets during January 2015 to May 2016. For any flaw in establishment and implementation of leasing management system found in certain companies, insufficient preparation and implementation of instructive pricing range of leasing assets, default of substantial rent payment of certain lessees, high vacancy rate of certain properties, insufficient of leasing deposit and other problems, notifications of rectification were issued and requested subordinate enterprises to rectify within specified period.
- Completed rectification review of specific audit of bulk purchase. For any problems found during specific audit of bulk purchase of last year, the Company has issued notices of audit rectification at the beginning of the year and strengthened its supervision over audit rectification. It also has examined the implementation of rectifications of its subordinate enterprises and strengthened its closed-loop management of audit rectification and supervision.
- Commenced annual audit of internal control. For any general flaws in internal control such as plenty of shell companies, fund precipitation in fund management, no establishment of account for low-value consumables and etc, found in annual audit of internal control of the Group by the accountant, they were rectified one by one and all flaws in internal control discovered during the year were rectified. Thus the accountant has issued an unqualified audit report of internal control.

二零一六年度的風險管理及內部監控成效檢討

風險管理部對二零一六年集團經營管理可能面臨的風險進行了預測與分析。經評估，公司二零一六年所面臨的重大風險有三項，分別為資源保障風險、產業結構風險、資產管理風險，風險管理部並針對此等風險提出了具有可操作性的應對措施和策略。年內同時加強重大業務風險事前審核，對重點項目開展專項風險調研，並定期通過對償債能力、資產運營能力、盈利能力、資金運營能力等財務風險預警指標進行評估以及時監測企業財務風險變化。

年內，風險管理部對所屬企業開展內部審計和審計意見整改檢查：

- 開展資源性資產租賃專項審計。通過分級審計的方法，對二零一五年一月至二零一六年五月期間的資源性資產租賃管理工作實施了全覆蓋專項審計，針對審計中發現的個別公司存在的租賃管理制度建設及執行瑕疵、資產租賃價格指導區間編製和執行不到位、個別承租方拖欠大額租金、個別物業空置率高、租賃保證金款未足額收取等問題，下發整改通知書，要求所屬企業限期整改。
- 完成大宗物資採購專項審計整改審查。針對上年大宗物資採購專項審計發現的問題，公司於年初下發了審計整改意見通知書，並加大審計整改監督力度，組織對所屬企業的整改落實情況進行審查，強化審計整改監督的閉環管理。
- 開展內部控制年度審計。針對會計師事務所對集團年度內部控制審計中檢查出的存在大量殼公司、資金管理存在資金沉澱現象、未建立低值易耗品台賬等一般性內部控制缺陷進行了逐項整改，年內檢查出的內部控制缺陷全部整改完畢，據此，會計師事務所出具了無保留意見的內部控制審計報告。

Corporate Governance Report

企 業 管 治 報 告

During the year, the Audit Committee and the risk management department reviewed the risk management and internal control system of the Company for the year 2016, the scope of which including financial, operational and compliance controls, as well as the progress of overall risk management and internal control. The annual review has also taken into account the adequacy of the resources, qualification and experience of staff in accounting, internal audit and financial reporting functions of the Company; and the sufficiency in training courses received by the staff and related budgets.

The Audit Committee and the Board have also reviewed the Evaluation Report for Internal Control and Risk Management System for the Year 2016 issued by the risk management department. The Board is of the view that the existing risk management and internal control system is effective and sufficient as a whole.

PROCEDURES FOR HANDLING INSIDE INFORMATION AND INTERNAL CONTROL MEASURES

The Company requires that any department or individual shall keep any information which may constitute inside information in strict confidentiality and shall not leak or report the contents without the prior approval of the Board. The Board makes timely disclosure decision on the inside information (if necessary), and the information disclosure of the inside information shall be in charge by the office of the Board.

WHISTLEBLOWING

The Board has adopted a whistleblowing policy which provides employees with reporting channels and guidance to raise concerns about possible improprieties related to the Company, a copy of which is available on the Company's website. In 2016, the Board had not received any whistleblowing enquiry or complaint.

COMPANY SECRETARY

The Company has appointed a representative from an external secretarial services provider as the company secretary of the Company, who has confirmed his compliance with the relevant training requirement under Rule 3.29 of the Listing Rules. Our primary corporate contact person is Ms. Edith Wong, our General Counsel.

CONSTITUTIONAL DOCUMENTS

There were no changes in the constitutional documents of the Company during the year.

年內，審核委員會與及風險管理部檢討公司二零一六年度的風險管理及內部監控系統，範圍包括財務、營運和合規監控，以及整體風險管理及內部監控工作的進展情況。年度檢討亦考慮到公司在會計、內部稽核及財務彙報職能方面的資源、員工資歷及經驗是否足夠；以及員工所接受的培訓課程及有關預算是否充足。

審核委員會及董事會亦已審議由風險管理部出具的《二零一六年度內部監控及風險管理系統評估報告》，董事會認為整體而言，現有風險管理及內部監控系統有效及足夠。

處理內幕消息的程序和內部監控措施

公司要求任何部門或個人對內幕信息範圍內任何可構成內幕消息資料保密，且未經董事會批准，不得對外洩露、報道涉及內幕信息及信息披露的內容。董事會對內幕信息及時作出披露決定（倘有需要），而內幕信息的信息披露工作由董事會辦公室具體負責。

舉報

董事會已採納舉報政策。該政策向僱員提供就本公司相關的潛在不正當行為提出疑問的舉報渠道及指引，該政策可於本公司網站內查閱。於二零一六年，董事會並無收到任何檢舉查詢或投訴。

公司秘書

本公司已委任一名來自外聘秘書服務機構的代表為本公司公司秘書，其已確認他已遵守上市規則第3.29條項下的有關培訓規定。本公司的主要聯絡人為我們的法律事務總監黃燕珊女士。

組織章程文件

年內本公司之組織章程文件概無變動。

Corporate Governance Report

企 業 管 治 報 告

DIRECTORS' RESPONSIBILITIES ON FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities of supervising the preparation of financial statements of each financial period which shall consistently adopt suitable accounting policies and to comply with the accounting standards issued by the Hong Kong Institute of Certified Public Accountants and to reflect the financial position, the results during the period and cash flow of the Company in a true and fair manner.

The responsibility statement issued by the auditors of the Company is set out in the Independent Auditor's Report in this annual report.

EXTERNAL AUDITOR

Ernst & Young was engaged as the Company's external auditor since 2000. As the period that the Company has continuously engaged Ernst & Young as its external auditor has exceeded the prescribed number of years according to the relevant regulations issued by the Shenzhen Municipal People's Government State-owned Assets Supervision and Administration Commission regarding the audit work on financial statements of state-owned enterprises in Shenzhen, the PRC, Ernst & Young retired at the close of the annual general meeting of the Company held on 2 June 2016 ("2016 AGM") and did not seek re-appointment. KPMG was engaged in place of Ernst & Young as the Company's external auditor with effect from the close of the 2016 AGM.

During the year, the services provided by KPMG and the fees for such services were as follows:

Statutory audit fees: HK\$4,250,000 (2015: HK\$4,250,000 (Ernst & Young))

Fees for other services (interim review and report on continuing connected transactions): HK\$1,000,000 (2015: HK\$1,020,000 (Ernst & Young))

COMMUNICATION WITH SHAREHOLDERS

The Board has established a shareholders' communication channel setting out the dialogues that the Company are in place to promote effective communication with shareholders, with the aim of ensuring shareholders are provided with timely information about the Company and encouraging them to engage actively in communication with the Company and to exercise their rights as shareholders in an informed manner.

董事就財務報表所承擔的責任

董事確認，彼等須負責監督就每個財政期間編製的財務報表貫徹應用適當的會計政策，及遵守由香港會計師公會頒佈的會計準則，並以真實及公正的方式反映本公司的財務狀況、期內業績與現金流量。

有關本公司核數師發表其申報責任的聲明，載於本年報的獨立核數師報告中。

外聘核數師

安永會計師事務所自二零零零年起獲委聘為本公司外聘核數師。根據深圳市人民政府國有資產監督管理委員會就中國深圳的國有企業財務報表審核工作所發佈的有關規定，鑑於本公司連續委任其現時外聘核數師安永會計師事務所的年期已超過規定年限，故安永會計師事務所於二零一六年六月二日舉行的本公司股東週年大會（「二零一六年股東週年大會」）結束當日退任及不再尋求重新委任。畢馬威會計師事務所將替代安永會計師事務所擔任本公司外聘核數師，自二零一六年股東週年大會結束當日起生效。

年內，畢馬威會計師事務所提供的服務及該等服務的費用如下：

法定審計費：4,250,000港元（二零一五年：4,250,000港元（安永會計師事務所））

其他服務費（中期審閱及持續關連交易報告）：1,000,000港元（二零一五年：1,020,000港元（安永會計師事務所））

與股東之溝通

董事會已建立股東通訊渠道以促進本公司與股東之間的有效溝通，藉以確保股東及時獲取有關本公司的資訊，及鼓勵股東加強與本公司的溝通，並在知情之情況下行使其股東之權利。

Corporate Governance Report

企 業 管 治 報 告

The Company endeavours to disclose all material information about the Group to public in a timely manner. The Company maintains a corporate website (www.shenzheninvestment.com) where important information about the Group's activities and corporate matters such as annual and interim reports to shareholders, announcements, business development and operations, corporate governance practices and other information are available for public's access.

The Company's annual general meeting provides a useful platform for face-to-face communication between the Board and shareholders. Separate resolutions are proposed on each issue at the general meetings.

INVESTORS RELATIONS

The Company recognizes its responsibility to update its business activities to persons with legitimate interests and respond to their questions. We meet with investors on a regular basis to update them on our business progress and strategy. In addition, we endeavor to share both financial and non-financial information that is relevant and material, for instance, we publish unaudited contracted sales performance voluntarily on a monthly basis, and respond promptly to enquiries arising from general public and individual shareholders. However, in all cases, great care is taken to ensure that no inside information is disclosed to selected parties.

SHAREHOLDERS' RIGHTS

Subject to applicable laws and regulations, including but not limited to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (the "CO"), the Listing Rules, and the articles of association of the Company as amended from time to time, shareholders of the Company ("Shareholders") may call general meeting, put forward proposals at annual general meetings ("AGM") and direct enquiries to the Board in accordance with the following procedures:

– Convening of General Meeting on Request

Shareholder(s) holding at the date of the deposit of the requisition not less than one-twentieth of the paid up capital of the Company may request the directors to convene an extraordinary general meeting pursuant to Sections 566 to 568 of the CO.

In accordance with Section 566 of the CO, the directors are required to call a general meeting if the Company has received requests to do so from Shareholders representing at least 5% of the total voting rights of all the Shareholders having a right to vote at general meeting. Such requests must state the general nature of the business to be dealt with at the meeting; and may include the text of a resolution that may properly be moved and is intended to be

本公司致力於向公眾披露與本集團有關之所有即時重要資料。本公司網頁(www.shenzheninvestment.com)可提供有關本集團之活動及企業事宜之重要資料(如致股東之年度及中期報告、公告、業務發展及營運、企業管治常規及其他資料等),以供公眾查閱。

本公司之股東週年大會為董事會與股東之間的面對面溝通提供一個有用平台。於股東大會上會就每項事項提呈個別獨立決議案。

投資者關係

本公司明白向持有合法權益之人士提供其業務活動之最新資料及回應彼等提問之責任。我們定期與投資者會面,彙報公司業務之最新進展及策略。此外,我們致力分享相關及重大之財務資料及非財務資料,例如,我們每月自願公佈未經審核合同銷售表現,並及時回應公眾及個別股東之詢問。然而,本公司在所有情況下,均採取審慎態度,確保不會選擇性地披露任何內幕資料。

股東之權利

在適用法例及規例(包括但不限於公司條例(香港法例第622章)(「公司條例」)、上市規則及本公司經不時修訂之組織章程細則)規限下,本公司股東(「股東」)可根據以下程序召開股東大會,並於股東週年大會(「股東週年大會」)上提呈建議及向董事會作出直接查詢:

– 應要求召開股東大會

在提呈要求當日持有本公司已繳足股本不少於二十分之一的股東可要求董事根據公司條例第566條至568條召開股東特別大會。

根據公司條例第566條,倘本公司收到佔全體有權於股東大會上投票股東之全部投票權至少5%的股東要求召開股東大會的要求,則董事須召開股東大會。該要求必須述明將於會上處理的事務的一般性質,並可包含於會上適當地動議及擬動議的決議案內容。相關要求可以印本形式(透過遞交至本公司註冊辦事處,地址為

Corporate Governance Report

企 業 管 治 報 告

moved at the meeting. Such requests may be sent to the Company and attention to the Company Secretary in hard copy form (by depositing at the registered office of the Company at 8th Floor, New East Ocean Centre, No. 9 Science Museum Road, Tsimshatsui, Kowloon, Hong Kong for the attention of the Board) or in electronic form (by fax: 852-2723-2263); and must be authenticated by the person or persons making it. In accordance with Section 567 of the CO, the directors must call a meeting within 21 days after the date on which they become subject to the requirement under Section 566 of the CO and such meeting must be held on a date not more than 28 days after the date of the notice convening the meeting.

– Putting Forward Proposals at AGM

To put forward a resolution at AGM, Shareholders are requested to follow the requirements and procedures set out in Sections 615 and 616 of the CO.

Section 615 of the CO provides that the Company must give notice of a resolution if it has received requests to do so from (a) the Shareholders representing at least 2.5% of the total voting rights of all the Shareholders who have a right to vote on the resolution at the AGM of the Company to which the requests relate; or (b) at least 50 Shareholders who have the rights to vote on the resolution at the AGM to which the requests relate.

Such requests (a) may be sent to the Company and attention to the Company Secretary in hard copy form (by depositing at the registered office of the Company at 8th Floor, New East Ocean Centre, No. 9 Science Museum Road, Tsimshatsui, Kowloon, Hong Kong for the attention of the Board) or in electronic form (by fax: 852-2723-2263); (b) must identify the resolution of which notice is to be given; (c) must be authenticated by the person or persons making it; and (d) must be received by the Company not later than (i) 6 weeks before the AGM to which the requests relate; or (ii) if later, the time at which notice is given of that meeting. Section 616 of the CO provides that the Company that is required under Section 615 of the CO to give notice of a resolution must send a copy of it at the Company's own expense to each Shareholder entitled to receive notice of the AGM (a) in the same manner as the notice of the meeting; and (b) at the same time as, or as soon as reasonably practicable after, it gives notice of the meeting.

The detailed procedures for Shareholders to propose a person for election as a director can be found on the website of the Company headed "Investor Relations" under the "Corporate Information" section.

香港九龍尖沙咀科學館道9號新東海商業中心8樓)或電子形式(透過傳真:852-2723-2263)寄至本公司之公司秘書收,並須經提出的人士予以核證。根據公司條例第567條,董事須在根據公司條例第566條獲悉要求當日後21日內召開有關會議,及有關會議須於召開會議通告日期後28日內舉行。

– 於股東週年大會上提呈建議

為於股東週年大會上提呈決議案,股東須依照公司條例第615條至616條之要求及程序。

公司條例第615條規定,倘本公司收到以下股東(a)佔全體有權在該要求所關乎的股東週年大會上,就該決議表決的股東的總表決權最少2.5%的股東;或(b)最少50名有權在該要求所關乎的股東週年大會上就該決議表決的股東,發出某決議的通知的要求,則須發出通知。

有關要求(a)可以印本形式(透過遞交至本公司註冊辦事處,地址為香港九龍尖沙咀科學館道9號新東海商業中心8樓)或電子形式(透過傳真:852-2723-2263)寄至本公司之公司秘書收;(b)須指出有待發出通告所關乎的決議案;(c)須經所有提出該要求的人認證;及(d)須在不遲於(i)該要求所關乎的股東週年大會舉行前的6個星期;或(ii)(如較晚)發出該大會通告的時間前送抵本公司。公司條例第616條規定,根據公司條例第615條本公司須就某決議案發出通告,則須(a)按大會通告的同樣方式;及(b)在發出大會通告的同時或在發出大會通告後,在合理的切實可行情況下,儘快自費將該決議案通告的文本,送交每名有權收到股東週年大會通告的股東。

有關股東提名董事人選的程序詳情載於本公司網站「公司資料」項下的「投資者關係」一節。

Corporate Governance Report

企 業 管 治 報 告

Procedures for directing enquiries to the Company

Enquiries to the Board

Shareholders may send their enquiries to the Board in writing through the Board Secretariat at the below contact details:

Address: 8th Floor, New East Ocean Centre
No. 9 Science Museum Road, Tsimshatsui, Kowloon, Hong Kong
Email: ir@shumyip.com.hk
Tel: (852) 2723 8113
Fax: (852) 2723 2263

Share registration related matters

For share registration related matters, such as share transfer and registration, change of name or address, loss of share certificates or dividend warrants, the Shareholders can contact the Share Registrar, Tricor Standard Limited, at the below contact details:

Address: Level 22 Hopewell Centre, 183 Queen's Road East, Hong Kong
Email: is-enquiries@hk.tricorglobal.com
Tel: (852) 2980 1333
Fax: (852) 2861 1465

向本公司作出直接查詢之程序

向董事會作出查詢

股東可以書面方式按以下聯絡資料透過董事會秘書處向董事會作出查詢：

地址：香港九龍尖沙咀科學館道9號
新東海商業中心8樓
電郵：ir@shumyip.com.hk
電話：(852) 2723 8113
傳真：(852) 2723 2263

股份登記相關之事宜

就股份登記相關之事宜而言，例如股份過戶及登記、名稱或地址之變更、股票或股息單之遺失，股東可聯絡股份過戶登記處卓佳標準有限公司，聯絡資料如下：

地址：香港皇后大道東183號合和中心22樓
電郵：is-enquiries@hk.tricorglobal.com
電話：(852) 2980 1333
傳真：(852) 2861 1465

Directors' Report

董 事 會 報 告

The directors of the Company (the "Directors") have pleasure in presenting to shareholders their annual report together with the audited consolidated financial statements of the Group for the year ended 31 December 2016.

PRINCIPAL ACTIVITIES

The principal activities of the Group consist of property development for sale, property management and property investments for rental income. The property development process is vertically integrated from land acquisition, project planning, material sourcing, construction and project management through to sales and marketing to ensure high standards in every aspect. The Group's professional property management team manages a variety of types of properties including government offices, office buildings, residential estates, villas and science and technology parks mainly located in Pearl River and Yangtze River deltas as well as the central region. Our investment property portfolio includes commercial, residential and industrial buildings and car parking bays, which are located mainly in Shenzhen. Details of the principal activities of the principal subsidiaries, joint ventures and associates are set out in note 19, note 21 and note 20 to the financial statements, respectively. There were no significant changes in the nature of the Group's principal activities during the year.

RESULTS AND DIVIDENDS

The Group's profit for the year ended 31 December 2016 and the financial position of the Company and the Group at that date are set out in the financial statements on pages 103 to 241.

The Board recommends the payment of a final dividend of HK10.00 cents per share for the year ended 31 December 2016 (2015: HK13.00 cents per share) and a special dividend of HK5.00 cents per share (2015: nil), which subject to the approval by the shareholders at the forthcoming annual general meeting of the Company, are payable on or about Friday, 18 August 2017 to shareholders whose names appear on the register of members of the Company on Friday, 16 June 2017. Together with the interim dividend of HK7.00 cents per share which was paid on 18 November 2016, the total dividend for the year ended 31 December 2016 will amount to HK22.00 cents per share (2015: HK16.00 cents per share).

本公司董事（「董事」）欣然向股東提呈本集團截至二零一六年十二月三十一日止年度之年報及經審核綜合財務報表。

主要業務

本集團主要業務包括開發物業以供出售、物業管理及物業投資以賺取租金收入。物業開發流程為採取垂直綜合業務架構，從土地收購、項目規劃、物料採購、工程建設、項目管理以至市場營銷，以確保每個環節均達到高水準。本集團之專業物業管理團隊管理多種類型物業，包括主要分佈在珠三角、長三角和中部地區政府機關、寫字樓、住宅小區、別墅及科技園區。我們的投資物業組合包括主要分佈於深圳的商業、住宅及工業大廈以及停車場。其主要附屬公司、合營公司及聯營公司之主要業務詳情分別載於財務報表附註19、附註21與附註20。年內，本集團主要業務之性質並無任何重大變動。

業績及股息

本集團截至二零一六年十二月三十一日止年度之溢利及本公司與本集團於該日之財務狀況載於第103至241頁之財務報表內。

董事會建議於二零一七年八月十八日（星期五）或前後向於二零一七年六月十六日（星期五）名列本公司股東名冊之股東，派發截至二零一六年十二月三十一日止年度之末期股息每股10.00港仙（二零一五年：每股13.00港仙）及特別股息每股5.00港仙（二零一五年：零），惟須待股東於本公司應屆股東週年大會上批准。連同已於二零一六年十一月十八日派發之中期股息每股7.00港仙，截至二零一六年十二月三十一日止年度之股息總額為每股22.00港仙（二零一五年：每股16.00港仙）。

Directors' Report

董 事 會 報 告

BUSINESS REVIEW

The business review of the Group for the year ended 31 December 2016 is set out in the sections headed "Chairman's Statement" and "Management Discussion and Analysis" respectively from pages 10 to 17 and pages 20 to 34 of this annual report and the paragraphs below.

Law and Regulations

The Group is principally engaged in property development, property management and property investment in the PRC and is therefore subject to the relevant laws and regulations of the PRC, including but not limited to, constitution, company law, contract law, law of state-owned assets of enterprises, law on land management, city immovable administration law, labor contract law, etc.. In addition, the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited apply to the Company. The Company attaches great importance to legal compliance, and carries out all the business activities in compliance with the requirements of the applicable laws and regulations.

Key Risk Factors

Risks and uncertainties can affect the Group's businesses, financial conditions, operational results or growth prospects leading to a divergence from expected or historical results. The following paragraphs list out the key risks and uncertainties facing by the Group. It is a non-exhaustive list and there may be other risks and uncertainties further to the key risk areas outlined below, and there may be other risks which are not known to the Group or which may not be material now but could become material in the future.

Macroeconomic Risks

The overall economic downturn and capital market risk. The downside systematic risk in China's economic transformation and the risk of the shrinking wealth effect caused by fluctuating capital market will bring all kinds of uncertainty to the Group's operating environment.

Industry Risks

There is a downside risk in the real estate market in China, in particular the real estate market in Shenzhen. The income from property business accounted for approximately 80% of the Group's total operating income, and in the Group's income from real estate sales, the income from the real estate sales in Shenzhen has a higher proportion. Therefore, if there is a downside risk in the real estate market, especially the real estate market in Shenzhen, this will have an effect on the Group's sales revenue and profitability.

業務回顧

本集團截至二零一六年十二月三十一日止年度的業務回顧分別載於本年報第10至17頁及第20至34頁之「主席報告」及「管理層討論及分析」以及以下段落。

法律及法規

本集團主要於中國從物業開發、物業管理及物業投資，因此，須遵守中國有關法律及法規，包括但不限於憲法、公司法、合同法、企業國有資產法、土地管理法、城市房地產管理法、勞動合同法等。此外，香港聯合交易所有限公司證券上市規則亦適用於本公司。本公司非常重視合法合規，開展各項經營活動均按照各項適用法律法規的規定執行。

主要風險因素

風險及不明朗因素或會影響本集團之業務、財務狀況、經營業績或發展前景，導致業績偏離預期或過往表現。以下段落列明本集團面臨之主要風險及不明朗因素。此清單並非詳盡，除下文闡述之主要風險範疇外，可能有其他進一步風險和不確定因素，及亦可能存在本集團未知之其他風險或現時未必屬重大但日後可能屬重大之風險。

宏觀經濟風險

整體經濟下行及資本市場風險。中國經濟轉型中的下行系統性風險及資本市場波動引起的財富效應縮水的風險會對本集團的經營環境帶來各種不確定性。

行業風險

中國房地產市場，尤其是深圳房地產市場存在下行風險。房地產業收入佔本集團總營業收入約80%，而本集團房地產銷售收入中，深圳佔比較高。因此，房地產市場，特別是深圳市場如果發生下行風險，將對本集團的銷售收入和盈利水平產生影響。

Directors' Report

董 事 會 報 告

Exchange Rate Risks

There is a downside risk in Renminbi exchange rate. The Group's main assets are located in mainland China while the Group's reporting currency is Hong Kong dollar. The decrease in Renminbi exchange rate can cause the depreciation of the Group's assets and earnings denominated in Renminbi against Hong Kong dollar, the reporting currency.

The Group did not adopt any financial instrument to hedge against exchange rate risk in the year. In future, the Group will monitor the exchange rate risk, apply financial instruments to hedge against the currency risk, and consider prudently increasing the percentage of the debt denominated in Renminbi at appropriate time.

Operational Risks

The Group's operations will be affected by multiple risk factors related to the real estate business. Inadequate internal processes or personal misconduct and external partner's breach behavior, or other factors beyond control may have certain negative impacts on the Group's operation.

Policy Risks

Since the end of September 2016, Shenzhen and other cities have been under an environment with extremely stringent policy control, while the changes in and the efforts in implementation of the policies including restrictions in property purchase, selling price and mortgages shall have an impact on trading volume and selling price of real estate market. The Group may adjust the contracted sales plan and the launching time for part of the projects based on the release and implementation of policies. This will affect the contracted sales of the Group. In addition, the Housing and Construction Bureau of Shenzhen Municipal has made adjustments to the conditions for filing on completion of construction and examination for projects in Shenzhen since 1 January 2017 requiring approval documents or permission documents on planning and environmental protection be filed as a condition for the filing of completion of construction and examination, which will delay the delivery of the Group's projects in Shenzhen by about half a year, and will have an impact on the recognition of sales revenue for individual project.

匯率風險

人民幣匯率存在下行風險。本集團主要資產位於中國大陸，而本集團的呈報貨幣為港元，人民幣匯率下滑，會導致本集團以人民幣計值之資產及收益相對呈報貨幣港元貶值。

本集團年內未採用任何金融工具對沖匯率風險。未來，本集團將監控匯率風險，應用金融工具對沖貨幣風險，並審慎考慮在合適的時機增加以人民幣計值之負債比例。

運營風險

本集團的運營將受到房地產相關業務的多種風險因素所影響。內部流程不足或員工個人失當行為以及外部合作方的失責行為，或其他外圍不可控因素可能對本集團營運構成若干負面影響。

政策風險

二零一六年九月底以來，深圳等城市處於非常嚴厲的政策調控環境之下，限購、限價、按揭等政策的變化及執行力度將對房地產市場的交易量和價格將產生影響。本集團可能根據政策發佈及執行情況，對合同銷售計劃和部分項目的推售時間做出調整，這將影響本集團的合同銷售。此外，深圳市住建局在二零一七年一月一日開始，對深圳項目的竣工驗收備案條件做了調整，增加了規劃、環保認可文件或准許使用文件作為竣工驗收備案的申請條件，這將使本集團深圳項目的入夥交付時間延遲半年左右，將對個別項目確認銷售收入的時間產生影響。

Directors' Report

董事會報告

Highlight of ESG Report

While striving to achieve a win-win situation for enterprises, shareholders and business partners, the Group is also committed to actively take on the corporate citizen responsibility to protect the environment. In order to consolidate the social responsibility management system of the Group, and implement various environmental, social and governance measures, the Group has made reformation in respect of structure and policy in the current year. For structure, in addition to establishing the “Environmental, Social and Governance Working Committee” and its affiliated working group and defining the roles of supporting staff, the Group has also engaged a third party to carry out special trainings on awareness and ability, to enable management and reporting work on a continuous two-track basis. For policy, the Group has guided the employees to integrate relevant concepts into day-to-day operations through establishing environmental, social and governance policies, towards the goal of the Group together.

The Group encourages innovation and actively improves the quality of environment and constructs an eco-friendly building environment in the operating concepts of low pollution and low carbon and in the various manners including green construction. In addition to various environmental protection measures, the Group are also concerned about the quality of employees, communities, products and services.

The development of an enterprise cannot be achieved without the support from stakeholders. The stakeholders of the Group include government authorities, investors, business partners, customers, employees, suppliers, industry associations, etc. The Group attaches great importance to the suggestions and advices of various stakeholders and consistently implements the existing communication mechanism. During the year, the Group carried out again a special stakeholder survey programme on the environmental, social and governance issues of the Group, and in aggregate collected suggestions and advices from more than 400 stakeholders. In order to meet the expectations from the parties and to clarify the importance of the various aspects, the Group shall respond to various parties with a more detailed environmental, social and governance report.

The Group does not only attach great importance to development of employees and use of talents, but also actively participates in poverty alleviation and community volunteer work, and strives to provide diversified services to and create greater value for broader communities through various ways including development of wisdom park, strengthened business management, building a health platform for elderly and remodelling a business model of “real estate + service”.

Please refer to the “2016 Environmental, Social and Governance Report” to be issued by the Company for details.

環境、社會、管治報告概要

本集團在努力實現企業、股東和業務夥伴共贏的同時，亦積極承擔保護環境的企業公民責任。為鞏固集團的社會責任管理體系，落實各項環境、社會及管治措施，本年度我們進行了架構和政策上的革新。在架構方面，除了設立「環境、社會及管治工作委員會」及其附屬的工作小組，界定各支援人員的角色外，我們也聘請了第三方進行專項意識及能力的培訓，使管理和報告工作持續地雙軌進行。在政策方面，我們通過制定環境、社會及管治政策，指引員工將相關理念融入到日常運作中，朝集團的目標共同前進。

我們鼓勵創新，以低污染及低碳的營運理念，以綠色建築等各種方式，積極提高環境質量，建設生態宜居的建築環境。除各種環保措施外，我們同樣關注員工、社區、產品與服務的質量。

企業的發展離不開利益相關方的支援。本集團的利益相關方包括：政府機構、投資者、商業合作夥伴、客戶、員工、供應商、行業協會等，我們十分重視各利益相關方提出的建議與意見，並貫徹落實現行的溝通機制。年內，我們就本集團的環境、社會及管治事宜再次進行專項的利益相關方調研項目，共收集到逾400名利益相關方的建議與意見。使我們切合各方期望，明確各議題的重要程度，以本年度更詳盡的環境、社會及管治報告積極回應各方。

我們不僅重視員工發展和人才善用，亦積極參與扶貧和社區志願工作，並通過開發智慧園區、加強商業管理、建設養老健康平台，重塑「房地產+服務」業務模式等方式，致力為更廣大的社區提供多元化服務，創造更大價值。

詳情請參閱本公司即將發佈的「2016 環境、社會及管治報告」。

Directors' Report

董事會報告

SUMMARY OF FINANCIAL INFORMATION

A summary of the published results of the assets, liabilities and non-controlling interest of the Group for the last five financial years, as extracted from the audited financial statements as appropriate, is set out on page 7. This summary is not part of the audited financial statements.

PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

Details of movements in the property, plant and equipment and investment properties of the Group during the year is set out in note 13 to the financial statements.

PROPERTIES

Particulars of major properties held by the Group are set out on pages 242 to 252.

PRINCIPAL SUBSIDIARIES AND ASSOCIATES

Particulars of the Company's principal subsidiaries and associates are set out in note 19 and note 20 to the financial statements respectively.

RESERVES

As at 31 December 2016, the Company's reserves available for distribution, amounted to HK\$1,327,977,000 of which HK\$764,916,000 and HK\$382,458,000 have been proposed as final dividend and special dividend for the year. Details of movements in the reserves of the Company and the Group during the year are set out in the Consolidated Statement of Changes in Equity on page 107 to 108 and note 36 to the financial statements respectively.

INTEREST CAPITALISATION

Interest of approximately HK\$422,640,000 was capitalised during the year in respect of the Group's property development and investment projects.

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, both the aggregate sales attributable to the Group's five largest customers and the aggregate purchases attributable to the Group's five largest suppliers were less than 30% of the Group's sales and purchases respectively.

None of the Directors or any of their associates or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest of the Group's five largest customers or five largest suppliers.

財務資料摘要

本集團過去五個財政年度之已公佈資產、負債及非控股權益業績摘要乃摘錄自經審核財務報表，載於第7頁。此摘要並非經審核財務報表之一部分。

物業、廠房及設備以及投資物業

年內本集團之物業、廠房及設備以及投資物業之變動詳情載於財務報表附註13。

物業

本集團持有之主要物業詳情載於第242至252頁。

主要附屬公司及聯營公司

本公司主要附屬公司及聯營公司之詳情分別載於財務報表附註19及附註20。

儲備

截至二零一六年十二月三十一日，本公司可供分派之儲備達1,327,977,000港元，當中764,916,000港元及382,458,000港元已作為年內擬派之末期股息及特別股息。年內，本公司及本集團之儲備變動詳情分別載於財務報表第107至108頁的綜合權益變動表及附註36。

利息資本化

年內，本集團就物業發展及投資項目資本化之利息約為422,640,000港元。

主要客戶及供應商

於回顧年度內，本集團五大客戶應佔之銷售總額及本集團五大供應商應佔之採購總額分別少於本集團之銷售額及採購額30%。

董事或其任何聯繫人士或任何股東（據董事所深知擁有本公司5%以上已發行股本之股東）概無擁有本集團五大客戶或五大供應商任何實益權益。

Directors' Report

董 事 會 報 告

DONATIONS

During the financial year, the Group has made donations of approximately HK\$16,895 for charitable or other purposes.

DIRECTORS

The list of Directors is set out on page 4 of this annual report. There was no change of Directors in year 2016. Mr. HUANG Yige resigned as a non-executive Director with effect from 18 January 2017. Mr. HUANG Yige has confirmed that he has no disagreement with the Board and there is no other matter relating to his resignation that needs to be brought to the attention of the shareholders of the Company. Mr. LIU Shichao was appointed as a non-executive director with effect from 18 January 2017.

In accordance with article 100 of the articles of association of the Company, Dr. LU Hua, Mr. MOU Yong and Dr. WU Jiesi will retire by rotation at the forthcoming annual general meeting and being eligible, have offered themselves for re-election.

Mr. LIU Shichao was appointed by the Board as Director to fill casual vacancy on 18 January 2017. In accordance with article 91 of the articles of association of the Company, Mr. LIU Shichao will hold office as Director only until the next following general meeting following his appointment by the Board with effect from 18 January 2017 and, being eligible, he has offered himself for re-election at the forthcoming annual general meeting of the Company.

The list of directors who have served on the boards of the subsidiaries of the Company during the year of this report is available on the Company's website at www.shenzheninvestment.com under the "Corporate Governance" section.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and the senior management of the Group are set out on pages 35 to 45 of this annual report.

Following the appointment of Mr. LIU Shichao as a Director on 18 January 2017, he was appointed as a director of Shahe Industrial Co., Ltd. (000014.SZ) with effect from 14 February 2017.

DIRECTORS' SERVICE CONTRACTS

None of the Directors has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

捐贈

於財政年度內，本集團已捐贈約16,895港元用於慈善或其他目的。

董事

董事名單載列於本年報第4頁。於二零一六年，董事會組成並無變動。黃一格先生辭任非執行董事，由二零一七年一月十八日起生效。黃一格先生已確認彼與董事會並無意見分歧，以及並無有關其請辭的其他事項需提請本公司股東垂注。劉世超先生獲委任為非執行董事，由二零一七年一月十八日起生效。

根據本公司組織章程細則第100條，呂華博士、牟勇先生及武捷思博士將於應屆股東週年大會上輪值退任，並符合資格且願意膺選連任。

於二零一七年一月十八日，劉世超先生獲董事會委任為董事以填補臨時空缺。根據本公司組織章程細則第91條，劉世超先生的董事任期，自二零一七年一月十八日獲董事會任命起至下屆股東大會，惟符合資格且願意於本公司應屆股東週年大會上膺選連任。

於本年報之年內服務本公司附屬公司董事會之董事的名單可於本公司網站www.shenzheninvestment.com之「企業管治」一節查閱。

董事及高級管理層成員簡歷

董事及本集團高級管理層成員之履歷詳情載於本年報第35至45頁。

在劉世超先生於二零一七年一月十八日被任命為董事後，彼被任命為沙河實業股份有限公司董事(000014.SZ)，自二零一七年二月十四日起生效。

董事之服務合約

董事概無與本公司訂立未支付賠償(法定賠償除外)的情況下本公司不可於一年內終止之服務合約。

Directors' Report

董事會報告

DIRECTORS' MATERIAL INTERESTS IN TRANSACTION, ARRANGEMENT AND CONTRACT

No Directors had a material interest in any transactions, arrangements nor contracts of significance to the business of the Group to which the Company, its holding company, or any of its subsidiaries or fellow subsidiaries were entered into or subsisted during the year.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

Save as disclosed below, none of the Directors has any direct or indirect interest in a business which competes or may compete, with the business of the Group as required to be disclosed under the Listing Rules.

Dr. LU Hua is the chairman and a director, Mr. HUANG Wei is the president and a director, Mr. MOU Yong and Mr. HUANG Yige (resigned on 18 January 2017) and Mr. LIU Shichao (appointed on 18 January 2017) are directors, and Mr. LIU Chong is the vice president, of both Shum Yip Holdings Limited ("SYH") and Shum Yip Group Limited ("SYG"). SYH and SYG, through their subsidiaries and associates, have interests in property investment and development businesses in PRC.

In addition, Mr. MOU Yong is also a non-executive director of Road King Infrastructure Limited (1098.HK), an associated company of the Company, whose shares are listed on The Stock Exchange of Hong Kong Limited and engages in property investment and development businesses.

EMOLUMENTS OF DIRECTORS AND CHIEF EXECUTIVES AND THE FIVE HIGHEST PAID EMPLOYEES

Details of the Directors' and chief executives' emoluments and of the five highest paid employees in the Group are set out in notes 9 and 10 to the financial statements respectively.

MANAGEMENT CONTRACTS

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

董事於交易、安排及合約具相當份量的利害關係

年內，董事概無於本公司、其控股公司、或其任何附屬公司或其同系附屬公司訂立或存在且對本集團業務有重大影響之任何交易、安排及合約中有相當份量的利害關係。

董事於競爭業務之權益

除下文所披露者外，董事概無於上市規則規定須予以披露與本集團業務構成競爭或可能構成競爭之業務中擁有任何直接或間接權益。

呂華博士為深業（集團）有限公司（「深業（集團）」）及深業集團有限公司（「深業集團」）的主席及董事，黃偉先生為該兩間公司的總裁及董事，牟勇先生及黃一格先生（於二零一七年一月十八日辭任）以及劉世超先生（於二零一七年一月十八日獲委任）為該兩間公司的董事，及劉崇先生為該兩間公司的副總裁。深業（集團）及深業集團透過其附屬公司及聯營公司於中國之物業投資及開發業務中擁有權益。

此外，牟勇先生現亦為本公司聯營公司路勁基建有限公司(1098.HK)之非執行董事，該公司之股份於香港聯合交易所有限公司上市，及其從物業投資及開發業務。

董事及最高行政人員及五名最高薪人士之酬金

董事及最高行政人員及本集團五名最高薪人士的酬金之詳情分別載於財務報表附註9及10。

管理合約

年內概無訂立或存在任何有關本集團全部或絕大部分業務管理與行政之合約。

Directors' Report

董 事 會 報 告

SHARE OPTION SCHEME

The Company adopted a share option scheme on 22 June 2012 ("Share Option Scheme"). The major terms of the Share Option Scheme are as follows:—

1. The purpose of the Share Option Scheme is to provide incentive and reward to the participants to encourage them to work towards enhancing the value of the Company and its shares for the benefits of the Company and its shareholders as a whole.
2. The eligible participants of the Share Option Scheme are the employee or director (including executive, non-executive and independent non-executive director) of any member of the group comprising the Company, Shum Yip Holdings Company Limited, a substantial shareholder of the Company, Shum Yip Group Limited, the holding company of Shum Yip Holdings Company Limited, and their subsidiaries and associated companies from time to time (the "SY Group") or any employee, partner or director of any business consultant, joint venture partner, financial adviser and legal adviser of and to any member of the SY Group, as the Board may at its absolute discretion determine.
3. The total number of shares which may be issued upon exercise of all options to be granted shall not in aggregate exceed 10% of the total number of shares in issue as at the date of adopting the Share Option Scheme. That 10% limit was refreshed at the annual general meeting of the Company held on 19 June 2014 whereby the Company was authorized to grant further options carrying rights to subscribe for up to 538,252,770 shares, representing 10% of the total number of the Company's shares in issue as at the date of the said meeting, under the Share Option Scheme. As at the date of this report, the total number of shares available for issue under the Share Option Scheme was 634,320,370 (of which options to subscribe for 110,132,343 shares had been granted and were outstanding), representing approximately 8.29% of the shares in issue of the Company.

購股權計劃

本公司於二零一二年六月二十二日採納一項購股權計劃（「購股權計劃」）。購股權計劃之主要條款如下：

1. 購股權計劃旨在向參與者提供激勵及獎勵以鼓勵彼等致力為本公司及其股東之整體利益提升本公司及其股份之價值。
2. 購股權計劃之合資格參與者為本集團任何成員公司（包括本公司、本公司之主要股東深業（集團）有限公司、深業（集團）有限公司之控股公司深業集團有限公司及彼等不時之附屬及關聯公司）（「深業集團」）之僱員或董事（包括執行、非執行及獨立非執行董事）、或深業集團任何成員公司之任何商業顧問、合營夥伴、財務顧問及法律顧問之任何僱員、合夥人或董事，均由董事會全權決定。
3. 因行使將擬授出之購股權而可能發行之股份總數合共不得超過於採納購股權計劃當日已發行股份總數之10%。該10%之限額已於二零一四年六月十九日舉行本公司之股東週年大會上更新，藉此，本公司根據購股權計劃獲授權授出附帶權利可認購最多538,252,770股股份（佔上述會議日期本公司已發行股份總數之10%）之購股權。於本報告日期，根據購股權計劃可供發行之股份總數為634,320,370股（其中認購110,132,343股股份之購股權已授出及尚未行使），約相當於本公司已發行股份之8.29%。

Directors' Report
董 事 會 報 告

4. The total number of shares issued and to be issued upon exercise of the options granted and to be granted pursuant to the Share Option Scheme to each Participant (including exercised, cancelled and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares of the Company in issue, unless otherwise separately approved by the shareholders of the Company in a general meeting. Further, any grant of option to a participant who is a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, which would result in the shares issued and to be issued upon exercise of all options already granted and to be granted under the Share Option Scheme and any other share option schemes of the Company (including options exercised, cancelled and outstanding) to him in the 12-month period up to and including the date of such grant (i) representing in aggregate more than 0.1% of the total number of shares of the Company in issue; and (ii) having an aggregate value, based on the closing price of the shares of the Company at the date of each grant, in excess of HK\$5,000,000, is subject to the approval of the shareholders of the Company in general meeting.
4. 根據購股權計劃於任何12個月期間已授予及擬授予各參與者之購股權（包括已獲行使、已註銷及尚未行使之購股權）因行使而發行及擬發行之股份總數，不得超過本公司已發行股份總數之1%，另行於股東大會獲公司股東批准者除外。根據購股權計劃及本公司任何其他購股權計劃，倘向身為本公司主要股東或獨立非執行董事或彼等各自的任何聯繫人之參與者授出及擬授出的所有購股權（包括已獲行使、已註銷及尚未行使之購股權）因行使而導致截至並包括有關授出日期止12個月期間已發行及擬發行的股份：(i) 共超過本公司已發行股份0.1%；及(ii) 按本公司股份於各授出日期的收市價計算，總值超過5,000,000港元者；則進一步授出購股權須經本公司股東在股東大會上批准。
5. The exercise period of any option granted under the Share Option Scheme is to be determined by the Board at its absolute discretion, and shall expire no later than the 10th anniversary of date upon which the option is granted and accepted in accordance with the Share Option Scheme.
5. 根據購股權計劃授出之任何購股權之行使期將由董事會全權決定，及根據購股權計劃須於授出及接納購股權當日起計不遲於第10個年度前屆滿。
6. There is neither any minimum period for which an option must be held, nor any performance target which is needed to be achieved before the option can be exercised unless otherwise determined by the Board and specified at the time of the offer.
6. 在行使購股權前並無須持有購股權之任何最短期限或須達到之任何表現目標，除非董事會在授出購股權時另有決定及指明。
7. The period open for acceptance of an offer of the grant of the option shall be determined by the Board at its absolute discretion provided that it shall not be opened for acceptance after the 10th anniversary of the date upon which the option is granted and accepted in accordance with the Share Option Scheme or after the Share Option Scheme has been terminated in accordance with the provisions of the Share Option Scheme, whichever is earlier. The acceptance of an offer of the grant of the option shall be made with a non-refundable payment of HK\$1.00 from the grantee.
7. 可供接納授出購股權之要約之時間乃由董事會全權決定，惟根據購股權計劃於授出及接納購股權當日起計滿第10個年度當日或購股權計劃已根據其條文終止（以較早者為準）後不可供接納。接納授出購股權之要約時，承授人須支付不可退還款項1.00港元。

Directors' Report

董 事 會 報 告

8. The exercise price shall be a price determined solely by the Board and shall be at least the higher of (i) the closing price of the Company's shares as stated in the daily quotations sheet of The Stock Exchange of Hong Kong Limited ("Stock Exchange") on the date of grant; and (ii) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the date of grant.
8. 行使價乃由董事會全權釐定，並須至少為以下之較高者：(i)香港聯合交易所有限公司（「聯交所」）每日報價表所載本公司股份於授出當日之收市價；及(ii)聯交所每日報價表所載本公司股份於緊接授出當日前五個營業日之平均收市價。
9. The Share Option Scheme shall be valid and effective until 22 June 2022 unless otherwise terminated in accordance with the terms stipulated therein.
9. 購股權計劃有效及生效至二零二二年六月二十二日，除非根據其中所訂明之條款另行終止。

Please refer to note 35 to the financial statements for further information of the Share Option Scheme.

有關購股權計劃之其他資料，請參閱財務報表附註35。

During the year, 6,920,000 options were granted, 10,666,400 options were exercised, 11,826,000 options were lapsed and 701,257 options were cancelled under the Share Option Scheme. As at 31 December 2016, 110,132,343 options granted under the Share Option Scheme were still outstanding.

年內，6,920,000份購股權已授出，10,666,400份購股權已行使，11,826,000份購股權已失效及701,257份購股權已根據購股權計劃註銷。於二零一六年十二月三十一日，根據購股權計劃授出之110,132,343份購股權仍未行使。

Directors' Report
董事會報告

The particulars of, and movements in, the share options outstanding under the Share Option Scheme during the year are set out below:

下文載列年內購股權計劃項下尚未行使之購股權之詳情及變動：

	Number of share options 購股權數目						At 31 December 2016 於 二零一六年 十二月 三十一日	Date of grant of share options 授出 購股權日期	Exercise period of share options 購股權行使期間	Exercise price of share options 購股權 行使價 HK\$ per share 每份港元
	At 1 January 2016 於 二零一六年 一月一日	Granted during the year 於年內 授出	Exercised during the year 於年內 行使	Lapsed during the year 於年內 失效	Cancelled during the year 於年內 注銷	Other changes during the year 年內 其他變動				
Directors 董事										
LU Hua 呂華	7,830,000	-	-	-	-	-	7,830,000	28/1/2014	28/1/2016-27/1/2019*	2.85
HUANG Wei 黃偉	3,196,000	-	-	-	-	-	3,196,000	27/7/2015	28/1/2016-27/1/2019*	3.396
MOU Yong 牟勇	5,246,000	-	-	-	-	-	5,246,000	28/1/2014	28/1/2016-27/1/2019*	2.85
LIU Chong 劉崇	5,246,000	-	-	-	-	-	5,246,000	28/1/2014	28/1/2016-27/1/2019*	2.85
	21,518,000	-	-	-	-	-	21,518,000			
Other employees 其他僱員										
In aggregate 合共	100,238,000	-	(10,666,400)	(11,826,000)	-	-	77,745,600	28/1/2014	28/1/2016-27/1/2019*	2.85
	4,650,000	-	-	-	(701,257)	-	3,948,743	27/7/2015	28/1/2016-27/1/2019*	3.396
	-	6,920,000 (Note) (附註)	-	-	-	-	6,920,000	14/6/2016	14/6/2016-27/1/2019**	3.108
	104,888,000	6,920,000	(10,666,400)	(11,826,000)	(701,257)	-	88,614,343			
	126,406,000	6,920,000	(10,666,400)	(11,826,000)	(701,257)	-	110,132,343			

Directors' Report

董 事 會 報 告

* Options shall be exercisable in the following manner and subject to performance review:

* 購股權將按下列方式行使並受表現審核規限：

Maximum percentage of Share Option exercisable 可行使購股權最高比例	Period for exercise of the relevant percentage of the Share Option 相關比例購股權之行使期間
40%	at any time from 28 January 2016 to 27 January 2017 二零一六年一月二十八日至二零一七年一月二十七日之任何時間
70%	at any time from 28 January 2017 to 27 January 2018 二零一七年一月二十八日至二零一八年一月二十七日之任何時間
100%	at any time from 28 January 2018 to 27 January 2019 二零一八年一月二十八日至二零一九年一月二十七日之任何時間

** Options shall be exercisable in the following manner and subject to performance review:

** 購股權將按下列方式行使並受表現審核規限：

Maximum percentage of Share Option exercisable 可行使購股權最高比例	Period for exercise of the relevant percentage of the Share Option 相關比例購股權之行使期間
40%	at any time from 14 June 2016 to 27 January 2017 二零一六年六月十四日至二零一七年一月二十七日之任何時間
70%	at any time from 28 January 2017 to 27 January 2018 二零一七年一月二十八日至二零一八年一月二十七日之任何時間
100%	at any time from 28 January 2018 to 27 January 2019 二零一八年一月二十八日至二零一九年一月二十七日之任何時間

Note: The closing share price was HK\$3.00 per Share on 13 June 2016, being the date immediately before the day on which such options were granted.

附註：股份於二零一六年六月十三日（即緊接有關購股權授出當日前之日）之收市價為每股3.00港元。

Directors' Report

董事會報告

DIRECTORS' INTERESTS IN SHARES

As at 31 December 2016, the interests and short positions of the directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests in short positions which were taken or deemed to have under such provisions of SFO), or which were recorded in the register required to be kept under Section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") adopted by the Company were as follows:

Long positions in the shares ("Shares") and underlying shares of the Company:

董事之股份權益

於二零一六年十二月三十一日，本公司之董事及最高行政人員於本公司及任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及香港聯合交易所有限公司（「聯交所」）之權益及淡倉（包括根據證券及期貨條例之該等條文被當作或視為擁有之權益或淡倉），或記錄於根據證券及期貨條例第352條須存置之登記冊之權益或淡倉，或根據本公司採納之上市發行人董事進行證券交易標準守則（「標準守則」）須知會本公司及聯交所之權益或淡倉如下：

本公司股份（「股份」）及相關股份之好倉：

Name of director	Capacity	Number of Shares	Underlying shares pursuant to share options	Aggregate interests	Percentage of Shares in issue
董事姓名	身份	股份數目	根據購股權之相關股份數目	總權益	佔已發行股份之百分比
LU Hua	Beneficial owner	1,122,383	7,830,000	8,952,383	0.12
呂華	實益擁有人				
HUANG Wei	Beneficial owner	—	3,196,000	3,196,000	0.04
黃偉	實益擁有人				
MOU Yong	Beneficial owner	—	5,246,000	5,246,000	0.07
牟勇	實益擁有人				
LIU Chong	Beneficial owner	—	5,246,000	5,246,000	0.07
劉崇	實益擁有人				
WU Jiesi	Beneficial owner	3,400,000	—	3,400,000	0.04
武捷思	實益擁有人				
LI Wai Keung	Beneficial owner	1,180,880	—	1,180,880	0.02
李偉強	實益擁有人				

Note: The percentage was calculated based on 7,649,164,458 Shares in issue as at 31 December 2016.

附註：百分比乃根據截至二零一六年十二月三十一日之已發行股份7,649,164,458股計算。

Directors' Report

董 事 會 報 告

Interests of the Directors in the share options of the Company are stated in detail in the preceding section "Share Option Scheme".

