



HSIN新昌
CHONG

Hsin Chong Group Holdings Limited
新昌集團控股有限公司

(Incorporated in Bermuda with limited liability 於百慕達註冊成立之有限公司)

Stock Code 股份代號: 00404.HK



ANNUAL REPORT
2016 年報

願景

VISION

The Leader in Construction, Property and Related Services.

成為建造、房地產及相關服務的行業領導者。

使命

MISSION

We are committed to:

我們致力：

- creating value for our customers and delivering quality services at world-class standard; and
為客戶創造價值及提供世界級的優質服務；及
- delivering value to our shareholders through maximising market share and returns.
擴大市場佔有率及提升回報，為股東締造更高的價值。

價值

VALUES

Heart and Harmony 全心全意 和諧共勉

- We strive for perfection through service from the **heart** and work **harmoniously** together by complementing and supplementing each other.
我們盡心服務，力臻完善，並和諧共勉，彼此互補優勢。

Can-do attitude and Commitment to quality 樂觀積極 優質承諾

- We uphold a **can-do attitude** with integrity and are **committed** to delivering **quality** that will earn the respect and loyalty of our stakeholders.
我們堅持樂觀積極的態度，堅守誠實廉正的信念，並矢志以優質服務，贏取持份者的尊重與忠誠。

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Non-executive Chairman, Mr. LIN Zhuo Yan
非執行主席·林卓延先生

I am pleased to report the annual report and consolidated financial statements of Hsin Chong Group Holdings Limited (the "Company" or "Hsin Chong"), and its subsidiaries, (collectively, the "Group"), for the year ended 31 December 2016 to our shareholders.

Business review

2016 was a year full of challenges and opportunities for the Group. While continuing our active role in our core construction business and diversifying our property portfolio in the Mainland of China, we have strived to expand our core business to new geographical areas.

Construction business

During the year, the Group's core construction business continued to be profitable, recording a gross profit of HK\$436 million, which represents an increase of 4% over 2015. Gross profit margin increased by 0.3 percentage point to 4.7%. As of 31 December 2016, the outstanding workload (excluding NSC) exceeded HK\$12 billion. Among all the contracts on hand, 64% were from the Government, Hong Kong Housing Authority and the MTR Corporation. Another 36% were mostly from prestigious private property developers such as Kerry Properties, New World Development, Swire Properties, Lai Sun Development, and Macau gaming operators like Venetian, Galaxy Entertainment Group and SJM Holdings.

With a full range of services and a committed and professional workforce, we continue to lay cornerstones for Hong Kong's development. Two notable projects awarded last year are worth special mentioning. The first is the main contract works for a splendid hotel development in Hong Kong Ocean Park. The second is a design and construction contract for the Hong Kong Police Force's Kowloon East Regional Headquarters in Kai Tak.

本人欣然向各位股東提呈新昌集團控股有限公司（「本公司」或「新昌」）及其附屬公司（統稱「本集團」）截至2016年12月31日止年度的年報及綜合財務報表。

業務回顧

2016年對本集團而言是挑戰與機遇並存的一年。我們一方面繼續積極發展我們的核心建造業務、使中國內地的物業組合多元化，同時亦致力將核心業務拓展至新的地域。

建造業務

年內，本集團的核心建造業務繼續產生盈利。其錄得毛利港幣436,000,000元，較2015年增加4%。毛利率增加0.3個百分點至4.7%。於2016年12月31日，手頭未完成合約額（不包括澳門銀河娛樂渡假村第二期項目的指定分判商工程）超過港幣120億元。於所有手頭合約中，64%來自政府及香港房屋委員會以及港鐵公司，其他36%大部分乃來自知名物業發展商，例如：嘉里建設、新世界發展、太古地產、麗新發展，以及澳門博彩業營辦商，例如：威尼斯人、銀河娛樂集團及澳門博彩控股。

憑藉全面的服務組合及勤勉專業的員工隊伍，新昌繼續為香港發展夯實根基。其中兩個於去年獲得的項目最值得一提，第一項是香港海洋公園萬豪酒店發展項目的總承建商合約，第二項是位於啟德的香港警務處東九龍總區總部的設計及建築合約。

2016 also saw the successful diversification and globalization of the Company's core construction business. Riding on our strong construction expertise and experience in Hong Kong and Macau, our Construction Management Services (the "CMS") division was awarded a landmark project to build the 500-metre tall (133 storeys) Thai Boon Roong Twin Tower World Trade Center in Cambodia. When completed, this will be the tallest building in Cambodia as well as one of the world's highest buildings.