Save as disclosed above, none of the Directors and chief executive of the Company had, as at 31 December 2016, any interests or short positions in any Shares and underlying shares or debentures of the Company or any of its associated corporations (which is the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests in short positions which were taken or deemed to have under such provisions of SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

Save as disclosed above, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debts securities (including debentures) of, the Company or its associated corporations and none of the Directors, or their spouse or children under the age of 18, had any rights to subscribe for equity or debt securities of the Company or its associated corporations, or had exercised any such rights.

董事於本公司購股權之權益於上一節「購股權計劃」中詳細載列。

除上文所披露者外，截至二零一六年十二月三十一日，概無本公司董事及最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之任何股份及相關股份或債券中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之權益或淡倉（包括根據證券及期貨條例之有關條文被當作或視為擁有之權益或淡倉），或記錄於根據證券及期貨條例第352條須存置之登記冊之權益或淡倉，或根據標準守則須知會本公司及聯交所之權益或淡倉。

除上文所披露者外，於年內任何時間，本公司或其任何附屬公司概無參與任何安排，令董事可藉收購本公司或其相聯法團之股份或債務證券（包括債券）而獲利，亦無任何董事、或彼等之配偶或其十八歲以下子女擁有任何可認購本公司或其相聯法團之權益或債務證券之權利或已行使任何該等權利。

Directors' Report

董 事 會 報 告

SUBSTANTIAL SHAREHOLDERS

So far as is known to any director or chief executive of the Company, as at 31 December 2016, the interests and short positions of the shareholders (other than directors or chief executives of the Company) who had interests or short positions in the Shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, were as follows:—

Interest in Shares

主要股東

就本公司任何董事或最高行政人員所深知，於二零一六年十二月三十一日，股東（本公司董事或最高行政人員除外）於本公司股份及相關股份中擁有須根據證券及期貨條例第XV部第2及第3分部之條文向本公司披露之權益及淡倉，或記錄於本公司根據證券及期貨條例第336條須存置之登記冊之權益及淡倉如下：

股份權益

Name 名稱	Capacity 身份	Number of Shares 股份數目		Percentage of Shares in issue (Note 3) 佔已發行股份之百分比 (附註3)
		Long Position 好倉	Short Position 淡倉	
Shum Yip Group Limited* ("SYG") 深業集團有限公司 (「深業集團」)	Interest in controlled corporation 受控法團之權益	4,674,502,843 (Note 2) (附註2)	—	61.11
Shum Yip Holdings Company Limited ("SYH") 深業(集團)有限公司 (「深業(集團)」)	Beneficial owner 實益擁有人	4,610,751,918	—	60.28
	Interest in controlled corporation 受控法團之權益	63,750,925 (Note 3) (附註3)	—	0.83

Notes:

- The percentage was calculated based on 7,649,164,458 Shares in issue as at 31 December 2016.
- SYG is deemed to be interested in the 4,674,502,843 Shares which SYH is interested in by virtue of SYH being its direct wholly-owned subsidiary.
- These 63,750,925 Shares were held by Goldclass Industrial Limited, a wholly-owned subsidiary of Successful Years Holdings Limited, which in turn is wholly-owned by Shum Yip Finance Company Limited ("SYF"). SYF is a wholly-owned subsidiary of SYH and accordingly, SYH is deemed to be interested in these 63,750,925 Shares.

附註：

- 百分比乃根據截至二零一六年十二月三十一日之已發行股份7,649,164,458股計算。
- 因深業(集團)為深業集團之直接全資附屬公司，故被視為於深業(集團)擁有權益之4,674,502,843股股份中擁有權益。
- 該等63,750,925股股份由Successful Years Holdings Limited之全資附屬公司財利實業有限公司持有，而Successful Years Holdings Limited由深業金融財務有限公司(「深業金融」)全資擁有。深業金融為深業(集團)的全資附屬公司，因此，深業(集團)被視為擁有該等63,750,925股股份中的權益。

* For identification purpose only

Directors' Report

董 事 會 報 告

Saved as disclosed above, as at 31 December 2016, the Company had not been notified by any person (other than directors and chief executives of the Company) who had interests or short positions in the Shares and underlying shares of the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under Section 336 of the SFO.

EQUITY-LINKED AGREEMENTS

Other than the share option schemes of the Company as disclosed above, no equity-linked agreements that will or may result in the Company issuing shares or that require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the year or subsisted at the end of the year.

RELATED PARTY TRANSACTIONS

Details of the significant related party transactions undertaken in the normal course of business are provided under note 43 to the financial statements. Some of these transactions also constitute non-exempt connected transactions/continuing connected transactions under the Listing Rules, for which the Company has complied with the applicable disclosure requirements in accordance with Chapter 14A of the Listing Rules.

CONTINUING CONNECTED TRANSACTIONS

Set out below is the information in relation to certain non-exempt continuing connected transactions carried out by the Group during the year.

On 27 January 2014, Shum Yip Group Limited ("SYG") and Shenzhen Nongke Holdings Company Limited ("Nongke") entered into (a) an agricultural land entrustment agreement ("AL Entrustment Agreement") pursuant to which SYG will appoint Nongke (i) to hold and manage certain agricultural lands and related assets; and (ii) to authorize Nongke and its wholly-owned subsidiaries to manage such agricultural lands and related assets in accordance with their existing operations, in each case, at the cost of SYG for a term commencing on 22 August 2014 and ending on 31 December 2016, and Nongke is entitled to a management fee with an annual cap of RMB1.1 million for the year ended 31 December 2014 and RMB1.7 million for each of the years ending 31 December 2015 and 2016 respectively; and (b) a floral market entrustment agreement ("NFM Entrustment Agreement", together with AL Entrustment Agreement, the "Entrustment Agreements") pursuant to which SYG will appoint Nongke to handle legal procedures with respect to the investment and operation management of 農業科普和花卉展示博覽園 (Agricultural Popular Science and Flora Expo), the social car parking space and certain commercial facilities at a parcel of

除上文所披露者外，截至二零一六年十二月三十一日，概無任何人士（本公司董事及最高行政人員除外）曾知會本公司其於本公司股份及相關股份中擁有根據證券及期貨條例第XV部第2及第3分部之條文或記錄於根據證券及期貨條例第336條須存置之登記冊之權益或淡倉。

股票掛鈎協議

除上述所披露之本公司之購股權計劃外，於年內或年度結束時，本公司概無訂立或存在任何將會或可導致本公司發行股份或要求本公司訂立將會或可導致本公司發行股份的任何協議的股票掛鈎協議。

關聯方交易

於正常業務過程中進行的重大關聯方交易詳情載於財務報表附註43。若干該等交易亦構成上市規則項下之非豁免關連交易／持續關連交易，本公司已遵守上市規則第十四A章項下的適用披露規定。

持續關連交易

下文載列有關本集團於年內進行之若干非豁免持續關連交易之資料。

於二零一四年一月二十七日，深業集團有限公司（「深業集團」）與深圳市農科集團有限公司（「農科」）訂立(a)農地委託協議（「農地委託協議」），據此，深業集團將委任農科(i)持有及管理若干農地及相關資產；及(ii)授權農科及其全資附屬公司根據彼等當時的營運狀況管理農地及相關資產，在各種情況下，費用均由深業集團承擔，期限自二零一四年八月二十二日起至二零一六年十二月三十一日止，而農科將有權於截至二零一四年十二月三十一日止年度收取年度上限人民幣110萬元的管理費及於截至二零一五年及二零一六年十二月三十一日止年度各年分別收取年度上限人民幣170萬元的管理費；及(b)花卉市場委託協議（「花卉市場委託協議」，連同農地委託協議，統稱為「委託協議」），據此，深業集團將委任農科處理有關位於福田區一幅土地之農業科普和花卉展示博覽園、公共停車場及若干配套商業設施之投資及經營管理的法律程序；及(ii)根

Directors' Report

董 事 會 報 告

land at Futian District; and (ii) to demolish all the building structures currently erected thereon pursuant to the relevant requirements, at the cost of SYG, for the period from 22 August 2014 to 31 December 2016. Nongke is entitled to a management fee with an annual cap of RMB0.7 million for the year ended 31 December 2014 and RMB1.0 million for each of the years ended 31 December 2015 and 2016 respectively. As SYG is the ultimate holding company of the Company and Nongke is a wholly-owned subsidiary of the Company since 22 August 2014, the transactions contemplated under the Entrustment Agreements constitute continuing connected transactions of the Company. As the Entrustment Agreements are on better terms to the Company, the transactions contemplated under the Entrustment Agreements are subject to the reporting, announcement, annual review and independent shareholders' approval requirements under the then Listing Rules notwithstanding that all the applicable percentage ratios are less than 0.1%. The Entrustment Agreements and the transactions contemplated thereunder were approved by independent shareholders on 29 May 2014. For further details, please refer to the circular of the Company dated 12 May 2014.

The Independent Non-executive Directors had reviewed the aforesaid continuing connected transactions and confirmed that they have been entered into:

1. in the ordinary and usual course of business of the Group;
2. on normal commercial terms or better; and
3. according to the relevant agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Company's external auditor was engaged to report on the Group's continuing connected transaction in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants.

據相關規定拆除目前建於其上之所有建築物，費用由深業集團承擔，期限自二零一四年八月二十二日起至二零一六年十二月三十一日止。農科將有權於截至二零一四年十二月三十一日止年度收取年度上限人民幣70萬元的管理費及於截至二零一五年及二零一六年十二月三十一日止年度各年分別收取年度上限人民幣100萬元的管理費。由於深業集團為本公司之最終控股公司，及農科自二零一四年八月二十二日起為本公司之全資附屬公司，委託協議項下擬進行之交易構成本公司之持續關連交易。由於委託協議的條款對本公司更加有利，儘管所有適用百分比率低於0.1%，但委託協議項下擬進行的交易須遵守當時上市規則的申報、公告、年度審核及獨立股東批准規定。委託協議及其項下擬進行之交易於二零一四年五月二十九日獲得獨立股東批准。有關進一步詳情，請參閱本公司日期為二零一四年五月十二日之通函。

獨立非執行董事已審核上述持續關連交易，並確認此乃：

1. 於本集團日常及一般業務過程中訂立；
2. 按一般商業條款或更優條款訂立；及
3. 以規管交易之相關協議為根據，其條款屬公平合理並符合本公司股東之整體利益。

本公司外聘核數師已獲聘根據香港會計師公會頒佈之香港核證工作準則第3000號「審核或審閱歷史財務資料以外之核證工作」及參照實務說明第740號「關於香港上市規則所述持續關連交易之核數師函件」報告本集團之持續關連交易。

Directors' Report

董事會報告

The auditor has issued their unqualified letter containing the auditor's findings and conclusions in respect of the continuing connected transactions disclosed by the Group on page 231 to 232 of the annual report in accordance with Rule 14A.56 of the Listing Rule. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

核數師已出具彼等的無保留意見函件，當中載有核數師就本集團根據上市規則第14A.56條於年報第231至232頁披露的持續關連交易的發現及結論。本公司已向聯交所提供核數師函件的副本。

SHARES ISSUED

During the year, the Company issued 265,147,470 new Shares, details of which are set out below:

- (i) On 11 August 2016, 250,251,905 new Shares were issued and allotted to the shareholders who have elected to receive their 2015 final dividend by way of scrip dividend in lieu of cash.
- (ii) On 18 November 2016, 4,229,165 new Shares were issued and allotted to the shareholders who have elected to receive their 2016 interim dividend by way of scrip dividend in lieu of cash.
- (iii) 10,666,400 new Shares were issued and allotted upon the exercise of options under the Share Option Scheme. For details, please refer to the section headed "Share Option Scheme" in this report.

已發行股份

年內，本公司已發行265,147,470股新股份，詳情載列如下：

- (i) 二零一六年八月十一日，250,251,905股新股份已發行及配發予選擇以代息股份代替以現金形式收取二零一五年末期股息的股東。
- (ii) 二零一六年十一月十八日，4,229,165股新股份已發行及配發予選擇以代息股份代替以現金形式收取二零一六年中期股息的股東。
- (iii) 因行使購股權計劃項下之購股權，10,666,400股新股份已發行及配發。詳情請參閱本報告「購股權計劃」一節。

PURCHASES, SALE OR REDEMPTION OF THE COMPANY'S SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of its listed securities during the year.

購買、出售或贖回本公司之證券

年內，本公司及其任何附屬公司並無購買、出售或贖回其任何上市證券。

PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its Directors, throughout the year and up to the date of this report, there is sufficient public float, as not less than 25% of the Company's issued Shares are held by the public.

公眾持股量

於本年度全年及截至本報告日期，根據本公司取得的公開資料及就董事所知悉，本公司有足夠的公眾持股量，即公眾持股量並不少於本公司已發行股份的25%。

Directors' Report

董 事 會 報 告

CONTINUING DISCLOSURE REQUIREMENTS UNDER RULE 13.21 OF THE LISTING RULES

Banking facilities with covenants in relation to specific performance of the controlling shareholder:

By an agreement ("1st Facility Agreement") dated 25 June 2013 entered into between the Company as borrower and a bank, a HK\$300 million (or its equivalent in US dollars) transferable term loan facility ("1st Facility") was provided to the Company. The 1st Facility shall be repaid by the Company in one lump sum on the date falling 36 months from the first drawdown date.

By an agreement ("2nd Facility Agreement") dated 9 October 2013 entered into between the Company as borrower and certain banks, up to a principal amount of US\$235 million (or equivalent to approximately HK\$1,833 million) transferable term loan facility and up to a principal amount of HK\$1,654 million transferable term loan facility ("2nd Facility") were provided to the Company. The 2nd Facility shall be repaid by the Company in four instalments of various percentages of the total amount of borrowings, with all outstanding amount shall be fully repaid on the date falling 60 months from the date of the 2nd Facility Agreement.

By an agreement ("3rd Facility Agreement") dated 25 August 2014 entered into between the Company as borrower and certain banks, up to a principal amount of US\$435 million (equivalent to approximately HK\$3,393 million) transferable term loan facility and up to a principal amount of HK\$2,510 million transferable term loan facility ("3rd Facility") were provided to the Company. The 3rd Facility shall be repaid by the Company in three instalments of various percentages of the total amount of borrowings, with all outstanding amount shall be fully repaid on the date falling 60 months from the date of the 3rd Facility Agreement.

By an agreement ("4th Facility Agreement") dated 4 December 2014 entered into between the Company as borrower and a bank, up to a principal amount of HK\$400 million transferable term loan facility ("4th Facility") was provided to the Company. The 4th Facility shall be fully repaid in 36 months commencing from the date of the 4th Facility Agreement.

By an agreement ("5th Facility Agreement") dated 29 May 2015 entered into between the Company as borrower and a bank, up to a principal amount of HK\$200 million term loan facility ("5th Facility") was provided to the Company. The 5th Facility shall be fully repaid by the Company in three instalments with the last repayment date falling 60 months from the date of the 5th Facility Agreement.

上市規則第13.21條之持續披露規定

附帶有關控股股東特定履行契諾之銀行融資：

根據本公司（作為借款人）與一銀行於二零一三年六月二十五日訂立之一項協議（「第一份融資協議」），一筆金額為300,000,000港元（或其美元等值金額）之可轉讓定期貸款融資（「第一筆融資」）已提供予本公司。第一筆融資須由本公司於首次提取日期起計屆滿三十六個月當日一次性償還。

根據本公司（作為借款人）與若干銀行於二零一三年十月九日訂立之一項協議（「第二份融資協議」），一筆最高本金額為235,000,000美元（或相當於約1,833,000,000港元）之可轉讓定期貸款融資及一筆最高本金額為1,654,000,000港元之可轉讓定期貸款融資（「第二筆融資」）已提供予本公司。第二筆融資須由本公司分四期按借貸總額不同的百分比償還，所有未償還金額須於第二份融資協議日期起計屆滿六十個月當日悉數償還。

根據本公司（作為借款人）與若干銀行於二零一四年八月二十五日訂立之一項協議（「第三份融資協議」），一筆最高本金額為435,000,000美元（或相當於約3,393,000,000港元）之可轉讓定期貸款融資及一筆最高本金額為2,510,000,000港元之可轉讓定期貸款融資（「第三筆融資」）已提供予本公司。第三筆融資須由本公司分三期按借貸總額不同的百分比償還，所有未償還金額須於第三份融資協議日期起計屆滿六十個月當日悉數償還。

根據本公司（作為借款人）與一銀行於二零一四年十二月四日訂立之一項協議（「第四份融資協議」），一筆最高本金額為400,000,000港元之可轉讓定期貸款融資（「第四筆融資」）已提供予本公司。第四筆融資須於第四份融資協議日期起計屆滿三十六個月當日悉數償還。

根據本公司（作為借款人）與一銀行於二零一五年五月二十九日訂立之一項協議（「第五份融資協議」），一筆最高本金額為200,000,000港元之定期貸款融資（「第五筆融資」）已提供予本公司。第五筆融資須由本公司分三期悉數償還，最後一筆還款日期為訂立第五份融資協議當日起計屆滿六十個月之日期。

Directors' Report

董 事 會 報 告

By an agreement ("6th Facility Agreement", together with the 1st Facility Agreement, 2nd Facility Agreement, 3rd Facility Agreement, 4th Facility Agreement and 5th Facility Agreement collectively referred to as the "Facility Agreements") dated 7 March 2016 entered into between the Company as borrower and a syndicate of lenders, a US\$230 million transferable term loan facility and a HK\$1,000 million transferable term loan facility ("6th Facility") were provided to the Company on the terms and conditions as stated therein. The 6th Facility shall be repaid by the Company in instalments with the last repayment date falling 60 months from the date of the 6th Facility Agreement.

Under the Facility Agreements, it will be an event of default if Shum Yip Holdings Company Limited ceases to own beneficially at least 35% of the issued share capital of the Company, ceases to be the single largest shareholder of the Company, ceases to have management control of the Company, or ceases to remain beneficially owned as to at least 51% by the Shenzhen Municipal People's Government of the People's Republic of China and at any time after the happening of an event of default, all amounts due under the facilities may be declared to be immediately due and payable.

As at 31 December 2016, all advances made under the 1st Facility Agreement had been fully repaid.

PERMITTED INDEMNITY

The articles of association of the Company provides that each Director, Secretary or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities (to the fullest extent permitted by the Companies Ordinance) which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto. In addition, the Company has maintained appropriate directors and officers liability insurance in respect of relevant legal actions against the Directors and officers.

AUDIT COMMITTEE

The Group's results for the year have been reviewed by the Audit Committee. Information on the work of Audit Committee and its composition are set out in the Corporate Governance Report on pages 46 to 71.

根據本公司（作為借款人）與一銀團貸款人於二零一六年三月七日訂立之一項協議（「第六份融資協議」，連同第一份融資協議、第二份融資協議、第三份融資協議、第四份融資協議及第五份融資協議統稱為「該等融資協議」），一筆金額為230,000,000美元之可轉讓定期貸款融資及一筆金額為1,000,000,000港元之可轉讓定期貸款融資（「第六筆融資」）已按其中所載之條款及條件提供予本公司。第六筆融資須由本公司分期償還及最後一筆還款日期為訂立第六份融資協議當日起計屆滿六十個月之日期。

根據該等融資協議，倘深業（集團）有限公司不再實益擁有本公司至少35%之已發行股本，或不再為本公司之單一最大股東，或不再控制本公司之管理，或不再由中華人民共和國深圳市人民政府實益擁有至少51%之權益，則將被視作違反協議，及於發生任何違反協議事宜後任何時間，該等融資項下所有金額或會被即時宣佈到期並須予償還。

於二零一六年十二月三十一日，根據第一份融資協議作出之所有借款已悉數償還。

獲准許的彌償

本公司的組織章程細則規定，在公司條例許可的最大範圍內，本公司每名董事、秘書或其他高級人員就其執行職務或與此有關所蒙受或招致一切損失或責任，均有權從本公司資產中獲得彌償。此外，本公司已就針對董事及高級人員的有關法律行動投購適當的董事及高級人員責任保險。

審核委員會

本集團年內業績已由審核委員會審閱。有關審核委員之職責及組成之資料載於第46至71頁之企業管治報告。

Directors' Report

董 事 會 報 告

AUDITORS

At the annual general meeting of the Company held on 2 June 2016, Ernst & Young retired as the auditor of the Company and KPMG was appointed as the new auditor of the Company.

The consolidated financial statements for the year ended 31 December 2016 have been audited by KPMG who will retire and, being eligible, offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

This report is approved and signed for and on behalf of the Board by

LU Hua
Chairman

Hong Kong, 27 March 2017

核數師

於二零一六年六月二日舉行之本公司股東週年大會上，安永會計師事務所退任本公司之核數師，而畢馬威會計師事務獲委聘為本公司之新核數師。

截至二零一六年十二月三十一日止年度之綜合財務報表已由畢馬威會計師事務所審核。畢馬威會計師事務所將於本公司應屆股東週年大會上退任，並符合資格且願意膺聘連任。

本報告已獲批准並由下列人士代表董事會簽署

主席
呂華

香港，二零一七年三月二十七日

Independent Auditor's Report

獨立核數師報告



**Independent auditor's report to the members of
Shenzhen Investment Limited**
(Incorporated in Hong Kong with limited liability)

OPINION

We have audited the consolidated financial statements of Shenzhen Investment Limited ("the Company") and its subsidiaries ("the Group") set out on pages 103 to 241, which comprise the consolidated statement of financial position as at 31 December 2016, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2016 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

BASIS OF OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code") and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

獨立核數師報告

致深圳控股有限公司列位股東
(於香港註冊成立之有限責任公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第103至241頁的深圳控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表,此財務報表包括於二零一六年十二月三十一日的綜合財務狀況表與截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表,以及綜合財務報表附註,包括主要會計政策概要。

我們認為,該等綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於二零一六年十二月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量,並已遵照香港《公司條例》妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(以下簡稱「守則」),我們獨立於貴集團,並已履行守則中的其他專業道德責任。我們相信,我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷,認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的。我們不會對這些事項提供單獨的意見。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

關鍵審核事項 (續)

Valuation of investment properties and investment properties under development

投資物業及發展中投資物業的估值

Refer to note 16 to the consolidated financial statements and the accounting policies on pages 120 to 121.

請參閱綜合財務報表附註16及第120至121頁的會計政策。

The key audit matter

關鍵審核事項

The aggregate fair values of the Group's investment properties and investment properties under development as at 31 December 2016 amounted to HK\$22,807 million, representing 24% of the Group's total assets as at that date.

於二零一六年十二月三十一日，貴集團投資物業及發展中投資物業的公允值總額為228.07億港元，佔貴集團於該日總資產的24%。

The net change in fair values recorded in the consolidated statement of profit or loss represented 15% of the Group's profit before taxation for the year ended 31 December 2016.

計入綜合損益表中的公允值變動淨額佔貴集團截至二零一六年十二月三十一日止年度除稅前利潤的15%。

The Group's investment properties and investment properties under development, which are located in Mainland China, comprise shopping malls, office premises, residential premises and car parking bays.

貴集團位於中國大陸的投資物業及發展中投資物業包括購物廣場、寫字樓、住宅物業及停車場。

The fair values of the Group's investment properties and investment properties under development were assessed by the board of directors based on independent valuations prepared by an external property valuer.

貴集團投資物業及發展中投資物業的公允值乃由董事會根據外部物業估值師編製的獨立估值進行評估。

How the matter was addressed in our audit

於審核中的處理方法

Our audit procedures to assess the valuation of investment properties and investment properties under development included the following:

吾等對投資物業及發展中投資物業的估值進行評估的審核程序包括：

- assessing the competence, capability, experience of the locations and types of properties subject to valuation, independence and objectivity of the external property valuer;
- 評估外部物業估值師的資質、能力、評估類似位置及類型物業的相關經驗、獨立性及客觀性；
- evaluating the valuation methodology used by the external property valuer based on our knowledge and experience of other valuers for similar types of properties;
- 根據吾等對類似類型物業的其他估值師的知識和經驗，評估外部物業估值師所使用的估值方法；
- comparing, on a sample basis, the tenancy information included in the valuation models, which included committed rents and occupancy rates, with underlying contracts and related documentation;
- 以抽樣方式將估值模型中所載的租賃信息（其中包括確定的租金和出租率）與相關合約及相關文件進行比較；

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

關鍵審核事項 (續)

Valuation of investment properties and investment properties under development (continued)

投資物業及發展中投資物業的估值 (續)

Refer to note 16 to the consolidated financial statements and the accounting policies on pages 120 to 121.

請參閱綜合財務報表附註16及第120至121頁的會計政策。

The key audit matter 關鍵審核事項	How the matter was addressed in our audit 於審核中的處理方法
<p>We identified valuation of investment properties and investment properties under development as a key audit matter because of their significance to the consolidated financial statements and because the determination of the fair values involves significant judgement and estimation, including selecting the appropriate valuation methodology, capitalisation rates and market rents and, for investment properties under development, an estimation of costs to complete each property development project.</p> <p>鑑於投資物業及發展中投資物業對綜合財務報表的重要性以及公允價值的釐定涉及重大管理層判斷和估計，包括選擇適當的估值方法、資本化率和市場租金及完成各物業發展項目的成本估計（就發展中投資物業而言），吾等將投資物業及發展中投資物業的估值確定為一項關鍵審核事項。</p>	<p>Our audit procedures to assess the valuation of investment properties and investment properties under development included the following: (continued)</p> <p>吾等對投資物業及發展中投資物業的估值進行評估的審核程序包括：(續)</p> <ul style="list-style-type: none">• discussing the valuations with the external property valuer in a separate private session and challenging the key estimates adopted in the valuations, including those relating to market selling prices, market rents and capitalisation rates, by comparing them with historical rates and available market data, taking into consideration comparability and other local market factors;• 另行與外部物業估值師單獨討論估值，並通過對比估值中所採用的重要估計（包括與市場售價、市場租金和資本化相關的估計）與歷史比率及市場公開數據提出質疑，並考慮可比性及其他當地市場因素；• conducting site visits to investment properties under development, on a sample basis, to observe the development progress and comparing the observed development progress with the Group's records;• 以抽樣方式實地走訪發展中投資物業項目，以觀察發展進度，並將觀察到的發展進度與貴集團的記錄進行比較；• challenging management's property development budgets reflected in the latest forecasts with reference to market statistics for estimated construction costs, signed construction contracts and/or unit construction costs for recently completed projects developed by the Group.• 參照估計建設成本，已簽署的建設合約及／或貴集團新近完工項目的單方建價，對最新預測中反映的管理層的物業發展預算提出質疑。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

關鍵審核事項 (續)

Valuation of property development projects in third-tier and fourth-tier cities in Mainland China

中國大陸三、四線城市物業發展項目的估值

Refer to note 17 and 18 to the consolidated financial statements and the accounting policies on pages 128 to 129.
請參閱綜合財務報表附註17及18及第128至129頁的會計政策。

The key audit matter

關鍵審核事項

As at 31 December 2016, the Group had a number of property development projects located in third-tier and fourth-tier cities in Mainland China stated at the lower of cost and net realisable value, which totalled HK\$12,969 million as at that date.

於二零一六年十二月三十一日，貴集團在中國大陸三、四線城市擁有多個物業發展項目，該等項目於該日以成本及可變現淨值之間的較低者列賬，總價值為129.69億港元。

The calculation of the net realisable value of each property development project at the financial reporting date was performed by the Group's internal property experts.

各物業發展項目於財務報告日期可變現淨值的計算乃由貴集團的內部物業專家進行。

The calculation of the net realisable value of property development projects involves significant management judgement and estimation in preparing and updating project feasibility studies and estimations of the costs to complete each property development project as well as in assessing the expected selling prices for each property (with reference to recent sales transactions in the nearby vicinity and prices for new property sales) and the estimated future selling costs (including price discounts which may be required to stimulate sales) and requires the application of a risk-adjusted discount rate to estimate future discounted cash flows to be derived from each property development project.

物業發展項目可變現淨值的計算涉及重大管理層判斷和估計，包括編製和更新項目可行性研究及完成各物業發展項目的成本估計以及評估各物業發展項目的預期售價（參考附近區域的近期銷售交易和新建物業銷售價格）及估計未來銷售成本（包括促進銷售可能需要的價格折扣），並要求採用風險調整貼現率來估計各物業發展項目將產生的未來貼現現金流量。

How the matter was addressed in our audit

於審核中的處理方法

Our audit procedures to assess the valuation of property development projects in third-tier and fourth-tier cities in Mainland China included the following:

吾等對中國大陸三、四線城市物業發展項目的估值進行評估的審核程序包括：

- obtaining an understanding of and assessing the design, implementation and operating effectiveness of management's key internal controls which govern the preparation and monitoring of management budgets and forecasts of construction and other costs for each property development project;
- 了解和評估管理層有關各物業發展項目的管理預算編製和監督以及施工和其他成本預測的關鍵內部控制的設計、實施和運行有效性；
- conducting site visits to property development sites, on a sample basis, and comparing the observed progress of each property development project with the development budgets reflected in the latest forecasts for each property development project;
- 以抽樣方式實地走訪物業發展項目現場，並將觀察到的各物業發展項目的進度與各物業發展項目的最新預測中反映的發展預算進行比較；
- evaluating the valuation methodology adopted by management in its assessment of net realisable value and comparing the key estimates and assumptions adopted in the valuations, including those relating to average net selling prices, with available market data and the sales budget plans maintained by the Group;
- 評估管理層對可變現淨值進行評估時所採用的估值方法，並將估值中採用的重要估計和假設（包括與平均淨銷售價格有關的估計及假設）與現有市場數據及貴集團編製的銷售預算計劃進行比較；

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

關鍵審核事項 (續)

Valuation of property development projects in third-tier and fourth-tier cities in Mainland China (continued)

中國大陸三、四線城市物業發展項目的估值 (續)

Refer to note 17 and 18 to the consolidated financial statements and the accounting policies on pages 128 to 129.
請參閱綜合財務報表附註17及18及第128至129頁的會計政策。

The key audit matter
關鍵審核事項

We identified the assessment the valuation of property development projects in third-tier and fourth-tier cities in Mainland China as a key audit matter because of the inherent risks and potential management bias involved in estimating the costs to complete each property development project and future selling prices for each property development project, particularly in light of the current economic circumstances and various property market cooling measures introduced by local governments in various cities across Mainland China.

鑒於估計完成各物業發展項目的成本及各物業發展項目的未來銷售價格所涉及的內在風險和潛在管理偏差，尤其是根據現時經濟環境及中國大陸眾多城市的地方政府推出的各種物業市場降溫措施，吾等將評估中國大陸三、四線城市物業發展項目的估值確定為關鍵審核事項。

How the matter was addressed in our audit
於審核中的處理方法

Our audit procedures to assess the valuation of property development projects in third-tier and fourth-tier cities in Mainland China included the following: (continued)
吾等對中國大陸三、四線城市物業發展項目的估值進行評估的審核程序包括：(續)

- comparing the estimated construction costs to complete each property development project with the Group's latest development budgets and comparing the costs incurred to 31 December 2016 against the development budgets as at 31 December 2015 to assess the accuracy of management's forecasting and budgeting process;
- 將完成各物業發展項目的估計建設成本與 貴集團的最新發展預算進行比較，並將截至二零一六年十二月三十一日已產生的費用與截至二零一五年十二月三十一日的發展預算進行比較，以評估管理層的預測和預算編製流程的準確性；
- challenging management's property development budgets reflected in the latest forecasts with reference to market statistics for estimated construction costs, signed construction contracts and/or unit construction costs for recently completed projects developed by the Group; and
- 參考估計建設成本的市場統計數據、已簽署的建設合約及／或 貴集團開發的新近完工項目的單位建設成本，對最新預測中反映的管理層的物業發展預算提出質疑；及
- performing sensitivity analyses to determine the extent of change in those estimates that, either individually or collectively, would be required for the property development projects to be materially misstated and considering the likelihood of such a movement in those key estimates arising and the potential for management bias.
- 進行敏感性分析，以確定該等估計將導致物業開發項目發生重大錯報的變動程度，並考慮該等重要估計出現變動的可能性和管理偏差的潛在性。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (CONTINUED)

關鍵審核事項 (續)

Accounting for the acquisition of a subsidiary 收購一間附屬公司的會計處理法

Refer to note 37 to the consolidated financial statements and the accounting policies on pages 118 to 119.
請參閱綜合財務報表附註37及第118至119頁的會計政策。

The key audit matter 關鍵審核事項

During the current year the Group acquired a 95% equity interest in Fairwind Power Limited for a total consideration of HK\$2,264 million.

於本年度，貴集團收購Fairwind Power Limited的95%股權，總代價為22.64億港元。

Management calculated that the fair value of the identifiable net assets acquired at the acquisition date, 15 March 2016, totalled HK\$2,937 million and, consequently, a gain on a bargain purchase of HK\$526 million was recognised in the consolidated statement of profit or loss for the year ended 31 December 2016.

管理層認為，於購買日期（二零一六年三月十五日）收購的可識別淨資產的公允值合計為29.37億港元，因此於截至二零一六年十二月三十一日止年度的綜合損益表中確認5.26億港元的廉價購買所得。

The calculation of the fair value of the identifiable net assets acquired involved significant management judgement, particularly in relation to assessing the fair values of properties under development and deferred tax liabilities. The fair values were assessed by the board of directors based on independent valuations prepared by an external property valuer.

可識別淨資產公允值的計算涉及重大管理層判斷，尤其是在評估發展中物業的公允值和遞延所得稅負債。公允值由董事會根據外部物業估值師編製的獨立估值進行評估。

We identified accounting for the acquisition of Fairwind Power Limited as a key audit matter because of the significance of the gain on bargain purchase to the consolidated financial statements and because the determination of the fair values involved significant management judgement and estimation, including selecting the appropriate valuation methodology and determining current prices for land parcels.

鑑於列入綜合財務報表的廉價購買所得的重要性以及公允價值的釐定涉及重大管理層判斷和估計，包括選擇適當的估值方法和釐定地塊的現行價格，吾等將收購Fairwind Power Limited的會計處理法確定為一項關鍵審核事項。

How the matter was addressed in our audit 於審核中的處理方法

Our audit procedures to assess the accounting for the acquisition of Fairwind Power Limited included the following:
吾等對Fairwind Power Limited收購事項的會計處理法進行評估的審核程序包括：

- reading the sale and purchase contract to understand the nature of the transaction and to evaluate the accounting treatment adopted by management for the acquisition;
- 閱讀買賣合同以了解交易的性質，並評估管理層就收購事項採用的會計處理法；
- comparing the payment of the consideration payable to bank statements and other relevant underlying documentation;
- 將應付代價的支付與銀行對賬單及其他相關基本文件進行比較；
- obtaining and inspecting the valuation reports prepared by the external property valuers engaged by the Group and on which the management's assessment of the fair values of assets and liabilities acquired was based;
- 獲取和檢查由貴集團聘請的外部物業估值師編製且作為管理層據以對所收購資產和負債的公允值進行評估的估值報告；
- assessing the external property valuers' qualifications, experience and expertise in the assets being valued and considering their objectivity and independence; and
- 評估外部物業估值師在資產估值方面的資格、經驗和專業知識，並考慮其客觀性和獨立性；及
- with the assistance of our internal valuation specialists, discussing with the external property valuers, without the presence of management, their valuation methodology and challenging the assumptions and critical judgements which impacted their valuations, including the current prices for land parcels in the vicinity of Fairwind Power Limited's properties under development, by comparing these assumptions and critical judgements with market data, our past experience of similar transactions and the Group's business plan supporting the acquisition.
- 在內部估值專家的協助下，與外部物業估值師在管理層不在場的情況下討論其估值方法，並透過對比影響該等估值的假設及重要判斷與市場數據（包括Fairwind Power Limited發展中物業鄰近地塊的現行價格），吾等過往類似交易的經驗及貴集團用以支持收購事項的業務計劃，對該等估值的假設和重要判斷提出質疑。

Independent Auditor's Report

獨立核數師報告

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND OUR AUDITOR'S REPORT THEREON

The directors are responsible for the other information. The other information comprises all the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The directors are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

綜合財務報表及其核數師報告以外的信息

董事需對其他信息負責。其他信息包括刊載於年報內的全部信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事就綜合財務報表須承擔的責任

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》擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審計委員會協助董事履行監督貴集團的財務報告過程的責任。

Independent Auditor's Report

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. This report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們是按照香港《公司條例》第405條的規定，僅向整體成員報告。除此以外，我們的報告不可用作其他用途。我們概不就本報告的內容，對任何其他人士負責或承擔法律責任。

合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據《香港審計準則》進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

Independent Auditor's Report

獨立核數師報告

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and, where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

核數師就審計綜合財務報表承擔的責任 (續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審計委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審計委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

從與審計委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

Independent Auditor's Report

獨立核數師報告

**AUDITOR'S RESPONSIBILITIES FOR THE AUDIT
OF THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)**

The engagement partner on the audit resulting in this independent auditor's report is Ng Yu Hei.

核數師就審計綜合財務報表承擔的責任 (續)

出具本獨立核數師報告的審計項目合夥人是吳宇希。

KPMG

Certified Public Accountants
8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong
27 March 2017

畢馬威會計師事務所

執業會計師
香港中環
遮打道十號
太子大廈八樓
二零一七年三月二十七日

Consolidated Statement of Profit or Loss

綜 合 損 益 表

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

		Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Revenue	收益	5	21,353,993	18,428,172
Cost of sales	銷售成本		(13,083,234)	(12,053,688)
Gross profit	毛利		8,270,759	6,374,484
Other income and gains	其他收入及得利	5	832,342	615,289
Increase in fair value of equity investments at fair value through profit or loss, net	透過損益按公允值計算之股權投資公允值增加淨額		870	580
Increase in fair value of investment properties	投資物業公允值增加	16	1,204,139	1,082,176
Recognition of change in fair value of completed properties held for sale/properties under development upon transfer to investment properties	持作銷售用途之已落成物業或發展中物業轉撥至投資物業後所產生公允值收益	16	654,516	432,102
Selling and distribution expenses	銷售及分銷成本		(362,224)	(483,087)
Administrative expenses	行政開支		(956,298)	(867,298)
Other operating expenses	其他經營開支		(1,656,121)	(542,978)
Finance costs	融資成本	6	(838,167)	(708,484)
Share of profits less losses of joint ventures and associates	應佔合營公司及聯營公司溢利減虧損		1,142,976	607,845
Profit before taxation	除稅前溢利	7	8,292,792	6,510,629
Income tax expense	所得稅開支	8	(4,821,911)	(3,423,377)
Profit for the year	年內溢利		3,470,881	3,087,252
Attributable to:	下列應佔：			
Equity shareholders of the Company	本公司權益股東		3,170,581	2,868,796
Non-controlling interests	非控股權益		300,300	218,456
			3,470,881	3,087,252
EARNINGS PER SHARE	每股盈利	11		
Basic	基本		HK42.36 cents 42.36港仙	HK40.56 cents 40.56港仙
Diluted	攤薄		HK42.35 cents 42.35港仙	HK40.56 cents 40.56港仙

The notes on pages 113 to 241 form part of these financial statements. Details of dividends payable to equity shareholders of the Company attributable to the profit for the year are set out in note 12.

第113至241頁之附註構成該等財務報表之一部分。有關本公司權益股東應佔年內溢利應派股息之詳情，載於附註12。

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜 合 損 益 及 其 他 全 面 收 益 表

For the year ended 31 December 2016
截至二零一六年十二月三十一日止年度

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Profit for the year	年內溢利	3,470,881	3,087,252
Other comprehensive income for the year	年內其他全面收益		
Items that may be reclassified subsequently to profit or loss:	期後可能重新分類至損益之項目：		
Available-for-sale investments:	可供出售投資：		
– Changes in fair value	– 公允值變動	(10,785)	(6,261)
– Income tax effect	– 所得稅影響	2,696	1,565
	22	(8,089)	(4,696)
Share of other comprehensive income of joint ventures and associates	應佔合營公司及聯營公司其他全面收益	(235,432)	(175,080)
Exchange differences on translation of foreign operations	換算海外業務之匯兌差額	(2,918,015)	(1,767,065)
		(3,161,536)	(1,946,841)
Items that will not be reclassified to profit and loss:	將不重新分類至損益之項目：		
Share of other comprehensive income of joint ventures and associates	應佔合營公司及聯營公司其他全面收益	–	(72)
		–	(72)
Other comprehensive income for the year, net of tax	年內其他全面收益，除稅後	(3,161,536)	(1,946,913)
Total comprehensive income for the year	年內全面收益總額	309,345	1,140,339
Attributable to:	下列應佔：		
Equity shareholders of the Company	本公司權益股東	170,542	1,038,058
Non-controlling interests	非控股權益	138,803	102,281
		309,345	1,140,339

The notes on pages 113 to 241 form part of these financial statements.

第113至241頁之附註構成該等財務報表之一部分。

Consolidated Statement of Financial Position

綜 合 財 務 狀 況 表

			31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元	31 December 2015 二零一五年 十二月三十一日 HK\$'000 千港元
		Notes 附註		
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	3,844,311	4,144,176
Prepaid land lease payments	預付土地租賃款項	14	36,083	40,355
Goodwill	商譽	15	322,240	322,542
Investment properties	投資物業	16	22,807,211	20,908,173
Interests in associates	聯營公司權益	20	3,994,821	3,838,027
Interests in joint ventures	合營公司權益	21	3,300,931	3,037,310
Available-for-sale investments	可供出售投資	22	112,985	123,684
Other long term assets	其他長期資產	23	3,188,483	1,778,889
Breeding biological assets	生產性生物資產	24	-	7,075
Deferred tax assets	遞延稅項資產	33(b)	1,954,441	1,386,915
Total non-current assets	非流動資產總額		39,561,506	35,587,146
Current assets	流動資產			
Trading biological assets	消耗性生物資產	24	8,136	9,576
Completed properties held for sale	持作待售之已落成物業	17	7,514,657	9,031,517
Properties under development	發展中物業	18	35,292,229	30,311,525
Inventories	存貨	25	93,354	98,803
Trade receivables	應收賬款	26	322,506	528,154
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款項	27	1,684,928	1,696,026
Equity investments at fair value through profit or loss	透過損益按公允值計算之 權益投資	28	4,566	3,696
Restricted cash	受限制現金	29	2,204,157	4,110,729
Cash and cash equivalents	現金及現金等價物	29	9,859,526	9,708,046
Total current assets	流動資產總額		56,984,059	55,498,072
Current liabilities	流動負債			
Interest-bearing bank and other borrowings	計息銀行及其他借貸	30	5,288,454	5,274,153
Trade payables	應付賬款	31	1,116,432	1,013,126
Other payables and accruals	其他應付款項及應計費用	32	17,023,915	13,920,890
Due to the immediate holding company	應付直接控股公司款項	43(b)	1,270,755	158,301
Due to the ultimate holding company	應付最終控股公司款項	43(b)	2,850,880	3,816,007
Tax payable	應付稅項	33(a)	8,755,178	6,494,559
Total current liabilities	流動負債總額		36,305,614	30,677,036
Net current assets	流動資產淨值		20,678,445	24,821,036
Total assets less current liabilities	總資產減流動負債		60,239,951	60,408,182

Consolidated Statement of Financial Position

綜 合 財 務 狀 況 表

			31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元	31 December 2015 二零一五年 十二月三十一日 HK\$'000 千港元
		Notes 附註		
Non-current liabilities	非流動負債			
Interest-bearing bank and other borrowings	計息銀行及其他借貸	30	14,468,791	16,100,940
Deferred income	遞延收入	34	27,375	32,088
Due to the immediate holding company	應付直接控股公司款項	43(b)	752,362	348,894
Due to the ultimate holding company	應付最終控股公司款項	43(b)	—	965,897
Deferred tax liabilities	遞延稅項負債	33(b)	8,770,489	7,391,297
Total non-current liabilities	非流動負債總額		24,019,017	24,839,116
Net assets	資產淨值		36,220,934	35,569,066
Capital and reserves	資本及儲備			
Share capital	股本	36(b)	18,281,191	17,478,481
Reserves	儲備	36(c)	14,529,622	15,847,384
Total equity attributable to equity of shareholders of the Company	本公司權益股東應佔權益總額		32,810,813	33,325,865
Non-controlling interests	非控股權益		3,410,121	2,243,201
Total equity	權益總額		36,220,934	35,569,066

Approved and authorised for issue by the board of directors on 27 March 2017.

董事會於二零一七年三月二十七日批准及授權刊發。

Huang Wei
黃偉
Director
董事

Liu Chong
劉崇
Director
董事

Consolidated Statement of Changes in Equity

綜 合 權 益 變 動 表

		Attributable to equity shareholders of the Company 本公司權益股東應佔											
		Share capital	Other reserve	Share option reserve	Capital reserve	Asset revaluation reserve	Available-for-sale investment revaluation reserve	Statutory reserve	Exchange fluctuation reserve	Retained profits	Non-controlling interests	Total	Total equity
Notes		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
附註		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2016	二零一六年一月一日	17,478,481	(208,140)	57,504	59,019	216,142	19,575	1,837,976	1,515,524	12,349,784	33,325,865	2,243,201	35,569,066
Profit for the year	年內溢利	-	-	-	-	-	-	-	-	3,170,581	3,170,581	300,300	3,470,881
Other comprehensive income for the year:	年內其他全面收益：												
Changes in fair value of available-for-sale investments, net of tax	可供出售投資之公允值變動，除稅後	-	-	-	-	-	(8,089)	-	-	-	(8,089)	-	(8,089)
Share of other comprehensive income of joint ventures and associates	應佔合營公司及聯營公司其他全面收益	-	-	-	-	-	-	-	(235,432)	-	(235,432)	-	(235,432)
Exchange differences on translation of foreign operations	換算海外業務之匯兌差額	-	-	-	-	-	-	-	(2,756,518)	-	(2,756,518)	(161,497)	(2,918,015)
Total comprehensive income for the year	年內全面收益總額	-	-	-	-	-	(8,089)	-	(2,991,950)	3,170,581	170,542	138,803	309,345
Final 2015 dividends	二零一五年末期股息	36(b) 751,256	-	-	-	-	-	-	-	(959,922)	(208,666)	-	(208,666)
Interim 2016 dividends	二零一六年中期股息	36(b) 15,733	-	-	-	-	-	-	-	(534,884)	(519,151)	-	(519,151)
Acquisition of non-controlling interests	收購非控股權益	-	-	-	-	-	-	-	-	-	-	1,398,915	1,398,915
Disposal of non-controlling interests	出售非控股權益	-	-	-	-	-	-	-	-	-	-	(1,186)	(1,186)
Exercise of share options	行使購股權	36(b) 35,721	-	(5,321)	-	-	-	-	-	-	30,400	-	30,400
Lapsed and surrender of share options	已失效及交回購股權	36(c) -	-	(1,759)	-	-	-	-	-	1,759	-	-	-
Equity-settled share option expense	以股本支付之購股權開支	36(c) -	-	11,823	-	-	-	-	-	-	11,823	-	11,823
Dividends declared to non-controlling shareholders	支付非控股股東之股息	-	-	-	-	-	-	-	-	-	-	(369,612)	(369,612)
Transfer from retained profits	轉撥自保留溢利	-	-	-	-	-	-	266,269	-	(266,269)	-	-	-
At 31 December 2016	二零一六年十二月三十一日	18,281,191	(208,140)	62,247	59,019	216,142	11,486	2,104,245	(1,476,426)	13,761,049	32,810,813	3,410,121	36,220,934

Consolidated Statement of Changes in Equity

綜 合 權 益 變 動 表

		Attributable to equity shareholders of the Company 本公司權益股東應佔												
		Share capital	Other reserve	Share option reserve	Capital reserve	Asset revaluation reserve	Available-for-sale investment revaluation reserve	Statutory reserve	Exchange fluctuation reserve	Retained profits	Total	Non-controlling interests	Total equity	
		股本	其他儲備	購股權儲備	資本儲備	資產重估儲備	可供出售投資重估儲備	法定儲備	匯兌變動儲備	保留溢利	總額	非控股權益	權益總額	
		Notes	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		附註	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
At 1 January 2015	二零一五年一月一日		14,564,800	(279,127)	69,525	59,019	216,214	24,271	1,799,651	3,341,494	10,700,013	30,495,860	2,277,775	32,773,635
Profit for the year	年內溢利		-	-	-	-	-	-	-	2,868,796	2,868,796	218,456	3,087,252	
Other comprehensive income for the year:	年內其他全面收益：													
Changes in fair value of available-for-sale investments, net of tax	可供出售投資之公允價值變動，除稅後		-	-	-	-	(4,696)	-	-	-	(4,696)	-	(4,696)	
Share of other comprehensive income of joint ventures and associates	應佔合營公司及聯營公司其他全面收益		-	-	-	(72)	-	-	(175,080)	-	(175,152)	-	(175,152)	
Exchange differences on translation of foreign operations	換算海外業務之匯兌差額		-	-	-	-	-	-	(1,650,890)	-	(1,650,890)	(116,175)	(1,767,065)	
Total comprehensive income for the year	年內全面收益總額		-	-	-	(72)	(4,696)	-	(1,825,970)	2,868,796	1,038,058	102,281	1,140,339	
Final 2014 dividends	二零一四年末期股息	36(b)	4,846	-	-	-	-	-	-	(959,605)	(954,759)	-	(954,759)	
Interim 2015 dividends	二零一五年中期股息	36(b)	-	-	-	-	-	-	-	(221,521)	(221,521)	-	(221,521)	
Acquisition of non-controlling interests	收購非控股權益		-	70,987	-	-	-	-	-	-	70,987	(70,987)	-	
Contribution by non-controlling interests	非控股權益注資		-	-	-	-	-	-	-	-	-	22,557	22,557	
Exercise of share options	行使購股權	36(b)	178,560	-	(35,766)	-	-	-	-	-	142,794	-	142,794	
Lapsed and surrender of share options	已失效及交回購股權	36(c)	-	-	(426)	-	-	-	-	426	-	-	-	
Issue of shares	發行股份	36(b)	2,730,275	-	-	-	-	-	-	-	2,730,275	-	2,730,275	
Equity-settled share option expense	以股本支付之購股權開支	36(c)	-	-	24,171	-	-	-	-	-	24,171	-	24,171	
Dividends paid to non-controlling shareholders	支付非控股股東之股息		-	-	-	-	-	-	-	-	-	(88,425)	(88,425)	
Transfer from retained profits	轉撥自保留溢利		-	-	-	-	-	38,325	-	(38,325)	-	-	-	
At 31 December 2015	二零一五年十二月三十一日		17,478,481	(208,140)	57,504	59,019	216,142	19,575	1,837,976	1,515,524	12,349,784	33,325,865	2,243,201	35,569,066

Consolidated Cash Flow Statement

綜 合 現 金 流 量 表

			31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元	31 December 2015 二零一五年 十二月三十一日 HK\$'000 千港元
		Notes 附註		
Cash flows from operating activities	來自經營業務之現金流量			
Profit before taxation	除稅前溢利		8,292,792	6,510,629
Adjustments for:	按下列各項調整：			
Finance costs	融資成本	6	838,167	708,484
Finance income	財務收入		(263,938)	(344,594)
Depreciation	折舊	13	180,607	155,936
Increase in fair value of investment properties	投資物業公允價值增加	16	(1,204,139)	(1,082,176)
Recognition of change in fair value of completed properties held for sale/properties under development upon transfer to investment properties	轉撥至投資物業後持作待售之已落成物業之公允價值變動確認	16	(654,516)	(432,102)
Dividend income from available-for-sale investments	來自可供出售投資之股息收入		(1,287)	(1,329)
Share of profits and losses of joint ventures and associates	應佔合營公司及聯營公司溢利及虧損		(1,142,976)	(607,845)
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	14	1,065	1,309
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目之虧損	7	4,836	-
Gain on disposal of investment properties	出售投資物業之利得	5	(4,081)	(26,302)
Gain on a bargain purchase	一項廉價購買利得	5	(526,249)	-
Gain on disposal of subsidiaries	出售附屬公司之利得	5	(3,599)	-
Increase in fair value of trading biological assets	消耗性生物資產公允價值增加	24	-	(1,274)
Write-down of completed properties held for sale	持作待售已落成物業之減值	17	353,754	254,118
Write-down of inventories	存貨之減值	7	4,876	-
Write-down of properties under development	發展中物業之減值	18	503,499	118,272
Net fair value gain on equity investments at fair value through profit or loss	透過損益按公允價值計算之股權投資之公允淨值收益		(870)	(580)
Equity-settled share option expense	以股本支付之購股權開支	35	11,823	24,171
			6,389,764	5,276,717

Consolidated Cash Flow Statement

綜 合 現 金 流 量 表

		31 December 2016 二零一六年 十二月三十一日 Notes 附註	31 December 2015 二零一五年 十二月三十一日 HK\$'000 千港元
Decrease in trade receivables	應收貿易賬款減少	172,317	173,156
(Increase)/decrease in prepayments, deposits and other receivables	預付款項、訂金及其他應收款項 (增加)/減少	(468,099)	280,329
Increase in prepaid land lease payments	預付土地租賃款項增加	-	(329)
(Increase)/decrease in inventories	存貨(增加)/減少	(5,662)	37,645
(Increase)/decrease in trading biological assets	消耗性生物資產(增加)/減少	(974)	1,430
Decrease in completed properties held for sale	持作待售之已落成物業 減少	12,323,026	9,319,042
Increase in properties under development	發展中物業增加	(4,954,139)	(5,669,648)
Decrease in trade payables	應付貿易賬款減少	(57,563)	(3,103,027)
(Decrease)/increase in other payables and accruals	其他應付款項及應計費用 (減少)/增加	(1,743,419)	4,115,535
(Decrease)/increase in an amount due to the immediate holding company	應付直接控股公司款項 (減少)/增加	(126,536)	104,774
Decrease in an amount due to the ultimate holding company	應付最終控股公司款項 減少	(1,772,451)	(262,144)
Decrease in deferred income	遞延收入減少	(2,595)	-
Decrease/(increase) in restricted cash	受限制現金減少/(增加)	1,906,572	(2,860,050)
Cash generated from operations	經營業務產生之現金	11,660,241	7,413,430
Interest paid	已付利息	(1,045,844)	(1,489,374)
Mainland China taxes paid	已付中國大陸稅項	(3,217,599)	(2,168,433)
Net cash flows generated from operating activities	經營活動產生之現金流量 淨值	7,396,798	3,755,623

Consolidated Cash Flow Statement

綜 合 現 金 流 量 表

		31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元	31 December 2015 二零一五年 十二月三十一日 HK\$'000 千港元
		Notes 附註	
Cash flows from investing activities	來自投資活動之現金流量		
Interest received	已收利息	78,135	181,289
Income from available-for-sale investments	來自可供出售投資之收入	1,287	1,329
Dividends received from associates	已收聯營公司股息	99,869	118,774
Dividends received from joint ventures	已收合營公司股息	158,333	-
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房及設備項目所得款項	3,657	4,013
Proceeds from disposal of investment properties	出售投資物業所得款項	26,328	88,162
Purchases of items of property, plant and equipment	購入物業、廠房及設備項目	(169,466)	(268,394)
Acquisition of subsidiaries	收購附屬公司	(2,765,682)	-
Increase in breeding biological assets	生產性生物資產增加	(262)	(198)
Net cash (outflow)/inflow from disposal of subsidiaries	出售附屬公司現金(流出) / 流入淨額	(10,779)	141,358
Proceeds from available-for-sale investments	可供出售投資所得款項	-	2,799
Additions to investment properties	投資物業增加	(514,106)	(329,524)
Acquisition of an associate	收購聯營公司	(10,061)	-
(Increase)/decrease in loans to joint ventures	給予合營公司之貸款(增加)/減少	(56,965)	3,020,426
Decrease in loans to associates	給予聯營公司之貸款減少	-	3,515
Decrease in other long term assets	其他長期資產減少	-	12,491
Decrease in pledged deposits	已抵押存款減少	-	31,228
Net cash flows (used in)/generated from investing activities	投資活動(所用)/所得之現金流量淨值	(3,159,712)	3,007,268

Consolidated Cash Flow Statement

綜 合 現 金 流 量 表

		31 December 2016 二零一六年 十二月三十一日 Notes 附註	31 December 2015 二零一五年 十二月三十一日 HK\$'000 千港元
Cash flows from financing activities	來自融資活動之現金流量		
Proceeds from issue of shares	發行股份所得款項	30,400	2,873,071
Dividends paid	已付股息	(727,817)	(1,176,280)
Dividends paid to non-controlling shareholders	支付非控股股東之股息	(127,013)	(88,425)
Capital contribution from non-controlling shareholders	非控股股東之注資	-	22,557
(Decrease)/increase in amounts due to the ultimate holding company	應付最終控股公司款項(減少)/增加	(1,650,171)	675,562
Repayment of loans from fellow subsidiaries	償還同系附屬公司之貸款	(76,616)	(253,336)
Increase in amounts due to the immediate holding company	應付直接控股公司款項增加	887,700	-
Repayment of loans from non-controlling shareholders	償還非控股股東之貸款	-	(2,374)
Loan to non-controlling shareholders	給予非控股股東之貸款	(258,570)	-
New bank and other borrowings	新增銀行及其他借貸	4,946,030	8,123,125
Repayment of bank and other borrowings	償還銀行及其他借貸	(7,270,481)	(15,382,937)
Net cash flows used in financing activities	融資活動所用現金流量淨值	(4,246,538)	(5,209,037)
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/增加淨值	(9,452)	1,553,854
Cash and cash equivalents at beginning of year	年初之現金及現金等價物	9,708,046	8,375,476
Effect of foreign exchange rate changes, net	外幣匯率變動影響淨值	160,932	(221,284)
Cash and cash equivalents at end of year	年末現金及現金等價物	9,859,526	9,708,046
Analysis of balances of cash and cash equivalents	現金及現金等價物結餘分析		
Cash and bank balances	現金及銀行結餘	8,086,363	7,646,777
Non-pledged time deposits with original maturity of less than three months when acquired	購入時原到期日少於三個月之無抵押定期存款	1,773,163	2,061,269
Cash and cash equivalents as stated in the statement of financial position/the cash flow statement	載於財務狀況表/現金流量表之現金及現金等價物	9,859,526	9,708,046

Notes to the Financial Statements

財 務 報 表 附 註

1 CORPORATE INFORMATION

Shenzhen Investment Limited (“the Company”) is a limited liability company incorporated in Hong Kong. The registered office of the Company is located at 8th Floor, New East Ocean Centre, 9 Science Museum Road, Kowloon, Hong Kong. The principal activities of the Company and its subsidiaries (collectively referred to as “the Group”) are described in note 4.

In the opinion of the directors, the immediate holding company of the Company is Shum Yip Holdings Company Limited (“Shum Yip Holdings”, 深業(集團)有限公司), which is a private company incorporated in Hong Kong. The ultimate holding company of the Company is 深業集團有限公司 (“Shum Yip Group”), which is a state-owned company established in Shenzhen, the People’s Republic of China (the “PRC”).

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

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

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 2(c) provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these financial statements.

(b) Basic of preparation of the financial statements

The consolidated financial statements for the year ended 31 December 2016 comprise the Company and its subsidiaries and the Group’s interests in associates and joint ventures.

1 公司資料

深圳控股有限公司(「本公司」)為一間於香港註冊成立之有限責任公司。本公司之註冊辦事處位於香港九龍科學館道9號新東海商業中心8樓。本公司及其附屬公司(統稱為「本集團」)之主要業務於附註4內概述。

董事認為，本公司之直接控股公司為於香港註冊成立之私人公司－深業(集團)有限公司(「深業(集團)」)。本公司之最終控股公司為於中華人民共和國(「中國」)深圳成立之國有公司－深業集團有限公司(「深業集團」)。

2 主要會計政策

(a) 合規聲明

該等財務報表已根據香港財務報告準則(「香港財務報告準則」)的所有相關規定編製，包括所有個別適用的香港財務報告準則、香港會計師公會(「香港會計師公會」)頒佈的香港會計準則(「香港會計準則」)和詮釋、香港公認會計原則以及香港公司條例的規定。該等財務報表亦符合香港聯合交易所有限公司證券上市規則相關披露規定。本集團採用的主要會計政策披露於下文。

香港會計師公會頒佈若干於本集團本會計期間首次生效或可供提前採納之新訂及經修訂香港財務報告準則。附註2(c)提供因初次應用該等修訂(以本期間及過往會計期間於該等財務報表內反映之與本集團有關者為限)而引致之會計政策任何變動之資料。

(b) 財務報表之編製基準

截至二零一六年十二月三十一日止年度之綜合財務報表包括本公司及其附屬公司及本集團於聯營公司及合營公司之權益。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Basic of preparation of the financial statements (continued)

The measurement basis used in the preparation of the financial statements is the historical cost basis except that the following assets and liabilities are stated at their fair value as explained in the accounting policies set out below:

- investment properties (see note 2(h));
- leasehold land and buildings within property, plant and equipment (see note 2(i));
- financial instruments classified as available-for-sale investments or as equity investments at fair value through profit or loss (see note 2(g));
- biological assets (see note 2(m)); and
- contingent consideration payable within “due to the immediate holding company” (see note 2(f)).

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

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

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements and major sources of estimation uncertainty are discussed in note 3.

2 主要會計政策 (續)

(b) 財務報表之編製基準 (續)

編製財務報表使用之計量基準為歷史成本基準，惟下列資產及負債按其公允值列賬（如下文所載會計政策內闡述）者除外：

- 投資物業（參閱附註2(h)）；
- 租賃土地及樓宇之物業、廠房及設備（參閱附註2(i)）；
- 分類為可供出售投資或透過損益按公允值計算之股本投資之金融工具（參閱附註2(g)）；
- 生物資產（參閱附註2(m)）；及
- 「應付直接控股公司款項」之或然代價（參閱附註2(f)）。

編製符合香港財務報告準則的財務報表需要管理層作出影響政策應用及資產、負債、收入及開支之報告金額的判斷、估計及假設。估計及相關假設以過往經驗及多項被視為於當時情況下合理的其他因素為依據，而各種情況的結果形成對無其他資料來源的資產及負債的賬面值作出判斷的依據。實際結果可能有別於此等估算。

本集團持續審閱該等估計及相關假設。對會計估計進行修訂時，倘修訂僅影響該期間，則修訂會於修訂估計的期間內確認；或倘修訂同時影響當期及未來期間，則會於修訂期間及未來期間確認。

管理層在應用香港財務報告準則中作出的對財務報表有重大影響的判斷及估計不明確性的主要來源在附註3內討論。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Changes in accounting policies

The HKICPA has issued a number of amendments to HKFRSs that are first effective for the current accounting period of the Group. None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

(d) Subsidiaries and non-controlling interests

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

An investment in a subsidiary is consolidated into the consolidated financial statements from the date that control commences until the date that control ceases. Intra-group balances, transactions and cash flows and any unrealised profits arising from intra-group transactions are eliminated in full in preparing the consolidated financial statements. Unrealised losses resulting from intra-group transactions are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Non-controlling interests represent the equity in a subsidiary not attributable directly or indirectly to the Company, and in respect of which the Group has not agreed any additional terms with the holders of those interests which would result in the Group as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. For each business combination, the Group can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets.

2 主要會計政策(續)

(c) 會計政策之變動

香港會計師公會已頒佈多項在本集團本會計期間首次生效之對香港財務報告準則之修訂。該等修訂對本集團於當前或過往期間之業績及財務狀況之編製或呈報方式概無產生重大影響。

本集團並無應用於本會計期間尚未生效之任何新訂準則或詮釋。

(d) 附屬公司及非控股權益

附屬公司乃本集團控制的實體。當本集團承擔或擁有自其參與該實體產生之可變回報之權利及有能力透過行使權力以影響其回報時，本集團即控制該實體。在評估本集團是否擁有權力時，僅考慮實質權利(由本集團及其他方持有)。

自本集團取得控制權當日起直至本集團不再控制附屬公司當日，於附屬公司的投資計入綜合財務報表。集團內公司間結餘、交易及現金流量及任何因集團內公司間交易而產生的未變現溢利在編製綜合財務報表時全數撇銷。集團內公司間交易而產生的未變現虧損僅在並無出現減值證據時以撇銷未變現收益相同的方式撇銷為限。

非控股權益指不直接或間接歸屬本公司之於附屬公司之權益，本集團與該等權益之持有人並無任何額外條款，將會引致本集團整體上就符合金融負債定義的該等權益擁有合約責任。就各項業務合併而言，本集團可選擇按公允值或非控股權益佔附屬公司可識別資產淨值的比例份額計量任何非控股權益。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Subsidiaries and non-controlling interests (continued)

Non-controlling interests are presented in the consolidated statement of financial position within equity, separately from equity attributable to the equity shareholders of the Company. Non-controlling interests in the results of the Group are presented on the face of the consolidated statement of profit or loss and the consolidated statement of profit or loss and other comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Company. Loans from holders of non-controlling interests and other contractual obligations towards these holders are presented as financial liabilities in the consolidated statement of financial position in accordance with notes 2(p) or (q) depending on the nature of the liability.

Changes in the Group's interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

When the Group loses control of a subsidiary, it is accounted for as a disposal of the entire interest in that subsidiary, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former subsidiary at the date when control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 2(g)) or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture (see note 2(e)).

In the Company's statement of financial position, an investment in a subsidiary is stated at cost less impairment losses (see note 2(k)).

(e) Associates and joint ventures

An associate is an entity in which the Group or Company has significant influence, but not control or joint control, over its management, including participation in the financial and operating policy decisions.

A joint venture is an arrangement whereby the Group or Company and other parties contractually agree to share control of the arrangement, and have rights to the net assets of the arrangement.

2 主要會計政策 (續)

(d) 附屬公司及非控股權益 (續)

非控股權益在綜合財務狀況表內權益項下呈列，與本公司權益股東應佔權益獨立呈列。本集團業績中的非控股權益在綜合損益表及綜合損益及其他全面收益表內以總損益在年內合面收益總額在非控股權益與本公司權益股東之間作出分配。非控股權益持有人提供的貸款及該等持有人的其他合約責任按照附註2(p)或(q)視乎負債的性質在綜合財務狀況表內呈列為金融負債。

並不引致失去控制權之本集團於附屬公司之權益變動按股權交易入賬，並對綜合權益內控股及非控股的金額作出調整，以反映相關權益的變動，但對商譽並不作出調整及並不確認損益。

當本集團失去對附屬公司的控制權時，其入賬為出售該附屬公司的整個權益，由此產生的收益或虧損於損益內確認。失去控制權日在原有附屬公司保留的任何權益按公允值確認，相關金額視為初步確認金融資產的公允值（參閱附註2(g)）或倘合適視為初步確認於聯營公司或合營公司投資的成本（參閱附註2(e)）。

在本公司財務狀況表，於附屬公司之投資按成本減減值虧損列賬（參閱附註2(k)）。

(e) 聯營公司及合營公司

聯營公司為本集團或本公司對其擁有重大影響力之實體，但並不控制或共同控制其管理，包括參與財務及經營政策決策。

合營公司指一種合營安排，本集團或本公司及其他方據此合約同意對該安排擁有共同控制權，並對合營安排之資產淨值擁有權利。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Associates and joint ventures (continued)

An investment in an associate or a joint venture is accounted for in the consolidated financial statements under the equity method. Under the equity method, the investment is initially recorded at cost, adjusted for any excess of the Group's share of the acquisition-date fair values of the investee's identifiable net assets over the cost of the investment (if any). Thereafter, the investment is adjusted for the post acquisition change in the Group's share of the investee's net assets and any impairment loss relating to the investment (see notes 2(f) and (k)). Any acquisition-date excess over cost, the Group's share of the post-acquisition, post-tax results of the investees and any impairment losses for the year are recognised in the consolidated statement of profit or loss, whereas the Group's share of the post-acquisition post-tax items of the investees' other comprehensive income is recognised in the consolidated statement of profit or loss and other comprehensive income.

Adjustments are made to bring into line any dissimilar accounting policies that may exist.

When the Group's share of losses exceeds its interest in the associate or the joint venture, the Group's interest is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the investee. For this purpose, the Group's interest is the carrying amount of the investment under the equity method together with the Group's long-term interests that in substance form part of the Group's net investment in the associate or the joint venture.

Unrealised profits and losses resulting from transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the investee, except where unrealised losses provide evidence of an impairment of the asset transferred, in which case they are recognised immediately in profit or loss.

If an investment in an associate becomes an investment in a joint venture or vice versa, retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method.

2 主要會計政策(續)

(e) 聯營公司及合營公司(續)

於聯營公司及合營公司之投資乃根據權益法在綜合財務報表列賬。根據權益法，投資初步按成本入賬，並對本集團應佔投資對象之可識別資產淨值於收購日之公允值超過投資成本之任何部分(如有)作出調整。其後，就本集團應佔投資對象之資產淨值及有關投資的任何減值虧損的收購日後變動對投資作出調整(參閱附註2(f)及(k))。任何收購日超過成本的部分，本集團應佔投資對象收購後的稅後業績及年內任何減值虧損在綜合損益表內確認，而本集團應佔投資對象其他全面收益的收購後的稅後業績及任何減值虧損在綜合損益及其他全面收益表內確認。

倘出現任何不相符的會計政策，即會作出調整加以修正。

當本集團應佔虧損超過其於聯營公司或合營公司之權益，本集團之權益削減至零並終止確認進一步虧損，惟倘本集團已產生法定或推定責任或代表投資對象作出付款者除外。就此而言，本集團之權益為根據權益法投資之賬面值，連同實質構成本集團於聯營公司或合營公司之投資淨額之本集團長期權益。

本集團與其聯營公司或合營公司間交易的未變現收益及虧損將按照本集團於投資對象所佔的權益比例抵銷，惟倘未變現虧損顯示已轉讓資產出現減值，則該等未變現虧損即時在損益內確認。

倘於聯營公司之投資變為於合營公司之投資或出現相反情況，則不會重新計量保留權益。反之，該投資繼續根據權益法入賬。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Associates and joint ventures (continued)

In all other cases, when the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence or joint control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset (see note 2(g)).

In the Company's statement of financial position, investments in associates are stated at cost less impairment losses (see note 2(k)).

(f) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree. Contingent liabilities assumed in a business combination are recognised in accordance with note 2(u)(ii).

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

2 主要會計政策 (續)

(e) 聯營公司及合營公司 (續)

在所有其他情況下，倘本集團不再對聯營公司擁有重大影響力或對合營公司擁有共同控制權，則本集團的權益按出售於投資對象之整個權益入賬，由此產生的收益或虧損於損益內確認。在失去重大影響力或共同控制權日期於原投資對象公司保留的任何權益按公允值確認，相關金額視為初步確認金融資產時的公允值（參閱附註2(g)）。

於本公司財務狀況表，於聯營公司之投資按成本減減值虧損列賬（參閱附註2(k)）。

(f) 業務合併及商譽

業務合併乃以購買法入賬。轉讓的代價乃以收購日期之公允值計量，該公允值為本集團轉讓的資產於收購日期的公允值、本集團自被收購方的前度擁有人承擔的負債及本集團發行以換取被收購方控制權的股本權益的總和。收購相關成本於產生時列支。

本集團收購一項業務時，須根據合約條款、收購日期的經濟環境及相關條件對所承擔金融資產及負債進行評估，以作出適當分類及確認，包括將嵌入式衍生工具與被收購方主合約分開。業務合併中承擔的或然負債按照附註2(u)(ii)確認。

倘業務合併分階段進行，先前持有的股權按其於收購日期的公允值重新計量，而所產生之任何收益或虧損於損益確認。

收購方將予轉讓的任何或然代價將於收購日期按公允值確認。分類為一項資產或負債之或然代價乃按公允值計量，而公允值變動於損益確認。倘或然代價分類為權益，則其毋須重新計量及期後結算於權益內入賬。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Business combinations and goodwill (continued)

Goodwill represents the excess of

- (i) the aggregate of the fair value of the consideration transferred, the amount of any non controlling interest in the acquiree and the fair value of the Group's previously held equity interest in the acquiree; over
- (ii) the net fair value of the acquiree's identifiable assets and liabilities measured as at the acquisition date.

When (ii) is greater than (i), then this excess is recognised immediately in profit or loss as a gain on a bargain purchase.

Goodwill is stated at cost less accumulated impairment losses. Goodwill arising on a business combination is allocated to each cash-generating unit, or groups of cash generating units, that is expected to benefit from the synergies of the combination and is tested annually for impairment (see note 2(k)).

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

(g) Investments in securities and financial assets

The Group's and the Company's policies for investments in securities (other than investments in subsidiaries, associates and joint ventures) and other financial assets are as follows:

Investments in securities and other financial assets are initially stated at fair value, which is their transaction price unless it is determined that the fair value at initial recognition differs from the transaction price and that fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets. Cost includes attributable transaction costs, except where indicated otherwise below. These investments are subsequently accounted for as follows, depending on their classification:

Equity investments at fair value through profit or loss are classified as current assets. Any attributable transaction costs are recognised in profit or loss as incurred. At the end of each reporting period the fair value is remeasured, with any resultant gain or loss being recognised in profit or loss. The net gain or loss recognised in profit or loss does not include any dividends or interest earned on these investments as these are recognised in accordance with the policies set out in note 2(v)(vi) and 2(v)(vii).

2 主要會計政策 (續)

(f) 業務合併及商譽 (續)

商譽指以下兩者之差額

- (i) 已轉讓總代價的公允值、於被收購方之非控股權益及本集團先前持有的被收購方股權的總額，及
- (ii) 被收購方按收購日計量的可識別資產及負債的公允淨值的差額。

倘(ii)大於(i)，則差額即時在損益內確認為廉價購買利得。

商譽按成本減累計減值虧損計量。因業務合併而產生的商譽被分配至預期可從合併產生之協同效益中獲益的各個現金產生單位或現金產生單位組別，並須每年作減值測試 (參閱附註2(k))。

年內出售現金產生單位時，已購入商譽的任何應佔金額計入出售時的損益中。

(g) 於證券及金融資產之投資

本集團及本公司於證券 (於附屬公司、聯營公司及合營公司之投資除外) 及其他金融資產之投資之政策如下:

於證券及其他金融資產之投資初步按公允值列賬，其公允值為彼等之交易價，除非釐定初步確認時之公允值有別於交易價而且公允值有相同資產或負債在活躍市場報價或根據僅使用可觀察市場之數據之估值方法為憑證。成本包括應佔交易成本，惟下文另有說明者除外。該等投資視乎其分類於其後入賬。

透過損益按公允值計算之權益投資分類為流動資產。應佔交易成本在產生時於損益內確認。於各報告期末重新計量公允值，由此產生的收益或虧損在損益內確認。在損益內確認的收益或虧損淨額並不包括該等投資已賺取的按照附註2(v)(vi)及2(v)(vii)內所載政策確認的任何股息或利息。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Investments in securities and financial assets (continued)

Dated debt securities that the Group and/or the Company have the positive ability and intention to hold to maturity are classified as held-to-maturity securities. Held-to-maturity securities are stated at amortised cost less impairment losses (see note 2(k)).

Investments in securities and other financial assets which do not fall into any of the above categories are classified as available-for-sale investments. At the end of each reporting period the fair value is remeasured, with any resultant gain or loss being recognised in other comprehensive income and accumulated separately in equity in the available-for-sale investment revaluation reserve. As an exception to this, investments in equity securities that do not have a quoted price in an active market for an identical instrument and whose fair value cannot otherwise be reliably measured are recognised in the statement of financial position at cost less impairment losses (see note 2(k)). Dividend income from equity securities and interest income from debt securities calculated using the effective interest method are recognised in profit or loss in accordance with the policies set out in notes 2(v)(vi) and 2(v)(vii), respectively. Foreign exchange gains and losses resulting from changes in the amortised cost of debt securities are also recognised in profit or loss.

When the investments are derecognised or impaired (see note 2(k)), the cumulative gain or loss recognised in equity is reclassified to profit or loss. Investments are recognised/derecognised on the date the Group commits to purchase/sell the investments or they expire.

(h) Investment properties

Investment properties are land and/or buildings which are owned or held under a leasehold interest (see note 2(j)) to earn rental income and/or for capital appreciation. These include land held for a currently undetermined future use and property that is being constructed or developed for future use as investment property.

Investment properties are stated at fair value, unless they are still in the course of construction or development at the end of the reporting period and their fair value cannot be reliably measured at that time. Any gain or loss arising from a change in fair value or from the retirement or disposal of an investment property is recognised in profit or loss. Rental income from investment properties is accounted for as described in note 2(v)(iv).

2 主要會計政策 (續)

(g) 於證券及金融資產之投資 (續)

本集團及／或本公司有意向並且有能力持有至到期之定期債務證券分類為持有至到期投資。持有至到期投資按攤銷成本減減值虧損列賬 (參閱附註2(k))。

並不屬於任何上述類別之證券及其他金融資產之投資分類為可供出售之金融投資。於各報告期末重新計量公允值，由此產生的收益或虧損於其他全面收益內確認並在可供出售投資重估儲備的權益內單獨累計。作為一項例外，倘可供出售之金融投資在活躍市場中無報價，並且其公允值不能可靠計量，則按照該等投資成本減減值虧損確認於財務狀況表 (參閱附註2(k))。股本證券的股息收入及使用實際利息法計算債務證券的利息收入分別按照附註2(v)(vi)及2(v)(vii)內所載政策在損益內確認。因債務證券攤銷成本變動而產生的外匯收益及虧損亦在損益內確認。

當投資終止確認或發生減值時 (參閱附註2(k))，在權益內確認的累計收益或虧損重新分類至損益。在本集團承諾購買／出售投資日期或彼等屆滿日期確認／終止確認投資。

(h) 投資物業

投資物業乃指根據租賃權益 (參閱附註2(j)) 擁有或持有的為賺取租金收入及／或持作資本增值之土地及／或樓宇。該等投資物業包括目前尚未釐定未來用途持有之土地及目前正在建造或開發以供未來作投資物業使用之物業。

投資業按公允值列賬，惟於報告期末仍在建設或發展過程中及於彼時不能可靠計量其公允值者除外。公允值變動或由報廢或出售投資物業所產生的任何收益或虧損於損益內確認。投資物業的租金收入按附註2(v)(iv)所載政策入賬。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Investment properties (continued)

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

For a transfer from investment properties to owner-occupied properties or inventories, the deemed cost of a property for subsequent accounting is its fair value at the date of change in use. If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with note 2(i) up to the date of change in use, and any difference at the date between the carrying amount and the fair value of the property is accounted for as a revaluation and recognised in asset revaluation reserve within equity until the retirement or disposal of the property (when it is released directly to retained profits). For a transfer from completed properties held for sale to investment properties, any difference between the fair value of the property at that date and its previous carrying amount is recognised in profit or loss.

(i) Property, plant and equipment

Leasehold land and buildings held for own use are stated at their revalued amount, being their fair value at the date of the revaluation less any subsequent accumulated depreciation.

Revaluations are performed with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the end of reporting period.

2 主要會計政策 (續)

(h) 投資物業 (續)

當本集團為賺取租金收入及／或資本增值而根據經營租約持有物業權益時，該權益按逐個物業基準分類並入賬為投資物業。已分類為投資物業的該等物業權益視同根據融資租約持有而入賬（參閱附註2(j)），根據融資租約租賃的其他投資物業適用的相同會計政策。租賃付款按附註2(j)所載政策入賬。

至於當投資物業轉變為業主自用物業或存貨，期後入賬方法乃以物業於更改用途日之公允值作為其物業成本。倘由本集團佔用作業主佔用的物業成為投資物業，則本集團根據截至該物業用途變更當日按附註2(i)將該物業列賬，而於當日任何該物業之賬面值及公允值之差額則按重估列賬及在資產重估儲備權益內確認，直至該物業報廢或出售（當其直接撥往保留溢利時）。當持作待售已落成物業轉撥為投資物業時，則該物業在轉撥當日之公允值與其之前賬面值之任何差額於損益表內確認。

(i) 物業、廠房及設備

持作自用的租賃土地及樓宇按其重估金額列賬，列賬金額即重估日期的公允值減其後累計折舊。

定期進行重估，以確保該等資產之賬面值與報告期末使用公允值釐定者不會有重大出入。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Property, plant and equipment (continued)

Changes arising on the revaluation of leasehold land and buildings held for own use are generally dealt with in other comprehensive income and are accumulated separately in equity in the asset revaluation reserve. The only exceptions are as follows:

- when a deficit arises on revaluation, it will be charged to profit or loss to the extent that it exceeds the amount held in the reserve in respect of that same asset immediately prior to the revaluation; and
- when a surplus arises on revaluation, it will be credited to profit or loss to the extent that a deficit on revaluation in respect of that same asset had previously been charged to profit or loss.

Construction in progress represents a building under construction, which is stated at cost less accumulated impairment losses (see note 2(k)), and is not depreciated. Other items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (see note 2(k)).

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs (see note 2(x)). Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Expenditure incurred after items of property, plant and equipment have been put into operations, such as repairs and maintenance is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal. Any related revaluation surplus is transferred from the asset revaluation reserve to retained profits and is not reclassified to profit or loss.

2 主要會計政策 (續)

(i) 物業、廠房及設備 (續)

重估持作自用租賃土地及樓宇產生的變動一般在其他全面收益內處理，並於權益項下資產重估儲備內單獨計量。以下情況除外：

- 當重估時產生虧絀時，其將在損益內扣除，以超過該項同一資產緊接重估前有關之儲備持有之金額為限；及
- 當重估產生盈餘時，其將計入損益，以有關該等同一資產先前在損益中扣除之重估虧絀為限。

在建工程指正在建設之中之樓宇，按成本減累計減值虧損列賬（參閱附註2(k)），並不予折舊。物業、廠房及設備之其他項目按成本減累計折舊及減值虧損列賬（參閱附註2(k)）。

物業、廠房及設備之自建項目成本包括材料成本、直接人工、初步估算拆卸及移除該等項目及在其所處地盤的恢復成本（如相關）及適當比例的生產間接成本及借貸成本（參閱附註2(x)）。在建工程於竣工且可供使用時將重新分類至適當之物業、廠房及設備之類別。

物業、廠房及設備項目投入運作後產生之開支（如修理及維護）一般於其產生期間之損益表扣除。在滿足確認條件情況下，大修開支作為重置資本化計入該項資產的賬面值。倘若物業、廠房及設備之重要部分須不時重置，本集團確認此等部分為具有特定可使用年期及當時相應折舊之個別資產。

因報廢或出售物業、廠房及設備項目產生收益或虧損釐定為出售所得款項淨額與該項目賬面值兩者之差額並於報廢或出售日期在損益內確認。任何相關重估盈餘由資產重估儲備轉撥至保留溢利，不確認為損益。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Property, plant and equipment (continued)

Depreciation is calculated to write off the cost or valuation of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives. The principal annual rates used for this purpose are as follows:

- Leasehold land and buildings	Over the lease terms
- Leasehold improvements	20%
- Furniture, fixtures and equipment	10% to 25%
- Motor vehicles	9% to 20%
- Plant and machinery	10% to 25%

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

(j) Operating leases

Leases where substantially all of the risks and rewards of ownership of the asset transfer to the lessee are accounted for as finance leases. All other leases are operating leases. Where the Group has the use of assets held under operating leases, payments made under the leases are charged to profit or loss in equal instalments over the accounting periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the leased asset. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

Prepaid land lease payments under an operating lease is amortised on a straight-line basis over the period of the lease term. When the payments cannot be allocated reliably between the land and building elements, the entire lease payments are included in the cost of the leasehold land and buildings as a finance lease in property, plant and equipment.

2 主要會計政策(續)

(i) 物業、廠房及設備(續)

折舊乃按各物業、廠房及設備項目之估計可使用年期以直線法撇銷其成本或估值減估計殘值計算。折舊之主要年率如下：

- 租賃土地及樓宇	租賃年期
- 租賃物業裝修	20%
- 傢俬、裝置及設備	10%至25%
- 汽車	9%至20%
- 廠房及機器	10%至25%

倘一項物業、廠房及設備項目之部分之可使用年期不同，則該項目之成本或估值乃於有關部分按合理基準分配，而各部分均獨立折舊。資產之可使用年期及其殘值(如有)每年檢討。

(j) 經營租約

凡資產擁有權之絕大部分風險及回報乃轉撥至承租人的租賃，均列為租約。所有其他租約為經營租約。倘本集團擁有經營租約項下持有的資產的使用權，根據租約作出之付款在租約期限涵蓋的會計期間以等額分期形式在損益內扣除，惟更能代表該租賃資產所產生的收益模式的替代基準除外。已收取之租賃激勵作為已作出租賃付款淨額總額的組成部分在損益內確認。或然租金在產生的會計期間在損益內扣除。

根據經營租約預付之土地租賃款項按租賃年期以直線法攤銷。當租金不可於土地及樓宇部分可靠地分配時，則全部租金作為物業、廠房及設備之融資租約於租賃土地及樓宇之成本中列賬。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Impairment of assets

(i) *Impairment of investments in securities and other financial assets*

Investments in securities and other current and non-current receivables that are stated at cost or amortised cost or are classified as available-for-sale investments are reviewed at the end of each reporting period to determine whether there is objective evidence of impairment. Objective evidence of impairment includes observable data that comes to the attention of the Group about one or more of the following loss events:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; and
- a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

If any such evidence exists, any impairment loss is determined and recognised as follows:

- For investments in associates and joint ventures accounted for under the equity method in the consolidated financial statements (see note 2(e)), the impairment loss is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with note 2(k)(ii). The impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount in accordance with note 2(k)(ii).
- For unquoted equity securities carried at cost, the impairment loss is measured as the difference between the carrying amount of the financial asset and the estimated future cash flows, discounted at the current market rate of return for a similar financial asset where the effect of discounting is material. Impairment losses for equity securities carried at cost are not reversed.

2 主要會計政策 (續)

(k) 資產減值

(i) *於證券及其他金融資產之投資減值*

按成本或攤銷成本列賬或分類為可供出售投資之證券及其他流動及非流動應收款項於報告期末進行審閱，以釐定是否有減值客觀證據。客觀證據包括提請本集團注意之有關下列一個或多個虧損事件之可觀察數據：

- 債務人重大財務困難；
- 違反合約，例如違約或拖欠支付利息或本金；
- 債務人很有可能進入破產或其他財務重組；
- 技術、市場、經濟或法律環境之大幅變動對債務人產生不利影響；及
- 股本工具投資之公允值大幅或長期跌至低於其成本。

倘有證據顯示出現減值，按以下方式釐定及確認任何減值虧損：

- 就在綜合財務報表根據權益法入賬的於聯營公司及合營公司的投資而言(參閱附註2(e))，減值虧損按照附註2(k)(ii)透過將投資的可收回金額與其賬面值比較而計量。倘按照附註2(k)(ii)用作釐定可收回金額的估計已發生有利變動，則減值虧損予以撥回。
- 就按成本列賬並無報價之股本證券而言，減值虧損按金融資產之賬面值與按類似金融資產目前市場回報率折現(其折現影響屬重大)之估計未來現金流量之差額計算。按成本列賬之股本證券之減值虧損不會撥回。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Impairment of assets (continued)

(i) Impairment of investments in securities and other financial assets (continued)

- For trade and other current receivables and other financial assets carried at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition of these assets), where the effect of discounting is material. This assessment is made collectively where these financial assets share similar risk characteristics, such as similar past due status, and have not been individually assessed as impaired. Future cash flows for financial assets which are assessed for impairment collectively are based on historical loss experience for assets with credit risk characteristics similar to the collective group.

If in a subsequent period the amount of an impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment loss was recognised, the impairment loss is reversed through profit or loss. A reversal of an impairment loss shall not result in the asset's carrying amount exceeding that which would have been determined had no impairment loss been recognised in prior years.

- For available-for-sale investments, the cumulative loss that has been recognised in the available-for-sale investment revaluation reserve is reclassified to profit or loss. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that asset previously recognised in profit or loss.

Impairment losses recognised in profit or loss in respect of available-for-sale equity investments are not reversed through profit or loss. Any subsequent increase in the fair value of such assets is recognised in other comprehensive income.

Impairment losses in respect of available-for-sale debt securities are reversed if the subsequent increase in fair value can be objectively related to an event occurring after the impairment loss was recognised. Reversals of impairment losses in such circumstances are recognised in profit or loss.

2 主要會計政策 (續)

(k) 資產減值 (續)

(i) 於證券及其他金融資產之投資減值 (續)

- 就按攤銷成本列賬之應收賬款及其他流動應收款項及其他金融資產而言，減值虧損金額按該資產賬面值與估計未來現金流量現值的差額計量。估計未來現金流量的現值以金融資產的初始實際利率（即初次確認時計算的實際利率）折現（其折現影響屬重大）。倘金融資產共享相若的風險特性（如相若的逾期狀況），則作出集體評估，及並不個別評估為減值，已集體評估減值的金融資產的未來現金流量以具有與集體組別相若信貸風險特性的資產的過往虧損經驗為依據。

倘其後期間減值虧損金額減少且減少客觀上可與確認減值虧損後發生的事件相關聯，減值虧損透過損益撥回。撥回減值虧損不應引致資產賬面值超過過往年度並不確認減值虧損情況下原可釐定者。

- 就可供出售投資而言，在可供出售投資重估儲備內確認的累計虧損重新分類至損益。在損益內確認的累計虧損金額乃收購成本（扣除任何本金償還及攤銷）與公允現值兩者之差額，減該資產先前於損益內確認的減值虧損。

就可供出售股本投資於損益內確認的減值虧損透過損益不予撥回。該資產的公允值的任何其後增加在其他全面收益內確認。

倘公允值其後增加客觀上與在確認減值虧損後發生的事件相關聯，則可供出售債務證券的減值虧損予以撥回。該情況下的減值虧損撥回在損益內確認。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Impairment of assets (continued)

(i) *Impairment of investments in securities and other financial assets (continued)*

Impairment losses are written off against the corresponding assets directly, except for impairment losses recognised in respect of trade receivables, whose recovery is considered doubtful but not remote. In this case, the impairment losses for doubtful debts are recorded using an allowance account. When the Group is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade receivables directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

(ii) *Impairment of other assets*

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, except in the case of goodwill, an impairment loss previously recognised no longer exists or may have decreased:

- property, plant and equipment (other than properties carried at revalued amounts);
- prepaid land lease payments;
- other long term assets;
- goodwill; and
- investments in subsidiaries and associates in the Company's statement of financial position.

2 主要會計政策 (續)

(k) 資產減值 (續)

(i) *於證券及其他金融資產之投資減值 (續)*

減值虧損直接撇銷相應資產，除應收賬款是確認減值虧損外，其收回被視為呆賬但並不渺茫，在此情況下，呆賬的減值虧損通過備抵賬目入賬。當本集團信納收回渺茫時，視為不可收回的金額直接撇銷應收賬款，並與該賬項有關的備抵賬目內持有的任何金額予以撥回。其後收回先前在備抵賬目內扣除的金額就備抵賬目予以撥回。備抵賬目的其他變動及先前直接撇銷的其後收回金額於損益內確認。

(ii) *其他資產減值*

本集團於各報告期末審閱內部及外部資料來源，以識別下列資產可能減值的跡象或，除商譽外，先前確認的減值虧損不再存在或可能已經減少：

- 物業、廠房及設備 (按重估金額列賬之物業除外)；
- 預付土地租賃款項；
- 其他長期資產；
- 商譽；及
- 在本公司財務狀況表內所列於附屬公司及聯營公司之投資。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Impairment of assets (continued)

(ii) Impairment of other assets (continued)

If any such indication exists, the asset's recoverable amount is estimated. In addition, for goodwill, the recoverable amount is estimated annually whether or not there is any indication of impairment.

- Calculation of recoverable amount
The recoverable amount of an asset is the greater of its fair value less costs of disposal 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. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e. a cash-generating unit).
- Recognition of impairment losses
An impairment loss is recognised in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).
- Reversals of impairment losses
In respect of assets other than goodwill, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed.

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

2 主要會計政策 (續)

(k) 資產減值 (續)

(ii) 其他資產減值 (續)

倘存在任何跡象，則估計資產的可收回金額。此外，就商譽而言，每年估計可收回金額是否有任何減值跡象。

- 計算可收回金額
資產之可收回金額乃其公允價值減出售成本與使用價值兩者之較高者。在評估使用價值時，會採用反映現時市場對貨幣時間價值及針對該資產的風險評值的稅前貼現率，將估計未來現金流量貼現至其現值。當資產並不產生大致獨立其他資產之現金流入，就獨立產生現金流入的最小組別資產（即現金產生單位）釐定可收回金額。
- 確認減值虧損
倘資產的賬面值或資產所屬現金產生單位的賬面值超過其可收回金額，則在損益內確認減值虧損。就現金產生單位確認的減值虧損首先予以分配，以減少分配至現金產生單位（或單位組別）的任何商譽的賬面值，然後按比例減少該單位（或單位組別）的其他資產的賬面值，惟資產之賬面值不會減少至低於個別價值以下減出售成本（倘可計量）或使用價值（倘可釐定）。
- 減值虧損撥回
就商譽以外之資產而言，倘用作釐定可收回金額的估計發生有利變動，則撥回減值虧損。有關商譽的減值虧損不予撥回。

減值虧損撥回僅限於過往年度不曾確認減值虧損情況下原可釐定的資產的賬面值。減值虧損撥回於確認撥回的年度計入損益。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Inventories

(i) Property development

Inventories in respect of property development activities are carried at the lower of cost and net realisable value. Cost and net realisable values are determined as follows:

– Properties under development

Properties under development are intended to be held for sale after completion. They are classified as current assets unless the construction period of the relevant property development project is expected to complete beyond the normal operating cycle.

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

– Completed properties held for sale

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

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

(ii) Other inventories

Inventories other than those in respect of property development activities are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

2 主要會計政策 (續)

(l) 存貨

(i) 物業發展

有關物業發展之存貨按成本與可變現淨值兩者之較低者列賬。成本及可變現淨值按以下方式釐定：

– 發展中物業

發展中物業擬於落成後持作待售用途。發展中物業分類為流動資產，除非有關物業開發項目之預計施工期超過正常營運週期。

發展中物業之成本由特別識別之成本組成，包括土地收購成本、開發總成本、材料及物料、工資及其他直接費用、適當比例之間接成本及資本化的借貸成本(參閱附註2(x))。可變現淨值指估計銷售價格減估計竣工成本及銷售物業將產生的成本。

– 持作待售之已落成物業

就本集團開發之已落成物業而言，成本乃按未出售物業應佔之該發展項目之總開發成本總額分攤計算。可變現淨值指估計售價減銷售物業將予產生的成本。

持作待售之已落成物業之成本包括所有採購成本、轉換成本及將存貨置於其現址及現況所產生的其他成本。

(ii) 其他存貨

存貨(有關物業開發活動者除外)以成本及可變現淨值兩者之較低者列賬。

成本按加權平均成本公式計算，及包括所有採購成本、轉換成本及將存貨置於現址及現況所產生的其他成本。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Inventories (continued)

(ii) Other inventories (continued)

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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

(m) Biological assets

Biological assets represent breeding pigeons recorded as non-current assets and trading pigeons and cloned orchid flowers recorded as current assets. The biological assets are measured at their fair value on initial recognition and at the end of each reporting period less estimated costs to sell. The fair values of the biological assets are determined based on the most recent market transaction prices. Any change in fair value less estimated costs to sell of a biological asset is included in profit or loss for the period in which it arises.

(n) Construction contracts

Construction contracts are contracts specifically negotiated with a customer for the construction of an asset or a group of assets, where the customer is able to specify the major structural elements of the design. The accounting policy for contract revenue is set out in note 2(v)(iii). When the outcome of a construction contract can be estimated reliably, contract costs are recognised as an expense by reference to the stage of completion of the contract at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. When the outcome of a construction contract cannot be estimated reliably, contract costs are recognised as an expense in the period in which they are incurred.

Construction contracts in progress at the end of the reporting period are recorded at the net amount of costs incurred plus recognised profit less recognised losses and progress billings, and are presented in statement of financial position as the "Gross amount due from contract work" (as a liability), as applicable. Progress billings not yet paid by the customer are included under "Trade receivables". Amount received before the related work is performed are presented as "Receipt in advance" under "Other payables and accruals".

2 主要會計政策 (續)

(l) 存貨 (續)

(ii) 其他存貨 (續)

可變現淨值為在一般業務過程中的估計售價減竣工的估計成本及完成銷售所必需的估計成本。

當存貨出售時，該等存貨的賬面值於確認相關收入的期間確認為一項開支。存貨減值至可變現淨值的金額及存貨的所有虧損在減值或虧損產生的期間確認為一項開支。存貨的任何減值的任何撥回金額確認為在撥回產生的期間已確認為一項開支的存貨金額的扣減項。

(m) 生物資產

生物資產指列作非流動資產之生產性鴿子及列作流動資產之消耗性鴿子及克隆蘭花。生物資產於初步確認時及於各報告期末按其公允值減銷售成本計量。生物資產的公允值乃按最近期市場交易價格釐定。生物資產的公允值減銷售成本的任何變動於產生期間計入損益。

(n) 建造合同

建築合約乃就資產或一組資產之建設與客戶特別磋商之合約，客戶能藉此指定設計的主要架構元素。合約收入的會計政策載於2(v)(iii)。當建造合同的結果能可靠估計，參照報告期末合約完工的階段將合約成本確認為一項開支。當合約總成本有可能超過合約總收入時，即時將預期虧損確認為一項開支。當建築合約結果不能可靠估計時，合約成本在產生期間確認為一項開支。

報告期末正在進行之建造合同按已發生的成本淨額加已確認溢利減已確認虧損及進度款入賬，在綜合財務狀況表內呈列為「應付合約工程總額」(作為一項負債)(如適用)。客戶尚未支付的進度款計入「應收賬款」。在相關工程履行前收取的款項呈列為「其他應付款項及應計費用」項下的「預付收入」。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Trade and other receivables

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

(p) Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in profit or loss over the period of the borrowings, together with any interest and fees payable, using the effective interest method.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part to the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss unless capitalised in accordance with the Group's policy for borrowing costs set out in note 2(x).

(q) Trade and other payables

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

(r) Cash and cash equivalents

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

Bank deposits which are restricted to use are classified as "restricted cash". Restricted cash are excluded from cash and cash equivalents in the statement of financial position and cash flow statement.

2 主要會計政策 (續)

(o) 應收賬款及其他應收款項

應收賬款及其他應收款項初步按公允價值確認及其後使用實際利息法按攤銷成本減呆賬減值撥備列賬(參閱附註2(k))。惟應收款項為向關聯方作出的無固定還款期或折現影響不大的免息貸款,在該等情況下,應收款項按成本減呆賬減值撥備列賬。

(p) 計息借貸

計息借貸初步按公允價值減交易成本確認。初步確認後,計息借貸按攤銷成本列賬,初步確認之金額與借貸期間於損益內確認之贖回價值之間任何差額連同應付利息及應付費用使用實際利息法計算。

攤銷成乃經考慮收購時的折現或溢價及構成實際利率的組成部分的費用或成本而計算。實際利率攤銷在損益表內計入融資成本,惟根據本集團借貸成本政策(如附註2(x)內所載)撥充資本者除外。

(q) 應付賬款及其他應付款項

應付賬款及其他應付款項按公允價值確認。除金融擔保負債按附註2(u)(i)計量外,應付賬款及其他應付款項其後按攤銷成本列賬,除非折現影響並不重大,在此情況下,應付賬款及其他應付款項按成本列賬。

(r) 現金及現金等價物

現金及現金等價物包括銀行及手頭現金、在銀行及其他金融機構之活期存款、可隨時轉換為已確定數額現金、價值變動風險極微及自收購起三個月內到期之短期高流動性投資。

用途受限制之銀行存款分類為「受限制現金」。受限制現金不包括財務狀況表及現金流量表內的及現金等價物。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Employee benefits

(i) Short term employee benefits and contributions to defined contribution retirement plans

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme (the "MPF Scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. Under the MPF Scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subjected to a cap of monthly relevant income of HK\$30,000. Contributions to the plan vest immediately and are charged to the statement of profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

Each of the subsidiaries operating in Mainland China participates in the central pension scheme (the "CPS") operated by the local municipal government for all of its staff. These subsidiaries are required to contribute 8% to 20% of their payroll costs to the CPS. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the CPS, except to the extent that they are included in the cost of investments not yet recognised as an expense.

2 主要會計政策(續)

(s) 僱員福利

(i) 短期僱員福利及定額供款退休計劃之供款

薪金、年度花紅、帶薪年假、定額供款退休計劃供款及非貨幣福利在僱員提供相關服務年度內累計。當付款或結算遞延時及影響屬重大時，該等金額按其現值列賬。

本集團根據香港強制性公積金計劃條例為根據香港司法權區僱傭條例僱傭之僱員實施一項界定供款強積金退休計劃(「強積金計劃」)。根據強積金計劃，僱主及僱員各自必須按僱員相關收入之5%就該計劃作出供款，上限為每月相關收入的30,000港元。計劃供款即時歸屬並依照強積金計劃之規定在須支付供款時在損益表中扣除。強積金計劃之資產乃與本集團之資產分開由獨立管理之基金持有。根據強積金計劃之規則，若僱員於可全數收取供款前離職，則僱主之自願供款將歸集團所有，惟本集團就強積金計劃作出之僱主供款全數歸僱員所有。

所有於中國大陸經營之附屬公司參與中央退休金計劃(「中央退休金計劃」)，此計劃由地方市政府為該等公司所有僱員制訂。此等附屬公司必須按其薪金之8%至20%就中央退休金計劃作出供款。根據中央退休金計劃作出之供款會根據中央退休金計劃之規則在須付供款時自損益表中扣減。惟計入投資成本尚未確認為一項開支者除外。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Employee benefits (continued)

(ii) Share-based payments

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in share option reserve within equity. The fair value is measured at grant date using the binomial model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the share option reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the share option reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the Company's shares. The equity amount is recognised in the share option reserve until either the option is exercised (when it is included in the amount recognised in share capital for the shares issued) or the option expires (when it is released directly to retained profits).

Share-based payment transactions in which the Company grants share options to subsidiaries' employee are accounted for as increase in value of investments in subsidiary in the Company's statement of financial position which is eliminated on consolidation.

(iii) Termination benefits

Termination benefits are recognised at the earlier of when the Group can no longer withdraw the offer of those benefits and when it recognises restructuring costs involving the payment of termination benefits.

2 主要會計政策 (續)

(s) 僱員福利 (續)

(ii) 以股份為基礎之付款

授予僱員之購股權公允值確認為僱員成本，權益項下的購股權儲備相應增加。公允值使用二叉樹期權定價模型在授出日期計量，並考慮購股權授出的條款及條件。當僱員在成為無條件享有購股權前必須符合歸屬條件，購股權估計公允值總額在歸屬期間分配，並考慮購股權將會歸屬的概率。

於歸屬期間，對預期歸屬的購股權數目予以審閱。過往年度已確認的累計公允值的任何調整在審閱年度計入損益／從損益中扣除，除非原有僱員開支符合確認資產的資格及購股權儲備相應調整。於歸屬日期，確認為開支之金額予以調整，以反映歸屬的購股權的實際數目（購股權儲備相應調整），僅由於未達成與本公司股份市價有關的歸屬條件才予以沒收。在購股權儲備內確認權益金額直至購股權獲行使（當其計已發行股份的股本的已確認金額之內時）或購股權屆滿（當其直接撥往保留溢利時）。

本公司向附屬公司僱員授出購股權的以股份為基礎之付款按本公司財務狀況表內於附屬公司投資價值增加入賬，而其於綜合賬目時已撤銷。

(iii) 辭退福利

在本集團不再撤回該等福利要約時及當其確認涉及支付辭退福利的結構性成本時（以較早者為準）確認辭退福利。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Income tax

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

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

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

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

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

2 主要會計政策(續)

(t) 所得稅

年內所得稅包括即期稅項及遞延稅項資產及負債的變動。即期稅項及遞延稅項資產及負債的變動在損益內確認，惟彼等與其他全面收益內或直接於權益內確認的項目有關者除外，在此情況下，有關稅項金額分別在其他全面收益或直接於權益內確認。

即期稅項乃就年內應課稅收入應付的預期稅項，按報告期末已實施或實際上已實施的稅率計算及就過往年度的應課稅項作出任何調整。

遞延稅項資產及負債分別因可扣減及應課稅暫時差額而產生，暫時差額即為財務報告用途的資產及負債的賬面值與其稅基之間的差額。遞延稅項資產亦因未動用的稅項虧損及未動用的稅項抵免而產生。

除若干有限例外情況外，所有遞延稅項負債及所有遞延稅項資產（以未來課稅溢利可能會被用作抵銷可動用的資產為限）予以確認。可能支持確認因可扣減暫時差額而產生遞延稅項資產確認之未來課稅溢利包括因現有課稅暫時差額撥回而產生者，前提是該等差額與同一稅務當局及同一課稅實體有關，預期於可扣減暫時差額之預期撥回相同期內撥回或於因遞延稅項資產而產生的稅項虧損可予轉回或結轉的期間內撥回。釐定現時課稅暫時差額是否支持確認因未動用稅項虧損及抵免而產生的遞延稅項資產時採納同一標準，即倘等與同一稅務當局及同一課稅實體有關時，考慮該等差額，並預期於動用稅項虧損或抵免的期間撥回。

確認遞延稅項資產及負債的有限例外情況包括來自商譽之不可扣稅暫時差額，既不影響會計亦不影響課稅溢利的初步確認資產及負債（前提是他們並不是業務合併的一部分）及於附屬公司投資有關的暫時差額，如屬課稅差額，僅以本集團控制撥回的時間而不太可能在可預見將來撥回之差額為限，如屬可扣減差額，則僅認可在將來撥回之差額為限。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) Income tax (continued)

Where investment properties are carried at their fair value in accordance with the accounting policy set out in note 2(h), the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are not discounted.