The new projects in Hong Kong and Cambodia demonstrate our commitment and determination to be a leader in the construction industry by broadening our business portfolio both at home and through selective expansion overseas. Indeed, we are pleased with the opportunity to contribute to the development of Cambodia's urban landscape, enhancing our reputation and foundation in overseas markets as part of our sustainable growth into the future.

Property and Facility Management and ISP Business

The Property and Facility Management and ISP Business was disposed of in November 2016 and the Group recorded a gain of HK\$185.9 million.

Property development

Over the course of the last few years, Hsin Chong has pursued a strategic transformation in its property business portfolio. Currently, the Group has two completed properties in the first tier cities of Beijing and Guangzhou and four properties under development in Foshan, Tai'an, Tianjin and Tieling.

During the period, this division delivered a revenue of HK\$64 million and a gross profit of HK\$20 million.

Fund raising activities

A USD150 million 3-year senior notes due in January 2019 with 8.5% p.a. was released successfully in the international debt capital markets. The coupon is lower than the notes previously issued in 2015 and shows certain market interest and confidence in our 3-year USD notes.

International Real Estate and Hospitality Business

During 2016, the International Property and Hospitality Development Division was established to allow Hsin Chong to pursue global real estate investment and hospitality opportunities. As a start, in early 2017, we signed a Memorandum of Understanding with an international developer to offer project management and construction management services for a large scale, 1,800 acre integrated seaside resort development in Ngwe Saung in Myanmar.

本公司於2016年成功推動本公司核心建造業務的多元化和全球化。憑藉我們於香港及澳門的強大建造專長及豐富經驗，我們的建造管理服務（「建造管理服務」）部門取得一項地標性項目，建造133層500米高的柬埔寨泰文隆雙子大廈世貿中心。於完成後，其將成為柬埔寨最高的建築物，並躋身世界最高的建築物之一。

於香港及柬埔寨的新項目充分彰顯我們透過選擇性拓展海外市場擴闊海內外業務組合，成為建築業引領者的承諾及決心。我們很高興有機會為柬埔寨城市景觀的發展作出貢獻，將幫助我們建立於海外市場的聲譽及堅實基礎，是未來可持續發展的重要一環。

物業及設施管理以及室內裝飾及特殊項目業務

物業及設施管理以及室內裝飾及特殊項目業務已於2016年11月出售及本集團錄得港幣185,900,000元之收益。

物業發展

於過往年度，新昌對其物業業務組合進行策略轉型。現時，本集團於北京及廣州等一線城市擁有兩項已完成物業及於佛山、泰安、天津及鐵嶺擁有四項發展中物業。

期內，此分部產生收益港幣64,000,000元及毛利港幣20,000,000元。

集資活動

我們成功在國際債務資本市場發行本金額150,000,000美元於2019年1月到期的3年期8.5厘優先票據。是次發行的票息率較2015年發行的優先票據更低，反映市場對我們的3年期美元票據有一定的興趣及信心。

國際地產及旅遊發展業務

於2016年，國際地產及旅遊發展業務部門已告成立，以使新昌能夠把握全球房地產投資及旅遊發展業務機會。於2017年年初，我們與一名國際發展商訂立諒解備忘錄，為一個位於緬甸Ngwe Saung、面積1,800英畝的大型綜合海濱度假村發展項目提供項目管理及建造管理服務。

Over the year, we have also focused our efforts in exploring opportunities to provide quality aged care services for senior citizens. After starting the joint venture company, HC Sapphire Senior Living Ltd (HCSSL) with our Australian partner, a project to build senior care homes with fee earning management services in La Viva Foshan is under preparation. In the shorter term, HCSSL is studying collaboration opportunities to operate other aged care centres in the Mainland of China and Southeast Asia. Separately, Hsin Chong is in advanced stages of discussions with renowned French spa operator, Vichy Group, to form a joint venture to build a high-end spa resort in La Viva Foshan which would include a luxury hotel and a rehabilitation center.