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

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

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

2 主要會計政策 (續)

(t) 所得稅 (續)

當投資物業按附註2(h)內所載會計政策按公允值列賬時，已確認的遞延稅項金額使用適用於報告日期按其賬面值出售該等資產的稅率計量。在所有其他情況下，已確認的遞延稅項金額根據預期變現或結算資產及負債賬面值方式，使用報告期末已實施或實際上已實施的稅率計量。遞延稅項資產及負債不予折現。

於各報告期末審閱遞延稅項資產的賬面值，並予以扣減，以不再可能有充足的課稅溢利用作抵銷將予動用的相關稅項溢利者為限。任何扣減會於可能取得足夠應課稅利潤時撥回。

即期稅項餘額及遞延稅項餘額及其變動分別各自單獨呈列且不予抵銷。即期稅項資產抵銷即期稅項負債，倘本公司或本集團擁有合法的可強制執行權利以用即期稅項資產抵銷即期稅項負債及符合下列額外條件時，用遞延稅項資產抵銷遞延稅項負債。

- 如屬即期稅項資產及負債，本公司或本集團擬按淨額基準結算或同時變現資產及清償負債；或
- 如屬遞延稅項資產及負債，倘與同一稅務機構徵收之所得稅有關：
 - 同一納稅實體；及
 - 不同納繳實體，於各未來期間，預期清償或收回重大金額之遞稅項負債或資產，擬按淨額基準變現即期稅項資產及即期稅項負債或同時變現及清償。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Financial guarantees issued, provisions and contingent liabilities

(i) Financial guarantees issued

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

Where the Group issues a financial guarantee, the fair value of the guarantee is initially recognised as deferred income within other payables and accruals. The fair value of financial guarantees issued at the time of issuance is determined by reference to fees charged in an arm's length transaction for similar services, when such information is obtainable, or is otherwise estimated by reference to interest rate differentials, by comparing the actual rates charged by lenders when the guarantee is made available with the estimated rates that lenders would have charged, had the guarantees not been available, where reliable estimates of such information can be made. Where consideration is received or receivable for the issuance of the guarantee, the consideration is recognised in accordance with the Group's policies applicable to that category of asset. Where no such consideration is received or receivable, an immediate expense is recognised in profit or loss on initial recognition of any deferred income.

The amount of the guarantee initially recognised as deferred income is amortised in profit or loss over the term of the guarantee as income from financial guarantees issued. In addition, provisions are recognised in accordance with note 2(u) (iii) if and when (i) it becomes probable that the holder of the guarantee will call upon the Group under the guarantee, and (ii) the amount of that claim on the Group is expected to exceed the amount currently carried in other payables and accruals in respect of that guarantee i.e. the amount initially recognised, less accumulated amortisation.

2 主要會計政策(續)

(u) 已簽發之財務擔保、撥備及或然負債

(i) 已簽發之財務擔保

財務擔保為要求發行人(即擔保人)就擔保受益人(「持有人」)因指定債務人未能根據債務工具之條款在到期時付款而蒙受之損失,向持有人支付特定補償金額之合約。

倘本集團作出財務擔保,擔保之公允價值則初步確認為其他應付款項及應計費用內之遞延收入。已發出財務擔保之公允價值於發出時乃參照類似服務於公平磋商交易之過程中所收取費用(如可獲得該等資料)而釐定,或參照息差作出估計,方法為以放款人在獲提供擔保之情況下實際收取之利率與在不獲提供擔保之情況下放款人將會收取之估計利率作比較(如該等資料能可靠地估計)。倘就作出擔保之代價已收取或可收取,代價則根據本集團適用於此類別資產之政策確認。倘並無收到或無可收代價,則於初步確認任何遞延收入時在損益確認為即時開支。

初步確認為遞延收入之擔保金額自作出財務擔保後在損益中按擔保之年期作為收入攤銷。此外,倘(i)擔保之持有人將可能根據擔保向本集團取得款項及(ii)該筆對本集團索取之金額預期超逾現時就擔保列賬為其他應付款項及應計費用(即初步確認之金額減累計攤銷)之金額時,撥備將根據附註2(u)(iii)確認。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Financial guarantees issued, provisions and contingent liabilities (continued)

(ii) *Contingent liabilities assumed in business combinations*

Contingent liabilities assumed in a business combination which are present obligations at the date of acquisition are initially recognised at fair value, provided the fair value can be reliably measured. After their initial recognition at fair value, such contingent liabilities are recognised at the higher of the amount initially recognised, less accumulated amortisation where appropriate, and the amount that would be determined in accordance with note 2(u)(iii). Contingent liabilities assumed in a business combination that cannot be reliably fair valued or were not present obligations at the date of acquisition are disclosed in accordance with note 2(u)(iii).

(iii) *Other provisions and contingent liabilities*

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

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

2 主要會計政策 (續)

(u) 已簽發之財務擔保、撥備及或然負債 (續)

(ii) 業務合併中承擔的或然負債

業務合併中承擔的或然負債即於收購當日的現有負債，初步按公允值確認，前提是公允值能可靠計量。在初步確認公允值後，該等或然負債按已初步確認金額減累計攤銷（如適用）及原可按照附註2(u)(iii)釐定之金額兩者之較高者確認。不能可靠公允估值或並非收購當日之現有負債之業務合併中承擔的或然負債按照附註2(u)(iii)披露。

(iii) 其他撥備及或然負債

當本集團或本公司因過去事項須承擔法律責任或推定責任，而履行該責任很可能需要經濟利益流出並能可靠估計其款項時，則對該等未確定時間或金額的負債作出撥備。倘貨幣時間價值屬重大，則按預期履行該責任所需支出的現值列報撥備。

倘不大可能流出經濟利益或無法可靠估計金額，則該責任披露為或然負債，除非經濟利益流出的可能性甚微。潛在責任（其存在僅透過一項或多項未來事件發生與否確認）亦披露為或然負債，除非經濟利益流出的可能性甚微。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in profit or loss as follows:

(i) Sale of properties

Revenue from sales of properties is recognised when the risks and rewards of properties are transferred to the purchasers, which is when the construction of relevant properties has been completed and the properties have been delivered to the purchasers and collectability of related receivables is reasonably assured. 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 within other payables and accruals.

(ii) Sale of goods

Revenue is recognised when goods are delivered at the customers' premises which is taken to be the point in time when the customer has accepted the goods and the related risks and rewards of ownership. Revenue excludes value added tax or other sales taxes and is after deduction of any trade discounts.

(iii) Contract revenue

When the outcome of a construction contract can be estimated reliably:

- revenue from a fixed price contract is recognised using the percentage of completion method, measured by reference to the percentage of contract costs incurred to date to estimated total contract costs for the contract; and
- revenue from a cost plus contract is recognised by reference to the recoverable costs incurred during the period plus an appropriate proportion of the total fee, measured by reference to the proportion that costs incurred to date bear to the estimated total costs of the contract.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable.

2 主要會計政策 (續)

(v) 收入確認

收入乃按已收或應收代價之公允值計量。在經濟利益可能流入本集團時且收入及成本(如適用)能可靠計量時,按以下方式在損益內確認收入:

(i) 銷售物業

當物業的風險及回報轉移至買方、有關物業的建設已經竣工且物業已交付予買方及相關應收款項的可收回性可合理得到保證時,確認物業銷售的收入。在確認收入前出售的物業的已收按金及分期付款項於財務狀況表內與其他應付款項及應計費用在預收收入項下計入。

(ii) 銷售貨品

在貨品交付予客戶,並且貨品的所有權及相關風險已轉移給客戶時確認收入。收入不包括增值稅或其他銷售稅並經扣除任何貿易折扣。

(iii) 合同收入

當建造合同結果能可靠估計時:

- 固定價格合同收入使用完工百分比法確認,參照迄今已發生的合同成本佔合約估計總合約成本的百分比計量;及
- 成本加成合同收入參照年內已發生的可收回成本加適當比例的總費用確認,並參照迄今已發生成本佔合同估計總成本的比例計量。

當建造合同的結果不能可靠估計時,僅以很有可能收回的已發生合約成本確認收入。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Revenue recognition (continued)

(iv) *Rental income from operating leases*

Rental income receivable under operating leases is recognised in profit or loss in equal instalments over the periods covered by the lease term, except where an alternative basis is more representative of the pattern of benefits to be derived from the use of the leased asset.

Lease incentives granted are recognised in profit or loss as an integral part of the aggregate net lease payments receivable. Contingent rentals are recognised as income in the accounting period in which they are earned.

(v) *Service income*

Service income is recognised when the relevant services have been rendered.

(vi) *Dividends*

- 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.

(vii) *Interest income*

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

(viii) *Government grants*

Government grants are recognised in the statement of financial position initially when there is reasonable assurance that they will be received and that the Group will comply with the conditions attaching to them. Grants that compensate the Group for expenses incurred are recognised as income in profit or loss on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Group for the cost of an asset are credited to a deferred income account and are released to profit or loss over the expected useful life of the relevant assets by equal annual instalments or deducted from the carrying amount of the asset and consequently are effectively recognised in profit or loss over the useful life of the asset by way of reduced depreciation expense.

2 主要會計政策 (續)

(v) 收入確認 (續)

(iv) *經營租約的租金收入*

經營租約應收租金收入在損益內按等額分期在租賃期限的期間內確認，惟當有替代基準更能代表使用租賃資產所產生的收益模式時除外。

所授租賃優惠作為應收租賃款項淨額總額的組成部分在損益內確認。或然租金按賺取租金的會計期間的收入確認。

(v) *服務收入*

服務收入在提供有關服務時確認。

(vi) *股息*

- 非上市投資的股息收入在股東收取付款的權利確立時確認。
- 上市投資的股息收入在投資的股價除息時確認。

(vii) *利息收入*

利息收入採用實際利息法於產生時確認。

(viii) *政府補助*

當有合理保證將會收取有關補助且本集團符合有關補助附帶條件時，在財務狀況表內確認政府補助。補償本集團已發生之開支之補助在產生開支的同一期間有系統地在損益內確認為收入。補償本集團資產成本的補助計入遞延收入賬在有關資產的預期使用年期以年度等額分期撥往損益或自資產賬面值扣除及因而按資產的使用年期以扣減折舊開支形式在損益內實際確認。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(w) Translation of foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Foreign currency transactions recorded by the entities in the Group during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognised in profit or loss.

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

The functional currencies of certain subsidiaries, associates and joint ventures are currencies other than the Hong Kong dollars. The results of these entities are translated into Hong Kong dollars at the exchange rates approximating the foreign exchange rates ruling at the dates of the transactions. Statement of financial position items, including goodwill arising on consolidation of foreign operations, are translated into Hong Kong dollars at the closing foreign exchange rates at the end of the reporting period. The resulting exchange differences are recognised in other comprehensive income and accumulated separately in equity in the exchange fluctuation reserve.

On disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation is reclassified from equity to profit or loss when the profit or loss on disposal is recognised.

2 主要會計政策(續)

(w) 外幣換算

該等財務報表乃以本公司之功能及呈報貨幣港元呈列。本集團之每個實體釐定其本身之功能貨幣，而載於各實體之財務報表之項目乃以功能貨幣計量。

本集團之實體錄得之外幣交易按交易日之現行匯率換算。以外幣計值之貨幣資產及負債乃按報告期末之貨幣匯率換算。匯兌收益及虧損於損益表內確認。

按外幣之歷史成本計量之非貨幣項目乃按交易日期之匯率換算。按外幣計值之非貨幣項目乃按公允值釐定當日之匯率換算。

若干附屬公司、聯營公司及合營公司之功能貨幣乃港元以外之貨幣。該等實體之業績按交易日與外幣匯率相若的匯率換算成港元。財務狀況表項目(包括因合併海外業務而產生的商譽)乃按報告期末之收市匯率換算為港元。於換算時產生之匯兌差額均於其他全面收益確認，並於匯兌變動儲備內在權益內單獨累計。

出售海外業務時，當確認出售時損益時，有關該海外業務之匯兌差額之累計金額由權益重新分類至損益。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(x) Borrowing costs

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

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

Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or complete.

(y) Related parties

(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 the Group's parent.

(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 entity.

2 主要會計政策 (續)

(x) 借貸成本

收購、建設或生產資產直接應佔的借貸成本(即必須花費大量時間準備以作擬定用途或銷售)作為該資產成本的一部分撥充資本。其他借貸成本在發生的期間列支。

借貸成本作為合資格資產的一部分撥充資本在產生資產開支時開始,借貸成本正在發生及將資產準備妥當作擬定用途或銷售所必需的活動正在進行當中。

當準備合資格資產作擬定用途或銷售必需的絕大部分活動中斷或完工時,暫停或中止借貸成本的資本化。

(y) 關聯方

(a) 一名人士或其直系親屬符合以下條件即視為本集團的關聯方:

- (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的主要管理人員。

(b) 符合以下任何條件的實體視為本集團的關聯方:

- (i) 該實體與本集團為同一集團的成員公司(即各母公司、附屬公司及同系附屬公司之間相互關連)。
- (ii) 一間實體為另一實體的聯營公司或合營公司(或為另一實體所屬集團之成員公司的聯營公司或合營公司)。
- (iii) 兩間實體均為同一第三方之合營公司。
- (iv) 一間實體為第三方之合營公司,而另一實體為第三方之聯營公司。

Notes to the Financial Statements

財 務 報 表 附 註

2 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(y) Related parties (continued)

(b) (continued)

- (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.
- (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 the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

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.

(z) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

2 主要會計政策 (續)

(y) 關聯方 (續)

(b) (續)

- (v) 該實體為本集團或本集團相關實體以僱員為受益人的離職福利計劃。
- (vi) 該實體由(a)項所訂明人士控制或共同控制。
- (vii) (a)(i)項所指明人士對該實體有重大影響或為該實體(或實體母公司)的主要管理人員。
- (viii) 該實體或該實體屬其中一部分的集團旗下任何成員公司向該集團或該集團母公司提供主要管理人員服務。

個人的直系親屬指預期於該人士與相關實體交易時可能會影響該人士或受其影響的家庭成員。

(z) 分類報告

經營分部及在財務報表內報告的各分類項目的金額根據定期提供予本集團最高管理人員以供分配資源及評估本集團各業務單位及地區分類表現的財務資料確定。

為財務報告目的，個別重要經營分類並未予以匯總，除非各分類具有相若經濟特性及產品及服務性質、生產過程性質及客戶類型或類別、用作分銷產品或提供服務的方法及監管環境的性質相若。個別並不重要的經營分類可能予以匯總，倘該等分類共享大多數該等標準。

Notes to the Financial Statements

財 務 報 表 附 註

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

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

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that may have a significant effect on the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Estimation of fair value of investment properties

The best evidence of fair value is current prices in an active market for the properties with similar lease and other contracts. In the absence of such information, the Group determines the amount within a range of reasonable fair value estimates. In making its judgement, the Group considers information from a variety of sources including: (i) current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences; (ii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and (iii) discounted cash flow projections based on reliable estimates of future cash flows, derived from the terms of any existing lease and other contracts and (where possible) from external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

The Group assesses the fair value of its investment properties based on valuations determined by independent and professional qualified valuers. Significant judgement and assumptions are required in assessing the fair value of the investment properties. Details of the judgement and assumptions are disclosed in note 16.

3 重大會計判斷及估計

評估在編製財務報表時使用的估計及判斷乃以過往經驗及其他因素(包括在當時情況下被視為合理的未來事件的預期)為依據。

本集團作出有關未來的估計及假設。由此產生的會計估計顯名思義很少會等同於相關實際結果。可能對下一個財政年度內資產及負債賬面值有重大影響的估計及假設討論如下：

(i) 投資物業公允值估計

公允值之最佳證明為同類租約及其他合約於活躍市場之現行價格。倘欠缺有關資料，本集團會根據合理公允值估計範圍釐定有關數額。在作出有關判斷時，本集團會考慮到來自多種來源的資料，包括：(i)不同性質、情況或地區物業於活躍市場之現行價格(或受不同租約或其他合約規限)，作出調整以反映該等差別；(ii)同類物業於較不活躍市場之近期價格(已就發生交易日期以來經濟狀況之變化作出調整)；及(iii)根據任何現有租約及其他合約之條款以及(如可行)外在證據(如同區狀況相同之同類物業當時之市場租金)，基於對現金流量之可靠估計以及反映當前對現金流量金額及時間之不確定性之市場評估貼現率計算之現金流量預測。

本集團基於獨立專業合資格估值師釐定的估值評估投資物業的公允值。在評估投資物業的公允值時需要重大判斷及假設。判斷及假設的詳情在附註16內披露。

Notes to the Financial Statements

財 務 報 表 附 註

3 SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (CONTINUED)

(ii) Estimation of net realisable value of properties under development and completed properties held for sale

The Group assesses the carrying amounts of properties under development and completed properties held for sale according to their net realisable value based on the realisability of these properties. Net realisable value for properties under development is determined by reference to management's estimates of the selling price based on prevailing market conditions, less applicable variable selling expenses and the anticipated costs to completion (including land costs). Net realisable value for completed properties held for sale is determined by reference to management's estimates of the selling price based on prevailing market conditions, less applicable variable selling expenses. Provision is made when events or changes in circumstances indicate that the carrying amounts may not be realised. The assessment requires the use of judgement and estimates.

(iii) Estimation of fair values of identifiable assets arising from acquisition of a subsidiary

As disclosed in the note 37 to the financial statements, the Group acquired 95% equity interests in Fairwind Power Limited ("Fairwind") during current year for a consideration of HK\$2,264,233,000. The Group, after assessing whether the assets acquired and liabilities assumed constitute a business, determined that the acquisition of Fairwind is a business combination rather than an asset acquisition. Consequently, the Group adopted acquisition accounting, which reflects the acquired business in the Group's consolidated financial statements from the date of acquisition has been completed. Using acquisition accounting requires the acquired assets and assumed liabilities to be recorded as of the acquisition date at their respective fair values. Any excess of estimated fair values of acquired net identified assets over the purchase consideration is recorded as gain on a bargain purchase. The Group makes judgements and estimates in relation to the fair value allocation of the purchase price. The fair value of acquired assets and assumed liabilities, which is determined using valuation techniques. Estimating the fair value assigned to each class of acquired assets and assumed liabilities is based on expectations and assumptions, in particular in relation to the current prices of property interests, the expected growth rate and the discount rate.

3 重大會計判斷及估計 (續)

(ii) 發展中物業及持作待售之已落成物業之可變現淨值估計

本集團根據其可變現性按照其可變現淨值評估發展中物業及持作待售之已落成物業的賬面值。發展中物業的可變現淨值參照管理層基於現行市況對售價的估計減適用的可變出售費用及至竣工的預期成本(包括土地成本)釐定。持作待售之已落成物業的可變現淨值參照管理層基於現行市況對售價的估計減適用的可變出售費用釐定。在有事件或情況變動顯示賬面值未必變現時作出撥備。評估需要使用判斷及估計。

(iii) 因收購一間附屬公司而產生的可識別資產的公允價值估計

誠如附註37內披露，本集團以代價2,264,233,000港元於本年度收購Fairwind Power Limited (「Fairwind」)之95%股權。在評估是否所已購入資產及承擔的負債構成一項業務後，本集團釐定收購Fairwind為一項業務合併而非資產收購。因此，本集團採納收購會計處理，其反映自收購日期起於本集團綜合財務報表內的已收購業務已經完成。使用收購會計處理要求按各自公允價值於收購日期入賬已購入資產及承擔的負債。已購入的可識別資產淨值的估計公允價值超逾購買代價的任何部分入賬為廉價購買收益。本集團就購買價的公允價值分配作出判斷及估計。所購入的資產及承擔的負債的公允價值使用估值技術釐定。向各類已購入資產及承擔負債分配公允價值估計乃以預期及假設為依據，尤其是關於物業權益的現行價格、預期增長率及折現率。

Notes to the Financial Statements

財 務 報 表 附 註

4 SEGMENT REPORTING

The Group manages its businesses by business units, which are organised based on their products and services. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following five reportable segments:

- (a) the property development segment engages in the development of residential, industrial and commercial properties;
- (b) the property investment segment invests in residential, industrial and commercial properties for their rental income potential;
- (c) the property management segment engages in the management of both properties developed by the Group and external parties;
- (d) the manufacture segment engages in the manufacture and sale of industrial and commercial products; and
- (e) the "others" segment comprises, principally, the hotel operations, manufacture and sale of aluminum alloy products and agricultural products, design and construction of gardens and other businesses.

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets exclude deferred tax assets, restricted cash, cash and cash equivalents, equity investments at fair value through profit or loss and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude interest-bearing bank and other borrowings, an amount due to the ultimate holding company, tax payable, an amount due to the immediate holding company, deferred tax liabilities and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Segment performance is evaluated based on reportable segment profit, which is a measure of adjusted profit before tax from continuing operations. The adjusted profit before tax from continuing operations is measured consistently with the Group's profit before tax except that interest income, finance costs, dividend income, fair value gains from the Group's financial instruments as well as head office and corporate expenses are excluded from such measurement.

4 分類報告

本集團按業務單位管理其業務，而其業務單位按其產品及服務劃分。與向本集團最高行政管理人員內部報告以作資源分配及表現評估目的的資料貫徹一致，本集團呈報下列五個可呈報分類：

- (a) 物業開發分類從事發展住宅、工業及商業樓宇；
- (b) 物業投資分類投資於具租務前景之住宅、工業及商業樓宇；
- (c) 物業管理分類從事管理由本集團及外部人士發展之樓宇；
- (d) 製造分類從事製造及銷售工業及商業產品；及
- (e) 「其他」分類主要包括酒店營運、製造及銷售鋁合金、農產品、設計及施工之園林及其他業務。

為評估分類表現及在各類間分配資源目的，本集團高級行政管理人員按下列基準監控各可呈報分類應佔業績、資產及負債：

鑒於遞延稅項資產、受限制現金、現金及現金等價物、透過損益按公允值計算之股權投資及其他未分配總辦事處及公司資產乃按集團基準管理，故分類資產並不包括以上資產。

鑒於計息銀行及其他借貸、應付最終控股公司款項、應付稅項、應付直接控股公司款項、遞延稅項負債及其他未分配總辦事處及公司負債乃按集團基準理，故分類負債並不包括以上負債。

分類表現乃按呈報分類溢利進行評估，呈報分類溢利即持續經營業務之經調整除稅前溢利。持續經營業務之經調整除稅前溢利乃按與本集團之除稅前溢利一致之方式計量，惟利息收入、融資成本、股息收入、本集團金融工具的公允收益，以及總辦事處及企業開支並不包括在該計量內。

Notes to the Financial Statements

財 務 報 表 附 註

4 SEGMENT REPORTING (CONTINUED)

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

4 分類報告 (續)

分類間銷售及轉讓乃經參考與第三方交易的售價，按當時的現行市價進行交易。

2016 二零一六年		Property development 物業開發 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Property management 物業管理 HK\$'000 千港元	Manufacture 製造 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Segment revenue:	分類收益：						
Sales to customers	銷售予客戶	17,807,883	764,802	1,556,802	298,050	926,456	21,353,993
Intersegment sales	分類間銷售	-	17,402	50,997	-	60,553	128,952
		17,807,883	782,204	1,607,799	298,050	987,009	21,482,945
<i>Reconciliation</i>	<i>對賬</i>						
Elimination of intersegment sales	對銷分類間銷售						(128,952)
Revenue	收益						21,353,993
Segment results before increase in fair value of investment properties	投資物業公允值增加前之分類業績	4,764,075	956,650	124,634	38,403	1,342,067	7,225,829
Increase in fair value of investment properties	投資物業公允值增加	-	1,204,139	-	-	-	1,204,139
Recognition of change in fair value of completed properties held for sale upon transfer to investment properties	確認持作待售之已落成物業公允值變動轉撥至投資物業	-	97,375	-	-	-	97,375
Recognition of change in fair value of properties under development upon transfer to investment properties	確認發展中物業公允值變動轉撥至投資物業	-	557,141	-	-	-	557,141
Segment results after increase in fair value of investment properties	投資物業公允值增加後之分類業績	4,764,075	2,815,305	124,634	38,403	1,342,067	9,084,484
<i>Reconciliation</i>	<i>對賬</i>						
Elimination of intersegment results	對銷分類間業績						(124,874)
Interest income	利息收入						263,938
Fair value gain on financial instruments, net	金融工具之公允值收益淨值						870
Corporate and other unallocated expenses	公司及其他未分配費用						(93,459)
Finance costs	融資成本						(838,167)
Profit before tax	除稅前溢利						8,292,792

Notes to the Financial Statements

財 務 報 表 附 註

4 SEGMENT REPORTING (CONTINUED)

4 分類報告(續)

2016 二零一六年		Property development 物業開發 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Property management 物業管理 HK\$'000 千港元	Manufacture 製造 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Segment assets	分類資產	52,519,669	25,025,456	275,089	157,525	4,050,420	82,028,159
<i>Reconciliation</i>	<i>對賬</i>						
Corporate and other unallocated assets	公司及其他未分配資產						14,517,406
Total assets	總資產						96,545,565
Segment liabilities	分類負債	15,444,021	3,119,732	717,452	95,614	3,563,389	22,940,208
<i>Reconciliation</i>	<i>對賬</i>						
Corporate and other unallocated liabilities	公司及其他未分配負債						37,384,423
Total liabilities	總負債						60,324,631
Other segment information:	其他分類資料:						
Depreciation	折舊	61,406	25,285	19,867	3,612	70,437	180,607
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	-	-	-	-	1,065	1,065
Share of profits and losses of associates and joint ventures	應佔聯營公司及合營公司溢利及虧損	56,650	490,256	-	-	596,070	1,142,976
Write-down of properties under development	發展中物業減值	503,499	-	-	-	-	503,499
Write-down of completed properties held for sale	持作待售之已落成物業減值	353,754	-	-	-	-	353,754
Interests in associates	於聯營公司權益	2,426,225	95,931	309	15,133	1,457,223	3,994,821
Interests in joint ventures	於合營公司權益	3,118,267	-	11,052	-	171,612	3,300,931
Capital expenditure*	資本支出*	10,993,203	579,551	18,641	3,389	66,092	11,660,876

Notes to the Financial Statements

財 務 報 表 附 註

4 SEGMENT REPORTING (CONTINUED)

4 分類報告 (續)

		Property development	Property investment	Property management	Manufacture	Others	Total
2015		物業開發	物業投資	物業管理	製造	其他	總額
二零一五年		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Segment revenue:	分類收益：						
Sales to customers	銷售予客戶	15,056,911	789,473	1,369,006	430,800	781,982	18,428,172
Intersegment sales	分類間銷售	-	7,060	25,913	-	148,154	181,127
		15,056,911	796,533	1,394,919	430,800	930,136	18,609,299
<i>Reconciliation</i>	<i>對賬</i>						
Elimination of intersegment sales	對銷分類間銷售						(181,127)
Revenue	收益						18,428,172
Segment results before increase in fair value of investment properties	投資物業公允值增加前之分類業績	4,853,632	610,977	84,901	11,438	(58,830)	5,502,118
Increase in fair value of investment properties	投資物業公允值增加	-	1,082,176	-	-	-	1,082,176
Recognition of change in fair value of completed properties held for sale upon transfer to investment properties	確認持作待售之已落成物業公允值變動轉撥至投資物業	-	432,102	-	-	-	432,102
Segment results after increase in fair value of investment properties	投資物業公允值增加後之分類業績	4,853,632	2,125,255	84,901	11,438	(58,830)	7,016,396
<i>Reconciliation</i>	<i>對賬</i>						
Elimination of intersegment results	對銷分類間業績						(30,621)
Interest income	利息收入						344,594
Dividend income and unallocated gains	股息收入及未分配收益						27,066
Fair value gain on financial instruments, net	金融工具之公允值收益淨值						580
Corporate and other unallocated expenses	公司及其他未分配費用						(138,902)
Finance costs	融資成本						(708,484)
Profit before tax	除稅前溢利						6,510,629

Notes to the Financial Statements

財 務 報 表 附 註

4 SEGMENT REPORTING (CONTINUED)

4 分類報告(續)

2015 二零一五年		Property development 物業開發 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Property management 物業管理 HK\$'000 千港元	Manufacture 製造 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Segment assets	分類資產	48,747,765	22,729,484	162,570	184,983	3,924,577	75,749,379
<i>Reconciliation</i>	<i>對賬</i>						
Corporate and other unallocated assets	公司及其他未分配資產						15,335,839
Total assets	總資產						91,085,218
Segment liabilities	分類負債	16,624,958	1,057,481	623,955	39,371	499,493	18,845,258
<i>Reconciliation</i>	<i>對賬</i>						
Corporate and other unallocated liabilities	公司及其他未分配負債						36,670,894
Total liabilities	總負債						55,516,152
Other segment information:	其他分類資料:						
Depreciation	折舊	66,968	17,927	10,903	8,403	51,735	155,936
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	-	-	-	-	1,309	1,309
Share of profits and losses of associates and joint ventures	應佔聯營公司及合營公司溢利及虧損	344,054	207,355	10,507	-	45,929	607,845
Write-down of properties under development	發展中物業減值	118,272	-	-	-	-	118,272
Write-down of completed properties held for sale	持作待售之已落成物業減值	254,118	-	-	-	-	254,118
Interests in associates	於聯營公司權益	3,592,512	80,084	3,791	15,133	146,507	3,838,027
Interests in joint ventures	於合營公司權益	2,878,888	-	24,822	-	133,600	3,037,310
Capital expenditure*	資本支出*	6,094,347	816,255	5,792	18,913	8,600	6,943,907

* Capital expenditure consists of additions to property, plant and equipment, investment properties, properties under development, completed properties held for sale and acquisition of subsidiaries.

* 資本支出包括添置物業、廠房及設備、投資物業、發展中物業、持作待售之已落成物業及收購附屬公司。

As the Group generates substantially all of its revenue from customers domiciled in Mainland China and most of its non-current assets are located in Mainland China, no geographical information is presented.

由於本集團絕大部分收益產生自位於中國大陸之客戶且大部分非流動資產均位於中國大陸，故並無呈列地區資料。

Notes to the Financial Statements

財 務 報 表 附 註

5 REVENUE, OTHER INCOME AND GAINS

Revenue, represents proceeds from the sale of properties, commercial and industrial goods, rental income, management fee income and others.

An analysis of revenue, other income and gains is as follows:

5 收益、其他收入及利得

收益指來自銷售物業、商業及工業產品所得款項、租金收入、管理費收入及其他收入。

收益、其他收入及利得之分析如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Revenue	收益		
Sale of properties	銷售物業	17,807,883	15,056,911
Gross management fee income	管理費收入總額	1,556,802	1,369,006
Gross rental income from investment properties	投資物業租金收入總額	764,802	789,473
Sale of commercial and industrial goods	銷售商業及工業產品	298,050	430,800
Others	其他	926,456	781,982
		21,353,993	18,428,172
Other income and gains	其他收入及收益		
Bank interest income	銀行利息收入	80,370	72,526
Interest income from joint ventures	合營公司之利息收入	95,658	191,723
Interest income from independent third parties	來自獨立第三方之利息收入	87,910	80,345
Gain on a bargain purchase (note 37)	廉價購買之利得(附註37)	526,249	-
Gain on disposal of investment properties	出售投資物業之利得	4,081	26,302
Gain on disposal of subsidiaries	出售附屬公司之利得	3,599	-
Government grant (note 34)	政府補助(附註34)	14,704	10,175
Others	其他	19,771	234,218
		832,342	615,289

Notes to the Financial Statements

財 務 報 表 附 註

6 FINANCE COSTS

6 融資成本

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Interest on:	利息支出：		
Bank loans	銀行貸款	775,154	1,015,533
Other borrowings	其他借貸	242,418	139,641
Loans from the ultimate holding company	應付最終控股公司之貸款	202,325	214,268
Loans from the immediate holding company	應付直接控股公司之貸款	26,861	-
Loans from fellow subsidiaries	應付同系附屬公司之貸款	-	7,575
Loans from non-controlling shareholders	應付非控股股東之貸款	14,049	7,705
Total interest expense on financial liabilities not at fair value through profit or loss	並非透過損益按公允值計算之金融負債之利息開支總額	1,260,807	1,384,722
Less: Interest expense capitalised into properties under development	減：發展中物業利息開支資本化	(422,640)	(676,238)
		838,167	708,484

* The borrowing costs have been capitalised at a rate of 3.42% – 4.89% per annum (2015: 3.53% – 5.64%).

* 借貸成本已按年息3.42%至4.89%資本化(二零一五年：3.53%至5.64%)。

Notes to the Financial Statements

財 務 報 表 附 註

7 PROFIT BEFORE TAXATION

The Group's profit before tax is arrived at after charging/(crediting):

(a) Cost of sales

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Cost of properties and inventories sold	已售物業及存貨成本	10,455,681	9,842,550
Cost of services provided	提供服務成本	2,627,553	2,211,138
		13,083,234	12,053,688

(b) Staff costs

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Wages and salaries	工資及薪金	1,198,107	965,971
Equity-settled share option expense	以股本支付之購股權開支	11,823	24,171
Pension scheme contributions	退休金計劃供款淨額	112,098	94,665
		1,322,028	1,084,807

7 除稅前溢利

本集團之除稅前溢利已扣除/(計入)下列各項後達致：

(a) 銷售成本

(b) 員工成本

Notes to the Financial Statements

財 務 報 表 附 註

7 PROFIT BEFORE TAXATION (CONTINUED)
(c) Other items

7 除稅前溢利 (續)
(c) 其他項目

		Note 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	14	1,065	1,309
Depreciation	折舊	13	180,607	155,936
Impairment losses	減值虧損			
– trade receivables	– 應收賬款	26	9,150	844
– other receivables	– 其他應收款項		1,401	3,264
			10,551	4,108
Reversal of impairment losses of trade receivables	應收賬款減值虧損撥回	26	(1,601)	(157)
Write-down of inventories	存貨減值			
– properties under development	– 發展中物業	18	503,499	118,272
– completed properties held for sale	– 持作待售之已落成物業	17	353,754	254,118
– others	– 其他		4,876	–
			862,129	372,390
Minimum lease payments under operating leases in respect of land and buildings	土地及樓宇之經營租賃最低租金		21,017	27,597
Net foreign exchange gain	匯兌收益淨額		(10,582)	(7,883)
Rental income on investment properties less direct operating expenses of HK\$115,200,000 (2015: HK\$98,224,000)	投資物業租金收入減直接經營開支115,200,000港元 (二零一五年: 98,224,000港元)		(649,602)	(691,249)
Changes in fair value of contingent consideration payable to the immediate holding company	應付直接控股公司或然代價公允值變動		34,620	33,136
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損		4,836	–
Auditor's remuneration	核數師酬金		5,250	5,270

Notes to the Financial Statements

財 務 報 表 附 註

8 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

The provision for Hong Kong Profits Tax for 2016 is calculated at 16.5% (2015: 16.5%) of the estimated assessable profits for the year.

No provision for Hong Kong Profits Tax was made as the Group has no assessable profits arising in or derived from Hong Kong for the year.

Pursuant to the rules and regulations of the British Virgin Islands ("BVI"), the Group is not subject to any income tax in the BVI.

Under the relevant income tax law, the PRC subsidiaries are subject to corporate income tax ("CIT") at a statutory rate of 25% on their respective taxable income during the year.

PRC Land Appreciation Tax ("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 amortisation of land use rights, borrowing costs and all property development expenditures.

8 綜合損益表之所得稅

二零一六年香港利得稅之撥備根據年內估計應課稅溢利按16.5% (二零一五年: 16.5%) 之稅率計算。

由於本集團年內並無於香港產生或賺取應課稅溢利，故並無就香港利得稅計提撥備。

根據英屬處女群島 (「英屬處女群島」) 之規則及規例，本集團毋須於英屬處女群島繳納任何所得稅。

根據相關所得稅法，年內，中國附屬公司須就各自應課稅收入按法定稅率25%繳納企業所得稅 (「企業所得稅費用」)。

中國土地增值稅 (「土地增值稅」) 按土地增值之30%至60%累進稅率徵收，土地增值即出售物業所得款項減包括土地使用權攤銷、借貸成本及所有物業開發支出之可扣稅開支。

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Current tax:	即期稅項：		
Mainland China CIT	中國大陸企業所得稅費用	2,326,349	1,633,155
Withholding tax on dividend	股息預扣稅	139,402	130,174
LAT in Mainland China	中國大陸土地增值稅	3,190,927	1,937,337
Deferred tax	遞延稅項費用		
Mainland China CIT	中國大陸企業所得稅費用	(561,709)	(34,520)
Withholding tax on dividend	股息預扣稅	4,968	35,651
LAT in Mainland China	中國大陸土地增值稅	(278,026)	(278,420)
Total tax charge for the year	本年度稅項支出總額	4,821,911	3,423,377

Notes to the Financial Statements

財 務 報 表 附 註

8 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED) 8 綜合損益表之所得稅(續)

		2016 二零一六年		2015 二零一五年	
		HK\$'000 千港元	%	HK\$'000 千港元	%
Profit before taxation	除稅前溢利	8,292,792		6,510,629	
Notional tax on profit before taxation, calculated at the rate applicable to the respective tax jurisdictions	各地區適用稅率計算之除稅前溢利之名義稅項	2,122,436	25.6	1,612,194	24.8
Profits and losses attributable to joint ventures and associates	合營公司及聯營公司應佔溢利及虧損	(285,744)	(3.4)	(151,961)	(2.3)
Income not subject to tax	毋須納稅之收入	(145,583)	(1.8)	(4,901)	(0.1)
Tax effect of current year's tax losses not recognised	未獲確認之本年度稅項虧損之稅務影響	348,531	4.2	202,720	3.1
Tax effect of prior years' tax losses utilised	未動用之過往年度稅項虧損之稅務影響	(15,096)	(0.2)	(4,238)	(0.1)
Tax effect of temporary differences not recognised	未獲確認之暫時差額之稅務影響	207,403	2.5	93,098	1.4
Expenses not deductible for tax	不獲扣稅之開支	260,918	3.1	266,452	4.1
Effect of withholding tax on distributable profits of the Group's PRC subsidiaries	本集團中國附屬公司可供分派溢利之預扣稅影響	144,370	1.8	165,825	2.5
LAT	土地增值稅	2,912,901	35.1	1,658,917	25.6
LAT deductible for PRC CIT purpose	就中國企業所得稅可扣減之土地增值稅	(728,225)	(8.8)	(414,729)	(6.4)
Actual tax expense	實際稅項開支	4,821,911	58.1	3,423,377	52.6

The share of taxes attributable to associates and joint ventures amounting to HK\$619,121,000 (2015: HK\$630,027,000) is included in "Share of profits less losses of joint ventures and associates" on the face of the consolidated statement of profit or loss.

聯營公司及合營公司應佔稅項為619,121,000港元(二零一五年: 630,027,000港元)計入綜合損益表內「應佔合營公司及聯營公司溢利減虧損」項下。

Notes to the Financial Statements

財 務 報 表 附 註

9 DIRECTORS' AND CHIEF EXECUTIVE'S
REMUNERATION

Directors' and chief executive's remuneration for the year, disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Fees	袍金	1,750	1,750
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	9,053	9,792
Equity-settled share option expense (note)	以股本支付之購股權開支(附註)	2,437	5,442
Pension scheme contributions	退休金計劃供款	1,307	1,424
		12,797	16,658
		14,547	18,408

Note: These represent the estimated value of share options granted to the directors and chief executive under the Company's share option scheme. The value of these share options is measured according to the Group's accounting policies for share-based payment transactions as set out in note 2(s)(ii) and, in accordance with that policy, includes adjustments to reverse amounts accrued in previous years where grants of equity instruments are forfeited prior to vesting.

The details of these benefits in kind, including the principal terms and number of options granted, are disclosed under the paragraph "Share option scheme" in the directors' report and note 35.

9 董事及最高行政人員酬金

根據香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部披露之本年度董事及最高行政人員酬金如下：

附註：以股本支付之購股權開支指根據本公司購股權計劃授予董事及最高行政人員之購股權之估計價值。該等購股權價值乃按照本集團有關以股份支付交易事項(載於附註2(s)(ii))之會計政策及包括倘授出股本工具於歸屬前被沒收時反向調整過往年度應計金額在內之政策計量。

該等實物利益之詳情包括授出購股權之主要條款及數目在內，披露於董事會報告之「購股權計劃」及附註35。

Notes to the Financial Statements

財 務 報 表 附 註

9 DIRECTORS' AND CHIEF EXECUTIVE'S
REMUNERATION (CONTINUED)

9 董事及最高行政人員酬金 (續)

(a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

(a) 獨立非執行董事

本年度已付獨立非執行董事袍金如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Wu Wai Chung, Michael	吳偉聰	330	330
Li Wai Keung	李偉強	380	380
Wong Yau Kar, David	黃友嘉	380	380
		1,090	1,090

There were no other emoluments payable to the independent non-executive directors during the year (2015: Nil).

本年度並無其他應付獨立非執行董事之酬金 (二零一五年：無)。

(b) Executive directors and non-executive directors

(b) 執行董事及非執行董事

		Fees	Salaries, allowances and benefits in kind	Equity- settled share option expense	Pension scheme contributions	Total
		袍金	薪金、 津貼及 實物利益	以股本 支付之 購股權開支	退休金 計劃供款	總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
2016	二零一六年					
Executive directors:	執行董事：					
Lu Hua	呂華	—	3,379	761	509	4,649
Liu Chong	劉崇	—	1,634	510	224	2,368
Huang Wei	黃偉	—	2,918	656	424	3,998
Mou Yong	牟勇	—	1,122	510	150	1,782
		—	9,053	2,437	1,307	12,797
Non-executive directors:	非執行董事：					
Wu Jiesi	武捷思	330	—	—	—	330
Huang Yige**	黃一格**	330	—	—	—	330
		660	—	—	—	660
		660	9,053	2,437	1,307	13,457

Notes to the Financial Statements

財 務 報 表 附 註

9 DIRECTORS' AND CHIEF EXECUTIVE'S
REMUNERATION (CONTINUED)

(b) Executive directors and non-executive directors
(continued)

9 董事及最高行政人員酬金 (續)

(b) 執行董事及非執行董事 (續)

		Fees	Salaries, allowances and benefits in kind 薪金、 津貼及 實物利益	Equity-settled share option expense 以股本 支付之 購股權開支	Pension scheme contributions 退休金 計劃供款	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
2015	二零一五年					
Executive directors:	執行董事：					
Lu Hua	呂華	—	3,405	1,413	515	5,333
Liu Chong	劉崇	—	1,856	947	268	3,071
Gao Shengyuan*	高聖元*	—	1,665	1,342	238	3,245
Huang Wei*	黃偉*	—	1,609	793	225	2,627
Mou Yong	牟勇	—	1,257	947	178	2,382
		—	9,792	5,442	1,424	16,658
Non-executive directors:	非執行董事：					
Wu Jiesi	武捷思	330	—	—	—	330
Huang Yige	黃一格	330	—	—	—	330
		660	—	—	—	660
		660	9,792	5,442	1,424	17,318

* On 21 July 2015, Gao Shengyuan resigned as an executive director and Huang Wei was appointed as an executive director.

* 於二零一五年七月二十一日，高聖元辭任執行董事及黃偉獲委任為執行董事。

** On 18 January 2017, Huang Yige resigned as a non-executive director and Liu Shichao was appointed as a non-executive director.

** 於二零一七年一月十八日，黃一格辭任非執行董事及劉世超獲委任為非執行董事。

Notes to the Financial Statements

財 務 報 表 附 註

10 FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included three directors (2015: three directors), details of whose remuneration are set out in note 9 above. Details of the remuneration for the year of the remaining two (2015: two) highest paid employees who are neither a director nor the chief executive of the Company are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	3,302	3,499
Equity-settled share option expense	以股本支付之購股權開支	1,020	1,894
Pension scheme contributions	退休金計劃供款	449	535
		4,771	5,928

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

		Number of employees 僱員數目	
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元	2	–
HK\$2,500,001 to HK\$3,000,000	2,500,001港元至3,000,000港元	–	2
		2	2

In prior years, share options were granted to two non-director and non-chief executive highest paid employees in respect of their services to the Group, further details of which are included in the disclosures in note 35 to the financial statements. The fair value of these options, which has been recognised in the statement of profit or loss over the vesting period, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above non-director and non-chief executive highest paid employees' remuneration disclosures.

10 五名最高薪僱員

本年度之五名最高薪僱員包括三名董事（二零一五年：三名董事），該等董事之酬金詳情載於上文附註9。餘下兩名（二零一五年：兩名）非本公司董事及最高行政人員之最高薪僱員於本年度之酬金詳情如下：

酬金屬以下範圍之非董事及非最高行政人員之最高薪僱員數目如下：

於過往年度內，兩名非董事及非最高行政人員之最高薪僱員因彼等為本集團服務而獲授購股權，有關進一步詳情乃載於財務報表附註35之披露資料內。該等購股權之公允值（其已於歸屬期間於損益表內確認）已於授出日期釐定，而計入本年度財務報表之金額已計入上文非董事及非最高行政人員之最高薪僱員酬金之披露資料內。

Notes to the Financial Statements

財 務 報 表 附 註

11 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to equity shareholders of the Company of HK\$3,170,581,000 (2015: HK\$2,868,796,000) and the weighted average of 7,484,946,956 ordinary shares (2015: 7,073,029,529) in issue during the year, calculated as follows:

Weighted average number of ordinary shares

		Number of shares 股份數目	
		2016 二零一六年	2015 二零一五年
Issued ordinary shares at 1 January	於一月一日已發行普通股	7,384,016,988	6,656,055,289
Effect of shares issued	已發行股份之影響	–	375,944,444
Effect of shares issued in respect of scrip dividends	以股代息發行股份之影響	97,856,506	–
Effect of share options exercised (note 36(b)(ii))	行使購股權之影響 (附註36(b)(ii))	3,073,462	41,029,796
Weighted average number of ordinary shares at 31 December	於十二月三十一日之普通股加權平均數	7,484,946,956	7,073,029,529

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to equity shareholders of the Company of HK\$3,170,581,000 (2015: HK\$2,868,796,000) and the weighted average number of ordinary shares of 7,486,167,671 shares (2015: 7,073,647,254), calculated as follows:

Weighted average number of ordinary shares (diluted)

		Number of shares 股份數目	
		2016 二零一六年	2015 二零一五年
Weighted average number of ordinary shares at 31 December	於十二月三十一日之普通股加權平均數	7,484,946,956	7,073,029,529
Effect of deemed issue of shares under the Company's share option scheme for nil consideration (note 35):	根據本公司購股權計劃視作無償發行股份之影響 (附註35):	1,220,715	617,725
		7,486,167,671	7,073,647,254

11 每股盈利

(a) 每股基本盈利

每股基本盈利之計算乃按照本公司權益股東應佔本年度溢利3,170,581,000港元(二零一五年: 2,868,796,000港元)及已發行普通股加權平均數7,484,946,956股(二零一五年: 7,073,029,529股), 計算如下:

普通股加權平均數

(b) 每股攤薄盈利

每股攤薄盈利之計算乃按照本公司權益股東應佔溢利3,170,581,000港元(二零一五年: 2,868,796,000港元)及普通股加權平均數7,486,167,671股(二零一五年: 7,073,647,254股), 計算如下:

普通股加權平均數(攤薄)

Notes to the Financial Statements

財 務 報 表 附 註

12 DIVIDENDS

12 股息

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Dividends recognised as distribution during the year:	確認為年內分派之股息：		
Final dividend declared for 2015 – HK13.00 cents per share (2015: declared for 2014 – HK13.00 cents per share) (i)	宣派二零一五年末期股息 – 每股13.00港仙 (二零一五年：宣派二零一四年末期股息 – 每股13.00港仙) (i)		
Scrip shares	代息股份	751,256	4,846
Cash	現金	208,666	954,759
		959,922	959,605
Interim – HK7.00 cents (2015: HK3.00 cents) per ordinary share (ii)	中期股息 – 每股普通股7.00港仙 (二零一五年：3.00港仙) (ii)		
Scrip shares	代息股份	15,733	–
Cash	現金	519,151	221,521
		534,884	221,521
Dividends proposed after the end of the reporting period:	報告期後擬分派之股息：		
Final dividend of HK10.00 cents (2015: final dividend of HK13.00 cents) per ordinary share (iii)	末期股息每股普通股10.00港仙 (二零一五年：末期股息13.00港仙) (iii)	764,916	959,922
Special dividend of HK5.00 cents (2015: special dividend of nil) per ordinary share (iii)	特別股息每股普通股5.00港仙 (二零一五年：特別股息零港仙) (iii)	382,458	–
		1,147,374	959,922

(i) The declared final dividend of HK13.00 cents per share for the year ended 31 December 2015 was paid in August 2016. The declared final dividend of HK13.00 cents per share for the year ended 31 December 2014 was paid in August 2015.

(ii) On 29 August 2016, the board of directors has declared an interim dividend of HK7.00 cents per share. The shareholders were given the option of receiving such dividend wholly in cash, or wholly in new fully paid share(s) of the Company in lieu of cash, or partly in cash and partly in the form of scrip shares.

(iii) On 27 March 2017, the board of directors recommends a final dividend of HK10.00 cents per share and a special dividend of HK5.00 cents per share for the year ended 31 December 2016 (2015: final dividends of HK13.00 cents per share and special dividend of nil). The proposed final and special dividends will be paid in cash but shareholders will be given the option of receiving such dividend wholly in new fully paid share(s) of the Company in lieu of cash, or partly in cash and partly in the form of scrip shares. The proposed final and special dividends for the year are subject to the approval of the Company's shareholders at the forthcoming annual general meeting and has not been recognised as a liability at the end of the period.

(i) 已宣派之截至二零一五年十二月三十一日止年度之末期股息每股13.00港仙已於二零一六年八月支付。已宣派之截至二零一四年十二月三十一日止年度之末期股息每股13.00港仙已於二零一五年八月支付。

(ii) 於二零一六年八月二十九日，董事會宣派中期股息每股7.00港仙。股東有權選擇全部以現金方式，或全部以本公司之新繳足股份，或部分以現金及部分以本公司之新繳足股份之形式收取股息。

(iii) 於二零一七年三月二十七日，董事會就截至二零一六年十二月三十一日止年度建議派發末期股息每股10.00港仙及特別股息每股5.00港仙 (二零一五年：末期股息每股13.00港仙，特別股息每股零港仙)。對擬派末期股息和特別股息，股東有權選擇全部以現金方式，或全部以本公司之新繳足股份，或部分以現金及部分以本公司之新繳足股份之形式收取股息。本年度擬派末期股息及特別股息須獲本公司股東於應屆股東週年大會上批准並於期末尚未確認為負債。

Notes to the Financial Statements

財 務 報 表 附 註

13 PROPERTY, PLANT AND EQUIPMENT

13 物業、廠房及設備

		Leasehold land and buildings (note) 租賃土地及 樓宇(附註)	Leasehold improvements 租賃物業 裝修	Furniture, fixtures and equipment 傢俬、裝置 及設備	Motor vehicles 汽車	Plant and machinery 廠房及機器	Construction in progress 在建工程	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 31 December 2015 and at 1 January 2016:	於二零一五年十二月三十一日 及二零一六年一月一日：							
Cost or valuation	成本或估值	3,181,121	313,113	282,157	96,519	161,052	1,020,861	5,054,823
Accumulated depreciation	累計折舊	(387,626)	(134,887)	(217,838)	(75,055)	(95,241)	-	(910,647)
Net carrying amount	賬面淨值	2,793,495	178,226	64,319	21,464	65,811	1,020,861	4,144,176
At 1 January 2016, net of accumulated depreciation	於二零一六年一月一日， 經扣除累計折舊	2,793,495	178,226	64,319	21,464	65,811	1,020,861	4,144,176
Additions	添置	5,347	25,834	31,237	1,146	1,098	104,804	169,466
Acquisition of subsidiaries	收購附屬公司	-	-	1,215	448	383	-	2,046
Disposals	出售	-	-	(1,557)	(335)	(6,601)	-	(8,493)
Disposal of a subsidiary	出售附屬公司	-	-	(540)	(161)	(15,332)	-	(16,033)
Depreciation provided during the year	本年度折舊撥備	(98,490)	(39,584)	(26,394)	(8,665)	(7,474)	-	(180,607)
Exchange realignment	匯兌調整	(182,239)	(11,412)	(3,157)	(1,042)	(3,965)	(64,429)	(266,244)
At 31 December 2016, net of accumulated depreciation	於二零一六年 十二月三十一日，經扣除 累計折舊	2,518,113	153,064	65,123	12,855	33,920	1,061,236	3,844,311
At 31 December 2016:	於二零一六年 十二月三十一日：							
Cost or valuation	成本或估值	2,965,768	318,427	287,118	86,698	92,859	1,061,236	4,812,106
Accumulated depreciation	累計折舊	(447,655)	(165,363)	(221,995)	(73,843)	(58,939)	-	(967,795)
Net carrying amount	賬面淨值	2,518,113	153,064	65,123	12,855	33,920	1,061,236	3,844,311

Notes to the Financial Statements

財 務 報 表 附 註

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED) 13 物業、廠房及設備 (續)

		Leasehold land and buildings (note) 租賃土地及 樓宇 (附註)	Leasehold improvements 租賃物業 裝修	Furniture, fixtures and equipment 傢俬、裝置 及設備	Motor vehicles 汽車	Plant and machinery 廠房及機器	Construction in progress 在建工程	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 31 December 2014 and at 1 January 2015:	於二零一四年十二月三十一日 及二零一五年一月一日:							
Cost or valuation	成本或估值	3,228,917	270,457	258,648	95,009	171,197	30,831	4,055,059
Accumulated depreciation	累計折舊	(340,892)	(105,399)	(206,504)	(66,611)	(95,151)	-	(814,557)
Net carrying amount	賬面淨值	2,888,025	165,058	52,144	28,398	76,046	30,831	3,240,502
At 1 January 2015, net of accumulated depreciation	於二零一五年一月一日， 經扣除累計折舊	2,888,025	165,058	52,144	28,398	76,046	30,831	3,240,502
Additions	添置	-	57,994	42,240	2,471	930	191,839	295,474
Transfer from investment properties (note 16)	轉撥自投資物業 (附註16)	-	-	-	-	-	800,637	800,637
Reclassification	重新分類	4,379	(3,773)	342	-	163	(1,111)	-
Transfer from completed properties held for sale	轉撥自持作待售之 已落成物業	69,714	-	-	-	-	-	69,714
Disposals	出售	(2,042)	(411)	(1,394)	-	(270)	-	(4,117)
Depreciation provided during the year	本年度折舊撥備	(76,733)	(35,381)	(27,596)	(8,444)	(7,782)	-	(155,936)
Exchange realignment	匯兌調整	(89,848)	(5,261)	(1,417)	(961)	(3,276)	(1,335)	(102,098)
At 31 December 2015, net of accumulated depreciation	於二零一五年十二月三十一日， 經扣除累計折舊	2,793,495	178,226	64,319	21,464	65,811	1,020,861	4,144,176
At 31 December 2015:	於二零一五年十二月三十一日:							
Cost or valuation	成本或估值	3,181,121	313,113	282,157	96,519	161,052	1,020,861	5,054,823
Accumulated depreciation	累計折舊	(387,626)	(134,887)	(217,838)	(75,055)	(95,241)	-	(910,647)
Net carrying amount	賬面淨值	2,793,495	178,226	64,319	21,464	65,811	1,020,861	4,144,176

Note: The Group's leasehold land and buildings were revaluated in 2014 and the surplus on revaluation of HK\$242,536,000 were recognised in asset revaluation reserve. These leasehold land and buildings are situated in Mainland China under medium term leases.

附註：本集團之租賃土地及樓宇於二零一四年重新估值，重估盈餘242,536,000港元於資產重估儲備內確認。該等租賃土地及樓宇均位於中國大陸，並以中期租約持有。

Notes to the Financial Statements

財 務 報 表 附 註

13 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Had the revaluated properties held for own use carried at cost less accumulated depreciation, the carrying amounts would have been:

13 物業、廠房及設備(續)

倘若持作自用之重估物業按成本減累計折舊入賬，則賬面值將為：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Leasehold land and buildings	租賃土地及樓宇	2,312,121	2,555,675

On 5 January 2011, Shenzhen Nongke Group Limited ("Nongke"), a subsidiary acquired by the Group on 22 August 2014, entered into an agreement with a real estate developer (the "Counterparty"), an independent third party. Pursuant to the agreement, Nongke agreed to exchange certain of its properties located at Longxi Garden (龍溪花園), Futian District, Shenzhen, the PRC with a carrying amount of HK\$314,123,000 (including investment properties of HK\$301,833,000 and property, plant and equipment of HK\$12,290,000) at 31 December 2016, for new properties with total gross floor areas of 8,469.85 square metres to be built by the Counterparty. The new properties will be built by the Counterparty at the current location of Longxi Garden upon demolition of the existing properties owned by Nongke. At the date of approval of these financial statements, the timetable for the demolition of these properties is not determined yet.

於二零一一年一月五日，深圳市農科集團有限公司(「農科」)(本集團於二零一四年八月二十二日收購之一間附屬公司)與獨立第三方房地產開發商(「對方」)訂立協議。於二零一六年十二月三十一日，根據該協議，農科同意將位於中國深圳市福田區龍溪花園賬面值為314,123,000港元(包括投資物業301,833,000港元及物業、廠房與設備12,290,000港元)之若干投資物業置換對方所建總建築面積為8,469.85平方米之新物業。新物業將於農科擁有之現有物業清拆後由對方於龍溪花園當前位置建成。於該等財務報表審批日期，該等物業之清拆時間表仍未釐定。

On 3 September 2012, Nongke entered into a supplemental agreement with the Counterparty. Pursuant to the supplemental agreement, Nongke agreed to further dispose of certain of its buildings located at Longxi Garden with a carrying amount of HK\$181,368,000 as at 31 December 2016 to the Counterparty for a cash consideration of RMB250,457,000, of which HK\$30,000,000 had been received by Nongke as of 31 December 2016 and was recorded as receipt in advance within "other payables and accruals". At the date of approval of these financial statements, the Counterparty has no obligations under the supplemental agreement to settle the remaining consideration of HK\$220,457,000 until the commencement of demolition of these properties.

於二零一二年九月三日，農科與對方訂立補充協議。根據補充協議，農科同意向對方進一步出售其位於龍溪花園賬面值於二零一六年十二月三十一日為181,368,000港元之若干樓宇。現金代價為人民幣250,457,000元，截至二零一六年十二月三十一日，農科已收取其中30,000,000港元，並作為預收款錄入「其他應付款及應計費用」。於該等財務報表審批日期，對方於該等物業開始清拆前並無義務須根據補充協議清償餘下之代價220,457,000港元。

At 31 December 2016, the Group has not yet obtained the ownership certificates in respect of the buildings with a net carrying amount of HK\$361,092,000 (2015: HK\$344,270,000).

於二零一六年十二月三十一日，本集團尚未取得賬面淨值為361,092,000港元(二零一五年：344,270,000港元)之樓宇之房地產證。

At 31 December 2016, certain of the Group's land and buildings in Mainland China with a net carrying amount of approximately HK\$678,753,000 (2015: HK\$728,180,000) were pledged to secure bank loans granted to the Group (note 30(a)(i)).

於二零一六年十二月三十一日，本集團於中國大陸持有之賬面淨值約為678,753,000港元(二零一五年：728,180,000港元)之若干土地及樓宇已抵押，作為本集團獲授銀行貸款之擔保(附註30(a)(i))。

Notes to the Financial Statements

財 務 報 表 附 註

14 PREPAID LAND LEASE PAYMENTS

14 預付土地租賃款項

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Carrying amount at 1 January	於一月一日之賬面值	41,741	44,688
Transfer from properties under development (note 18)	轉撥自發展中物業 (附註18)	-	319
Charge for the year	本年度支出	(1,065)	(1,309)
Exchange realignment	匯兌調整	(3,311)	(1,957)
Carrying amount at 31 December	於十二月三十一日之賬面值	37,365	41,741
Current portion included in prepayments, deposits and other receivables	計入預付款項、訂金及其他應收款項之 即期部分	(1,282)	(1,386)
Non-current portion	非即期部分	36,083	40,355

Prepaid land lease payments represent prepayments for land use rights in Mainland China held under medium term leases.

預付土地租賃款項指根據中期租約持有之中國大陸土地使用權之預付款項。

Notes to the Financial Statements

財 務 報 表 附 註

15 GOODWILL

15 商譽

		HK\$'000 千港元
Cost at 1 January 2015	於二零一五年一月一日之成本	322,765
Exchange realignment	匯兌調整	(223)
Cost and carrying amount at 31 December 2015	於二零一五年十二月三十一日之成本及賬面值	322,542
At 31 December 2015:	於二零一五年十二月三十一日：	
Cost	成本	322,542
Accumulated impairment losses	累計減值虧損	-
Net carrying amount	賬面淨值	322,542
Cost at 1 January 2016	於二零一六年一月一日之成本	322,542
Exchange realignment	匯兌調整	(302)
Cost and carrying amount at 31 December 2016	於二零一六年十二月三十一日之成本及賬面值	322,240
At 31 December 2016:	於二零一六年十二月三十一日：	
Cost	成本	322,240
Accumulated impairment losses	累計減值虧損	-
Net carrying amount	賬面淨值	322,240

Impairment tests for cash-generating units containing goodwill

Goodwill acquired through business combination is allocated to the Group's property development cash-generating unit ("CGU").

The recoverable amounts of the CGU is determined based on a value-in-use calculation using cash flow projections based on financial budgets covering a five-year period approved by the Group's senior management. Cash flows beyond the five-year period are extrapolated using an estimated weighted average growth rate of 2% (2015: 2%) which is consistent with the forecasts included in industry reports. The growth rates used do not exceed the long-term average growth rates for the business in which the CGU operates. The cash flows are discounted using a discount rate of 12% (2015: 12%). The discount rates used are pre-tax and reflect specific risks relating to the relevant business.

包含商譽之現金產生單位減值測試

透過業務合併所收購之商譽分配至本集團物業開發現金產生單位（「現金產生單位」）。

現金產生單位之可收回金額乃按根據本集團高級管理人員批准之五年期間財務預算使用現金流量預測計算之使用價值釐定。超過五年期間之現金流量採用2%（二零一五年：2%）之加權平均估計增長率進行推算，該增長率與行業報告所載預測相一致。所用增長率不超過現金產生單位運營業務之長期平均增長率。現金流量採用12%折現率（二零一五年：12%）予以折現。所採用之折現率為除稅前並反映有關業務之特殊風險。

Notes to the Financial Statements

財 務 報 表 附 註

16 INVESTMENT PROPERTIES
(a) Reconciliation of carrying amount

16 投資物業
(a) 賬面值對賬

2016	二零一六年	Completed investment properties at fair value 按公允價值 列賬之已落成 投資物業 HK\$'000 千港元	Investment properties under development at fair value 按公允價值 列賬之發展中 投資物業 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Carrying amount at 1 January 2016	於二零一六年一月一日 之賬面值	14,486,000	6,422,173	20,908,173
Additions	添置	—	555,826	555,826
Transfer from completed properties held for sale (note 17)	轉撥自持作待售之已落成物業 (附註17)	204,922	—	204,922
Transfer from properties under development (note 18)	轉撥自發展中物業(附註18)	—	653,716	653,716
Recognition of change in fair value of completed properties held for sale/ properties under development upon transfer to investment properties (note 17 and 18)	確認持作待售之已落成物業/ 發展中物業轉撥 至投資物業後 公允價值變動 (附註17及18)	97,375	557,141	654,516
Increase in fair value of investment properties	投資物業公允價值 增加	600,239	603,900	1,204,139
Disposal	出售	(22,247)	—	(22,247)
Exchange realignment	匯兌調整	(868,246)	(483,588)	(1,351,834)
Carrying amount at 31 December 2016	於二零一六年十二月三十一日 之賬面值	14,498,043	8,309,168	22,807,211

Notes to the Financial Statements

財 務 報 表 附 註

16 INVESTMENT PROPERTIES (CONTINUED)
(a) Reconciliation of carrying amount (continued)

16 投資物業 (續)
(a) 賬面值對賬 (續)

2015	二零一五年	Completed investment properties at fair value 按公允值 列賬之已落成 投資物業 HK\$'000 千港元	Investment properties under development at fair value 按公允值 列賬之發展中 投資物業 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Carrying amount at 1 January 2015	於二零一五年一月一日之賬面值	13,163,533	6,855,061	20,018,594
Additions	添置	–	615,598	615,598
Transfer to construction in progress (note 13)	轉撥至在建工程 (附註13)	–	(800,637)	(800,637)
Transfer from completed properties held for sale (note 17)	轉撥自持作待售之已落成物業 (附註17)	589,317	–	589,317
Recognition of change in fair value of completed properties held for sale upon transfer to investment properties (note 17)	確認持作待售之已落成物業轉撥至投資物業後公允值變動 (附註17)	432,102	–	432,102
Transfer to properties under development (note 18)	轉撥至發展中物業 (附註18)	–	(21,533)	(21,533)
Increase in fair value of investment properties	投資物業公允值增加	925,294	156,882	1,082,176
Disposal	出售	(61,860)	–	(61,860)
Exchange realignment	匯兌調整	(562,386)	(383,198)	(945,584)
Carrying amount at 31 December 2015	於二零一五年十二月三十一日之賬面值	14,486,000	6,422,173	20,908,173

The Group's investment properties are situated in Mainland China and are held under medium term leases.

本集團之投資物業位於中國大陸，並以中期租約持有。

Certificates of ownership in respect of certain investment properties of the Group with a net carrying amount of approximately HK\$1,397,344,000 as at 31 December 2016 (2015: HK\$1,226,953,000) have not yet been issued by the relevant PRC authorities. The Group is in the process of obtaining the relevant certificates.

於二零一六年十二月三十一日之賬面淨值約為1,397,344,000港元 (二零一五年：1,226,953,000港元) 之本集團若干投資物業尚未獲中國相關部門頒發所有權證。本集團仍在辦理相關權證之手續。

Notes to the Financial Statements

財 務 報 表 附 註

16 INVESTMENT PROPERTIES (CONTINUED)

(a) Reconciliation of carrying amount (continued)

At 31 December 2016, the Group's investment properties with a net carrying amount of approximately HK\$777,095,000 (2015: HK\$1,884,717,000) was pledged to secure bank loans granted to the Group (note 30(a)(iv)).

The Group's investment properties consist of several commercial and industrial properties in Mainland China. The directors of the Company have determined that the investment properties consist of two classes of asset, i.e., commercial and industrial, based on the nature, characteristics and risks of each property. The Group's investment properties were revalued at 31 December 2016 based on the valuation performed by Asset Appraisal Limited, an independent firm of professionally qualified property valuers who have among their staff Fellows of the Hong Kong Institute of Surveyors with recent experience in the location and category of property being valued, at approximately HK\$22,807,211,000 (2015: HK\$20,908,173,000).

(b) Fair value hierarchy

The following table presents the fair value of the Group's properties measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

16 投資物業 (續)

(a) 賬面值對賬 (續)

於二零一六年十二月三十一日，本集團抵押賬面淨值約777,095,000港元（二零一五年：1,884,717,000港元）之投資物業作為本集團所獲銀行貸款之擔保（附註30(a)(iv)）。

本集團之投資物業包括多項位於中國大陸之商業及工業樓宇。本公司董事已按各物業之性質、特性及風險將投資物業釐定為兩類資產，即商業及工業。本集團之投資物業於二零一六年十二月三十一日按獨立專業合資格物業估值師中誠達資產評估顧問有限公司（其部分員工為香港測量師學會資深會員，於物業之位置及類別估值方面具備最新經驗）之估值重估為約22,807,211,000港元（二零一五年：20,908,173,000港元）。

(b) 公允值等級架構

下表呈報本集團於報告期末按經常性基準計量、歸類於第三層公允值等級（定義見香港財務報告準則第十三號公允值計量）之物業公允值。公允值計量所歸類之層級乃參照估值方法所使用可觀察性及重要性之輸入值釐定如下：

- 第一級估值：僅採用第一級輸入值（例如同等資產或負債於計量日期未經調整之活躍市場報價）計量之公允值
- 第二級估值：採用第二級輸入值（例如未滿足第一級之可觀察輸入值）且未採用重大不可觀察輸入值計量之公允值不可觀察輸入值為不可提供市場數據之輸入值
- 第三級估值：採用重大不可觀察輸入值計量之公允值

Notes to the Financial Statements

財 務 報 表 附 註

16 INVESTMENT PROPERTIES (CONTINUED)

(b) Fair value hierarchy (continued)

16 投資物業 (續)

(b) 公允值等級架構 (續)

		Fair value measurement as at 31 December 2016 using 採用以下數據於二零一六年十二月三十一日 進行之公允值計量			
Recurring fair value measurement for:	經常性公允值計量：	Unadjusted quoted prices in active markets (Level 1) 未經調整之 活躍市場報價 (第一層) HK\$'000 千港元	Observable inputs (Level 2) 可觀察 輸入值 (第二層) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入值 (第三層) HK\$'000 千港元	Total 總額 HK\$'000 千港元
Commercial properties	商業樓宇	-	-	18,893,412	18,893,412
Industrial properties	工業樓宇	-	-	3,913,799	3,913,799
		-	-	22,807,211	22,807,211

Notes to the Financial Statements

財 務 報 表 附 註

16 INVESTMENT PROPERTIES (CONTINUED)

(b) Fair value hierarchy (continued)

16 投資物業(續)

(b) 公允值等級架構(續)

		Fair value measurement as at 31 December 2015 using 採用以下數據於二零一五年十二月三十一日 進行之公允值計量				
Recurring fair value measurement for:	經常性公允值計量：	Unadjusted quoted prices in active markets (Level 1)	Observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total	
		未經調整之 活躍市場報價 (第一層)	可觀察 輸入值 (第二層)	重大不可觀察 輸入值 (第三層)		
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
Commercial properties	商業樓宇	–	–	16,768,302	16,768,302	
Industrial properties	工業樓宇	–	–	4,139,871	4,139,871	
		–	–	20,908,173	20,908,173	

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2015: Nil).

於本年度內，第一級及第二級公允值計量並無轉移且並無轉至或轉自第三級（二零一五年：無）。

The Group's property manager and the chief financial officer have discussion with the surveyors on the valuation assumptions and valuation results when the valuation is performed at each interim and annual reporting date.

於各中期報告日期及年度報告日期進行估值時，本集團物業經理及財務總監會與測量師討論估值假設及估值結果。

Below is a summary of the valuation techniques used and the key inputs to the valuation of investment properties:

以下為投資物業估值所用之估值方法及主要輸入數據之概要：

	Valuation technique 估值方法	Significant unobservable inputs 重大不可觀察輸入值	Range 範圍
Commercial properties 商業樓宇	Comparison method 比較法	(Discount)/premium on quality of the buildings 樓宇質量之(折現)/溢價	(50%) – 25% (2015: (40%) – (10%)) (50%) – 25% (二零一五年：(40%) – (10%))
Industrial properties 工業樓宇	Comparison method 比較法	(Discount) on quality of the buildings 樓宇質量之(折現)	(50%) – (5%) (2015: (30%) – (5%)) (50%) – (5%) (二零一五年：(30%) – (5%))

Notes to the Financial Statements

財 務 報 表 附 註

16 INVESTMENT PROPERTIES (CONTINUED)

The fair value of investment properties located in the Mainland China is determined using comparison method by reference to recent sales price of comparable properties on a price per square meter basis, adjusted for a premium or a discount specific to the quality of the Group's buildings compared to the recent sales. Higher premium for higher quality buildings will result in a higher fair value measurement.

The movements during the year in the balance of these Level 3 fair value measurements are as follows:

16 投資物業 (續)

位於中國大陸之投資物業公允值經參照相關市場可比較物業之最近銷售價(按每平方米價格)採用比較法予以釐定,並比照最近銷售就本集團樓宇質量所定之溢價或折現予以調整。樓宇質量越高其溢價越高,將導致公允值計量越高。

該等第三級公允值計量之結餘年內變動如下:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Commercial properties:	商業樓宇:		
At 1 January	於一月一日	16,768,302	16,327,052
Additions	添置	555,826	615,598
Fair value adjustment (note)	公允值調整(附註)	1,163,805	468,642
Recognition of change in fair value upon transfer from completed properties held for sale/ properties under development to investment properties	持作待售之已落成物業/發展中物業轉撥至投資物業後 確認公允值變動	654,516	432,102
Transfer from completed properties held for sale	轉撥自持作待售之已落成物業	204,922	589,317
Transfer from properties under development	轉撥自發展中物業	653,716	-
Disposal	出售	(17,098)	(61,860)
Transfer to properties under development	轉撥至發展中物業	-	(21,533)
Transfer to construction in process	轉撥至在建工程	-	(800,637)
Exchange realignment	匯兌調整	(1,090,577)	(780,379)
At 31 December	於十二月三十一日	18,893,412	16,768,302
Industrial properties:	工業樓宇:		
At 1 January	於一月一日	4,139,871	3,691,542
Fair value adjustment (note)	公允值調整(附註)	40,334	613,534
Disposal	出售	(5,149)	-
Exchange realignment	匯兌調整	(261,257)	(165,205)
At 31 December	於十二月三十一日	3,913,799	4,139,871

Note: Fair value adjustment of investment properties is recognised in the line item "increase in fair value of investment properties" on the face of the consolidated statement of profit or loss.

附註: 投資物業之公允值調整於綜合損益表之「投資物業公允值增加」一項中確認。

Notes to the Financial Statements

財 務 報 表 附 註

17 COMPLETED PROPERTIES HELD FOR SALE

During the year ended 31 December 2016, completed properties held for sale with an aggregate carrying amount of approximately HK\$204,922,000 (2015: HK\$589,317,000) were transferred to investment properties upon change in use as evidenced by the signing of relevant tenancy agreements. The excess of the fair value of these properties at the date of transfer over their carrying amounts, amounting to approximately HK\$97,375,000 (2015: HK\$432,102,000), was recognised in the consolidated statement of profit or loss.

In addition, the application for ownership certificates of certain completed properties held for sale located at Li Lin Terrace (荔林苑) and Li Cui Court (荔翠閣) of Nongke and its subsidiaries (the "Nongke Group") with a total carrying value of HK\$13,548,000 as at 31 December 2016 was still in progress. Pursuant to the acquisition agreement between Nongke Group and Shum Yip Holdings in 2014, any interest in the properties located at Li Lin Terrace (荔林苑) and Li Cui Court (荔翠閣) with the total carrying amount of HK\$13,548,000 as at 31 December 2016, of which the ownership certificates have not yet been issued, shall be deemed to be owned by Shum Yip Holdings if certain conditions are not satisfied by the Nongke Group within a specified period of time.

As at 31 December 2016, the Group's completed properties held for sale with a net carrying amount of approximately nil (2015: HK\$66,738,000) were pledged to secure bank loans granted to the Group (note 30(a)(ii)).

During the year, write-down of completed properties held for sale located in Mainland China of HK\$353,754,000 (2015: HK\$254,118,000) was recognised in the Group's consolidated statement of profit or loss due to the decrease in the estimated net realisable value of certain completed properties held for sale.

17 持作待售之已落成物業

於截至二零一六年十二月三十一日止年度，賬面總值約為204,922,000港元（二零一五年：589,317,000港元）持作待售之已落成物業於簽訂相關租賃協議證實用途改變後，已轉撥至投資物業。於轉撥日期，該等物業之公允值超出其賬面值部分約為97,375,000港元（二零一五年：432,102,000港元），已於綜合損益表內確認。

此外，農科及其附屬公司（「農科集團」）位於荔林苑及荔翠閣之若干持作待售之已落成物業（於二零一六年十二月三十一日賬面總值為13,548,000港元）其所有權證書仍在申請中。根據農科集團與深業（集團）於二零一四年簽訂之收購協議，倘農科集團於指定期限內未達成若干條款，則位於荔林苑及荔翠閣之尚未頒發所有權證書之該等物業（於二零一六年十二月三十一日賬面總值為13,548,000港元）其任何權益均視為由深業（集團）擁有。

於二零一六年十二月三十一日，本集團賬面淨值為零（二零一五年：66,738,000港元）之持作待售之已落成物業已抵押，作為本集團所獲授銀行貸款之擔保（附註30(a)(ii)）。

年內，位於中國大陸之持作待售之已落成物業減值353,754,000港元（二零一五年：254,118,000港元），已於本集團綜合損益表內確認，減值乃因若干持作待售之已落成物業之估計可變現淨值減少。

Notes to the Financial Statements

財 務 報 表 附 註

18 PROPERTIES UNDER DEVELOPMENT

18 發展中物業

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Land in Mainland China held under medium term leases, at cost:	以中期租約於中國大陸持有之土地，按成本：		
At beginning of year	年初	23,954,811	25,521,732
Additions	添置	1,857,078	1,088,470
Acquisition of subsidiaries (note 37)	收購附屬公司(附註37)	9,266,654	-
Transfer from investment properties (note 16)	轉撥自投資物業(附註16)	-	21,533
Transfer to completed properties held for sale	轉撥至持作待售之已落成物業	(5,071,989)	(1,695,796)
Transfer to prepaid land lease payments (note 14)	轉撥至預付土地租賃款項(附註14)	-	(319)
Transfer to investment properties (note 16)	轉撥至投資物業(附註16)	(388,002)	-
Disposal	出售	(133,677)	-
Exchange realignment	匯兌調整	(1,890,560)	(980,809)
At 31 December	於十二月三十一日	27,594,315	23,954,811
Development expenditure, at cost:	開發支出，按成本：		
At beginning of year	年初	6,762,879	5,561,109
Additions	添置	6,518,245	4,920,995
Acquisition of subsidiaries (note 37)	收購附屬公司(附註37)	1,385,293	-
Transfer to completed properties held for sale	轉撥至持作待售之已落成物業	(5,824,928)	(3,431,005)
Transfer to investment properties (note 16)	轉撥至投資物業(附註16)	(265,714)	-
Disposal	出售	(20,217)	-
Exchange realignment	匯兌調整	(205,303)	(288,220)
At 31 December	於十二月三十一日	8,350,255	6,762,879
Less: Write-down of properties under development	減：發展中物業減值	(652,341)	(406,165)
		35,292,229	30,311,525
Properties under development expected to be recovered:	預期可收回之發展中物業：		
Within one year	一年內	6,387,674	5,001,472
After more than one year	超過一年後	28,904,555	25,310,053
		35,292,229	30,311,525

Notes to the Financial Statements

財 務 報 表 附 註

18 PROPERTIES UNDER DEVELOPMENT (CONTINUED)

During the year ended 31 December 2016, properties under development with an aggregate carrying amount of approximately HK\$653,716,000 were transferred to investment properties upon change in use. The excess of the fair value of those properties at the end of transfer over their carrying amounts, amounting to approximately HK\$557,141,000 was recognised in the consolidated statement of profit or loss.

During the year, write-down of properties under development located in Mainland China of HK\$503,499,000 (2015: HK\$118,272,000) was recognised in the Group's consolidated statement of profit or loss due to the decrease in the estimated net realisable value of certain properties under development.

As at 31 December 2016, the Group's properties under development with a net carrying amount of approximately HK\$95,858,000 (2015: HK\$615,389,000) were pledged to secure bank loans granted to the Group (note 30(a)(iii)).

As at 31 December 2016, the application for certificates of land use rights in Mainland China for land held under medium term leases with a net carrying amount of approximately HK\$3,531,535,000 (2015: HK\$6,132,337,000) was still in progress.

18 發展中物業 (續)

於截至二零一六年十二月三十一日止年度，賬面總值約為653,716,000港元之發展中物業於改變用途後轉撥至投資物業。於轉撥結束時，該等物業之公允值超出其賬面值部分約為557,141,000港元，已於綜合損益表內確認。

年內，位於中國大陸之發展中物業減值503,499,000港元(二零一五年：118,272,000港元)，已於本集團綜合損益表內確認，減值乃因若干發展中物業之估計可變現淨值減少。

於二零一六年十二月三十一日，本集團之賬面淨值約95,858,000港元(二零一五年：615,389,000港元)之發展中物業已抵押，作為本集團所獲授銀行貸款之擔保(附註30(a)(iii))。

於二零一六年十二月三十一日，賬面淨值約3,531,535,000港元(二零一五年：6,132,337,000港元)之以中期租約於中國大陸持有之土地使用權仍在申請中。

Notes to the Financial Statements

財 務 報 表 附 註

19 INVESTMENT IN SUBSIDIARIES

The following lists contain only the particulars of subsidiaries which principally affected the results, assets or liabilities of the Group. The class of shares held is ordinary unless otherwise stated.

(a) Subsidiaries directly held by the Company

19 附屬公司投資

以下列表僅包含對本集團業績、資產或負債有主要影響力之附屬公司詳情。除另有說明外，所持股份類別均為普通股。

(a) 由本公司直接持有之附屬公司

Name	Place of incorporation/ registration and business	Particulars of issued/ paid up capital	Proportion of ownership interest held by the Company	Principal activities
名稱	註冊成立／註冊及 營業地點	已發行／繳足 股本之詳情	本公司持有所有 權權益之百分比	主要業務
Shum Yip Southern Land (Holdings) Co., Ltd. (note b) 深業南方地產(集團)有限公司(附註b)	PRC/Mainland China 中國／中國大陸	HK\$1,702,500,000 1,702,500,000港元	100%	Property investment and development 物業投資及開發
Shum Yip Terra (Holdings) Co., Ltd. ("Shum Yip Terra") (note d/e) 深業泰然(集團)股份有限公司 (「深業泰然」)(附註d/e)	PRC/Mainland China 中國／中國大陸	RMB800,000,000 人民幣800,000,000元	51%	Property investment and development 物業投資及開發
Shum Yip Pengji Holdings Co., Ltd. (note b) 深業鵬基(集團)有限公司(附註b)	PRC/Mainland China 中國／中國大陸	RMB932,050,000 人民幣932,050,000元	100%	Property investment and development 物業投資及開發
Shum Yip Investment (Shenzhen) Co., Ltd. (note b) 深業控股(深圳)有限公司(附註b)	PRC/Mainland China 中國／中國大陸	US\$150,000,000 150,000,000美元	100%	Investment holding 投資控股
Changzhou Shum Yip Property Development Limited (note b) 常州深業地產有限公司(附註b)	PRC/Mainland China 中國／中國大陸	US\$99,800,000 99,800,000美元	100%	Property development 物業開發
Fairwind Pover Limited 富寶有限公司	B.V.I./Hong Kong 英屬維京群島／香港	US\$100,744 100,744美元	95%	Investment holding 投資控股
Shenzhen Bio-Agriculture Company Limited ("Shenzhen Bio-Agriculture") 深圳生物農業有限公司 (「深圳生物農業」)	B.V.I./Mainland China 英屬維京群島／ 中國大陸	US\$1 1美元	100%	Investment holding 投資控股

Notes to the Financial Statements

財 務 報 表 附 註

19 INVESTMENT IN SUBSIDIARIES (CONTINUED)
(a) Subsidiaries directly held by the Company (continued)

19 附屬公司投資(續)
(a) 由本公司直接持有之附屬公司(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/註冊及 營業地點	Particulars of issued/ paid up capital 已發行/繳足 股本之詳情	Proportion of ownership interest held by the Company 本公司持有所有 權權益之百分比	Principal activities 主要業務
City Capital Limited	B.V.I./Hong Kong 英屬維京群島/香港	US\$1 1美元	100%	Investment holding 投資控股
Hover Limited	B.V.I./Hong Kong 英屬維京群島/香港	US\$2 2美元	100%	Investment holding 投資控股
Medos Limited	B.V.I./Hong Kong 英屬維京群島/香港	US\$2 2美元	100%	Investment holding 投資控股
Shum Yip Investment Limited 深業控股有限公司	Hong Kong 香港	US\$2 2美元	100%	Investment holding 投資控股
Haerbin Shum Yip Property Development Company Limited (note c) 哈爾濱深業房地產發展有限公司 (附註c)	PRC/Mainland China 中國/中國大陸	RMB27,567,619 人民幣27,567,619元	100%	Property development 物業開發
Qingdao Shum Yip Property Development Company Limited (note c) 青島深業房地產發展有限公司 (附註c)	PRC/Mainland China 中國/中國大陸	RMB13,883,933 人民幣13,883,933元	100%	Property development 物業開發
Shenzhen Silicon Valley Hi-Tech Investment Co., Ltd. 深圳矽谷投資有限公司	B.V.I./Hong Kong 英屬維京群島/香港	US\$1 1美元	100%	Investment holding 投資控股

Notes to the Financial Statements

財 務 報 表 附 註

19 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(b) Subsidiaries indirectly held by the Company

19 附屬公司投資(續)

(b) 由本公司間接持有之附屬公司

名稱	Place of incorporation/ registration and business 成立/註冊及 營業地點	Particulars of issued/ paid up capital 已發行/繳足 股本之詳情	Proportion of ownership interest held by the Group 本集團持有所有 權權益之百分比	Principal activities 主要業務
Shum Yip Centre Development (Shenzhen) Co., Ltd. (note c) 深業中心發展(深圳)有限公司(附註c)	PRC/Mainland China 中國/中國大陸	HK\$40,000,000 40,000,000港元	100%	Property investment 物業投資
Shenzhen Terra Construction Co., Ltd. (note c) 深圳市深業泰然建設工程有限公司 (附註c)	PRC/Mainland China 中國/中國大陸	RMB10,000,000 人民幣10,000,000元	75.05%	Manufacture and sale of aluminium products 生產及銷售鋁製品
Shenzhen Terra Property Management Service Co., Ltd. (note c) 深圳市泰然物業管理服務有限公司 (附註c)	PRC/Mainland China 中國/中國大陸	RMB5,060,000 人民幣5,060,000元	75.05%	Property management 物業管理
Wuhan Shum Yip Terra Property Development Co., Ltd. (note c) 武漢市深業泰然房地產開發有限公司 (附註c)	PRC/Mainland China 中國/中國大陸	RMB137,000,000 人民幣137,000,000元	75.05%	Property development 物業開發
Shum Yip TaiFu Logistic Group Holding Co., Ltd. (note c) 深業泰富物流集團股份有限公司(附註c)	PRC/Mainland China 中國/中國大陸	RMB323,596,169 人民幣323,596,169元	97.74%	Operation of warehouses and property development 經營貨倉及物業開發
Shenzhen Pengji Property Management Services Limited (note c) 深圳市鵬基物業管理服務有限公司 (附註c)	PRC/Mainland China 中國/中國大陸	RMB40,000,000 人民幣40,000,000元	100%	Property management 物業管理
Shenzhen Shum Yip Steel Centre Ltd. (note c) 深圳深業五金有限公司(附註c)	PRC/Mainland China 中國/中國大陸	RMB19,920,000 人民幣19,920,000元	100%	Manufacture of steel products 製造五金產品

Notes to the Financial Statements

財 務 報 表 附 註

19 INVESTMENT IN SUBSIDIARIES (CONTINUED)
(b) Subsidiaries indirectly held by the Company
(continued)

19 附屬公司投資(續)
(b) 由本公司間接持有之附屬公司(續)

名稱	Place of incorporation/ registration and business 成立/註冊及 營業地點	Particulars of issued/ paid up capital 已發行/繳足 股本之詳情	Proportion of ownership interest held by the Group 本集團持有所有 權權益之百分比	Principal activities 主要業務
Shenzhen Wondershine Residence Company Limited (note c) 深圳市萬廈居業有限公司(附註c)	PRC/Mainland China 中國/中國大陸	RMB15,000,000 人民幣15,000,000元	100%	Property management 物業管理
Changsha Pengji Property Limited (note c) 長沙鵬基地產有限公司(附註c)	PRC/Mainland China 中國/中國大陸	RMB75,000,000 人民幣75,000,000元	80%	Property development 物業開發
Huizhou Pengji Investment Limited (note c) 惠州鵬基投資有限公司(附註c)	PRC/Mainland China 中國/中國大陸	RMB10,000,000 人民幣10,000,000元	100%	Property development 物業開發
Shum Yip (Shenzhen) Property Management Limited (note c) 深業集團(深圳)物業管理有限公司(附註c)	PRC/Mainland China 中國/中國大陸	RMB30,000,000 人民幣30,000,000元	100%	Property management 物業管理
Dongguan Shum Yip Property Development Limited (note c) 東莞市深業房地產有限公司(附註c)	PRC/Mainland China 中國/中國大陸	RMB10,000,000 人民幣10,000,000元	100%	Property development 物業開發
Foshan Shunde Shum Yip Property Development Limited (note c) 佛山市順德區深業房地產有限公司(附註c)	PRC/Mainland China 中國/中國大陸	RMB20,000,000 人民幣20,000,000元	100%	Property development 物業開發
Shum Yip Land Company Limited (note c) 深業置地有限公司(附註c)	PRC/Mainland China 中國/中國大陸	RMB50,000,000 人民幣50,000,000元	100%	Property development 物業開發
Shum Yip East China Property Development Co., Ltd. (note c) 深業華東地產開發有限公司(附註c)	PRC/Mainland China 中國/中國大陸	RMB50,000,000 人民幣50,000,000元	100%	Property development 物業開發
China Shum Yip (Group) Property Investment Company Limited 中國深業(集團)地產投資有限公司	B.V.I./Mainland China 英屬維京群島/ 中國大陸	US\$200 200美元	100%	Investment holding 投資控股

Notes to the Financial Statements

財 務 報 表 附 註

19 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(b) Subsidiaries indirectly held by the Company
(continued)

19 附屬公司投資(續)

(b) 由本公司間接持有之附屬公司(續)

名稱	Place of incorporation/ registration and business 成立/註冊及 營業地點	Particulars of issued/ paid up capital 已發行/繳足 股本之詳情	Proportion of ownership interest held by the Group 本集團持有所有 權權益之百分比	Principal activities 主要業務
Great Assets Development (Shenzhen) Ltd 新旺實業發展(深圳)有限公司	PRC/Mainland China 中國/中國大陸	US\$100,744,000 100,744,000美元	95%	Property development 物業開發
Shenyang Wuai Shumkang Transportation Centre (Limited) (note c) 瀋陽五愛深港客貨總站(有限公司) (附註c)	PRC/Mainland China 中國/中國大陸	RMB400,000,000 人民幣400,000,000元	81.09%	Property development and investment and transportation station management 物業開發及投資以及 運輸站管理
Shenyang Wuai Shenzhen Real Estate Development Company Limited (note c) 瀋陽五愛深港房地產開發有限公司 (附註c)	PRC/Mainland China 中國/中國大陸	HK\$62,403,000 62,403,000港元	81.09%	Property development 物業開發
Suzhou New Development Investment Limited (note c) 蘇州新發展投資有限公司(附註c)	PRC/Mainland China 中國/中國大陸	RMB800,000,000 人民幣800,000,000元	100%	Property development and hotel operation 物業開發及酒店營運
Shum Yip Land (Shenzhen) Property Management Limited (note c) 深業置地(深圳)物業管理有限公司 (附註c)	PRC/Mainland China 中國/中國大陸	RMB5,000,000 人民幣5,000,000元	100%	Property development 物業開發
Shenzhen Kezhigu Investment Limited (note c) 深圳市科之谷投資有限公司(附註c)	PRC/Mainland China 中國/中國大陸	RMB784,528,950 人民幣784,528,950元	100%	Property development and property investment 物業開發及物業投資
Shenzhen Nongke Group Limited (note c) 深圳市農科集團有限公司(「農科」) (附註c)	PRC/Mainland China 中國/中國大陸	RMB200,000,000 人民幣200,000,000元	100%	Investment holding, property investment and property management 投資控股, 物業投資及 物業管理

Notes to the Financial Statements

財 務 報 表 附 註

19 INVESTMENT IN SUBSIDIARIES (CONTINUED)
(b) Subsidiaries indirectly held by the Company
(continued)

19 附屬公司投資(續)
(b) 由本公司間接持有之附屬公司(續)

名稱	Place of incorporation/ registration and business 成立/註冊及 營業地點	Particulars of issued/ paid up capital 已發行/繳足 股本之詳情	Proportion of ownership interest held by the Group 本集團持有所有 權權益之百分比	Principal activities 主要業務
Shenzhen Nongke Property Development Limited (note c) 深圳市農科房地產開發有限公司(附註c)	PRC/Mainland China 中國/中國大陸	RMB30,000,000 人民幣30,000,000元	100%	Property development and property investment 物業開發及物業投資
Shenzhen International Qianhai Real Estate (Shenzhen) Co., Ltd ("SIQ Real Estate") (note c) 深國際前海置業(深圳)有限公司 (「前海置業」)(附註c)	PRC/Mainland China 中國/中國大陸	RMB10,000,000 人民幣10,000,000元	50%	Property development and property investment 物業開發及物業投資
Shum Yip Land (Shenzhen) Property Management Limited (note c) 深業置地(深圳)物業管理有限公司 (附註c)	PRC/Mainland China 中國/中國大陸	RMB5,000,000 人民幣5,000,000元	100%	Property development 物業開發

Notes:

- The English translation of the company's name is for reference only. The official name of the company are in Chinese.
- Established in the PRC as a wholly-foreign-owned enterprise
- Established in the PRC as a domestic enterprise with limited liability
- Established in the PRC as a Sino-foreign joint venture enterprise
- As at 31 December 2016, the Group's effective interest (including equity interest both directly and indirectly by the Company) in Shum Yip Terra was 75.05%.

附註:

- 公司之英文譯名僅供參考。公司之正式名稱為中文。
- 於中國成立為外商獨資企業
- 於中國成立為國內有限責任企業
- 於中國成立為中外合營企業
- 於二零一六年十二月三十一日,本集團於深業泰然之實際權益(包括由本公司直接及間接持有之股本權益)為75.05%。

Notes to the Financial Statements

財 務 報 表 附 註

19 INVESTMENT IN SUBSIDIARIES (CONTINUED)

The directors consider disclosing details of other subsidiaries would result in particulars of excessive length and therefore only disclose the particulars of the subsidiaries listed above in the consolidated financial statements.

The following tables lists out the information of the subsidiaries of the Group which has a material non-controlling interest (NCI). The summarised financial information presented below represents the amounts before any inter-company elimination.

Shum Yip Terra

19 附屬公司投資(續)

董事認為，披露其他附屬公司詳情會導致資料過於冗長，因此於綜合財務報表內僅披露上文所列附屬公司之詳情。

下表列出本集團擁有重大非控股權益之附屬公司之資料。下文呈列之財務資料摘要乃指未作任何成員公司間對銷之金額。

深業泰然

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
NCI percentage	非控股權益百分比	24.95%	24.95%
Current assets	流動資產	6,295,658	5,743,836
Non-current assets	非流動資產	8,507,192	8,457,528
Current liabilities	流動負債	(6,684,305)	(5,336,887)
Non-current liabilities	非流動負債	(2,013,663)	(1,253,416)
Net assets	資產淨值	6,104,882	7,611,061
Carrying amount of NCI	非控股權益之賬面值	1,523,168	1,898,841
Revenue	收益	3,070,337	1,687,867
Profit for the year	年內溢利	453,562	965,740
Total comprehensive income	全面收益總額	453,562	965,740
Profit allocated to NCI	分配予非控股權益之溢利	113,164	240,937
Dividend declared to NCI	宣派予非控股權益之股息	358,496	79,037
Cash flows generated from/(used in) operating activities	經營活動所得/(所用)之現金流量	858,260	(59,022)
Cash flows generated from/(used in) investing activities	投資活動所得/(所用)之現金流量	5,917	(3,582)
Cash flows (used in)/generated from financing activities	融資活動(所用)/所得之現金流量	(179,613)	125,824

Notes to the Financial Statements

財 務 報 表 附 註

19 INVESTMENT IN SUBSIDIARIES (CONTINUED)
SIQ Real Estate (acquired during the year ended 31
December 2016)

19 附屬公司投資(續)
前海置業(於截至二零一六年十二月三十一
日止年度內所收購)

		2016 二零一六年 HK\$'000 千港元
NCI percentage	非控股權益百分比	50.00%
Current assets	流動資產	2,579,864
Non-current assets	非流動資產	335
Current liabilities	流動負債	(76,103)
Net assets	資產淨值	2,504,096
Carrying amount of NCI	非控股權益之賬面值	1,252,048
Revenue	收益	-
Loss for the period	年內虧損	(4)
Total comprehensive income	全面收益總額	(4)
Profit allocated to NCI	分配予非控股權益之溢利	(2)
Dividend paid to NCI	支付予非控股權益之股息	-
Cash flows used in operating activities	經營活動所用之現金流量	(568,717)
Cash flows from investing activities	投資活動所得之現金流量	-
Cash flows from financing activities	融資活動所得之現金流量	-

Aggregate information of subsidiaries which has a NCI that
are not individually material

個別不屬重大非控股權益之附屬公司之合計
資料

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Aggregate carrying amount of NCI	非控股權益賬面值合計	634,905	344,360
Profit/(loss) allocated to NCI	分配予非控股權益之溢利/(虧損)	187,136	(22,481)

Notes to the Financial Statements

財 務 報 表 附 註

20 INTERESTS IN ASSOCIATES

20 聯營公司權益

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Unlisted:	非上市：		
Share of net assets	應佔資產淨值	123,469	97,916
Loans to associates	給予聯營公司之貸款	—	15,397
		123,469	113,313
Listed in Hong Kong:	於香港上市：		
Share of net assets	應佔資產淨值	4,595,775	4,449,137
Goodwill on acquisition	收購產生之商譽	91,577	91,577
Provision for impairment*	減值撥備*	(816,000)	(816,000)
		3,871,352	3,724,714
		3,994,821	3,838,027

* The provision for impairment is related to the Company's interest in Coastal Greenland Limited ("Coastal Greenland").

* 減值撥備與本公司於沿海綠色家園有限公司（「沿海綠色家園」）之投資有關。

Particulars of the material associates are as follows:

主要聯營公司詳情如下：

Name 名稱	Business structure 業務架構	Place of incorporation/ registration and business 成立／註冊及 營業地點	Issued ordinary/ registered share capital 已發行普通／ 註冊股本	Percentage of ownership interest attributable to the Group 本集團應佔 所有權權益百分比		Principal activities 主要業務
				2016 二零一六年	2015 二零一五年	
Coastal Greenland* 沿海綠色家園*	Corporate 公司	Bermuda/ Mainland China 百慕達／中國大陸	HK\$418,587,000 418,587,000港元	15.08	15.08	Property development and investment 物業開發及投資
Road King Infrastructure Ltd. ("Road King")** 路勁基建有限公司 （「路勁」）**	Corporate 公司	Bermuda/ Mainland China 百慕達／中國大陸	HK\$73,994,000 73,994,000港元	27.34	27.34	Development, operation and management of toll roads and property development and investment 發展營運及管理收費公 路以及物業開發及投 資

Notes to the Financial Statements

財 務 報 表 附 註

20 INTERESTS IN ASSOCIATES (CONTINUED)

None of the associates are audited by KPMG, Hong Kong or another member firm of the KPMG global network.

- * Coastal Greenland is a limited liability company incorporated in Bermuda and its ordinary shares with a nominal value of HK\$0.10 each are listed on the Main Board of the Stock Exchange of Hong Kong Limited. The principal location of Coastal Greenland's business is Mainland China. Although the Group holds less than 20% of the ownership interest and voting control of Coastal Greenland, the Group considers that it has the ability to exercise significant influence over Coastal Greenland through both its shareholding and its nominated directors' participation on Coastal Greenland's board of directors.
- ** Road King is a limited liability company incorporated in Bermuda and its ordinary shares with a nominal value of HK\$0.10 each are listed on the Main Board of the Stock Exchange of Hong Kong Limited. The principal location of Road King's business is Mainland China.

The Group's shareholdings in the associates comprise equity shares held by the Company, except for Road King, the shareholdings of which are held through a wholly-owned subsidiary of the Company.

The financial years of the Group's associates are coterminous with that of the Group, except for Coastal Greenland which has a financial year ending 31 March. The interim consolidated financial report is adjusted for the material transactions between Coastal Greenland and group companies between the interim report date and 31 December. Coastal Greenland uses 31 March as its financial year end date to conform with that of its holding company.

20 聯營公司權益 (續)

任何聯營公司均未經香港畢馬威會計師事務所或該事務所其他全球會員公司所審核。

- * 沿海綠色家園乃於百慕達註冊成立之有限責任公司，其每股面值0.10港元之普通股在香港聯合交易所有限公司主板上市。沿海綠色家園之主要營業地點為中國大陸。儘管本公司持有沿海綠色家園之所有權益及投票權少於20%，但本集團認為可透過股權及提名董事參與沿海綠色家園董事會從而具有對沿海綠色家園實行重大影響之能力。
- ** 路勁乃於百慕達註冊成立之有限責任公司，其每股面值0.10港元之普通股在香港聯合交易所有限公司主板上市。路勁之主要營業地點為中國大陸。

本集團於聯營公司之股權包括本公司持有之權益股份，除路勁之外，該等公司之股權乃透過本公司之全資附屬公司持有。

本集團聯營公司之財政年度與本集團之財政年度基本一致，惟沿海綠色家園之財政年度年結為三月三十一日。綜合中期財務報告就沿海綠色家園與集團公司於中期報告日期至十二月三十一日期間之重大交易作出調整。沿海綠色家園採用三月三十一日為其財政年度年結日，以便與其控股公司所採用者一致。

Notes to the Financial Statements

財 務 報 表 附 註

20 INTERESTS IN ASSOCIATES (CONTINUED)

The following table sets out the summarised financial information in respect of Road King adjusted for any differences in accounting policies, and reconciled to the carrying amount in the consolidated financial statements:

20 聯營公司權益 (續)

下表列示財務資料摘要，乃有關路勁就任何會計政策差異作出調整並對賬調整至綜合財務報表內之賬面值：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Current assets	流動資產	41,048,193	31,068,403
Non-current assets	非流動資產	9,351,938	8,987,904
Current liabilities	流動負債	(23,710,747)	(18,087,764)
Non-current liabilities	非流動負債	(12,456,756)	(7,992,676)
Net assets	資產淨值	14,232,628	13,975,867
Less: Non-controlling interests	減：非控股權益	(938,466)	(820,470)
Net assets attributable to equity shareholders of the associate	聯營公司權益股東應佔資產淨值	13,294,162	13,155,397
Reconciliation to the Group's interest in the associate:	對賬調整至本集團於聯營公司之權益：		
Proportion of the Group's ownership	本集團所有權之比例	27.34%	27.34%
Group's share of net assets of the associate	本集團分佔聯營公司資產淨值	3,634,624	3,596,686
Goodwill on acquisition recognised by the Group	本集團確認之收購商譽	91,577	91,577
Carrying amount of the investment	投資之賬面值	3,726,201	3,688,263
Revenue	收益	16,841,585	12,509,646
Profit for the year	年內溢利	1,373,596	828,310
Other comprehensive income	其他全面收益	(821,133)	(547,096)
Total comprehensive income for the year	年內全面收益總額	552,463	281,214
Dividend received	已收股息	96,972	117,175

Notes to the Financial Statements

財 務 報 表 附 註

20 INTERESTS IN ASSOCIATES (CONTINUED)

The following table sets out the summarised financial information in respect of Coastal Greenland adjusted for any differences in accounting policies, and reconciled to the carrying amount in the consolidated financial statements:

20 聯營公司權益 (續)

下表列示財務資料摘要，乃有關沿海綠色家園就任何會計政策差異作出調整並對賬調整至綜合財務報表內之賬面值：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Current assets	流動資產	11,769,781	16,805,714
Non-current assets	非流動資產	4,455,151	1,775,575
Current liabilities	流動負債	(7,498,452)	(8,809,889)
Non-current liabilities	非流動負債	(2,352,345)	(4,120,890)
Net assets	資產淨值	6,374,135	5,650,510
Less: Non-controlling interests	減：非控股權益	(455)	2,348
Net assets attributable to equity shareholders of the associate	聯營公司權益股東應佔資產淨值	6,373,680	5,652,858
Reconciliation to the Group's interest in the associate:	對賬調整至本集團於聯營公司之權益：		
Proportion of the Group's ownership	本集團所有權之比例	15.08%	15.08%
Carrying amount of the investment	投資之賬面值	961,151	852,451
Accumulated impairment losses	累計減值虧損	(816,000)	(816,000)
Net carrying amount of the investment	投資之賬面淨值	145,151	36,451
Revenue	收益	1,007,385	1,466,235
Profit/(loss) for the year	年內溢利/(虧損)	919,971	(490,977)
Other comprehensive income	其他全面收益	(214,022)	(743,676)
Total comprehensive income for the year	年內全面收益總額	705,949	(252,699)
Dividend received	已收取股息	—	—

Notes to the Financial Statements

財 務 報 表 附 註

20 INTERESTS IN ASSOCIATES (CONTINUED)

The following table sets out the aggregate financial information of the Group's other associates that are not individually material:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Share of the associates' profit for the year and total comprehensive income	分佔聯營公司之年內溢利及全面收益總額	6,426	14,245
Aggregate carrying amount of the Group's investments in the associates	本集團於聯營公司之投資賬面總值	123,469	113,313

As at 31 December 2016, the fair value of interests in associates whose shares are listed in Hong Kong was HK\$1,448,183,000 (2015: HK\$1,487,556,000).

20 聯營公司權益 (續)

下表列示本集團個別不重要之聯營公司之合計財務資料：

於二零一六年十二月三十一日，於股份在香港上市的聯營公司的權益之公平值為1,448,183,000港元（二零一五年：1,487,556,000港元）。

21 INTERESTS IN JOINT VENTURES

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Share of net assets	分佔資產淨值	3,127,130	2,953,663
Goodwill on acquisition	收購產生之商譽	6,116	6,116
Loans to joint ventures	給予合營公司之貸款	167,685	77,531
		3,300,931	3,037,310

21 合營公司權益

Notes to the Financial Statements

財 務 報 表 附 註

21 INTERESTS IN JOINT VENTURES (CONTINUED)

Particulars of the Group's material joint ventures are as follows:

21 合營公司權益 (續)

本集團之主要合營公司詳情如下：

Name 名稱	Nominal value of registered capital 註冊資本面值	Place of registration and business 註冊及營業地點	Percentage of 所佔之百分比			Principal activities 主要業務
			Ownership interest 所有權權益	Voting power 投票權	Profit sharing 溢利分享	
Shenzhen Langtong Property Development Company Limited ("Langtong") 深圳市朗通房地產開發有限 公司 (「朗通」)	RMB100,000,000 人民幣100,000,000元	PRC/ Mainland China 中國／中國大陸	50	50	50	Property development and property investment 物業開發及物業投資
Shenzhen Tianan Cyber Park (Group) Company Limited* ("Tianan") 天安數碼城(集團)有限公司 (「天安」)	US\$62,000,000 62,000,000美元	PRC/ Mainland China 中國／中國大陸	37.53*	50	37.53*	Property investment and development 物業投資及開發
Taizhou Shum Yip Investment Development Limited ("Taizhou Shum Yip") 泰州市深業投資發展有限公司 (「泰州深業」)	RMB100,000,000 人民幣100,000,000元	PRC/ Mainland China 中國／中國大陸	51	50	51	Provision of land development service 提供土地開發服務

All of the above investments are indirectly held by the Company.

所有上述投資均由本公司間接持有。

* The 50% ownership interest in Tianan is held by a 75.05% non-wholly owned subsidiary of the Group. Therefore, the Group's effective ownership interest and profit sharing is 37.53%.

* 天安50%所有權權益由一間本集團持股75.05%之非全資附屬公司持有。因此，本集團實際所有權權益及溢利分攤佔37.53%。

Notes to the Financial Statements

財 務 報 表 附 註

21 INTERESTS IN JOINT VENTURES (CONTINUED)

The following table sets out the summarised financial information in respect of Langtong adjusted for any differences in accounting policies and reconciled to the carrying amount in the financial statements:

21 合營公司權益 (續)

下表列示財務資料摘要，乃有關朗通就任何會計政策差異作出調整並對賬調整至財務報表內之賬面值：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Current assets	流動資產	6,091,352	4,098,664
Non-current assets	非流動資產	191,842	55,460
Current liabilities	流動負債	(5,671,648)	(3,417,936)
Net assets	資產淨值	611,546	736,188
Reconciliation to the Group's interest in the joint venture:			
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Proportion of the Group's ownership	對賬調整至本集團於合營公司之權益：	50%	50%
Group's share of net assets of the joint venture	本集團所有權之比例		
	本集團分佔合營公司		
	資產淨值	305,773	368,094
Goodwill on acquisition recognised by the Group	本集團確認之收購商譽	6,116	6,116
Carrying amount of the investment	投資之賬面值	311,889	374,210
Revenue	收益	1,164,652	1,468,680
Profit for the year	年內溢利	234,058	388,739
Total comprehensive income for the year	年內全面收益總額	234,058	388,739
Dividend received	已收股息	145,327	—

Notes to the Financial Statements

財 務 報 表 附 註

21 INTERESTS IN JOINT VENTURES (CONTINUED)

The following table sets out the summarised financial information in respect of Tianan adjusted for any differences in accounting policies, and reconciled to the carrying amount in the consolidated financial statements:

21 合營公司權益 (續)

下表列示財務資料摘要，乃有關天安就任何會計政策差異作出調整並對賬調整至綜合財務報表內之賬面值：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Current assets	流動資產	11,681,829	12,534,882
Non-current assets	非流動資產	4,436,496	3,566,396
Current liabilities	流動負債	(6,928,758)	(7,176,635)
Non-current liabilities	非流動負債	(3,796,542)	(4,047,769)
Net assets	資產淨值	5,393,025	4,876,874
Less: Non-controlling interests	減：非控股權益	(115,639)	(113,152)
Net assets attributable to equity shareholders of the joint venture	合營公司權益股東應佔資產淨值	5,277,386	4,763,722
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Reconciliation to the Group's interest in the joint venture:	對賬調整至本集團於合營公司之權益：		
Proportion of the Group's ownership	本集團所有權之比例	50%	50%
Group's share of net assets of the joint venture	本集團分佔合營公司資產淨值	2,638,693	2,381,861
Loan to the joint venture	給予合營公司之貸款	167,685	65,493
Carrying amount of the investment	投資之賬面值	2,806,378	2,447,354
Revenue	收益	3,044,964	2,727,991
Profit for the year	年內溢利	1,095,595	879,740
Total comprehensive income for the year	年內全面收益總額	1,095,595	879,740
Dividend received	已收股息	111,790	—

Notes to the Financial Statements

財 務 報 表 附 註

21 INTERESTS IN JOINT VENTURES (CONTINUED)

Taizhou Shum Yip, which is considered a material joint venture of the Group, is engaged in provision of land development service and is accounted for using the equity method.

The following table sets out the summarised financial information in respect of Taizhou Shum Yip adjusted for any differences in accounting policies and reconciled to the carrying amount in the financial statements:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Current assets	流動資產	3,235,571	2,033,045
Non-current assets	非流動資產	3,181,410	2,902,595
Current liabilities	流動負債	(3,020,346)	(1,952,163)
Non-current liabilities	非流動負債	(3,176,313)	(2,756,355)
Net assets	資產淨值	220,322	227,122
Reconciliation to the Group's interest in the joint venture:	對賬調整至本集團於合營公司之權益：		
Proportion of the Group's ownership	本集團所有權之比例	51%	51%
Carrying amount of the investment	投資之賬面值	112,364	115,832
Revenue	收益	-	1,742,230
(Loss)/profit for the year	年內(虧損)/溢利	(3,365)	367,212
Total comprehensive income for the year	年內全面收益總額	(3,365)	367,212

The following table sets out the aggregate financial information of the Group's joint ventures that are not individually material:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Share of the joint ventures' profit for the year	分佔合營公司年內溢利	-	-
Aggregate carrying amount of the Group's investments in the joint ventures	本集團於合營公司之投資賬面總值	70,300	99,914

21 合營公司權益 (續)

泰州深業被視為本集團之重要合營公司，從事提供土地開發服務，並以權益法入賬。

下表列示財務資料摘要，乃有關泰州深業就任何會計政策差異作出調整並對賬調整至財務報表內之賬面值：

下表列示本集團個別不重要之合營公司之合計財務資料：

Notes to the Financial Statements

財 務 報 表 附 註

22 AVAILABLE-FOR-SALE INVESTMENTS

22 可供出售投資

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At fair value:	按公允值：		
Listed equity investments in Mainland China	於中國大陸上市之股權投資	54,798	65,583
At cost:	按成本：		
Unlisted equity investments	非上市股權投資	58,187	58,101
		112,985	123,684

During the year, the net loss in respect of the Group's available-for-sale investments recognised in other comprehensive income amounted to net loss of HK\$8,089,000 (2015: net loss of HK\$4,696,000).

The fair values of listed equity investments are determined based on quoted market prices.

As at 31 December 2016, unlisted equity investments with a carrying amount of HK\$58,187,000 (2015: HK\$58,101,000) were stated at cost less accumulated impairment losses because the range of reasonable fair value estimates is so significant that the directors are of the opinion that their fair value cannot be measured reliably. The Group does not intend to dispose of them in the near future.

23 OTHER LONG TERM ASSETS

As at 31 December 2016, other long term assets mainly represented prepayments of HK\$1,731,251,000 (2015: HK\$1,778,889,000) related to the acquisition of land use rights. The remaining balance included the non-current receivable due from a joint venture of HK\$976,555,000 (2015: nil) (note 43(b)) and the resettlement guarantee deposit placed with the original landlords of a resettlement project of HK\$480,677,000 (2015: nil). The deposit will be released upon the completion of the resettlement, which is expected to be beyond the next twelve months.

年內，本集團於其他全面收益中確認之可供出售投資之淨虧損達8,089,000港元（二零一五年：淨虧損4,696,000港元）。

上市股權投資之公允值乃根據市場報價釐定。

於二零一六年十二月三十一日，賬面值為58,187,000港元（二零一五年：58,101,000港元）之非上市股權投資按成本減累計減值虧損列賬，原因為合理公允值估計範圍頗大，董事認為其公允值不能可靠地計量。本集團近期並無意將其出售。

23 其他長期資產

於二零一六年十二月三十一日，其他長期資產主要指就收購土地使用權而支付之預付款項1,731,251,000港元（二零一五年：1,778,889,000港元）。其餘結餘款包括應收一間合營公司之非即期款項976,555,000港元（二零一五年：無）（附註43(b)）及存放於回遷安置項目原始業主處之回遷安置保證金480,677,000港元（二零一五年：無）。該保證金將於回遷安置完成（預期將於未來十二個月後）後解除限制。

Notes to the Financial Statements

財 務 報 表 附 註

24 BIOLOGICAL ASSETS

The Group's total amounts of the biological assets are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Breeding biological assets	生產性生物資產	–	7,075
Trading biological assets	消耗性生物資產	8,136	9,576
		8,136	16,651

The Group's biological assets comprise mainly pigeons and cloned orchid flowers.

The Group's biological assets were revalued by management at the end of each reporting period on a fair value basis. The fair value less estimated point-of-sale costs of the biological assets was determined using the market approach, which was determined based on the most recent market transaction prices.

A reconciliation of the carrying values of the biological assets is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Breeding biological assets	生產性生物資產		
At 1 January	於一月一日	7,075	7,200
Purchases	購買	262	641
Disposals	出售	(6,888)	(443)
Exchange realignment	匯兌調整	(449)	(323)
		–	7,075

24 生物資產

本集團生物資產總額如下：

本集團之生物資產主要包括鴿子及克隆蘭花。

本集團之生物資產由管理層於各報告期末按公允價值基準重估。生物資產之公允價值估計銷售點成本乃以市場法釐定，即按最近期市場交易價格釐定。

生物資產之賬面值對賬如下：

Notes to the Financial Statements

財 務 報 表 附 註

24 BIOLOGICAL ASSETS (CONTINUED)

24 生物資產 (續)

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Trading biological assets	消耗性生物資產		
At 1 January	於一月一日	9,576	10,188
Purchases	購買	20,799	25,347
Sales	銷售	(21,635)	(26,777)
Gain arising from changes in fair value less costs to sell	公允值變動產生之利得減銷售成本	—	1,274
Exchange realignment	匯兌調整	(604)	(456)
		8,136	9,576

25 INVENTORIES

25 存貨

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Raw materials	原材料	42,753	33,298
Work in progress	在產品	23,510	35,659
Finished goods	製成品	27,091	29,846
		93,354	98,803

Notes to the Financial Statements

財 務 報 表 附 註

26 TRADE RECEIVABLES

26 應收賬款

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Trade receivables	應收賬款	357,498	562,412
Less: allowance for doubtful debts	減：呆賬備抵	(34,992)	(34,258)
		322,506	528,154

Under normal circumstances, the Group does not grant any credit terms to its customers for the sale of properties. The Group seeks to maintain strict control over its outstanding receivables and to minimise credit risk. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

在正常情況下，本集團不會向其客戶就物業出售授出任何信貸期。本集團設法對其未收回應收款項保持嚴格控制及減低信貸風險。鑑於上述原因及本集團之應收賬款涉及多個行業之眾多客戶，故本集團並無過度集中之信貸風險。本集團並無就其應收賬款結餘持有任何抵押品或其他信貸升級。應收賬款為不計息款項。

An aged analysis of the trade receivables as at the end of the reporting period, based on the contract date and net of provision, is as follows:

於報告期末以合約日期計算並扣除撥備之應收賬款賬齡分析如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	一年內	310,256	513,645
One to two years	一年至兩年內	12,250	14,509
		322,506	528,154

The movements in the allowance for doubtful debts of trade receivables are as follows:

應收賬款之呆賬備抵變動如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At 1 January	於一月一日	34,258	34,294
Impairment losses recognised	已確認減值虧損	9,150	844
Amount written off as uncollectible	撇銷為不可收回款項	(2,704)	(116)
Reversal of impairment of trade receivables	應收賬款減值撥回	(1,601)	(157)
Exchange realignment	匯兌調整	(4,111)	(607)
		34,992	34,258

Notes to the Financial Statements

財 務 報 表 附 註

26 TRADE RECEIVABLES (CONTINUED)

At 31 December 2016, trade receivables of HK\$34,992,000 (2015: HK\$34,258,000) were individually determined to be impaired. The individually impaired receivables related to customers that were in financial difficulties and the full amount is not expected to be recovered.

The aged analysis of the trade receivables that are not individually nor collectively considered to be impaired is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Neither past due nor impaired	未逾期亦未減值	310,256	513,645
Less than one year past due	逾期少於一年	12,250	14,509
		322,506	528,154

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

26 應收賬款 (續)

於二零一六年十二月三十一日，34,992,000港元 (二零一五年：34,258,000港元) 之應收賬款被個別確定為減值。個別減值之應收賬款與面臨財務困難之客戶有關，預期該等款項無法全數收回。

既無個別亦無共同認為出現減值之應收賬款賬齡分析如下：

未逾期亦未減值之應收款項與涉及多個行業之眾多客戶有關，而彼等近期無不良拖欠記錄。

已逾期但未減值之應收款項與眾多非關聯之客戶有關，該等客戶與本集團擁有良好過往記錄。依據過往經驗，由於該等結餘之信貸質素並無重大變動且結餘仍被視為可全數收回，故本公司董事認為無需就該等結餘作出減值撥備。

Notes to the Financial Statements

財 務 報 表 附 註

27 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

27 預付款項、訂金及其他應收款項

			2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
	Note 附註			
Prepayments	預付款項		170,866	177,736
Deposits and other receivables	訂金及其他應收款項		1,134,029	531,071
Loans to joint ventures	給予合營公司之貸款	43(b)	68,501	949,853
Due from the immediate holding company	應收直接控股公司款項	(i)	537	2,484
Due from the ultimate holding company	應收最終控股公司款項	(i)	31,128	20,528
Due from fellow subsidiaries	應收同系附屬公司	(i)	30,545	13,091
Due from non-controlling shareholders	應收非控股股東	(i)	249,322	1,263
			1,684,928	1,696,026

(i) The balances are unsecured, interest-free and have no fixed terms of repayment.

(i) 結餘款項為無抵押、免息且無固定還款期限。

None of the above assets is either past due or impaired. The financial assets included in the above balances relate to receivables for which there was no recent history of default.

上述資產未逾期亦未減值。計入上述餘額之金融資產與近期無不良拖欠之應收款項有關。

28 EQUITY INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

28 透過損益按公允值計算之股權投資

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Listed equity investments, at market value	上市股權投資，按市值	4,566	3,696

The above equity investments at 31 December 2016 and 2015 were classified as held for trading.

上述於二零一六年及二零一五年十二月三十一日之股權投資分類為持作交易。

Notes to the Financial Statements

財 務 報 表 附 註

29 CASH AND CASH EQUIVALENTS AND RESTRICTED CASH 29 現金及現金等價物及受限制現金

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Cash and bank balances	現金及銀行結餘	10,290,520	11,757,506
Time deposits	定期存款	1,773,163	2,061,269
		12,063,683	13,818,775
Less: Restricted cash*	減：受限制現金*	(2,204,157)	(4,110,729)
Cash and cash equivalents	現金及現金等價物	9,859,526	9,708,046

* As at 31 December 2016, an aggregate amount of RMB546,850,000 (equivalent to HK\$611,323,000) deposited in the bank accounts of one subsidiary of the Group was frozen by The People's Procuratorate of Jianli County of Hubei Province (note 32(ii)).

As at 31 December 2016, there was HK\$1,193,580,000 (2015: HK\$3,464,015,000) in the Group's restricted cash, which was limited to use in the development of certain property projects. In accordance with relevant documents issued by the PRC State-Owned Land and Resource Bureau, certain property development companies of the Group are required to place in designated bank accounts certain amounts of presale proceeds from properties as guarantee deposits for the construction of related properties. The deposits can only be used for purchases of construction materials and the payments of construction fees of the relevant property projects when approval from the PRC State-Owned Land and Resource Bureau is obtained. Such guarantee deposits will only be released after completion of the related pre-sold properties or issuance of the real estate ownership certificates, whichever is the earlier.

At 31 December 2016, the Group's cash and cash equivalents and restricted cash of denominated in Renminbi ("RMB") amounted to HK\$10,752,350,000 (2015: HK\$12,813,860,000). The RMB is not freely convertible into other currencies. However, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

* 於二零一六年十二月三十一日，湖北省監利縣人民檢察院查封存放於本集團一間附屬公司銀行賬戶之總額人民幣546,850,000元（相當於611,323,000港元）（附註32(ii)）。

於二零一六年十二月三十一日，本集團受限制現金有1,193,580,000港元（二零一五年：3,464,015,000港元），僅可用作開發若干物業項目。根據中國國有土地資源管理局頒佈之有關文件，本集團若干物業開發公司須於指定銀行賬戶存放若干數額之預售物業所得款項，作為相關物業建造專項之擔保存款。該存款僅可於獲得中國國有土地資源管理局批准時用於購買建材及支付有關物業項目之建造費用。有關擔保存款僅會於相關預售物業竣工或簽發房地產權證（以較早發生者為準）後方予解除。

於二零一六年十二月三十一日，本集團以人民幣（「人民幣」）計值之現金及現金等價物以及受限制現金共10,752,350,000港元（二零一五年：12,813,860,000港元）。人民幣並不可自由兌換為其他貨幣。然而，根據中國外匯管制條例及結匯、售匯及付匯管理規定，本集團獲准透過有權進行外匯業務之銀行將人民幣兌換為其他貨幣。

Notes to the Financial Statements

財 務 報 表 附 註

30 INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)

- (a) Bank loans amounting to HK\$638,225,000 (2015: HK\$1,917,604,000) were secured by certain of the Group's assets as below:
- (i) land and buildings in Mainland China with a net carrying amount of approximately HK\$678,753,000 (2015: HK\$728,180,000) (note 13);
 - (ii) completed properties held for sale with a net carrying amount of approximately nil (2015: HK\$66,738,000) (note 17);
 - (iii) properties under development with a net carrying amount of approximately HK\$95,858,000 (2015: HK\$615,389,000) (note 18); and
 - (iv) investment properties with a net carrying amount of approximately HK\$777,095,000 (2015: HK\$1,884,717,000) (note 16).

In addition, Shum Yip Group, the ultimate holding company, has guaranteed certain of the Group's bank loans of HK\$3,771,012,000 as at 31 December 2016 (2015: HK\$4,534,160,000) (note 43(d)(i)).

- (b) Except for the bank loans equivalent to approximately HK\$6,981,840,000 (2015: HK\$5,342,228,000) and HK\$5,964,000,000 (2015: HK\$5,114,000,000), which are denominated respectively in United States dollars and Hong Kong dollars, all borrowings are in RMB.
- (c) A subsidiary in Mainland China has entered into a fund arrangement with a financial institution (the "Trustee"), pursuant to which the Trustee has raised trust fund amounting to RMB2,500,000,000 (equivalent to HK\$2,794,750,000) (2015: RMB2,500,000,000 (equivalent to HK\$2,983,000,000)) and provided the fund to the subsidiary for financing a property development project of the subsidiary. The fund bears a fixed interest rate at 6.80% (2015: 6.80%) per annum. The fund will expire in May 2021 and is guaranteed by Shum Yip Group.

30 計息銀行貸款及其他借貸 (續)

- (a) 金額為638,225,000港元(二零一五年: 1,917,604,000港元)之銀行貸款以下列若干本集團之資產作抵押:
- (i) 於中國大陸所持賬面淨值約678,753,000港元(二零一五年: 728,180,000港元)之土地及樓宇(附註13);
 - (ii) 賬面淨值為零(二零一五年: 66,738,000港元)之持作待售之已落成物業(附註17);
 - (iii) 賬面淨值約95,858,000港元(二零一五年: 615,389,000港元)之發展中物業(附註18);及
 - (iv) 賬面淨值約777,095,000港元(二零一五年: 1,884,717,000港元)之投資物業(附註16)。

此外,最終控股公司深業集團於二零一六年十二月三十一日,已就本集團若干銀行貸款3,771,012,000港元(二零一五年: 4,534,160,000港元)作出擔保(附註43(d)(i))。

- (b) 除相當於約6,981,840,000港元(二零一五年: 5,342,228,000港元)及5,964,000,000港元(二零一五年: 5,114,000,000港元)之銀行貸款分別以美元及港元計值外,所有借貸均以人民幣計值。
- (c) 中國內地之一間附屬公司與一間金融機構(「受託人」)簽訂資金安排,據此,受託人已籌集信託基金人民幣2,500,000,000元(相當於2,794,750,000港元)(二零一五年: 人民幣2,500,000,000元(相當於2,983,000,000港元))及就撥付附屬公司之一個物業發展項目所需資金向附屬公司提供資金。該筆資金按固定年利率6.80%(二零一五年: 6.80%)計息,將於二零二一年五月到期,並由深業集團擔保。

Notes to the Financial Statements

財 務 報 表 附 註

30 INTEREST-BEARING BANK AND OTHER BORROWINGS (CONTINUED)

(d) Certain of the Group's banking facilities are subject to the fulfillment of covenants relating to the Group's financial ratios, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the drawn down facilities would become repayable on demand. The Group regularly monitors its compliance with these covenants. Further details of the Group's management of liquidity risk are set out in note 38(b). As 31 December 2016. None of the covenants relating to drawn down facilities had been breached (2015: nil).

31 TRADE PAYABLES

An aged analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	一年內	570,813	518,661
One to two years	一年至兩年內	235,977	315,539
Two to three years	兩年至三年內	226,082	140,049
Over three years	三年以上	83,560	38,877
		1,116,432	1,013,126

The total amounts of the trade payables are non-interest-bearing.

應付賬款總額為不計息款項。

32 OTHER PAYABLES AND ACCRUALS

		Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Receipts in advance	預收款項		8,904,751	8,365,551
Other payables	其他應付款項		7,042,524	4,204,095
Loans from associates	來自聯營公司之貸款	43(b)	301,147	285,883
Loans from non-controlling shareholders	來自非控股股東之貸款	(i)	124,767	142,300
Loans from fellow subsidiaries	來自同系附屬公司之貸款	43(b)	13,652	126,481
Accruals and provisions	應計費用及撥備	(ii)	637,074	796,580
			17,023,915	13,920,890

30 計息銀行貸款及其他借貸(續)

(d) 本集團若干銀行融資須待與本集團財務指標有關之契諾獲履行後方作實(常見於與金融機構簽訂之貸款協議中)。倘若本集團違反契諾,則已支取之融資將變為須於要求時償還。本集團定期監察其遵守該等契諾之情況。本集團管控流動性風險之進一步詳情載於附註38(b)。於二零一六年十二月三十一日,概無與已支取融資有關之契諾遭違反(二零一五年:無)。

31 應付賬款

於報告期末按發票日期計算之應付賬款賬齡分析如下:

32 其他應付款項及應計費用

Notes to the Financial Statements

財 務 報 表 附 註

32 OTHER PAYABLES AND ACCRUALS (CONTINUED)

- (i) The loans from non-controlling shareholders of certain subsidiaries of the Group are unsecured and have no fixed terms of repayment. Amounts due to non-controlling shareholders of HK\$63,292,000 (2015: HK\$100,437,000) bear interest from one-year benchmark lending rate of the People's Bank of China ("PBOC") to five-year benchmark lending rate of the PBOC, while the remaining balance of HK\$61,475,000 (2015: HK\$41,863,000) is interest-free.
- (ii) On 12 September 2014, Shum Yip Terra, a 75.05% owned subsidiary of the Company, and its wholly-owned subsidiary, Wuhan Shum Yip Terra Property Development Company Limited ("Wuhan Terra"), received a notification for the appointment of defender/application for legal aid during the prosecution review phase from The People's Procuratorate of Jianli County of Hubei Province (the "People's Procuratorate"), informing Shum Yip Terra and Wuhan Terra that materials in respect of the suspected corporate offence of bribery on both of them have been transferred to the Public Prosecution Bureau of the Procuratorate for prosecution review.

The People's Procuratorate considers that there were violations of the relevant regulations in the procedures in respect of a land transaction involved by Wuhan Terra which has caused a loss of state-owned land income, and the loss in the amount of approximately RMB316 million should be recovered from Shum Yip Terra. The People's Procuratorate has frozen certain bank accounts of Wuhan Terra and Shum Yip Terra. Further details of the matter are set out in the announcement of the Company dated 18 September 2014.

At 31 December 2016, the balance of the frozen bank accounts of Wuhan Terra amounted to RMB546,850,000 (equivalent to HK\$611,323,000).

In 2016, Wuhan Terra received a notification from the People's Court regarding the prosecution filed by the People's Procuratorate.

Based on the information currently known to the Group and after consultation with outside legal counsel, a provision of HK\$606,363,000 has been set up in relation to the aforementioned litigation, which represents management's best estimate of the expected financial outcome of the litigation.

32 其他應付款項及應計費用 (續)

- (i) 來自本集團部分附屬公司非控股股東之貸款為無抵押且無固定還款期。應付非控股股東款項63,292,000港元(二零一五年: 100,437,000港元)按中國人民銀行之一年期基準貸款利率至中國人民銀行之五年期基準貸款利率計息, 而其餘結餘款61,475,000港元(二零一五年: 41,863,000港元)為免息。
- (ii) 本公司持股75.05%的附屬公司深業泰然及其全資附屬公司武漢市深業泰然房地產開發有限公司(「武漢泰然」)於二零一四年九月十二日收到湖北省監利縣人民檢察院(「人民檢察院」)《審查起訴階段委託辯護人/申請法律援助告知書》, 告知深業泰然及武漢泰然兩公司涉嫌單位行賄罪材料移送該院公訴科進行審查起訴。

人民檢察院認為武漢泰然涉及之土地交易程序違反有關規定, 造成國家土地收益損失, 應向深業泰然追繳損失數額約人民幣316百萬元。人民檢察院查封武漢泰然及深業泰然若干銀行賬戶。該事項的進一步詳情載於本公司日期為二零一四年九月十八日的公佈內。

於二零一六年十二月三十一日, 武漢泰然已查封之銀行賬戶餘額為人民幣546,850,000元(相當於611,323,000港元)。

於二零一六年, 武漢泰然收到有關人民檢察院提起起訴之人民法院告知書。

根據本集團目前所知信息並經諮詢外部律師後, 已就上述訴訟設立606,363,000港元撥備, 即管理層對訴訟預計財務支出之最佳估計。

Notes to the Financial Statements

財 務 報 表 附 註

33 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

33 綜合財務狀況表內之所得稅

(a) Current tax in the consolidated statement of financial position represents:

(a) 綜合財務狀況表內之即期稅項指：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Provision for CIT	企業所得稅撥備	2,570,183	2,076,665
Provision for LAT	土地增值稅撥備	6,184,995	4,417,894
		8,755,178	6,494,559

(b) Deferred tax asset and liabilities recognised

(b) 已確認遞延稅項資產及負債

The movements in deferred tax liabilities and assets during the year are as follows:

遞延稅項資產及負債年內變動如下：

Deferred tax liabilities:

遞延稅項負債：

		2016 二零一六年							Total
		Withholding tax on dividend (note)	Revaluation of investment properties	Revaluation of assets	Revaluation of available-for-sale investments	Fair value adjustment arising from acquisition of subsidiaries	Accelerated and associates tax depreciation on investment properties	Others	Total
		股息預扣稅 (附註)	投資物業重估	資產重估	可供出售投資重估	因收購附屬公司及聯營公司產生之公允值調整	投資物業之加速稅項折舊	其他	總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2016	於二零一六年一月一日	333,852	2,481,085	71,579	13,238	4,298,336	192,019	1,188	7,391,297
Deferred tax charged/(credited) to the statement of profit or loss during the year	本年度計入損益表內之遞延稅項	4,968	455,805	(5,553)	-	(680,811)	20,149	55,784	(149,658)
Deferred tax credited to equity during the year	本年度計入權益賬目之遞延稅項	-	-	-	(901)	-	-	-	(901)
Acquisition of a subsidiary	收購一間附屬公司	-	-	-	-	1,976,087	-	-	1,976,087
Exchange realignment	匯兌調整	(21,287)	(162,161)	(4,785)	(796)	(241,386)	(13,002)	(2,919)	(446,336)
Gross deferred tax liabilities at 31 December 2016	於二零一六年十二月三十一日之遞延稅項負債總額	317,533	2,774,729	61,241	11,541	5,352,226	199,166	54,053	8,770,489

Notes to the Financial Statements

財 務 報 表 附 註

33 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

33 綜合財務狀況表內之所得稅 (續)

(b) Deferred tax asset and liabilities recognised (continued)

(b) 已確認遞延稅項資產及負債 (續)

		2015 二零一五年							
		Withholding tax on dividend (note)	Revaluation of investment properties	Revaluation of assets	Revaluation of available-for-sale investments	Fair value adjustment arising from acquisition of subsidiaries	Accelerated and associates tax depreciation on investment properties	Others	Total
		股息預扣稅 (附註)	投資物業重估	資產重估	可供出售投資重估	因收購附屬公司及聯營公司產生之公允價值調整	投資物業之加速稅項折舊	其他	總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2015	於二零一五年一月一日	317,045	2,237,914	72,501	15,419	4,952,950	185,309	1,244	7,782,382
Deferred tax charged/(credited) to the statement of profit or loss during the year	本年度計入損益表內之遞延稅項	35,651	354,637	-	-	(448,219)	18,004	-	(39,927)
Deferred tax credited to equity during the year	本年度計入權益賬目之遞延稅項	-	-	-	(1,565)	-	-	-	(1,565)
Exchange realignment	匯兌調整	(18,844)	(111,466)	(922)	(616)	(206,395)	(11,294)	(56)	(349,593)
Gross deferred tax liabilities at 31 December 2015	於二零一五年十二月三十一日之遞延稅項負債總額	333,852	2,481,085	71,579	13,238	4,298,336	192,019	1,188	7,391,297

Note:

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 5%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008. As at 31 December 2016, the Group recognised a deferred tax liability of HK\$317,533,000 (2015: HK\$333,852,000) in respect of the withholding tax on future dividend distribution by these PRC subsidiaries.

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

附註：

根據中國企業所得稅法，於中國大陸成立之外商投資企業向外國投資者宣派股息須按10%徵收預扣稅。此規定由二零零八年一月一日起生效，並適用於二零零七年十二月三十一日後之盈利。倘中國大陸與外國投資者之司法權區有簽訂相關稅務協議，則可運用較低預扣稅率。適用於本集團之稅率為5%。因此，本集團有責任就於中國大陸成立之該等附屬公司於二零零八年一月一日起產生之盈利所派股息繳付預扣稅。於二零一六年十二月三十一日，本集團就該等中國附屬公司之未來股息分派之預扣稅確認遞延稅項負債317,533,000港元（二零一五年：333,852,000港元）。

本公司支付予其股東之股息概無附帶任何所得稅後果。

Notes to the Financial Statements

財 務 報 表 附 註

33 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

33 綜合財務狀況表內之所得稅 (續)

(b) Deferred tax asset and liabilities recognised (continued)

(b) 已確認遞延稅項資產及負債 (續)

Deferred tax assets:

遞延稅項資產：

		2016 二零一六年					
		Losses available for offsetting against future taxable profits	Temporary differences arising from LAT provision	Temporary differences arising from accruals	Unrealised profits	Others	Total
		可用作抵銷未來應課稅溢利之虧損	土地增值稅撥備產生之暫時差異	應計費用產生之暫時差異	未變現溢利	其他	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2016	於二零一六年一月一日	147,658	1,053,374	–	154,706	31,177	1,386,915
Deferred tax credited/(charged) to the statement of profit or loss during the year	本年度計入損益表內之遞延稅項	(74,798)	557,494	162,717	43,256	(3,560)	685,109
Exchange realignment	匯兌調整	(6,037)	(89,107)	(7,139)	(13,766)	(1,534)	(117,583)
Gross deferred tax assets at 31 December 2016	於二零一六年十二月三十一日之遞延稅項資產總額	66,823	1,521,761	155,578	184,196	26,083	1,954,441

		2015 二零一五年					
		Losses available for offsetting against future taxable profits	Temporary differences arising from LAT provision	Temporary differences arising from accruals	Unrealised profits	Others	Total
		可用作抵銷未來應課稅溢利之虧損	土地增值稅撥備產生之暫時差額	應計費用產生之暫時差額	未變現溢利	其他	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At 1 January 2015	於二零一五年一月一日	144,162	981,090	–	54,279	34,311	1,213,842
Deferred tax credited/(charged) to the statement of profit or loss during the year	本年度計入損益表內之遞延稅項	10,373	121,767	–	106,691	(1,469)	237,362
Exchange realignment	匯兌調整	(6,877)	(49,483)	–	(6,264)	(1,665)	(64,289)
Gross deferred tax assets at 31 December 2015	於二零一五年十二月三十一日之遞延稅項資產總額	147,658	1,053,374	–	154,706	31,177	1,386,915

Notes to the Financial Statements

財 務 報 表 附 註

33 INCOME TAX IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

(c) Deferred tax asset not recognised

The Group has tax losses arising in Hong Kong of HK\$322,367,000 (2015: HK\$322,367,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose.

The Group also has tax losses arising in Mainland China of HK\$3,075,785,000 (2015: HK\$1,606,467,000), which will expire in 2017, 2018, 2019, 2020, 2021 with details as follow:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
2016	二零一六年	—	77,241
2017	二零一七年	111,128	286,577
2018	二零一八年	245,607	258,410
2019	二零一九年	646,367	631,947
2020	二零二零年	678,559	352,292
2021	二零二一年	1,394,124	—
		3,075,785	1,606,467

Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for years and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

34 DEFERRED INCOME

As at 31 December 2016, deferred income of HK\$27,375,000 (2015: HK\$32,088,000) represented government grants received from the relevant government bodies to support the research and development activities of the Nongke Group. During the year, the income of HK\$14,704,000 (2015: HK\$10,175,000) has been credited to the consolidated statement of profit or loss upon fulfilment of certain conditions specified by the government bodies.

33 綜合財務狀況表內之所得稅 (續)

(c) 未確認遞延稅項資產

本集團於香港之稅項虧損為322,367,000港元(二零一五年: 322,367,000港元), 可用作無限抵銷產生虧損之公司之未來應課稅溢利。

本集團於中國大陸之稅項虧損為3,075,785,000港元(二零一五年: 1,606,467,000港元), 將分別於二零一七年、二零一八年、二零一九年、二零二零年及二零二一年到期, 詳情如下:

由於該等虧損乃來自虧損多年之附屬公司, 而稅項虧損未必可獲動用以抵銷應課稅溢利, 故並無就該等虧損確認遞延稅項資產。

34 遞延收入

於二零一六年十二月三十一日, 27,375,000港元(二零一五年: 32,088,000港元)之遞延收入指自有關政府機構收取之政府補助, 以支持農科集團之研發活動。年內, 14,704,000港元(二零一五年: 10,175,000港元)之收入於達成政府機構訂明之若干條款後計入綜合損益表。

Notes to the Financial Statements

財 務 報 表 附 註

35 SHARE OPTIONS SCHEME

The Company operated a share option scheme (the "Scheme"), which was approved and adopted on 22 June 2012 for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. The eligible participants of the Scheme include any employee or director (including executive, non-executive and independent non-executive directors) of any member of the group comprising the Company, Shum Yip Holdings, Shum Yip Group, and their subsidiaries and associated companies from time to time (the "SY Group") or any employee, partner or director of any business consultant, joint venture partner, financial adviser and legal adviser of and to any member of the SY Group, as absolutely determined by the board of directors. The Scheme became effective on 22 June 2012 and, unless otherwise cancelled or amended, shall be valid and effective for a period of 10 years from that date, after which period no further options will be issued but in all other respects the provisions of the Scheme shall remain in full force and effect.

The maximum number of ordinary shares which may be issued upon exercise of all options to be granted under the Scheme and any other share option schemes of the Company shall not in aggregate exceed 10% of the total number of shares in issue as at the date of approval of the Scheme unless the Company obtains a fresh approval from its shareholders. Options lapsed in accordance with the terms of the Scheme will not be counted for the purpose of calculating such 10% limit. Notwithstanding the above, the maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Company shall not exceed 30 percent of the shares in issue from time to time.

The maximum entitlement of each participant under the Scheme is that the total number of shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue.

35 購股權計劃

本公司設有一項購股權計劃（「計劃」）於二零一二年六月二十二日批准及採納，以對本集團業務成功作出貢獻之合資格參與者提供鼓勵及獎勵。計劃之合資格參與者包括本公司、深業（集團）、深業集團及彼等不時之附屬公司及關聯公司（「深業控股集團」）之僱員或董事（包括執行、非執行及獨立非執行董事）、或深業控股集團任何成員公司之任何商業顧問、合營夥伴、財務顧問及法律顧問之僱員、夥伴或董事，均由董事會全權決定。計劃於二零一二年六月二十二日生效，而除非被取消或經修訂，否則該計劃將於當日起計十年內有效。有效期屆滿後，則不會再授出任何購股權，但在所有其他方面，計劃條文仍具十足效力及作用。

除非本公司獲股東另行批准，否則因悉數行使根據計劃及本公司任何其他購股權計劃授出之購股權而可能發行之普通股數目上限不得超過於批准計劃當日已發行股份總數之10%。根據計劃條款失效之購股權將不會就此計入該10%限額。無論如何，因悉數行使根據計劃及本公司任何其他購股權計劃授出而將行使之尚未行使購股權而可能發行之股份數目上限不得超過不時已發行股份總數之30%。

每名參與者根據計劃可獲得之股份上限，即因行使於任何12個月期間授予各參與者之購股權（包括已獲行使及尚未行使之購股權）而發行及將發行之股份總數，不得超過已發行股份總數之1%。

Notes to the Financial Statements

財 務 報 表 附 註

35 SHARE OPTIONS SCHEME (CONTINUED)

The period under which an option may be exercised will be determined by the board of directors at their absolute discretion and notified by the directors to each grantee as being the period during which an option may be exercised, and shall expire no later than the 10th anniversary of the date upon which the option is granted and accepted in accordance with the Scheme. Unless otherwise determined by the board of directors and specified in the offer letter at the time of the offer, there is no minimum period for which an option must be held before the option can be exercised. An option is open for acceptance for a period as determined by the board of directors at its absolute discretion. The amount payable on acceptance of an option is HK\$1. The full amount of exercise price for the subscription for shares has to be paid upon exercise of an option.

The exercise price shall be a price determined by the board of directors and notified to a participant and shall be at least the higher of (i) the closing price of the shares as stated on The Stock Exchange of Hong Kong Limited's daily quotation sheet on the date of offer of grant, which must be a business day, and (ii) a price being the average of the closing prices of the shares as stated on The Stock Exchange of Hong Kong Limited's daily quotation sheets for the five business days immediately preceding the date of offer of grant.

35 購股權計劃 (續)

購股權之可行使期間由董事會全權決定，並由董事通知各承授人，而有關行使期限須根據計劃於購股權授出及獲接納當日起計滿10週年當日前屆滿。除非董事會決定及在授出購股權時於授予函件中指明，否則在行使購股權前不設必須持有購股權之最低期限。購股權可供接納授出之要約時間乃由董事會全權決定，接納購股權時須支付款項1港元。認購股份之行使價須於行使購股權時全數支付。

行使價由董事會釐定及通知參與者，行使價須至少為以下之較高者：(i)於授出當日（必須為營業日）在香港聯合交易所有限公司每日報價表所載之股份收市價，及(ii)於緊接授出當日前五個營業日在香港聯合交易所有限公司每日報價表所載之股份收市價平均價。

Notes to the Financial Statements

財 務 報 表 附 註

35 SHARE OPTIONS SCHEME (CONTINUED)

The terms and conditions of the share options outstanding as at the end of the reporting period are as follows:

35 購股權計劃 (續)

於報告期末尚未行使購股權之條款及條件如下：

	Number of instruments	Exercise price	Vesting date	Expire date	Contractual life of options
	工具數目	行使價	歸屬日期	到期日期	購股權之合約年限
At 31 December 2016 於二零一六年十二月三十一日					
Batch 1 options granted to directors and employees: 授予董事及僱員之第一批購股權：					
– on 27 January 2014 – 於二零一四年一月二十七日	22,187,200	2.8500	28/01/2016 二零一六年一月二十八日	27/01/2019 二零一九年一月二十七日	5.00
– on 27 January 2014 – 於二零一四年一月二十七日	36,940,200	2.8500	28/01/2017 二零一七年一月二十八日	27/01/2019 二零一九年一月二十七日	5.00
– on 27 January 2014 – 於二零一四年一月二十七日	36,940,200	2.8500	28/01/2018 二零一八年一月二十八日	27/01/2019 二零一九年一月二十七日	5.00
Batch 2 options granted to directors and employees: 授予董事及僱員之第二批購股權：					
– on 27 July 2015 – 於二零一五年七月二十七日	2,805,600	3.3960	28/01/2016 二零一六年一月二十八日	27/01/2019 二零一九年一月二十七日	3.50
– on 27 July 2015 – 於二零一五年七月二十七日	2,104,200	3.3960	28/01/2017 二零一七年一月二十八日	27/01/2019 二零一九年一月二十七日	3.50
– on 27 July 2015 – 於二零一五年七月二十七日	2,234,943	3.3960	28/01/2018 二零一八年一月二十八日	27/01/2019 二零一九年一月二十七日	3.50
Batch 3 options granted to directors and employees: 授予董事及僱員之第三批購股權：					
– on 14 June 2016 – 於二零一六年六月十四日	2,768,000	3.1080	14/06/2016 二零一六年六月十四日	27/01/2019 二零一九年一月二十七日	2.62
– on 14 June 2016 – 於二零一六年六月十四日	2,076,000	3.1080	28/01/2017 二零一七年一月二十八日	27/01/2019 二零一九年一月二十七日	2.62
– on 14 June 2016 – 於二零一六年六月十四日	2,076,000	3.1080	28/01/2018 二零一八年一月二十八日	27/01/2019 二零一九年一月二十七日	2.62
Total share options granted 已授出購股權總數	110,132,343				

Notes to the Financial Statements

財 務 報 表 附 註

35 SHARE OPTIONS SCHEME (CONTINUED)

The terms and conditions of the share options outstanding as at the end of the reporting period are as follows:

35 購股權計劃 (續)

於報告期末尚未行使購股權之條款及條件如下：

	Number of instruments	Exercise price	Vesting date	Expire date	Contractual life of options
	工具數目	行使價	歸屬日期	到期日期	購股權之合約年限
At 31 December 2015					
於二零一五年十二月三十一日					
Batch 1 options granted to directors and employees:					
授予董事及僱員之第一批購股權：					
– on 27 January 2014	44,679,600	2.8500	28/01/2016	27/01/2019	5.00
– 於二零一四年一月二十七日			二零一六年一月二十八日	二零一九年一月二十七日	
– on 27 January 2014	36,940,200	2.8500	28/01/2017	27/01/2019	5.00
– 於二零一四年一月二十七日			二零一七年一月二十八日	二零一九年一月二十七日	
– on 27 January 2014	36,940,200	2.8500	28/01/2018	27/01/2019	5.00
– 於二零一四年一月二十七日			二零一八年一月二十八日	二零一九年一月二十七日	
Batch 2 options granted to directors and employees:					
授予董事及僱員之第二批購股權：					
– on 27 July 2015	3,138,400	3.3960	28/01/2016	27/01/2019	3.50
– 於二零一五年七月二十七日			二零一六年一月二十八日	二零一九年一月二十七日	
– on 27 July 2015	2,353,800	3.3960	28/01/2017	27/01/2019	3.50
– 於二零一五年七月二十七日			二零一七年一月二十八日	二零一九年一月二十七日	
– on 27 July 2015	2,353,800	3.3960	28/01/2018	27/01/2019	3.50
– 於二零一五年七月二十七日			二零一八年一月二十八日	二零一九年一月二十七日	
Total share options granted	126,406,000				
已授出購股權總數					

* The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.

* 購股權行使價須根據供股或紅股發行或本公司股本之其他類似變動作出調整。

Notes to the Financial Statements

財 務 報 表 附 註

35 SHARE OPTIONS SCHEME (CONTINUED)

The number and weighted average exercise prices of share options under the Scheme are as follows:

35 購股權計劃 (續)

根據計劃授出購股權之數目及加權平均行使價如下：

		2016 二零一六年		2015 二零一五年	
		Weighted average exercise price 加權平均行使價 HK\$ per share 每股港元	Number of options 購股權數目	Weighted average exercise price 加權平均行使價 HK\$ per share 每股港元	Number of options 購股權數目
At 1 January	於一月一日	2.8839	126,406,000	2.7429	181,927,600
Granted during the year	於年內授出	3.1080	6,920,000	3.3960	7,846,000
Exercised during the year	於年內行使	2.8500	(10,666,400)	2.5190	(56,687,830)
Forfeited during the year	於年內沒收	2.8559	(7,464,057)	2.8500	(2,506,000)
Lapsed during the year	於年內失效	2.8500	(4,730,400)	–	–
Cancelled during the year	於年內註銷	3.3960	(332,800)	2.6774	(4,173,770)
At 31 December	於十二月三十一日	2.9052	110,132,343	2.8839	126,406,000

The weighted average share price at the date of exercise for share options exercised during the year was HK\$3.7181 per share (2015: HK\$3.7612).

於年內行使之購股權於行使日期之加權平均股價為每股3.7181港元(二零一五年：每股3.7612港元)。

The fair value of the share options granted during the year was HK\$3,502,000 (HK\$0.5061 each). The Group recognised a share option expense of HK\$11,823,000 (2015: HK\$24,171,000) during the year ended 31 December 2016.

於年內授出購股權之公允值為3,502,000港元(每份0.5061港元)。於截至二零一六年十二月三十一日止年度，本集團確認之購股權開支為11,823,000港元(二零一五年：24,171,000港元)。

Notes to the Financial Statements

財 務 報 表 附 註

35 SHARE OPTIONS SCHEME (CONTINUED)

The fair value of equity-settled share options granted during the year was estimated as at the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used:

Share price (HK\$)	股價 (港元)	3.0200
Exercise price (HK\$)	行使價 (港元)	3.1080
Dividend yield (%)	股息收益率 (%)	5.3000
Volatility (%)	波幅 (%)	38.6800
Risk-free interest rate (%)	無風險利率 (%)	0.5140
Expected life of options (year)	購股權估計年期 (年)	0 – 1.6200

No other feature of the options granted was incorporated into the measurement of fair value.

The 10,666,400 share options exercised during the year resulted in the issue of 10,666,400 ordinary shares of the Company and an increase in share capital of HK\$35,721,000 (before issue expenses), as further detailed in note 36(b)(ii) to the financial statements.

At the end of the reporting period, the Company had 110,132,343 share options outstanding under the Scheme, which represented approximately 1.44% of the Company's shares in issue as at that date. The exercise in full of the outstanding share options would, under the present capital structure of the Company, result in the issue of 110,132,343 additional ordinary shares of the Company and additional share capital of HK\$374,797,000 (before issue expenses).

35 購股權計劃 (續)

於年內授出以股本支付之購股權之公允值已於授出日期使用二叉樹期權定價模型，經計及購股權授出之條款及條件估算。下表列示模式所使用之輸入值：

公允值概無納入其他獲授購股權特點。

年內行使10,666,400份購股權將導致發行10,666,400股本公司普通股，及股本增加35,721,000港元（未扣除發行開支），進一步詳述於財務報表附註36(b)(ii)。

於報告期末，根據計劃，本公司有110,132,343份購股權（佔本公司於該日已發行股份約1.44%）尚未行使。按照現時之本公司股本架構，悉數行使尚未行使之購股權將致使發行額外110,132,343股本公司之普通股，增加股本374,797,000港元（未扣除發行開支）。

Notes to the Financial Statements

財 務 報 表 附 註

36 CAPITAL AND RESERVES

(a) Movements in components of equity

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity. Details of the changes in the Company's individual components of equity between the beginning and the end of the year are set out below:

		Share capital 股本 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 January 2015	於二零一五年一月一日	14,564,800	59,883	901,932	15,526,615
Total comprehensive income for the year	年內全面收益 總額	-	-	1,659,689	1,659,689
Share options exercised	行使購股權	178,560	(35,766)	-	142,794
Transfer of share option reserve upon the lapse and cancellation of share options	於購股權失效及注銷時 轉撥購股權 儲備	-	(426)	426	-
Equity-settled share option expense	以股本支付之購股權 開支	-	24,171	-	24,171
Final 2014 dividends	二零一四年末期股息	4,846	-	(959,605)	(954,759)
Interim 2015 dividends	二零一五年中期股息	-	-	(221,521)	(221,521)
Issue of shares	股份發行	2,730,275	-	-	2,730,275
At 31 December 2015 and 1 January 2016	於二零一五年十二月 三十一日及 二零一六年一月一日	17,478,481	47,862	1,380,921	18,907,264
Total comprehensive income for the year	年內全面收益 總額	-	-	1,440,758	1,440,758
Share options exercised	行使購股權	35,721	(5,321)	-	30,400
Transfer of share option reserve upon the lapse and cancellation of share options	於購股權失效及 注銷時轉撥 購股權儲備	-	(1,104)	1,104	-
Equity-settled share option expense	以股本支付之購股權 開支	-	11,823	-	11,823
Final 2015 dividends	二零一五年末期股息	751,256	-	(959,922)	(208,666)
Interim 2016 dividends	二零一六年中期股息	15,733	-	(534,884)	(519,151)
At 31 December 2016	於二零一六年 十二月三十一日	18,281,191	53,260	1,327,977	19,662,428

36 資本及儲備

(a) 權益組成部分之變動

本集團各權益組成部分於期初及期末結餘之對賬載於綜合權益變動表內。本公司個別權益組成部分於年初及年末之變動詳情載列如下：

Notes to the Financial Statements

財 務 報 表 附 註

36 CAPITAL AND RESERVES (CONTINUED)

(b) Share capital

36 資本及儲備 (續)

(b) 股本

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Issued and fully paid:	已發行及繳足：		
7,649,164,458 (2015: 7,384,016,988)	7,649,164,458股		
ordinary shares	(二零一五年：7,384,016,988股) 普通股	18,281,191	17,478,481

During the year, the movements in share capital were as follows:

年內，股本變動如下：

		2016 二零一六年		2015 二零一五年	
		Number of shares in issue 已發行股份數目	Issued share capital 已發行股本 HK\$'000 千港元	Number of shares in issue 已發行股份數目	Issued share capital 已發行股本 HK\$'000 千港元
At 1 January	於一月一日	7,384,016,988	17,478,481	6,656,055,289	14,564,800
Share options exercised (ii)	行使購股權(ii)	10,666,400	35,721	56,687,830	178,560
Final dividend in the form of new share (iii)	以新股份形式派發之 末期股息(iii)	250,251,905	751,256	1,273,869	4,846
Interim dividend in the form of new share (iii)	以新股份形式派發之 中期股息(iii)	4,229,165	15,733	-	-
Issue of shares (iv)	發行股份(iv)	-	-	670,000,000	2,730,275
At 31 December	於十二月三十一日	7,649,164,458	18,281,191	7,384,016,988	17,478,481

Notes:

附註：

- (i) In accordance with section 135 of the Hong Kong Companies Ordinance, the ordinary shares of the Company do not have a par value.

- (i) 根據《香港公司條例》第135條，本公司普通股無每股面值。

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

普通股持有人有權收取不時宣派之股息，並有權於本公司股東大會上就每股享有一份投票權。所有普通股對本公司之剩餘資產享有同等權利。

- (ii) The subscription rights attaching to 10,666,400 (2015: 56,687,830) share options were exercised at the weighted average subscription price of HK\$2.850 (2015: HK\$2.519) per share, resulting in the issue of 10,666,400 (2015: 56,687,830) shares for a total cash consideration, before expenses, of HK\$30,400,000 (2015: HK\$142,794,000). An amount of HK\$5,321,000 (2015: HK\$35,766,000) was transferred from the share option reserve to share capital upon the exercise of the share options.

- (ii) 10,666,400份(二零一五年：56,687,830份)購股權所附帶之認購權已按加權平均認購價每股2.850港元(二零一五年：2.519港元)行使，導致發行10,666,400股(二零一五年：56,687,830股)股份，總現金代價(扣除開支前)為30,400,000港元(二零一五年：142,794,000港元)。金額5,321,000港元(二零一五年：35,766,000港元)乃於行使購股權後由購股權儲備轉撥至股本。

Notes to the Financial Statements

財 務 報 表 附 註

36 CAPITAL AND RESERVES (CONTINUED)

(b) Share capital (continued)

Notes: (continued)

- (iii) On 30 March 2016, the board of directors resolved to declare the 2015 final dividend of HK 13.00 cents per share for the year ended 31 December 2015, and on 29 August 2016, the board of directors resolved to declare the 2016 interim dividend of HK 7.00 cents per share for the year ended 30 June 2016. The Board further resolved that this dividends will be paid in cash but shareholders will be given the option of receiving such dividend wholly in new fully paid share(s) of the Company in lieu of cash, or partly in cash and partly in form of scrip shares. The 2015 final dividend in the form of scrip shares resulted in the issue of 250,251,905 shares at an issue price of HK\$3.002 per share for a total consideration, before expenses, of HK\$751,256,000. The 2016 interim dividend in the form of scrip shares resulted in the share of 4,229,165 shares at an issue price of HK\$3.720 per share for a total consideration, before expenses, of HK\$15,733,000.
- (iv) On 12 June 2015, 670,000,000 new shares were allotted and issued at the net subscription price of approximately HK\$4.075 per share after deducting relevant fees and expenses. The net proceeds from the subscription are approximately HK\$2,730,275,000.

(c) Nature and purpose of reserves

(i) Share option reserve

The share option reserve comprises the portion of the grant date fair value of unexercised share options granted to employees of the Company that has been recognised in accordance with the accounting policy adopted for share-based payments in note 2(s)(ii).

(ii) Asset revaluation reserve

The asset revaluation reserve has been set up and is dealt with in accordance with the accounting policies adopted for leasehold land and buildings held for own use in note 2(i).

(iii) Available-for-sale investment revaluation reserve

The available-for-sale investment revaluation reserve comprises the cumulative net change in the fair value of available-for-sale investments held at the end of the reporting period and is dealt with in accordance with the accounting policies in notes 2(g) and 2(k)(i).

36 資本及儲備 (續)

(b) 股本 (續)

附註：(續)

- (iii) 董事會於二零一六年三月三十日議決宣派截至二零一五年十二月三十一日止年度之二零一五年末期股息每股13.00港仙，及於二零一六年八月二十九日董事會議決宣派截至二零一六年六月三十日止年度之二零一六年中期股息每股7.00港仙。董事會進一步議決將以現金方式支付，惟股東可選擇全部以現金代替此配發或部分以現金及部分以代息股份方式收取該等股息。以代息股份方式支付二零一五年末期股息導致發行250,251,905股股份，發行價每股3.002港元，總代價（扣除開支前）為751,256,000港元。以代息股份方式支付二零一六年中期股息導致發行4,229,165股股份，發行價每股3.720港元，總代價（扣除開支前）為15,733,000港元。
- (iv) 於二零一五年六月十二日，已配發670,000,000股新股及以每股約4.075港元之淨認購價發行（扣除相關費用及開支後）。認購事項所得款項淨額約2,730,275,000港元。

(c) 儲備之性質及用途

(i) 購股權儲備

購股權儲備包括部分已授予本公司僱員但未行使之購股權於授出日期之公允值，該金額已按照附註2(s)(ii)內以股份支付所採納之會計政策予以確認。

(ii) 資本重估儲備

已按照附註2(i)內持作自用之租賃土地及樓宇所採用之會計政策設立及列賬處理資產重估儲備。

(iii) 可供出售投資重估儲備

可供出售投資重估儲備包括於報告期末持有之可供出售投資之公允值累積淨值變動，並按照附註2(g)及2(k)(i)會計政策列賬處理。

Notes to the Financial Statements

財 務 報 表 附 註

36 CAPITAL AND RESERVES (CONTINUED)

(c) Nature and purpose of reserves (continued)

(iv) Statutory reserve

PRC statutory reserves were established in accordance with the relevant PRC rules and regulations and the articles of association of respective companies of the Group. PRC companies are required to transfer certain of their net profits (after offsetting prior year losses), as determined under the approval by the board of directors, to statutory general reserve.

Statutory general reserve can be used to make good prior years' losses, if any, and may be converted into capital by issuing new shares to shareholders proportionate to their existing percentage of equity interests provided that the balance after such issue is not less than 25% of the registered capital.

(v) Exchange fluctuation reserve

The exchange fluctuation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

The reserve is dealt with in accordance with the accounting policies set out in notes 2(w).

(vi) Other reserve

Other reserve represents the difference between the consideration paid and the book value of the share of net assets acquired in respect of the acquisition of non-controlling interests, and the difference between the consideration received and the book value of the share of net assets disposed of in respect of a change in the ownership interest in a subsidiary without a loss of control.

(d) Capital management

The objectives of the Group's capital management policy are to ensure the financing capabilities of the Company in running its operation on a going concern basis, to maintain an optimal capital structure, to reduce capital cost and to maximise shareholders' value.

36 資本及儲備 (續)

(c) 儲備之性質及用途 (續)

(iv) 法定儲備

中國法定儲備乃按照相關中國規則及法規以及本集團各公司之公司組織章程細則建立。中國公司須按要求將其若干純利(經彌補過往年度虧損後)轉撥至一般法定儲備(經董事會批准後釐定)。

一般法定儲備可用於彌補過往年度虧損(如有),並可透過按股東現有股權百分比向彼等發行新股之方式轉換為資本,惟發行後之結餘不低於註冊資本之25%。

(v) 匯兌變動儲備

匯兌變動儲備包括轉換境外業務之財務報表產生之所有匯兌差額。

該儲備按照附註2(w)所載之會計政策列賬處理。

(vi) 其他儲備

其他儲備指與收購非控股權益相關之已付代價與分佔所收購資產淨值賬面值之差額,以及與持有附屬公司擁有權權益變動(未失去控制權)相關之已收代價與所出售資產淨值賬面值之差額。

(d) 資本管理

本集團資本管理政策之目標為確保本公司之融資能力以能夠按持續經營基準經營業務,並能夠維持優化之資本架構、減少資本成本及使股東價值最大化。

Notes to the Financial Statements

財 務 報 表 附 註

36 CAPITAL AND RESERVES (CONTINUED)

(d) Capital management (continued)

The Group manages and adjusts its capital structure appropriately according to the specific features of the risks of its assets and the changes in various economic conditions. Through adjustments in dividend distribution, injections and repayments of capital by shareholders or issuance of new shares, the Group is able to maintain an optimal capital structure of the Company. The Group monitors capital using a gearing ratio, which is net debt divided by equity attributable to equity shareholders of the Company. The Group's policy is to keep the gearing ratio at a reasonable level. Net debt is interest-bearing bank and other borrowings less cash and cash equivalents and restricted cash. The gearing ratios as at the end of the reporting periods are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Interest-bearing bank and other borrowings	計息銀行及其他借貸	19,757,245	21,375,093
Less: Cash and cash equivalents	減：現金及現金等價物	(9,859,526)	(9,708,046)
Restricted cash	受限制現金	(2,204,157)	(4,110,729)
Net loans	淨貸款	7,693,562	7,556,318
Equity attributable to shareholders of the Company	本公司股東應佔權益	32,810,813	33,325,865
Gearing ratio	資本負債率	23%	23%

37 ACQUISITION OF SUBSIDIARIES

(a) Business combination

On 21 December 2015, the Group entered into a sale and purchase contract with Shum Yip Holdings to acquire the 95% equity interest in Fairwind. Fairwind is an investment holding company. The Fairwind is engaged in property development and property investment. The acquisition was completed on 15 March 2016.

The purchase consideration for the acquisition of HK\$2,264,233,000 was satisfied in cash.

36 資本及儲備 (續)

(d) 資本管理 (續)

本集團根據自身資產之特定風險特點及各種經濟狀況之變動適當地對其資本架構進行管理及調整。透過調整股息分派、股東注資及償還資本或發行新股，本集團能夠將本公司之資本架構維持在優化水平。本集團使用資本負債率（即淨負債除以本公司擁有人應佔權益）監控其資本。本集團之政策乃將資本負債率維持在合理水平。淨貸款為計息銀行及其他借貸減現金及現金等價物以及受限制現金。於報告期末之資本負債率如下：

37 收購附屬公司

(a) 業務合併

於二零一五年十二月二十一日，本集團與深業（集團）訂立買賣協議，收購Fairwind 95%之股權。Fairwind為一間投資控股公司。Fairwind從事物業開發及物業投資業務。收購事項已於二零一六年三月十五日完成。

該收購之購買代價2,264,233,000港元已以現金付訖。

Notes to the Financial Statements

財 務 報 表 附 註

37 ACQUISITION OF SUBSIDIARIES (CONTINUED)

(a) Business combination (continued)

The fair values of the identifiable assets and liabilities of Fairwind and its subsidiaries (the "Fairwind Group") as at the date of acquisition were as follows:

37 收購附屬公司 (續)

(a) 業務合併 (續)

Fairwind及其附屬公司(「Fairwind集團」)可識別資產及負債於收購日期之公允值如下:

		Fair value recognised on acquisition 於收購時確認之公允值
	Note 附註	HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	1,711
Properties under development	發展中物業	8,091,685
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款項	509,769
Cash and cash equivalents	現金及現金等價物	105,569
Trade payables	應付賬款	(1,337)
Other payables and accruals	其他應付款項及應計費用	(2,400,660)
Interest-bearing bank loans and other borrowings	計息銀行貸款及其他借貸	(1,393,300)
Deferred tax liabilities	遞延稅項負債	(1,976,087)
Total identifiable net assets at fair value	按公允價值計量之可辨別資產淨值總額	2,937,350
Percentage of acquisition of Fairwind Group	收購Fairwind集團之百分比	95%
Share of net identifiable assets acquired	分佔所收購之可辨別資產淨值	2,790,482
Less: Consideration	減：代價	(2,264,233)
Gain of a bargain purchase recognised in other income and gains in the consolidated statement of profit or loss	於綜合損益表內其他收入及利得中確認之廉價收購利得	526,249
	5	
Consideration, satisfied in cash	代價，以現金付訖	2,264,233
Less: cash and cash equivalents	減：現金及現金等價物	(105,569)
Payment for acquisition of Fairwind Group, net of cash acquired	收購Fairwind集團之付款，扣除所收購之現金	2,158,664

Had the combination taken place at the beginning of the year, the revenue and profit of the Group for the year would have been HK\$21,363,563,000 and HK\$3,458,170,000 respectively.

倘合併發生於年初，則本集團年內收益及溢利將分別為21,363,563,000港元及3,458,170,000港元。

Notes to the Financial Statements

財 務 報 表 附 註

37 ACQUISITION OF SUBSIDIARIES (CONTINUED)

(b) Acquisition of a subsidiary

On 20 December 2016, SY Land, an indirect wholly-owned subsidiary of the Company, entered into the capital increase agreement with Shenzhen International Qianhai Investment and Management (Shenzhen) Co., Ltd ("SIQ Investment"), a subsidiary of Shenzhen International Holdings Limited ("Shenzhen International"), and SIQ Real Estate (SIQ Investment's wholly-owned subsidiary at that time), pursuant to which SY Land agrees to make a capital contribution of RMB1,120 million (equivalent to approximately HK\$1,252 million) to SIQ Real Estate. As at 31 December 2016, 50% of the registered capital of SIQ Real Estate was owned as to 50% by SIQ Investment and as to 50% by SY Land. Although SY Land only has 50% equity interest in SIQ Real Estate, SY Land is the controlling party of SIQ Real Estate by owning more than 50% voting rights in the board of SIQ Real Estate. Consequently, SIQ Real Estate is accounted for as a subsidiary of the Group since the date that the Group obtained more than 50% voting rights. Prior to the capital contribution, SIQ Real Estate's underlying assets mainly comprise a land parcel, which was not integrated in forming a business to generate external revenues to the Group as a whole. As such, the directors are of the opinion that the acquisition of SIQ Real Estate is considered as an asset acquisition which does not constitute a business combination for accounting purposes.

The fair values of the identifiable assets and liabilities of SIQ Real Estate as at the date of acquisition were as follows:

37 收購附屬公司(續)

(b) 收購一間附屬公司

於二零一六年十二月二十日，本公司間接持有之全資附屬公司深業置地與深圳國際控股有限公司(「深圳國際」)之附屬公司深國際前海投資管理(深圳)有限公司(「前海投資」)及前海置業(彼時為前海投資之全資附屬公司)訂立增資協議。據此，深業置地同意向前海置業注資人民幣1,120百萬元(相當於約1,252百萬港元)。於二零一六年十二月三十一日，前海置業50%註冊資本由前海投資及深業置地各擁有50%。儘管深業置地僅擁有前海置業50%股權，但深業置地以其於前海置業董事會內擁有50%以上投票權而成為前海置業之控股方。因此，自本集團取得超逾50%投票權之日期起，前海置業作為本集團之附屬公司進行會計處理。注資之前，前海置業之相關資產主要包括一幅地塊，該地塊未作為整體整合於本集團中形成賺取外部收益之業務。故此，董事認為收購前海置業視作一項資產收購，就會計而言，該收購並不構成業務合併。

前海置業之可識別資產及負債於收購日期之公允值如下：

		Fair value recognised on acquisition 於收購時確認之公允值 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	335
Properties under development	發展中物業	2,560,262
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款項	596
Cash and cash equivalents	現金及現金等價物	19,006
Other payables and accruals	其他應付款項及應計費用	(76,103)
Total identifiable net assets acquired	所收購之可辨別資產淨值	2,504,096
Percentage of acquisition of SIQ Real Estate	收購前海置業之百分比	50%
Satisfied by:	以下列方式支付：	
Cash consideration	現金代價	1,252,048

Notes to the Financial Statements

財 務 報 表 附 註

37 ACQUISITION OF SUBSIDIARIES (CONTINUED)

(b) Acquisition of a subsidiary (continued)

An analysis of the cash flows in respect of the acquisition of the SIQ Real Estate is as follows:

		HK\$'000 千港元
Consideration, satisfied in cash	代價，以現金付訖	1,252,048
Less: Cash and cash equivalents acquired	減：所收購之現金及現金等價物	(19,006)
Less: Other payable	減：其他應付款項	(626,024)
Net outflow of cash equivalents included in cash flows from investing activities	計入投資活動所得現金流量之現金等價物流出淨額	607,018

38 FINANCIAL RISK MANAGEMENT

Exposure to credit, liquidity, interest rate and currency risks arises in the normal course of the Group's business. The Group is also exposed to equity price risk arising from its equity investments in other entities and movements in its own equity share price.

The Group's exposure to these risks and the financial risk management policies and practices used by the Group to manage these risks are described below.

(a) Credit risk

The credit risk of the Group's financial assets, which comprise cash and cash equivalents, available-for-sale investments and trade and other receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

To manage the risk, deposits are mainly placed with licensed banks which are all high credit quality financial institutions. The Group trades only with recognised and creditworthy third parties for the sales of properties and goods. The Group has policies in place to ensure that sales are made to buyers with appropriate financial strength and appropriate percentage of down payments. The Group would not release the property ownership certificates to the buyers before the buyers fully settle the payment. It also has other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews regularly the recoverable amount of each individual trade receivable to ensure that adequate impairment losses are made for irrecoverable amounts. The Group has no significant concentrations of credit risk, with exposure spreading over a number of counterparties and customers.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade receivables are disclosed in note 26 to the financial statements.

37 收購附屬公司 (續)

(b) 收購一間附屬公司 (續)

有關收購前海置業之現金流量分析如下：

38 財務風險管理

本集團面臨正常業務過程中發生之信貸、流動性、利率及貨幣風險。本集團亦面臨因其對其他實體股權投資產生之股權價格風險及自身權益股價格變動風險。

本集團面臨之該等風險及金融風險管理政策以及本集團管控該等風險所採用之慣例詳述如下。

(a) 信貸風險

本集團之金融資產（包括現金及現金等價物、可供出售之投資、應收賬款及其他應收款項）之信貸風險來自交易對手拖欠付款，最大信貸風險值等於此等工具之賬面值。

為管理風險，本集團主要將存款存入持牌銀行，彼等均為高信貸質素之金融機構。本集團僅與知名及具信譽之第三方進行物業及商品交易。本集團已實行政策確保向具有適當財務實力及支付適當百分比首期付款之買家作出銷售。在買家全數清償付款前，本集團不會向其發出房產證。本集團亦制定有其他監控程序，以確保採取跟進措施收回逾期債務。此外，本集團定期審閱每名個人之應收貿易賬款可收回金額，以確保就不可收回金額作出足夠減值虧損。本集團並無任何重大集中信貸風險，所面對之風險分散於多名交易對手及客戶。

有關應收賬款產生本集團信貸風險之其他資料披露於財務報表附註26。

Notes to the Financial Statements

財 務 報 表 附 註

38 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Liquidity risk

Liquidity risk arises when the Group is unable to meet its current liabilities that fall due. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of short and long term bank loans. Through maintaining a reasonable proportion in its asset and liability structure, the Group is able to meet its ongoing financial needs.

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

38 財務風險管理(續)

(b) 流動性風險

當本集團未能償還其已到期流動負債時則產生流動性風險。本集團旨在透過運用短期及長期銀行貸款，維持資金持續供應與靈活性之平衡。透過將其資產負債結構保持在合理比例，本集團可滿足其持續財務需要。

下表列示本集團以合約未貼現現金流量(包括使用合約利率或(如為浮息)按照報告期末之現行利率計算之利息付款)為基礎之金融負債於報告期末餘下之合約期限及本集團可按要求支付之最早日期:

		2016 Contractual undiscounted cash outflow 二零一六年合約未貼現現金流出量					Total	Carrying amount at 31 December 2016 於二零一六年 十二月三十一日 之賬面值 HK\$'000 千港元
		On demand 按要求 HK\$'000 千港元	Within one year 一年內 HK\$'000 千港元	One to two years 一至兩年 HK\$'000 千港元	Two to three years 兩至三年 HK\$'000 千港元	Over three years 超過三年 HK\$'000 千港元		
Interest-bearing bank and other borrowings	計息銀行及其他借貸	8,943	6,040,947	5,410,851	3,568,816	6,622,248	21,651,805	19,757,245
Trade payables	應付賬款	-	1,116,432	-	-	-	1,116,432	1,116,432
Other payables (note 32)	其他應付款項(附註32)	-	7,042,524	-	-	-	7,042,524	7,042,524
Loans from non-controlling shareholders (note 32)	非控股股東貸款(附註32)	-	124,767	-	-	-	124,767	124,767
Loans from fellow subsidiaries (note 32)	同系附屬公司貸款(附註32)	-	13,652	-	-	-	13,652	13,652
Due to the immediate holding company	應付直接控股公司款項	929,427	418,330	23,745	720,871	-	2,092,373	2,023,117
Due to the ultimate holding company	應付最終控股公司款項	442,887	1,636,499	894,320	-	-	2,973,706	2,850,880
Loans from associates (note 32)	聯營公司貸款(附註32)	301,147	-	-	-	-	301,147	301,147
Total	總額	1,682,404	16,393,151	6,328,916	4,289,687	6,622,248	35,316,406	33,229,764

Notes to the Financial Statements

財 務 報 表 附 註

38 FINANCIAL RISK MANAGEMENT (CONTINUED)
(b) Liquidity risk (continued)

38 財務風險管理(續)
(b) 流動性風險(續)

		2015 Contractual undiscounted cash outflow 二零一五年合約未貼現現金流出量					Carrying amount at 31 December 2015 於二零一五年 十二月三十一日	
		On demand	Within one year	One to two years	Two to three years	Over three years	Total	
		按要求 HK\$'000 千港元	一年內 HK\$'000 千港元	一至兩年 HK\$'000 千港元	兩至三年 HK\$'000 千港元	超過三年 HK\$'000 千港元	總額 HK\$'000 千港元	
Interest-bearing bank and other borrowings	計息銀行及其他借貸	10,581	6,248,160	5,144,094	3,910,331	9,633,483	24,946,649	21,375,093
Trade payables	應付賬款	-	1,013,126	-	-	-	1,013,126	1,013,126
Other payables (note 32)	其他應付款項(附註32)	-	4,204,095	-	-	-	4,204,095	4,204,095
Loans from non-controlling shareholders (note 32)	非控股股東貸款(附註32)	-	142,300	-	-	-	142,300	142,300
Loans from fellow subsidiaries (note 32)	同系附屬公司貸款(附註32)	-	126,481	-	-	-	126,481	126,481
Due to the immediate holding company	應付直接控股公司款項	158,301	-	394,585	-	-	552,886	507,195
Due to the ultimate holding company	應付最終控股公司款項	402,860	3,587,502	45,342	984,788	-	5,020,492	4,781,904
Loans from associates (note 32)	聯營公司貸款(附註32)	285,883	-	-	-	-	285,883	285,883
Total	總額	857,625	15,321,664	5,584,021	4,895,119	9,633,483	36,291,912	32,436,077

Notes to the Financial Statements

財 務 報 表 附 註

38 FINANCIAL RISK MANAGEMENT (CONTINUED)

(c) Interest rate risk

The interest rate risk of the Group is mainly due to the interest rate fluctuations of its bank borrowings. Interest on these bank borrowings is computed based on market rates.

The Group will constantly assess the interest rate risk it encounters to decide whether it is required to hedge against the possible interest rate risk that may arise.

At 31 December 2016, the Group had HK\$15,485,413,000 (2015: HK\$16,672,692,000) variable interest rate bank borrowings which expose the Group to cash flow interest rate risk. If the interest rate of these bank borrowings had increased/decreased by 0.5% and all other factors remained unchanged, the profit after tax for the year of the Group would have decreased/increased by approximately HK\$74,294,000 (2015: HK\$62,523,000).

(d) Currency risk

Most of the operating income of the Group's business is in RMB and the Group's assets held and all of the committed borrowings of the Group are mainly denominated in RMB, except for certain US\$-denominated bank loans held by the Company.

The Group currently does not have a policy on foreign currency risk as it had minimal transactions denominated in foreign currencies during the years ended 31 December 2015 and 2016 and the impact of foreign currency risk on the Group's operation is minimal. The US\$-denominated bank loans are currently not hedged as the directors consider the risk of movements in exchange rates between the United States dollar and the Hong Kong dollar (the Company's functional currency) to be insignificant.

(e) Equity price risk

The equity price risk of the Group mainly arises from the changes in market prices for held-for-trading equity investments (note 28) and available-for-sale equity investments (note 22). The book values of this type of financial assets held by the Group are recognised according to market quotes as at the end of the reporting period.

At 31 December 2016, if the price of listed equity securities held by the Group had increased/decreased by 10%, and all other factors remained unchanged and excluding tax items, the book values of the listed equity securities of the Group would have increased/decreased by HK\$5,936,000 (2015: HK\$6,928,000).

38 財務風險管理 (續)

(c) 利率風險

本集團之利率風險主要因其銀行借貸之利率波動而產生。該等銀行借貸之利息乃根據市場利率計算。

本集團將持續評估所遇利率風險以決定是否需要對沖可能產生之可能利率風險。

於二零一六年十二月三十一日，本集團有15,485,413,000港元(二零一五年：16,672,692,000港元)浮息銀行借貸，令本集團面臨現金流量利率風險。倘若該等銀行借貸之利率上升/下跌0.5%，而所有其他因素均保持不變，則本集團之年內除稅後溢利將會減少/增加約74,294,000港元(二零一五年：62,523,000港元)。

(d) 貨幣風險

本集團業務中大部分經營收益為人民幣，且本集團所持資產及本集團所有已承諾借貸均主要以人民幣列值，惟若干本公司持有之以美元計值之銀行貸款除外。

當前，本集團並無有關外幣風險之政策，乃因本集團於截至二零一五年及二零一六年十二月三十一日止年度內僅有極少以外幣計值之交易，並且外幣風險對本集團營運之影響極小。以美元計值之銀行貸款目前未作對沖，乃因董事認為美元兌港元(本公司功能貨幣)之匯率變動風險並不大。

(e) 股權價格風險

本集團之股權價格風險主要來自持作交易之股權投資(附註28)及可供出售之股權投資(附註22)之市價變動。此類由本集團持有之金融資產其賬面值乃根據於報告期末之市場報價確認。

於二零一六年十二月三十一日，倘本集團持有之上市股本證券之價格上升/下跌10%，而所有其他因素均保持不變(不包括稅項)，則本集團之上市股本證券之賬面值將會增加/減少5,936,000港元(二零一五年：6,928,000港元)。

Notes to the Financial Statements

財 務 報 表 附 註

39 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

(a) Fair value measurement

(i) *Financial assets and liabilities measured at fair value*

Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, Fair value measurement. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs

The Group's finance department headed by the finance manager is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The finance department reports directly to the chief financial officer and the audit committee. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

39 金融工具之公允值及公允值等級架構

(a) 公允值計量

(i) 按公允值計量之金融資產及負債

公允值等級架構

下表呈報本集團於報告期末按經常性基準計量、歸類於第三級公允值等級(定義見香港財務報告準則第十三號公允值計量)之金融工具公允值。公允值計量所歸類之層級乃參照估值方法所使用可觀察性及重要性之輸入值釐定如下:

- 第一級估值: 僅採用第一級輸入值(例如同等資產或負債於計量日期未經調整之活躍市場報價)計量之公允值
- 第二級估值: 採用第二級輸入值(例如未滿足第一級之可觀察輸入值)且未採用重大不可觀察輸入值計量之公允值。不可觀察輸入值為不可提供市場數據之輸入值。
- 第三級估值: 採用重大不可觀察輸入值計量之公允值

本集團以財務經理為首的財務部門負責釐訂金融工具公允值計量之政策及程序。財務部門直接向財務總監及審核委員會報告。於各報告日期,財務部門分析金融工具之價值變動並釐定估值中適用的主要輸入值。估值由財務總監審核及批准。估值過程及結果與審核委員會每年討論兩次,作中期及年度財務申報。

Notes to the Financial Statements

財 務 報 表 附 註

39 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Fair value measurement (continued)

(i) Financial assets and liabilities measured at fair value (continued)

Fair value hierarchy (continued)

39 金融工具之公允值及公允值等級架構 (續)

(a) 公允值計量 (續)

(i) 按公允值計量之金融資產及負債 (續)

公允值等級架構 (續)

Assets: 資產:	Fair value measurement as at 31 December 2016 using 於二零一六年十二月三十一日使用以下輸入之公允值計量				Fair value measurement as at 31 December 2015 using 於二零一五年十二月三十一日使用以下輸入之公允值計量			
	Quoted prices in active markets (Level 1) 於活躍市場 之報價 (第一級) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入值 (第二級) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入值 (第三級) HK\$'000 千港元	Total 總額 HK\$'000 千港元	Quoted prices in active markets (Level 1) 於活躍市場 之報價 (第一級) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入值 (第二級) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入值 (第三級) HK\$'000 千港元	Total 總額 HK\$'000 千港元
Available-for-sale investments 可供出售投資	54,798	-	-	54,798	65,583	-	-	65,583
Equity investments at fair value through profit or loss 透過損益按公允值計算的 股本投資	4,566	-	-	4,566	3,696	-	-	3,696
	59,364	-	-	59,364	69,279	-	-	69,279
Liabilities: 負債:	Fair value measurement as at 31 December 2016 using 於二零一六年十二月三十一日使用以下輸入之公允值計量				Fair value measurement as at 31 December 2015 using 於二零一五年十二月三十一日使用以下輸入之公允值計量			
	Quoted prices in active markets (Level 1) 於活躍市場之 報價 (第一級) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入值 (第二級) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入值 (第三級) HK\$'000 千港元	Total 總額 HK\$'000 千港元	Quoted prices in active markets (Level 1) 於活躍市場之 報價 (第一級) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入值 (第二級) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入值 (第三級) HK\$'000 千港元	Total 總額 HK\$'000 千港元
Due to the immediate holding company 應付直接控股公司 款項	-	383,514	-	383,514	-	348,894	-	348,894

Notes to the Financial Statements

財 務 報 表 附 註

39 FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Fair value measurement (continued)

(i) *Financial assets and liabilities measured at fair value (continued)*

Fair value hierarchy (continued)

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2015: Nil).

The fair values of listed equity investments (including available-for-sale investments and equity investments at fair value through profit or loss) are determined based on quoted market prices.

The fair values of amount due to the immediate holding company have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities.

(ii) *Fair value of financial assets and liabilities carried at other than fair value*

The carrying amounts of the Group's financial instruments carried at cost or amortised cost were not materially different from their fair values as at 31 December 2015 and 2016.

40 OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases its investment properties (note 16) and property, plant and equipment under operating lease arrangements, with leases negotiated for terms ranging from two to eighteen years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

39 金融工具之公允值及公允值等級架構 (續)

(a) 公允值計量 (續)

(i) *按公允值計量之金融資產及負債 (續)*

公允值等級架構 (續)

年內，第一級與第二級之間概無公允值計量的轉撥及金融資產及金融負債概無轉入或轉出第三級 (二零一五年：無)

上市股本投資 (包括可供出售投資及透過損益按公允值計算的股本投資) 的公允值乃根據市場報價釐定。

應付直接控股公司的款項的公允值乃透過具有相若期限、信貸風險及剩餘到期日的現時可供使用工具的利率貼現預期未來現金流量來計算。

(ii) *按公允值以外方式列賬的金融資產及負債的公允值*

本集團按成本或攤銷成本列賬的金融工具的賬面值與其於二零一五年及二零一六年十二月三十一日之公允值並無重大區別。

40 經營租約安排

(a) 作為出租人

根據經營租約安排，本集團租出旗下投資物業 (附註16) 及物業、廠房及設備，租期議定為兩年至十八年不等。租約條款亦一般要求租戶先繳付保證金及規定視乎當時市場環境而週期性調整租金。

Notes to the Financial Statements

財 務 報 表 附 註

40 OPERATING LEASE ARRANGEMENTS (CONTINUED)

(a) As lessor (continued)

At 31 December 2016, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	一年內	656,036	466,793
In the second to fifth years, inclusive	第二年至第五年(包括首尾兩年)	1,142,005	895,730
After five years	五年後	180,077	579,414
		1,978,118	1,941,937

(b) As lessee

At 31 December 2016, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	一年內	13,959	11,744
In the second to fifth years, inclusive	第二年至第五年(包括首尾兩年)	23,435	13,692
		37,394	25,436

Apart from these leases, the group is the lessee in respect of a number of properties and items of property, plant and equipment held under operating leases. The leases typically run for an initial period of 1 to 6 years, with an option to renew the lease when all terms are renegotiated. Lease payments are usually increased every year to reflect market rentals. None of the leases includes contingent rentals.

40 經營租約安排(續)

(a) 作為出租人(續)

於二零一六年十二月三十一日，本集團於以下租期屆滿之不可取消經營租約在未來之最低應收租金總額如下：

(b) 作為承租人

於二零一六年十二月三十一日，本集團於以下期間屆滿之不可取消經營租約在未來之最低應付租金總額如下：

除該等租約外，本集團亦為根據經營租約持有之多個物業以及物業、廠房及設備項目之承租人。該等租約通常訂有初步租期一至六年，並可選擇續約，屆時重新談判所有條款。租金通常每年上漲，以反映市場租金。概無租約包含或然租金。

Notes to the Financial Statements

財 務 報 表 附 註

41 CAPITAL COMMITMENTS

In addition to the operating lease commitments detailed in note 40(b) above, the Group had the following commitments at the end of the reporting period:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Commitments in respect of acquisition of land and buildings, and development costs attributable to properties under development:			
Contracted, but not provided for	就收購土地及樓宇及發展中物業發展成本之承擔： 已訂約但未撥備	5,997,713	7,786,034

42 CONTINGENT LIABILITIES

As at 31 December 2016, the Group has given guarantees to a maximum extent of approximately HK\$7,869,258,000 (2015: HK\$8,857,658,000) to banks for housing loans extended by the banks to the purchasers of the Group's properties.

Pursuant to the terms of the guarantees, if there is default of the mortgage payments by these purchasers, the Group is responsible for repaying the outstanding mortgage loans together with any accrued interest and penalty owed by the defaulted purchasers to banks. The Group is then entitled to take over the legal title of the related properties. The Group's guarantee period commences from the date of grant of the relevant mortgage loan and ends after the buyer of the Group's properties obtained the individual property ownership certificate.

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

41 資本承擔

除上文附註40(b)詳述之經營租約承擔外，於報告期末，本集團之資本承擔如下：

42 或然負債

於二零一六年十二月三十一日，本集團就銀行給予本集團物業買家之房屋貸款向銀行提供最多達約7,869,258,000港元（二零一五年：8,857,658,000港元）之擔保。

根據擔保條款，倘該等買家拖欠按揭款項，本集團有責任償付欠付之按揭貸款以及拖欠款項買家欠付銀行之任何應計利息及罰款。本集團隨後可接收有關物業之合法所有權。本集團之擔保期由授出有關按揭貸款當日開始截至本集團物業買家取得個別物業所有權證後屆滿。

董事認為，倘拖欠款項，有關物業之可變現淨值足以償付尚未償還之按揭貸款連同任何應計利息及罰款，故未就該等擔保作出撥備。

Notes to the Financial Statements

財 務 報 表 附 註

43 RELATED PARTY TRANSACTIONS

(a) Key management personnel remuneration

Remuneration for key management personnel of the Group, including amounts paid to the Company's directors as disclosed in note 9 and certain of the highest paid employees as disclosed in note 10, is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Short-term employee benefits	短期僱員福利	12,104	12,917
Post-employment benefits	退休福利	1,757	1,960
Equity settled share option expense	以股本支付之購股權開支	3,457	6,935
		17,318	21,812

43 關聯方交易

(a) 主要管理人員酬金

本集團主要管理人員之酬金(包括已付本公司董事(於附註9內披露)及若干最高薪僱員(於附註10內披露)之金額)如下:

(b) Financing arrangements

(b) 融資安排

		Amounts owed to the Group by related parties 關聯方結欠本集團之款項 As at 31 December 於十二月三十一日		Amounts owed by the Group to related parties 本集團結欠關聯方之款項 As at 31 December 於十二月三十一日		Related interest (expense)/income 相關利息 (開支)/收入 Year ended 31 December 截至十二月三十一日止年度	
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Due to the immediate holding company (ii)/(v)	應付直接控股公司款項(ii)/(v)	-	-	2,023,117	507,195	(26,861)	-
Due to the ultimate holding company (iii)/(v)	應付最終控股公司款項(iii)/(v)	-	-	2,850,880	4,781,904	(202,325)	(214,268)
Loans from fellow subsidiaries (i)/(v)	同系附屬公司貸款(i)/(v)	-	-	13,652	126,481	-	(7,575)
Loans from associates(i)	聯營公司貸款(i)	-	-	301,147	285,883	-	-
Loans to joint ventures(iv)	給予合營企業貸款(iv)	1,212,741	1,027,384	-	-	95,658	191,723

Notes to the Financial Statements

財 務 報 表 附 註

43 RELATED PARTY TRANSACTIONS (CONTINUED)

(b) Financing arrangements (continued)

Notes:

- (i) The outstanding balances with these related parties are unsecured, interest-free and have no fixed repayment terms.
- (ii) The amounts due to the immediate holding company include i) loans amounting to HK\$752,362,000 (2015: nil) classified as non-current liabilities, which are unsecured, bear interest at HIBOR/LIBOR rate plus 2.65% and repayable on 9 November 2019; ii) loans amounting to HK\$1,242,588,000 (2015: nil) classified as current liabilities, which are unsecured, bear interest at HIBOR/LIBOR plus 2.65% and repayable within one year; iii) the remaining balances of HK\$28,167,000 (2015: HK\$507,195,000) classified as current liabilities are unsecured, interest-free and have no fixed terms of repayment.
- (iii) The amounts due to the ultimate holding company include loans amounting to HK\$2,576,335,000 (2015: HK\$2,585,478,000), which are unsecured, bear interest at rates ranging from one year benchmark lending rate to 5.5% per annum and repayable within one year. The remaining balances of HK\$274,545,000 (2015: HK\$2,196,426,000) are unsecured, interest-free and have no fixed terms of repayment.
- (iv) The balance comprises i) HK\$167,685,000 (2015: HK\$77,531,000) included in interests in joint ventures, which is unsecured, interest-free and has no fixed terms of repayment; ii) HK\$976,555,000 included in other long term assets (2015: HK\$949,853,000, included in prepayments, deposits and other receivables), which is unsecured, bears interest at 12% per annum and has no fixed terms of repayment; iii) HK\$56,965,000 included in prepayments, deposits and other receivables (2015: nil), which is unsecured, bears interest at a rate of 9% per annum; iv) HK\$11,536,000 included in prepayments, deposits and other receivables (2015: nil), which is unsecured, interest-free and has no fixed terms of repayment.
- (v) These transactions constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules but are exempt from the disclosure requirements in Chapter 14A of the Listing Rules as they are financial assistance received by the Group which are conducted on normal commercial terms or better, and are not secured by the assets of the Group.

Details of new loans and loans repaid during the year are disclosed in the consolidated cash flow statement.

43 關聯方交易 (續)

(b) 融資安排 (續)

附註:

- (i) 與該等關聯方之未償付結餘為無抵押、免息及無固定償還期。
- (ii) 應付直接控股公司款項包括i) 分類為非流動負債金額為752,362,000港元(二零一五年: 無)之貸款, 該貸款為無抵押、按香港銀行同業拆息/倫敦銀行同業拆息加2.65%計息及於二零一九年十一月九日償還; ii) 分類為流動負債金額為1,242,588,000港元(二零一五年: 無)之貸款, 該貸款為無抵押、按香港銀行同業拆息/倫敦銀行同業拆息加2.65%計息及於一年內償還; iii) 分類為流動負債金額為28,167,000港元(二零一五年: 507,195,000港元)之其餘結餘, 該款項為無抵押、免息及無固定償還期。
- (iii) 應付最終控股公司款項包括金額為2,576,335,000港元(二零一五年: 2,585,478,000港元)之貸款, 該貸款為無抵押, 按介乎一年期基準借貸利率至每年5.5%之利率計息及於一年內償還。其餘結餘274,545,000港元(二零一五年: 2,196,426,000港元)為無抵押、免息及無固定償還期。
- (iv) 結餘包括i) 計入於合營公司之權益內之167,685,000港元(二零一五年: 77,531,000港元), 該款項為無抵押、免息及無固定償還期; ii) 計入其他長期資產之976,555,000港元(二零一五年: 計入預付款項、訂金及其他應收款項949,853,000港元), 該款項為無抵押、按每年12%計息及無固定償還期; iii) 計入預付款項、按金及其他應收款項56,965,000港元(二零一五年: 無), 該款項為無抵押、按每年9%計息; iv) 計入預付款項、訂金及其他應收款項11,536,000港元(二零一五年: 無), 該款項為無抵押、免息及無固定償還期。
- (v) 由於該等交易為本集團接收之財務資助, 因此構成上市規則第14A章內所界定之持續關聯交易, 惟獲豁免遵守上市規則第14A章內之披露規定, 該等交易按一般商業條款或更佳條款進行, 且毋須以本集團之資產作抵押。

年內新增貸款及已償還之貸款詳情在綜合現金流量表內披露。

Notes to the Financial Statements

財 務 報 表 附 註

43 RELATED PARTY TRANSACTIONS (CONTINUED)

(c) In addition to the transactions detailed elsewhere in these financial statements, the Group had the following material transactions with related parties during the year:

43 關聯方交易(續)

(c) 除該等財務報表其他部分已詳述之交易外，年內，本集團與下列關聯方進行以下重大交易：

			2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
	Notes 附註			
(1) Shum Yip Group, the ultimate holding company:	(1) 最終控股公司 深業集團：			
– Management fee income	– 管理費收入	(i)	2,990	3,331
– Rental income	– 租金收入	(ii)/(v)	8,141	4,068
(2) Shum Yip Holdings, the immediate holding company:	(2) 直接控股公司 深業(集團)：			
– Rental expenses	– 租金開支	(ii)/(v)	8,369	10,419
(3) Joint venture:	(3) 合營公司：			
– Sales of products	– 銷售產品	(iii)	62,606	111,483
(4) Fellow subsidiaries:	(4) 同系附屬公司：			
– Management fee income	– 管理費收入	(iv)/(v)	–	2,374
– Rental expenses	– 租金開支	(ii)/(v)	484	414

Notes:

- (i) Pursuant to the relevant agreements entered into between Nongke and Shum Yip Group on 27 January 2014, Shum Yip Group appointed Nongke to provide management services on its behalf in respect of (a) certain agricultural lands and related assets, and (b) the implementation plan of a property development project. Further details are set out in the circular of the Company dated 12 May 2014. Management fee income in respect of the management services as abovementioned of RMB1,614,000 (equivalent to HK\$1,887,000) (2015: RMB1,700,000 (equivalent to HK\$2,097,000)) and RMB943,000 (equivalent to HK\$1,103,000) (2015: RMB1,000,000 (equivalent to HK\$1,234,000)) respectively, was charged to Shum Yip Group for the year. The transaction constitutes a continuing connected transaction as defined in Chapter 14A of the Listing Rules. The disclosures required by Chapter 14A of the Listing Rules are provided in section headed "Continuing connected transaction" of the Directors' Report.
- (ii) The rentals were recognised at prices based on mutual agreement between the parties.
- (iii) The sales to the joint venture was made according to the published prices and conditions offered to other major customers of the Group.
- (iv) The management fee income from a fellow subsidiary was determined at prices based on mutual agreement between the parties.
- (v) These transactions constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules but are exempt from the disclosure requirements in Chapter 14A of the Listing Rules as they are below the de minimis threshold Rule 14A.76(1).
- (vi) In the opinion of the directors, the above related party transactions were conducted on normal commercial terms and in the ordinary course of the Group's business. The directors of the Company confirmed that the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

附註：

- (i) 根據農科與深業集團於二零一四年一月二十七日訂立之相關協議，深業集團委任農科代其就(a)若干農地及相關資產；及(b)物業管理項目之實施計劃提供管理服務。進一步詳情載於本公司日期為二零一四年五月十二日之通函。本年度，有關上述管理服務之管理費收入分別為人民幣1,614,000元(相當於1,887,000港元)(二零一五年：人民幣1,700,000元(相當於2,097,000港元))及人民幣943,000元(相當於1,103,000港元)(二零一五年：人民幣1,000,000元(相當於1,234,000港元))，已從深業集團扣除。該交易構成上市規則第14A章內所界定之持續關聯交易。上市規則第14A章所規定之披露在董事會報告「持續關聯交易」一節內提供。
- (ii) 租金乃按雙方相互協定之價格確認。
- (iii) 向合營公司之銷售乃根據提供予本集團其他主要客戶之已刊發價格及條件作出。
- (iv) 來自同系附屬公司之管理費收入乃按訂約方相互協定之價格釐定。
- (v) 由於該等交易為低於第14A.76(1)條最低水平界線之交易，因此構成上市規則第14A章內所界定之持續關聯交易，惟獲豁免遵守上市規則第14A章內之披露規定。
- (vi) 董事認為，上述關聯方交易乃屬本集團日常業務中按一般商業條款進行之交易。本公司董事確認本公司已遵從上市規則第14A章的披露規定。

Notes to the Financial Statements

財 務 報 表 附 註

43 RELATED PARTY TRANSACTIONS (CONTINUED)

(d) Other transactions with related parties

- (i) At 31 December 2016, the Group's bank loans and other borrowings amounting to HK\$3,771,012,000 (2015: HK\$4,534,160,000) were guaranteed by Shum Yip Group (note 30).
- (ii) On 15 March 2016, the Group acquired 95% equity interest of Fairwind. The transaction constitutes a connected transaction as defined in Chapter 14A of the Listing Rules. Further details of the transaction are set out in note 37(a).
- (iii) On 20 December 2016, the Group signed an agreement with Shenzhen International and made a capital contribution to SIQ Real Estate, which effectively acquired 50% equity interest of SIQ Real Estate. The Group and Shenzhen International are both entities under the control of Shenzhen Municipal People's Government State-owned Assets Supervision and Administration Commission, and therefore are related parties. Further details of the transaction are set out in note 37(b).
- (iv) On 7 March 2016, Nongke, a subsidiary of the Company, entered into an agreement with Shenzhen International to sell an office building at a cash consideration of RMB1,162,438,000 (equivalent to approximately HK\$1,359,123,000). As of 31 December 2016, the consideration has been fully settled.

(e) Commitments with related parties

The Group has entered into certain operating lease arrangements with Shum Yip Holdings. The amount of lease expenses for the year is included in note 40(b) to the financial statements. The Group expects total lease expenses in 2017, 2018 and 2019 to be approximately HK\$10,888,000, HK\$10,528,000 and HK\$3,509,000, respectively.

43 關聯方交易 (續)

(d) 與關聯方之其他交易

- (i) 於二零一六年十二月三十一日，本集團3,771,012,000港元(二零一五年：4,534,160,000港元)之銀行貸款及其他借貸乃由深業集團擔保(附註30)。
- (ii) 於二零一六年三月十五日，本集團收購Fairwind之95%股權。該交易構成上市規則第14A章內所界定之關連交易。交易之進一步詳情載於附註37(a)。
- (iii) 於二零一六年十二月二十日，本集團與深圳國際簽署一項協議及向前海置業作出注資，實際收購前海置業之50%股權。本集團與深圳國際均為深圳市人民政府國有資產監督管理委員會控制的實體，因此為關聯方。交易的進一步詳情載於附註37(b)。
- (iv) 於二零一六年三月七日，本公司之附屬公司農科與深圳國際訂立一項協議，以現金代價人民幣1,162,438,000元(相當於約1,359,123,000港元)出售一個寫字樓樓宇。於二零一六年十二月三十一日，代價已全數清償。

(e) 與關聯方之承擔

本集團與深業(集團)訂立若干經營租賃安排。年內租賃開支金額於財務報表附註40(b)中披露。本集團預期，於二零一七年、二零一八年及二零一九年之租賃開支總額分別約為10,888,000港元、10,528,000港元及3,509,000港元。

Notes to the Financial Statements

財 務 報 表 附 註

44 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION 44 公司層面財務狀況表

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

有關本公司於報告期末之財務狀況表之資料如下：

		31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元	31 December 2015 二零一五年 十二月三十一日 HK\$'000 千港元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	195	236
Investments in subsidiaries	附屬公司投資	32,916,439	28,750,185
Investments in associates	聯營公司投資	119,532	119,532
Total non-current assets	非流動資產總額	33,036,166	28,869,953
Current assets	流動資產		
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款項	40,195	2,986
Equity investments at fair value through profit or loss	透過損益按公允值計算之股權投資	4,566	3,696
Cash and cash equivalents	現金及現金等價物	1,165,725	916,583
Total current assets	流動資產總額	1,210,486	923,265
Current liabilities	流動負債		
Interest-bearing bank and other borrowings	計息銀行及其他借貸	2,592,176	499,058
Other payables and accruals	其他應付款項及應計費用	334,603	53,238
Due to the ultimate holding company	應付最終控股公司款項	29,812	27,594
Due to the immediate holding company	應付直接控股公司款項	1,277,209	-
Total current liabilities	流動負債總額	4,233,800	579,890
Net current (liabilities)/assets	流動(負債)/資產淨值	(3,023,314)	343,375
Total assets less current liabilities	總資產減流動負債	30,012,852	29,213,328
Non-current liabilities	非流動負債		
Interest-bearing bank and other borrowings	計息銀行及其他借貸	10,350,424	9,957,170
Due to the immediate holding company	應付直接控股公司款項	-	348,894
Total non-current liabilities	非流動負債總額	10,350,424	10,306,064
Net assets	資產淨值	19,662,428	18,907,264

Notes to the Financial Statements

財 務 報 表 附 註

44 COMPANY-LEVEL STATEMENT OF FINANCIAL POSITION (CONTINUED) 44 公司層面財務狀況表 (續)

			31 December 2016 二零一六年 十二月三十一日 HK\$'000 千港元	31 December 2015 二零一五年 十二月三十一日 HK\$'000 千港元
		Notes 附註		
Equity	權益			
Share capital	股本	36(b)	18,281,191	17,478,481
Other reserves	其他儲備		1,381,237	1,428,783
Total equity	權益總額		19,662,428	18,907,264

Approved and authorised for issue by the board of directors on 27 March 2017.

經董事會於二零一七年三月二十七日批准及授權刊發。

Huang Wei
黃偉
Director
董事

Liu Chong
劉崇
Director
董事

Notes to the Financial Statements

財 務 報 表 附 註

45 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2016

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far the Group has identified some aspects of the new standards which may have a significant impact on the consolidated financial statements. Further details of the expected impacts are discussed below. As the Group has not completed its assessment, further impacts may be identified in due course and will be taken into consideration when determining whether to adopt any of these new requirements before their effective date and which transitional approach to take, where there are alternative approaches allowed under the new standards.

HKFRS 9, Financial instruments

HKFRS 9 will replace the current standard on accounting for financial instruments, HKAS 39, Financial instruments: Recognition and measurement. HKFRS 9 introduces new requirements for classification and measurement of financial assets and calculation of impairment of financial assets. On the other hand, HKFRS 9 incorporates without substantive changes the requirements of HKAS 39 for recognition and derecognition of financial instruments and the classification of financial liabilities. Expected impacts of the new requirements on the Group's financial statements are as follows:

(a) Classification and measurement

HKFRS 9 contains three principal classification categories for financial assets: measured at (1) amortised cost, (2) fair value through profit or loss (FVTPL) and (3) fair value through other comprehensive income (FVTOCI) as follows:

- The classification for debt instruments is determined based on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the asset. If a debt instrument is classified as FVTOCI then effective interest, impairments and gains/losses on disposal will be recognised in profit or loss.

45 截至二零一六年十二月三十一日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋的可能影響

本集團正在就該等修訂及新訂準則預期對首次應用期間的影響程度作出評估。截至目前為止，本集團已識別可能對綜合財務報表產生重大影響的新訂準則的若干範疇。預期影響的進一步詳情在下文討論。由於本集團尚未完成其評估，可能會在適當時候識別進一步影響，並會將何時釐定是否在生效日期前採納任何該等新規定及將採取的過渡策略及新準則項下所允許的替代策略納入考慮範圍。

香港財務報告準則第9號，金融工具

香港財務報告準則第9號將會取代香港會計準則第39號「金融工具：確認及計量」項下有關金融工具會計處理的現時標準。香港財務報告準則第9號就金融資產的分類及計量及金融資產減值的計算推出新的規定。香港財務報告準則第9號就金融工具的確認及終止確認及金融負債的分類對香港會計準則第39號的規定加入並無實質性的變動。新規定的對本集團財務報表的預期影響如下：

(a) 分類及計量

香港財務報告準則第9號載有金融資產的三個主要劃分類別：(1)按攤銷成本，(2)透過損益按公允值計算(FVTPL)及(3)透過其他全面收入按公允值計算(FVTOCI)的金融資產，現載列如下：

- 債務工具的分類按實體管理金融資產的經營模式及該資產的合約現金流量特性釐定。倘債務工具分類為透過其他全面收入按公允值計算的金融資產，則實際利息、減值及出售的收益／虧損將會於損益內確認。

Notes to the Financial Statements

財 務 報 表 附 註

45 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

HKFRS 9, Financial instruments (continued)

(a) Classification and measurement (continued)

- For equity securities, the classification is FVTPL regardless of the entity's business model. The only exception is if the equity security is not held for trading and the entity irrevocably elects to designate that security as FVTOCI. If an equity security is designated as FVTOCI then only dividend income on that security will be recognised in profit or loss. Gains, losses and impairments on that security will be recognised in other comprehensive income without recycling.

Based on the preliminary assessment, the Group expects that its financial assets currently measured at amortised cost and FVTPL will continue with their respective classification and measurements upon the adoption of HKFRS 9.

With respect to the Group's financial assets currently classified as "available-for-sale", these are investments in equity securities which the Group may classify as either FVTPL or irrevocably elect to designate as FVTOCI (without recycling) on transition to HKFRS 9. The Group has not yet decided whether it will irrevocably designate these investments as FVTOCI or classify them as FVTPL. Either classification would give rise to a change in accounting policy as the current accounting policy for available-for-sale equity investments is to recognise fair value changes in other comprehensive income until disposal or impairment, when gains or losses are recycled to profit or loss in accordance with the Group's policies set out in notes 2(g) and 2(k). This change in policy will have no impact on the Group's net assets and total comprehensive income but will impact on reported performance amounts such as profit and earnings per share.

45 截至二零一六年十二月三十一日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋的可能影響 (續)

香港財務報告準則第9號，金融工具 (續)

(a) 分類及計量 (續)

- 就股本證券而言，其分類為不考慮實體經營模式的透過損益按公允值計算的金融資產。唯一例外是倘股本證券並非持作買賣，則該實體不可撤回地將選擇將該證券指定為透過其他全面收入按公允值計算的金融資產。倘股本證券指定為透過其他全面收入按公允值計算的金融資產，則僅有該證券的股息收入將會於損益內確認。該證券的收益、虧損及減值將會沒有回收地在其他全面收入內確認。

根據初步評估，本集團預期其目前按攤銷成本及透過損益按公允值計算的金融資產將會於採納香港財務報告準則第9號後繼續沿用彼等各自的分類及計量。

就本集團目前分類為「可供出售」的金融資產而言，存在本集團可能分類為透過損益按公允值計算的或在過渡到香港財務報告準則第9號後不可撤回地選擇指定為透過其他全面收入按公允值計算（毋須回收）的股本證券投資。本集團尚未決定是否會不可撤回地指定該等投資為透過其他全面收入按公允值計算或將其分類為透過損益按公允值計算。任何一種分類將會引致會計政策的變動，乃由於可供出售股本投資的現時會計政策為在其他全面收入中確認公允值變動，直至出售或減值（當收益或虧損根據本集團政策（附註2(g)及2(k)內所載）回收至損益時）。此政策變動對本集團的資產淨值及全面收入總額概無影響，然而將會影響利潤及每股盈利等報告的表現金額。

Notes to the Financial Statements

財 務 報 表 附 註

45 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

HKFRS 9, Financial instruments (continued)

(a) Classification and measurement (continued)

The classification and measurement requirements for financial liabilities under HKFRS 9 are largely unchanged from HKAS 39, except that HKFRS 9 requires the fair value change of a financial liability designated at FVTPL that is attributable to changes of that financial liability's own credit risk to be recognised in other comprehensive income (without reclassification to profit or loss). The Group currently does not have any financial liabilities designated at FVTPL and therefore this new requirement may not have any impact on the Group on adoption of HKFRS 9.

(b) Impairment

The new impairment model in HKFRS 9 replaces the "incurred loss" model in HKAS 39 with an "expected credit loss" model. Under the expected credit loss model, it will no longer be necessary for a loss event to occur before an impairment loss is recognised.

Instead, an entity is required to recognise and measure expected credit losses as either 12-month expected credit losses or lifetime expected credit losses, depending on the asset and the facts and circumstances. This new impairment model may result in an earlier recognition of credit losses on the Group's trade receivables and other financial assets.

However, a more detailed analysis is required to determine the extent of the impact.

HKFRS 15, Revenue from contracts with customers

HKFRS 15 establishes a comprehensive framework for recognising revenue from contracts with customers. HKFRS 15 will replace the existing revenue standards, HKAS 18, Revenue, which covers revenue arising from sale of goods and rendering of services, and HKAS 11 Construction contracts, which specifies the accounting for revenue from construction contracts.

The Group is currently assessing the impacts of adopting HKFRS 15 on its financial statements.

45 截至二零一六年十二月三十一日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋的可能影響 (續)

香港財務報告準則第9號，金融工具 (續)

(a) 分類及計量 (續)

香港財務報告準則第9號項下金融負債的分類及計量規定與香港會計準則第39號大致未變，惟香港財務報告準則第9號要求透過損益按公允值計算的金融負債的公允值變動，乃由於將在其他全面收入(沒有重新分類至損益)中確認的金融負債本身的信貸風險的變動而引致。本集團目前並無透過損益按公允值計算的金融負債，因此，於採納香港財務報告準則第9號後，此項新規定未必會對本集團產生任何影響。

(b) 減值

香港財務報告準則第9號內的新減值模式以「預期信貸虧損」模式取代香港會計準則第39號內的「已發生虧損」。根據預期信貸虧損模式，在確認減值虧損之前發生虧損事件不再成為必要。

相反，實體須確認及計量預期信貸虧損為12個月預期信貸虧損或終身預期信貸虧損(視乎資產及事實及情況而定)。此項新的減值模式可能引致就本集團應收賬款及其他金融資產提前確認信貸虧損。

然而，釐定影響程度須進行更為詳盡的分析。

香港財務報告準則第15號，與客戶的合約收入

香港財務報告準則第15號建立確認與客戶的合約收入的全面框架。香港財務報告準則第15號將會取代香港會計準則第18號「收入」(其涵蓋因銷售商品及提供服務而產生的收入)及香港會計準則11號「建造合約」(其規定了建造合約收入的會計處理)的現有收入準則。

本集團目前正在評估採納香港財務報告準則第15號對其財務報表的影響。

Notes to the Financial Statements

財 務 報 表 附 註

45 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

HKFRS 15, Revenue from contracts with customers (continued)

Based on the preliminary assessment, the Group has identified the following areas which are likely to be affected:

(a) *Timing of revenue recognition*

The Group's revenue recognition policies are disclosed in note 2(v). Currently, revenue arising from construction contracts and the provision of services is recognised over time, whereas revenue from the sale of goods is generally recognised when the risks and rewards of ownership have passed to the customers.

Under HKFRS 15, revenue is recognised when the customer obtains control of the promised good or service in the contract. HKFRS 15 identifies 3 situations in which control of the promised good or service is regarded as being transferred over time:

- (a) When the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs;
- (b) When the entity's performance creates or enhances an asset (for example work in progress) that the customer controls as the asset is created or enhanced;
- (c) When the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

If the contract terms and the entity's activities do not fall into any of these 3 situations, then under HKFRS 15 the entity recognises revenue for the sale of that good or service at a single point in time, being when control has passed. Transfer of risks and rewards of ownership is only one of the indicators that will be considered in determining when the transfer of control occurs.

45 截至二零一六年十二月三十一日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋的可能影響(續)

香港財務報告準則第15號，與客戶的合約收入(續)

根據初步評估，本集團已識別下列可能受到影響的範疇：

(a) *收入確認的時間*

本集團收入確認政策在附註2(v)內披露。因建造合約及提供服務產生的收入目前按時間基準確認，而銷售商品的收入一般在所有權的風險及回報已轉移至客戶時確認。

根據香港財務報告準則第15號，當客戶取得合約中所許諾的商品或服務的控制權時確認收入。香港財務報告準則第15號已識別所許諾的商品或服務的控制權視為已按時間基準轉移的三種情況：

- (a) 當實體在履約的同時，客戶接獲及消費該實體履約提供的收益；
- (b) 在資產產生或升級時，該實體履約產生或升級客戶控制的資產(例如在建工程)；
- (c) 當實體履約並不產生資產，惟有替代用途給予該實體及該實體就截至該日止已完工的履約情況擁有可強制執行的被支付權利。

如合約條款及實體活動並不屬於該等三種情況的任何一種，則根據香港財務報告準則第15號規定，該實體就銷售商品或服務按單個時間點(即控制權已轉移時)確認收入。所有權的風險及回報的轉移僅為釐定何時發生控制權轉移時將會考慮的指標之一。

Notes to the Financial Statements

財 務 報 表 附 註

45 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

HKFRS 15, Revenue from contracts with customers (continued)

(a) Timing of revenue recognition (continued)

As a result of this change from the risk-and-reward approach to the contract-by-contract transfer-of-control approach, it is possible that once the Group adopts HKFRS 15 some of the Group's property development activities that are currently recognised at a point in time may meet the HKFRS 15 criteria for revenue recognition over time. This will depend on the terms of the sales contract and the enforceability of any specific performance clauses in that contract, which may vary depending on the jurisdiction in which the contract would be enforced. It is also possible that for the remainder of the Group's contracts the point in time when revenue is recognised may be earlier or later than under the current accounting policy. However, further analysis is required to determine whether this change in accounting policy may have a material impact on the amounts reported in any given financial reporting period.

(b) Significant financing component

HKFRS 15 requires an entity to adjust the transaction price for the time value of money when a contract contains a significant financing component, regardless of whether the payments from customers are received significantly in advance or in arrears.

Currently, the Group would only apply such a policy when payments are significantly deferred, which is currently not common in the Group's arrangements with its customers.

Currently, the Group does not apply such a policy when payments are received in advance.

Advance payments are common when residential properties are marketed by the Group while the property is still under construction. In this situation, the Group may offer buyers a discount compared to the sales price payable, provided the buyer agrees to pay the balance of the purchase price early.

Currently, the revenue from property sales is recognised when the property is complete, measured at the amount received from the customer, irrespective of whether the customer pays early or on completion. However, under HKFRS 15 such advance payment schemes are likely to be regarded as including a financing component.

45 截至二零一六年十二月三十一日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋的可能影響 (續)

香港財務報告準則第15號，與客戶的合約收入 (續)

(a) 收入確認的時間 (續)

由於由風險回報法向逐個合約控制權轉移法的變動，一旦本集團採納香港財務報告準則第15號，很有可能某些目前按時間點確認的本集團物業開發活動符合香港財務報告準則第15號按時間基準確認收入的規範。此情況取決於銷售合約的條款及該合約內任何特定履約條款的可強制執行性，視乎將會強制執行合約的所在司法權區而有所區別。本集團其餘合約確認收入的時間點亦可能早於或晚於當前會計政策所規定者。然而，釐定會計政策變動是否可能對任何指定財務報告期間所報告金額產生重大影響需要進一步的分析。

(b) 重大融資組成

當合約載有重大融資組成時(而不考慮是否提前或拖欠接獲大部分客戶付款)，香港財務報告準則第15號規定該實體就貨幣的時間價值調整交易價格。

本集團目前將會僅適用大部分付款遞延的政策，而該情況在本集團與客戶的協議中目前並不常見。

本集團目前並不適用收取預付款的政策。

當本集團推銷住宅物業而該物業仍在建設中時，預付款是常見的做法。在此情況下，本集團可能會相比應付售價向買主提供折扣，但前提是買主同意提前支付購買款的餘額。

本集團目前物業銷售的收入在物業竣工後確認，按已收客戶金額計量，而不計客戶是否提前或於竣工後支付。然而，根據香港財務報告準則第15號規定，該等預付款計劃可能視為計入融資組成項下。

Notes to the Financial Statements

財 務 報 表 附 註

45 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

HKFRS 15, Revenue from contracts with customers (continued)

(b) Significant financing component (continued)

The Group is in the process of assessing whether this component in the Group's advance payment schemes would be significant to the contract and therefore whether, once HKFRS 15 is adopted, the transaction price would need to be adjusted for the purposes of recognising revenue. Any adjustment to the transaction price under HKFRS 15, if considered necessary, would result in interest expense being recognised while the construction work is still in progress to reflect the effect of the financing benefit obtained from the customers, with a corresponding increase to revenue on sale of properties recognised when control of the completed property is transferred to the customer.

(c) Sales with a right of return

Currently when the customers are allowed to return the products, the Group estimates the level of returns and makes an adjustment against revenue and cost of sales.

The Group expects that the adoption of HKFRS 15 will not materially affect how the Group recognises revenue and cost of sales when the customers have a right of return.

However, the new requirement to recognise separately a return asset for the products expected to be returned will impact the presentation in the consolidated statement of financial position as the Group currently adjusts the carrying amounts of inventory for the expected returns, instead of recognising a separate asset.

HKFRS 16, Leases

As disclosed in note 2(j), currently the Group classifies leases into finance leases and operating leases and accounts for the lease arrangements differently, depending on the classification of the lease. The Group enters into some leases as the lessor and others as the lessee.

45 截至二零一六年十二月三十一日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋的可能影響(續)

香港財務報告準則第15號，與客戶的合約收入(續)

(b) 重大融資組成(續)

本集團現正評估是否本集團的預付款計劃的該組成部分將會對合約而言舉足輕重，因此，無論是採納香港財務報告準則第15號，就確認收入而言，交易價將須予以調整。香港財務報告準則第15號項下交易價的任何調整(如視為必要)將會引致在建造工程仍在進行的同時確認利息開支，以反映向客戶獲得融資收益的影響，當已落成物業的控制權轉移予客戶時已確認的物業銷售收入相應增加。

(c) 附帶退貨權的銷售

目前，當客戶被允許退貨時，本集團估計退貨等級並針對收入及銷售成本作出調整。

本集團預期，採納香港財務報告準則第15號不會對本集團確認收入及銷售成本(當客戶有退貨權時)產生重大影響。

然而，就預期退回的產品單獨確認退回資產的新規定將會對綜合財務狀況表的呈報產生影響，乃由於本集團目前就預期退貨調整存貨的賬面值，而不是確認單獨資產。

香港財務報告準則第16號，租賃

誠如附註2(j)內披露，本集團目前將租賃分類為融資租賃及經營租賃並視乎租賃分類區別入賬租賃安排。本集團訂立本集團作為出租人的一些租賃及其他為本集團為承租人的租賃。

Notes to the Financial Statements

財 務 報 表 附 註

45 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE YEAR ENDED 31 DECEMBER 2016 (CONTINUED)

HKFRS 16, Leases (continued)

HKFRS 16 is not expected to impact significantly on the way that lessors account for their rights and obligations under a lease. However, once HKFRS 16 is adopted, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, i.e. at the commencement date of the lease the lessee will recognise and measure a lease liability at the present value of the minimum future lease payments and will recognise a corresponding "right-of-use" asset. After initial recognition of this asset and liability, the lessee will recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As a practical expedient, the lessee can elect not to apply this accounting model to short-term leases (i.e. where the lease term is 12 months or less) and to leases of low-value assets, in which case the rental expenses would continue to be recognised on a systematic basis over the lease term.

HKFRS 16 will primarily affect the Group's accounting as a lessee of leases for properties, plant and equipment which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the statement of profit or loss over the period of the lease. The Group will perform a more detailed analysis to determine the amounts of new assets and liabilities arising from operating lease commitments on adoption of HKFRS 16, after taking into account the applicability of the practical expedient and adjusting for any leases entered into or terminated between now and the adoption of HKFRS 16 and the effects of discounting.

The directors consider the adoption of HKFRS 16 will not have a material effect on the Group's consolidated financial statements because the Group's future minimum lease payments under non-cancellable operating leases at 31 December 2016 was insignificant to the Group.

45 截至二零一六年十二月三十一日止年度已頒佈但尚未生效的修訂、新訂準則及詮釋的可能影響 (續)

香港財務報告準則第16號，租賃 (續)

香港財務報告準則第16號預期不會對出租人根據租賃將其權利及責任入賬的方式產生重大影響。然而，一旦採納香港財務報告準則第16號，承租人將不再區分融資租賃及經營租賃。相反，在實用方法規限下，承租人將會按與即期融資租賃會計處理相若的方法將所有租賃入賬，即在租賃開始日期，承租人將會按最低租賃付款的現值確認及計量租賃負債並確認相應的「使用權」資產。在初步確認該項資產及負債後，承租人將會就租賃負債的未償付結餘及使用權資產的減值累計利息開支，取代按租賃期限系統化地確認經營租賃項下產生的租金開支的現時政策。作為實用方法，承租人可選擇對短期租賃（即租賃期限為12個月或不足12個月）及低價值資產不應使用此會計處理模式，在此情況下，將會繼續按租期限系統化地確認租金開支。

香港財務報告準則第16號將主要影響就物業、廠房及設備的本集團為承租人的租賃（目前分類為經營租賃）的會計處理。應用新的會計模式預期引致資產及負債均有增加，及對按租賃期限在損益表內確認開支的時間產生影響。本集團將會進行更為詳盡的分析，以釐定於採納香港財務報告準則第16號後因經營租賃承擔而產生的新的資產及負債的金額，並將會考慮實用方法的適用性並就目前與採納採納香港財務報告準則第16號之期間訂立或終止的租賃進行調整以及折現的影響。

董事認為，採納香港財務報告準則第16號不會對本集團的綜合財務報表產生重大影響，乃由於本集團根據不可撤銷經營租賃的未來最低租賃付款於二零一六年十二月三十一日對本集團並不重大。

Schedule of Major Properties

主 要 物 業 表

Group I – Property interest held by the Company under development and for future development

第一類 – 本公司有待發展中及有待日後發展之物業權益

Project/Property Name 項目／物業名稱	Type 用地性質	Address 地址	Interest to the Company 公司所佔權益	Land Area (sq.m.) 佔地面積 (平方米)	Planned GFA (sq.m.) 規劃建築面積 (平方米)	Expected Completion Year 預計完工年份
Property interest held for future development						
有待日後發展之物業權益						
Qingshuihe Auto Park Phase 4 清水河國際汽車產業園4期	Warehouse/ Commercial 倉儲／商業	Luohu, Shenzhen 深圳市羅湖區	97.74%	5,700	30,560	2018
Ma'anshan Shum Yip Huafu Phase 2 馬鞍山深業華府2期	Residential 住宅	Yushan, Ma'anshan 馬鞍山市雨山區	97.74%	189,927	643,547	2020
Garden Hills (Land Plot 1) 半山名苑(1號地塊)	Residential 住宅	Zhongkai Development Zone, Huizhou 惠州市仲愷開發區	100%	81,811	166,985	No Plans 未有計劃
Garden Hills Phase 3.2 半山名苑3.2期	Residential 住宅	Zhongkai Development Zone, Huizhou 惠州市仲愷開發區	100%	48,702	214,529	2020
Splendid City Phase 3 錦繡姜城3期	Residential 住宅	Taizhou, Jiangsu 江蘇省泰州市	100%	46,675	110,960	No Plans 未有計劃
Shum Yip Garden 深業花園	Residential 住宅	Huicheng, Huizhou 惠州市惠城區	100%	72,922	297,505	2021
Rui Cheng Phase 3.2 睿城3.2期	Residential 住宅	Changsha County, Changsha 長沙市長沙縣	80%	12,453	66,627	2020
Nanhu Rose Bay Building 10-17# (Zone 1&2 of Phase 4) 南湖玫瑰灣10-17#(4期1&2區)	Residential 住宅	Wuhan, Hubei 湖北省武漢市	75.05%	38,035	118,203	No Plans 未有計劃
Yihu Rose Garden Phase 1.2 – Longxi 怡湖玫瑰苑1.2期 – 瓏峯	Residential 住宅	Qingjiang North Road, Qingbaijiang, Chengdu 成都市青白江區清江北路	52.54%	16,900	81,888	2018
Yihu Rose Garden Phase 2 怡湖玫瑰苑2期	Residential 住宅	Qingjiang North Road, Qingbaijiang, Chengdu 成都市青白江區清江北路	52.54%	4,146	16,584	No Plans 未有計劃
Yihu Rose Garden Phase 3 怡湖玫瑰苑3期	Residential 住宅	Qingjiang North Road, Qingbaijiang, Chengdu 成都市青白江區清江北路	52.54%	4,287	21,437	No Plans 未有計劃
Wuhan Bio Valley Project 武漢生物谷項目	Residential 住宅	North of Gaoxin Avenue, East Lake High-tech Development Zone, Wuhan 武漢市東湖高新區高新大道北側	75.05%	348,249	830,000	No Plans 未有計劃
Chaohu Royal Spring Garden North 巢湖御泉莊北區	Residential 住宅	Bantang Economic Development Zone, Chaohu 巢湖市半湯經濟開發區	100%	127,269	33,920	No Plans 未有計劃
Chaohu South Residential 巢湖南區住宅	Residential 住宅	Bantang Economic Development Zone, Chaohu 巢湖市半湯經濟開發區	100%	145,868	41,406	No Plans 未有計劃

Schedule of Major Properties

主 要 物 業 表

Group I – Property interest held by the Company under development and for future development

第一類 – 本公司有待發展中及有待日後發展之物業權益

Project/Property Name 項目／物業名稱	Type 用地性質	Address 地址	Interest to the Company 公司所佔權益	Land Area (sq.m.) 佔地面積 (平方米)	Planned GFA (sq.m.) 規劃建築面積 (平方米)	Expected Completion Year 預計完工年份
Property interest held for future development 有待日後發展之物業權益						
Chaohu South Residential Phase 1 巢湖南區住宅1期	Residential 住宅	Bantang Economic Development Zone, Chaohu 巢湖市半湯經濟開發區	100%	17,822	5,509	2017
Chengdu Splendid Industrial Park (Land Plot South) 成都錦繡工廠(南地塊)	Commercial 商業	Caotang East Road, Qingyang, Chengdu 成都市青羊區草堂東路	87.97%	6,836	10,654	2017
Taifu Square Phase 2 泰富廣場2期	Complex 綜合	Luohu, Shenzhen 深圳市羅湖區	97.74%	8,964	92,240	2021
Taifu Square Phase 3 泰富廣場3期	Complex 綜合	Luohu, Shenzhen 深圳市羅湖區	97.74%	8,807	132,992	2022
Shanglin Garden (Land Plot South) 上林苑(南地塊)	Residential 住宅	Hailing Road, Hailing, Taizhou 泰州市海陵區海陵路	100%	182,865	532,412	No Plans 未有計劃
Shum Yip Xihui 深業喜匯	Residential 住宅	Changsha County, Changsha 長沙市長沙縣	80%	27,732	102,821	2019
Kashi Residential (Land Plot 1) 喀什住宅(地塊1)	Residential 住宅	Duolaitebage Road, Kashi 喀什市多萊特巴格路	100%	17,129	59,952	No Plans 未有計劃
Sanshui Hotel (Land Plot 5) 三水酒店(地塊5)	Complex 綜合	Sanshui, Foshan 佛山市三水區	100%	90,016	108,062	No Plans 未有計劃
Sanshui Investment (Land Plot 1) 三水投資(地塊1)	Residential/ Commercial 住宅／商業	Sanshui, Foshan 佛山市三水區	100%	36,756	11,050	No Plans 未有計劃
Yundonghai (Land Plot 2.1) 雲東海(地塊2.1)	Residential/ Commercial 住宅／商業	Sanshui, Foshan 佛山市三水區	100%	34,160	84,509	No Plans 未有計劃
Yundonghai (Land Plot 3) 雲東海(地塊3)	Residential/ Commercial 住宅／商業	Sanshui, Foshan 佛山市三水區	100%	221,480	200,590	No Plans 未有計劃
Yundonghai (Land Plot 4) 雲東海(地塊4)	Residential/ Commercial 住宅／商業	Sanshui, Foshan 佛山市三水區	100%	332,598	247,620	No Plans 未有計劃

Schedule of Major Properties

主 要 物 業 表

Group I – Property interest held by the Company under development and for future development

第一類 – 本公司有待發展中及有待日後發展之物業權益

Project/Property Name 項目 / 物業名稱	Type 用地性質	Address 地址	Interest to the Company 公司所佔權益	Land Area (sq.m.) 佔地面積 (平方米)	Planned GFA (sq.m.) 規劃建築面積 (平方米)	Stage of Development ^(Note) 發展進度 ^(附註)	Expected Completion Year 預計完工年份
Property interest held under development 持有發展中之物業權益							
Shum Yip Zhongcheng Land Plot 05-01 深業中城05-01地塊	Complex 綜合	Intersection of Hongli West Road and Nongyuan Road, Futian, Shenzhen 深圳市福田區紅荔西路與農園路交匯處	100%	36,193	338,873	3	2019
Taifu Square Phase 1 (South) 泰富廣場1期(南區)	Complex 綜合	Luohu, Shenzhen 深圳市羅湖區	97.74%	18,600	206,971	2	2019
Taifu Square Phase 1 (North) 泰富廣場1期(北區)	Complex 綜合	Luohu, Shenzhen 深圳市羅湖區	97.74%	8,158	100,804	2	2018
Changzhou Shum Yip Huafu Phase 2 常州深業華府2期	Residential 住宅	Zhonglou, Changzhou 常州市鐘樓區	100%	32,640	125,939	2	2018
Ma'anshan Shum Yip Huafu Phase 3.2 馬鞍山深業華府3期2組團	Residential 住宅	Yushan, Ma'anshan 馬鞍山市雨山區	97.74%	62,669	194,560	3	2018
Gaobangshan No.1 Garden Phase 1 (Land Plot 4) 高榜山1號花園1期(4號地塊)	Residential 住宅	Huicheng, Huizhou 惠州市惠城區	100%	38,994	135,893	3	2018
Shum Yip City Phase 3.2 深業城3.2期	Residential 住宅	Beijiao Town, Shunde, Foshan 佛山市順德區北滘鎮	100%	51,006	129,022	3	2017
Shanglin Garden Phase 1.2 上林苑1.2期	Residential 住宅	Hailing Road, Hailing, Taizhou 泰州市海陵區海陵路	100%	36,503	106,405	1	2018
Garden Hill Phase 3.1.2 – 6/7/8/9 半山名苑3.1期2標 – 6/7/8/9	Residential 住宅	Zhongkai Development Zone, Huizhou 惠州市仲愷開發區	100%	24,199	127,593	4	2017
Garden Hill Phase 3.1.1 – A-2/3 半山名苑3.1期1標 – A-2/3	Residential 住宅	Zhongkai Development Zone, Huizhou 惠州市仲愷開發區	100%	31,693	79,847	4	2017
Garden Hill Phase 3.1.1B – 1/4/5 半山名苑3.1期1標B-1/4/5	Residential 住宅	Zhongkai Development Zone, Huizhou 惠州市仲愷開發區	100%	15,419	50,909	4	2017
Rui Cheng Phase 2.2 睿城2.2期	Residential 住宅	Changsha County, Changsha 長沙市長沙縣	80%	26,152	73,757	4	2017
Rui Cheng Phase 3.1 睿城3.1期	Residential 住宅	Changsha County, Changsha 長沙市長沙縣	80%	45,117	73,433	3	2018
Wanlin Lake Phase 9 萬林湖9期	Residential 住宅	Jinbang Road, Huicheng, Huizhou 惠州市惠城區金榜路	100%	27,698	74,427	2	2019

Schedule of Major Properties

主要物業表

Group I – Property interest held by the Company under development and for future development

第一類 – 本公司有待發展中及有待日後發展之物業權益

Project/Property Name 項目／物業名稱	Type 用地性質	Address 地址	Interest to the Company 公司所佔 權益	Land Area (sq.m.) 佔地面積 (平方米)	Planned GFA (sq.m.) 規劃建築面積 (平方米)	Stage of Development ^(Note) 發展進度 ^(附註)	Expected Completion Year 預計完工 年份
Property interest held under development 持有發展中之物業權益							
Terra Licheng (Chegongmiao Redeveloped Project) (Phase 1) 泰然立城(車公廟城市更新項目一期)	Complex 綜合	Tairan 4th Road, Futian, Shenzhen 深圳市福田區泰然四路	75.05%	7,944	116,650	2	2019
Building 5&6 of Yihu Rose Bay Phase 1.1 怡湖玫瑰苑1.1期5及6樓	Residential 住宅	Qingjiang North Road, Qingbaijiang, Chengdu 成都市青白江區清江北路	52.54%	4,400	17,761	4	2017
Chaohu North Phase 4.1 巢湖北區4期1批	Residential 住宅	Bantang Economic Development Zone, Chaohu 巢湖市半湯經濟開發區	100%	6,732	4,853	3	2017
Chaohu North Phase 3 巢湖北區3期	Residential 住宅	Bantang Economic Development Zone, Chaohu 巢湖市半湯經濟開發區	100%	14,621	5,721	3	2017
Shum Yip Dongling Land Plot 04-01 深業東嶺04-01地塊	Commercial 商業	Intersection of Shennan East Road and Yanhe North Road, Luohu, Shenzhen 深圳市羅湖區深南東路與沿河北路交匯處	95%	6,751	76,733	2	2020
Shum Yip Dongling Land Plot 03-01 深業東嶺03-01地塊	Complex 綜合	Intersection of Shennan East Road and Yanhe North Road, Luohu, Shenzhen 深圳市羅湖區深南東路與沿河北路交匯處	95%	48,434	457,359	4	2018
Shum Yip UpperHills South Besides Office T2 深業上城南區除T2	Complex 綜合	Intersection of Huanggang Road and Sungang Road, Futian, Shenzhen 深圳市福田區皇崗路與筲崗路交匯處	100%	72,609	768,009	4	2019
Qianhai 19-06-06 Project 前海19-06-06項目	Residential 住宅	Free Trading Area, Qianhai, Shenzhen 深圳市前海自貿區	50%	12,491	52,900	2	2018
Tanglang City West 塘朗城西區	Complex 綜合	South of Liuxian Avenue, Nanshan, Shenzhen 深圳市南山區留仙大道南側	50%	30,101	277,557	4	2018

Notes:

1. Site formation
2. Foundation work
3. Superstructure in progress
4. Interior finishing

附註:

1. 地盤平整
2. 地基工程
3. 上蓋工程進行中
4. 內部裝修

Schedule of Major Properties

主 要 物 業 表

Group II – Property interest held by the Company for sales

第二類 – 本公司持有作銷售之物業權益

Property 物業	Address 地址	Use 用途	Interest to the Company 集團 所佔權益	TGFA (sq.m.) 總樓面面積 (平方米)	Completion Date 落成日期
Shunde Shum Yip City 順德深業城	Shunde, Foshan, Guangdong 廣東省佛山市順德區	Com. & Res. 商業及住宅	100%	143,378.64	2012
Noble Times 東晟時代	Shenzhen, Guangdong 廣東省深圳市	Com. & Res. 商業及住宅	100%	241.04	2012
Royal Garden 御園	Shenzhen, Guangdong 廣東省深圳市	Res. 住宅	100%	311.05	2012
Zhongxin Science & Technology Building 眾鑫科技大廈	Shenzhen, Guangdong 廣東省深圳市	Off. 辦公室	100%	11,050.91	2001
Rui Cheng Phase I 睿城一期	Changsha City, Hunan 湖南省長沙市	Res. 住宅	80%	6682.47	2012
Wanlin Lake 萬林湖	Huizhou, Guangdong 廣東省惠州市	Com. & Res. 商業及住宅	100%	39,233.52	2008-2011
Garden Hill 半山名苑	Huizhou, Guangdong 廣東省惠州市	Com. & Res. 商業及住宅	100%	17,502.40	2012
Yundonghai (Land Plot 2) 雲東海(2號地塊)	Sanshui, Foshan, Guangdong 廣東省佛山市三水區	Com. & Res. 商業及住宅	100%	64,996.12	2012
Saina Bay 塞納灣	Heyuan, Guangdong 廣東省河源市	Com. & Res. 商業及住宅	100%	20,144.69	2012
Euro-view Garden Phase 1 歐景麗苑一期	Dongguan, Guangdong 廣東省東莞市	Res. 住宅	100%	5,377.40	2012
Splendid City Phase 1 & 2.1 錦繡姜城1期及2.1期	Taizhou, Jiangsu 江蘇省泰州市	Res. 住宅	100%	36,264.25	2011-2014
Ma'anshan Shumyip Huafu 馬鞍山深業華府	Ma'anshan, Anhui 安徽省馬鞍山市	Res. 住宅	99.78%	117,684.26	2013
Changzhou Shumyip Huafu 常州深業華府	Changzhou, Jiangsu 江蘇省常州市	Res. 住宅	100%	4,752.55	2014
Shenyang Wuai Shengang Bus Station and Meibo Trading Centre 瀋陽五愛深港客運站及美博貿易中心	Shenyang, Liaoning 遼寧省瀋陽市	Com. & Res. 商業及住宅	81.09%	38,968.14	2011
Nanhu Rose Bay Phase 1-3 南湖玫瑰灣一至三期	Wuhan, Hubei 湖北省武漢市	Com. & Res. 商業及住宅	52.54%	14,813.72	2012
Yihu Rose Garden Phase I-I 怡湖玫瑰苑I-期	Chengdu, Sichuan 四川省成都市	Com. & Res. 商業及住宅	45.03%	23,158.45	2013
Tian'an Long Garden Phase I 天安江畔瓏園一期	Chongqing 重慶市	Com. & Res. 商業及住宅	37.53%	30,773.92	2014
Tian'an Panyu Phase 5-8 天安番禺五至八期	Panyu, Guangzhou, Guangdong 廣東省廣州市番禺區	Ind. & Res. 工業及住宅	37.53%	127,635.49	2011-2014

Schedule of Major Properties

主 要 物 業 表

Group II – Property interest held by the Company for sales

第二類 – 本公司持有作銷售之物業權益

Property 物業	Address 地址	Use 用途	Interest to the Company 集團 所佔權益	TGFA (sq.m.) 總樓面面積 (平方米)	Completion Date 落成日期
Tian'an Nanhai Cyber-City Phase 2-6 天安南海數碼新城二期至六期	Foshan, Guangdong 廣東省佛山市	Ind. 工業	37.53%	10,647.70	2010-2014
Chongqing Tian An Cloud Park (Phase 1) 重慶天安雲谷一期	Chongqing 重慶市	Com. 商業	37.53%	43,335.26	2012
Changzhou Tian An Cyber Park 常州天安數碼城	Changzhou, Jiangsu 江蘇省常州市	Ind. & Res. 工業及住宅	37.53%	71,732.90	2010-2014
Tian'an Jiangyin Cyber-City 天安江陰數碼城	Jiangyin, Jiangsu 江蘇省江陰市	Com. & Res. 商業及住宅	37.53%	72,887.99	2012-2014
Tian'an Dongguan Cyber-City (Building C/E) 天安東莞數碼城(C·E區)	Dongguan, Guangdong 廣東省東莞市	Ind. & Res. 工業及住宅	37.53%	5,668.48	2013-2014
Foshan Tian An Centre Phase1 佛山天安中心一期	Foshan, Guangdong 廣東省佛山市	Com. 商業	37.53%	21,107.59	2014
Tian An Hi-Tech Development Building 天安科技發展大廈	Guangzhou, Guangdong 廣東省廣州市	Ind. & Res. 工業及住宅	37.53%	8,567.21	2008-2009
Tian'an Cyber-City Chuangye 天安數碼城創業園	Shenzhen, Guangdong 廣東省深圳市	Com. 商業	37.53%	7,061.39	2012-2015
Tian'an Tianjin Cyber-City 天安天津數碼城	Tianjin 天津市	Ind. & Res. 工業及住宅	37.53%	95,655.41	2013-2016
Tian'an Qingdao Cyber-City 天安青島數碼城	Qingdao, Shandong 山東省青島市	Ind. & Res. & Com. 工業、住宅及商業	37.53%	78,603.10	2015
Coastal International Centre-Shop & Apt. 沿海國際中心 – 商業及公寓	Suzhou, Jiangsu 江蘇省蘇州市	Com. & Res. 商業及住宅	100%	14,214.62	2009
UpperHills North 深業上城北區	Shenzhen, Guangdong 廣東省深圳市	Res. 住宅	100%	51,257.80	2014
Jiangyue Bay 江悅灣	Guangzhou, Guangdong 廣東省廣州市	Res. 住宅	100%	10,969.98	2014, 2015
Royal Spring North Villa Phase I 御泉莊北區別墅一期	Chaohu, Anhui 安徽省巢湖市	Res. 住宅	100%	2,741.80	2015
Bofeng Building 博豐大廈	Luohu, Shenzhen, Guangdong 廣東省深圳市羅湖區	Off. 辦公室	97.82%	35,979.04	2016
Ruicheng Phase 2.1 睿城2.1期	Changsha, Hunan 湖南省長沙市	Res. 住宅	80%	1,963.22	2016
Shanglin Garden 上林苑	Taizhou, Jiangsu 江蘇省泰州市	Res. 住宅	100%	29,512.38	2016
Guanlan Rose Pavilion and Rose Garden 觀瀾玫瑰軒及玫瑰苑	Shenzhen, Guangdong 廣東省深圳市	Com. & Res. 商業及住宅	38.28%	52,792.84	2016

Schedule of Major Properties

主 要 物 業 表

Group III – Property interest held by the Company for investment

第三類 – 本公司持有作投資之物業權益

Property 物業	Address 地址	Use 用途	Interest to the Company 公司 所佔權益	TGFA (sq.m.) 總樓面面積 (平方米)	Completion Date 落成日期
Shun Hing Square 信興廣場	Shennan Zhong Road, Jiefang Road and Baoan Road, Luohu, Shenzhen 深圳市羅湖區深南中路解放路 及寶安路交界	Com., Off., Res. and Carpark 商業·辦公室·住宅 及停車場	100%	17,817.12	1996
Shum Yip Centre 深業中心	Shennan Zhong Road, Luohu, Shenzhen 深圳市羅湖區深南中路	Com. and Off. 商業及辦公室	100%	10,335.30	1997
Hua Min Building 華民大廈	Renmin Nan Road, Luohu, Shenzhen 深圳市羅湖區人民南路	Com./Res., Com. and Carpark 商/住·商業及停車場	50%	5,853.19	1993
Hua Min Building 華民大廈	Renmin Nan Road, Luohu, Shenzhen 深圳市羅湖區人民南路	Com./Res. 商/住	100%	1,376.98	1993
Shum Yip Building 深業大廈	Wenjin Zhong Road, Luohu, Shenzhen 深圳市羅湖文錦中路	Off. 辦公室	100%	3,931.39	1991
Noble Times 東晟時代	Longgang, Shenzhen 深圳市龍崗區	Com. 商業	100%	27,062.21	2012
Che Gong Miao Ind. Zone 車公廟工業區	Futian, Shenzhen 深圳市福田區	Com., Off., Com./Res., Ind., Res. and Carpark 商業·辦公室·商/住· 工業·住宅及停車場	75.05%	131,164.19	1994-2012
No. 10 Fuxing Nan Road 福星南路10號	Futian, Shenzhen 深圳市福田區	Res. 住宅	75.05%	64.44	1990
Shenhua Science & Technology Park 深華科技園	Meilin Road, Futian, Shenzhen 深圳市福田區梅林路	Ind. 工業	75.05%	15,341.58	1994
Shop in No.117 Fuxing Road 福星路117號商舖	Futian, Shenzhen 深圳市福田區	Com. 商業	100%	50.49	1993
Fuxing Building 福星大廈	No.9 Fuxing Road, Futian, Shenzhen 深圳市福田區福星路9號	Com., Off. and Carpark 商業·辦公室及停車場	100%	1,593.20	1993
Tian'an Che Gong Miao Ind. Zone 天安車公廟工業區	Futian, Shenzhen 深圳市福田區	Off., Ind., Res. and Carpark 辦公室·工業·住宅及停車場	37.53%	66,427.68	1992-2005
Tian'an Nanhai New Cyber-City Phase II 天安南海數碼新城二期	Nanhai, Foshan, Guangdong 廣東省佛山市南海區	Ind. 工業	37.53%	24,214.93	2008-2015
Tian'an Panyu New Cyber-City 天安番禺數碼新城	Panyu, Guangzhou, Guangdong 廣東省廣州市番禺區	Ind., Res. 工業及住宅	37.53%	28,412.16	2010

Schedule of Major Properties

主 要 物 業 表

Group III – Property interest held by the Company for investment

第三類 – 本公司持有作投資之物業權益

Property 物業	Address 地址	Use 用途	Interest to the Company 公司 所佔權益	TGFA (sq.m.) 總樓面面積 (平方米)	Completion Date 落成日期
Tian'an Longgang New Cyber-City 天安龍崗數碼新城	Shenzhen, Guangdong 廣東省深圳市	Com. and Ind. 商業及工業	37.53%	27,904.89	2010-2014
Tian'an Dongguan New Cyber-City 天安東莞數碼新城	Dongguan, Guangdong 廣東省東莞市	Ind. 工業	37.53%	14,660.11	2012-2015
Tian'an Jiangyin Cyber-City 天安江陰數碼城	Jiangyin, Jiangsu 江蘇省江陰市	Ind. 工業	37.53%	18,566.07	2012
Tian'an Changzhou Cyber-City 天安常州數碼新城	Changzhou, Jiangsu 江蘇省常州市	Ind. 工業	37.53%	31,640.99	2012
Tian'an Qingdao Cyber-City 天安青島數碼新城	Qingdao, Shandong 山東省青島市	Ind. 工業	37.53%	2,900.36	2015
Tian'an Tianjin Cyber-City 天安天津數碼新城	Xiqing, Tianjin 天津市西青區	Ind. 工業	37.53%	20,130.65	2016
Tian'an Chongqing Cyber-City 天安重慶數碼新城	Da Du Kou, Chongqing 重慶市大渡口	Ind. 工業	37.53%	2,600.84	2015
Shum Yip Garden 深業花園	Futian, Shenzhen 深圳市福田區	Com. 商業	100%	2,646.43	2002
Sungang Warehouse Zone 筍崗倉庫區	Baoan Bei Road, Luohu, Shenzhen 深圳市羅湖區寶安北路	Ind. and Com. 工業及商業	97.82%	84,884.21	1990-2002
Compostie Building on Taoyuan Road 桃源路綜合樓	Baoan Bei Road, Luohu, Shenzhen 深圳市羅湖區寶安北路	Com./Res. 商住	97.82%	4,812.73	1991
Dormitory Building on Taoyuan Road 桃源路宿舍樓	Baoan Bei Road, Luohu, Shenzhen 深圳市羅湖區寶安北路	Com./Res. 商住	97.82%	4,835.28	1988
Zijing Yuan 紫荊苑	Futian, Shenzhen 深圳市福田區	Carpark 停車場	100%	7,257.00	1997
Boxing Building 博興大廈	Qingshuihe, Luohu, Shenzhen 深圳市羅湖區清水河	Com. 商業	97.82%	12,861.05	2014
Bolong Building 博隆大廈	Qingshuihe, Luohu, Shenzhen 深圳市羅湖區清水河	Com. 商業	97.82%	39,284.24	2014
S.Z. Int'l. Trust and Investment Corp. Building 深圳國際信託投資總公司大樓	Junction of Zhenxin Road and Shangbu Zhong Road, Futian, Shenzhen 深圳市福田區振興路及上步中路交界	Off. 辦公室	75.05%	1,316.54	1990

Schedule of Major Properties

主 要 物 業 表

Group III – Property interest held by the Company for investment

第三類 – 本公司持有作投資之物業權益

Property 物業	Address 地址	Use 用途	Interest to the Company 公司 所佔權益	TGFA (sq.m.) 總樓面面積 (平方米)	Completion Date 落成日期
Shenyang Wuai Bus Station 瀋陽五愛客運站	Shenyang, Liaoning 遼寧省瀋陽市	Ind. 工業	81.09%	27,852.63	1994-1996
Shenyang Wuai Shengang Bus Station and Meibo Trading Centre 瀋陽五愛深港客運站及美博貿易中心	Shenyang, Liaoning 遼寧省瀋陽市	Carpark 停車場	81.09%	47,442.46	2011
Coastal International Centre 沿海國際中心	Suzhou, Jiangsu 江蘇省蘇州市	Com. and Off. 商業及辦公室	100%	42,518.00	2009
Chengdu Jinxiu Workshop 成都錦繡工場	Chengdu, Sichuan 四川省成都市	Com. and Carpark 商業及停車場	88.04%	30,803.45	2008
UpperHills South 深業上城南區	Shenzhen, Guangdong 廣東省深圳市	Com., Hotel & Off. 商業、酒店及辦公室	100%	283,154.00	2017
Pengji Properties 鵬基物業	Shenzhen, Guangdong and Nanjing, Jiangsu 廣東省深圳市及江蘇省南京	Com., Res., Ind. and Carpark 商業、住宅、工業及停車場	100%	270,576.62	1983-2005
Xiangli Oasis Club 香荔綠洲會所	Futian, Shenzhen 深圳市福田區	Com. 商業	100%	2,212.09	2003
Times Technology Building 時代科技大廈	Futian, Shenzhen 深圳市福田區	Com. and Off. 商業及辦公室	100%	52,742.86	2009
Longxi Garden 龍溪花園	Futian, Shenzhen 深圳市福田區	Res. 住宅	100%	6,515.27	1984-1996
Nongke Oasis Office Tower 農科綠洲辦公樓	Futian, Shenzhen 深圳市福田區	Off. 辦公室	100%	5,343.91	2012
Nongke Business Office Tower 農科商務辦公樓	Futian, Shenzhen 深圳市福田區	Off. 辦公室	100%	859.16	2012
Xiangli Garden 香荔花園	Futian, Shenzhen 深圳市福田區	Com. 商業	100%	2,560.00	2003
Town 塘朗城	Nanshan, Shenzhen 深圳市南山區	Carpark 停車場	50%	10,541.00	2015

Schedule of Major Properties

主 要 物 業 表

Group IV – Property interest held by the Company for self-occupation

第四類 – 本公司持有作自用之物業權益

Property 物業	Address 地址	Use 用途	Interest to the Company 公司 所佔權益	TGFA (sq.m.) 總樓面面積 (平方米)	Completion Date 落成日期
Song Ping Shan Estate 松坪山住宅樓	Futian, Shenzhen 深圳市福田區	Res. 住宅	100%	77.27	1996
Tian Yuan Xin Cun 田苑新村	Futian, Shenzhen 深圳市福田區	Res. 住宅	100%	103.23	1997
Chaohu Shumyip Royal Spring Garden 巢湖深業半湯御泉莊	Chaohu, Anhui 安徽省巢湖市	Hotel 酒店	100%	40,663.91	2012
Jinhui Huijing Garden 金匯湖景花園	Huizhou, Guangdong 廣東省惠州市	Res. 住宅	100%	325.66	2008
Agile Garden 雅居樂花園	Heyuan, Guangdong 廣東省河源市	Res. 住宅	100%	383.56	2009
Shumyip Coast 深業新岸線	Baoan, Shenzhen 深圳市寶安區	Com. 商業	100%	3,728.75	2005-2008
Shenfa Garden 深發花園	Luohu, Shenzhen 深圳市羅湖區	Res. 住宅	100%	86.37	1994
Cai Tian Ming Yuan 彩天名苑	Futian, Shenzhen 深圳市福田區	Res. 住宅	100%	324.44	2001
Block 611, Ba Gua Ling 八卦嶺611棟	Futian, Shenzhen 深圳市福田區	Ind. 工業	100%	9,418.02	1985
Factory in Xuexiang Village 雪象村廠房	Longgang, Shenzhen 深圳市龍崗區	Ind. 工業	100%	2,168.10	2005
Factory in Xia Shijia Village 下石家村廠房	Baoan, Shenzhen 深圳市寶安區	Ind. 工業	100%	5,088.10	1990's
Block 8 Peng Sheng Village 鵬盛村8棟	Futian, Shenzhen 深圳市福田區	Res. 住宅	100%	47.06	1992
Block 51, Ba Gua Ling 八卦嶺51棟	Futian, Shenzhen 深圳市福田區	Res. 住宅	100%	35.31	1995
Block 58 Peng Xing Garden 鵬興花園58棟	Luohu, Shenzhen 深圳市羅湖區	Res. 住宅	100%	72.69	1990's
Block 8 Peng Sheng Village 鵬盛村8棟	Futian, Shenzhen 深圳市福田區	Res. 住宅	100%	31.48	1992
Coastal International Centre 沿海國際中心	Suzhou, Jiangsu 江蘇省蘇州市	Hotel 酒店	100%	38,690.71	2009

Schedule of Major Properties

主 要 物 業 表

Group IV – Property interest held by the Company for self-occupation

第四類 – 本公司持有作自用之物業權益

Property 物業	Address 地址	Use 用途	Interest to the Company 公司 所佔權益	TGFA (sq.m.) 總樓面面積 (平方米)	Completion Date 落成日期
Shenyang Wuai Logistic Building 瀋陽五愛貨運樓	Shenyang, Liaoning 遼寧省瀋陽市	Ind. 工業	81.09%	5,680.00	1994-1996
Shenyang Wuai Shengang Bus Station and Meibo Trading Centre 瀋陽五愛深港客運站及美博貿易中心	Shenyang, Liaoning 遼寧省瀋陽市	Carpark 停車場	81.09%	40,106.74	2011
Jinsong Building 勁松大廈	Futian, Shenzhen 深圳市福田區	Ind. 工業	75%	3,600.00	2001
Jinghai Garden 京海花園	Futian, Shenzhen 深圳市福田區	Res. 住宅	75%	200.24	1998
Bihai Hong Shu Yuan 碧海紅樹園	Futian, Shenzhen 深圳市福田區	Com. 商業	75%	7,431.11	2004
Mingzhu Times Square 名築時代廣場	Ma'anshan, Anhui 安徽省馬鞍山市	Res. 住宅	99.78%	462.40	2005
Terra Building (floor 5-8) 泰然大廈 (5-8層)	Shenzhen, Guangdong 廣東省深圳市	Com. 商業	100%	7,878.53	2012
Bolong Building (floor 23-24) 博隆大廈 (23-24層)	Shenzhen, Guangdong 廣東省深圳市	Com. 商業	97.82%	3,784.88	2015
Jinzhou Building 金州大廈	Suzhou, Jiangsu 江蘇省蘇州市	Com. 商業	100%	1,865.00	2003



深圳控股有限公司
SHENZHEN INVESTMENT LIMITED

www.shenzheninvestment.com