With its global network and development expertise, Hsin Chong's International Property and Hospitality Development Division aims to grasp further international real estate development opportunities, widening the Group's income base as well as diversifying the business sectors.

Belt and Road Initiative

Taking part in the construction of major infrastructure projects and witnessing the benefits they bring to communities, opportunities arising from the PRC's "Belt and Road" strategy have been recognized and pursued internationally.

This year, Hsin Chong marked an important milestone in its "Belt & Road" pursuits when it signed a Memorandum of Understanding with the Republic of Chad. We are pleased to be invited to support Chad in its first five-year plan to build infrastructure and public facilities under the country's Vision 2030. This will herald the Group's maiden foray into the African market.

Thus, while our current significant projects are flourishing in Hong Kong and Macau, our construction management business continues to expand its geographical reach to cover African and Asia Pacific counties. We are confident that based on our renowned history and solid experience in constructing large scale integrated projects in Hong Kong and Macau, our experienced team and our unwavering commitment to excellence, we will deliver high quality products and services to clients outside Hong Kong.

Dividend

The Board of Directors (the "Board") of the Company did not declare the payment of an interim dividend for the six months ended 30 June 2016 (2015: 1.0 HK cent per share). To focus our resources on strengthening and developing our businesses, the Board has not recommended the payment of a final dividend for the year ended 31 December 2016 (2015: Nil). Accordingly, total dividend for the financial year of 2016 is nil (2015: 1.0 HK cent per share).

Outlook

The Group has established strategies and plans to achieve continued growth through strengthening its financial position, focusing resources on the core construction business and developing complementary new businesses to diversify its business portfolio.

於年內，我們亦專注於探索機會為年長的市民提供優質的養老服務。繼與澳洲合作夥伴成立合營企業「新藍寶安老生活有限公司」（新藍寶安老生活）後，新昌在佛山星悅南岸，正準備開發一個有示範性質長者護理及養老中心，並發展相關長者護理收費服務。短期內，新藍寶安老生活探索及研究於中國大陸及東南亞經營其他養老中心的合作機會。另外，新昌正與著名法國水療營運商—薇姿集團進行前期洽談成立一間合資公司，以於佛山星悅南岸建立一間高級溫泉度假村，其中設有豪華酒店及復康中心。

憑藉新昌廣博的國際人脈關係及專業的開發經驗，本集團的國際地產及旅遊發展業務部門旨在把握進一步的國際房地產發展機會，拓展本集團的收入基礎以及使業務更富多樣化。

一帶一路機遇

透過參與大型基礎設施建造項目，新昌見證中國「一帶一路」為社會帶來之裨益，我們亦從其戰略中覓得並把握商機。

年內，新昌與乍得共和國簽署諒解備忘錄，此乃其「一帶一路」進程中的重要里程碑。我們非常榮幸獲邀協助乍得政府實現其2030年遠景下建設基礎設施及公共設施的首個5年規劃。是次合作標誌著本集團首次進軍非洲市場告捷。

由此，除目前於香港及澳門的大型項目外，我們的建造管理業務地域覆蓋已進一步擴張至非洲及亞太地區國家。憑藉在香港與澳門建造大型綜合項目的卓越業績及穩實基礎，經驗、經驗豐富的團隊及精益求精的堅定承諾，我們將為香港境外客戶提供優質的產品及服務。

股息

本公司董事會（「董事會」）並無宣派截至2016年6月30日止六個月之中期股息（2015年：每股港幣1.0仙）。為將資源集中於提升及發展我們的業務，董事會不建議就截至2016年12月31日止年度派付末期股息（2015年：無）。因此，2016年財政年度之股息總額為零（2015年：每股港幣1.0仙）。

展望

本集團已制定透過提升其財務狀況、將資源集中於核心建造業務及發展具輔助作用的新業務以多元化其業務組合，進而實現持續增長的策略和計劃。

We will continue to strengthen our strong market position and business base in Hong Kong and support the Government in its infrastructure and building plans. We will also continue our tradition of excellence by serving high end private sector customers to meet their high expectation levels. We have been a major player in Macau's infrastructural development, and look forward to participating further with the award of more new contracts.

In order to strengthen our financial position to meet the maturity of short term debts, the Group is taking an overall review of its People's Republic of China ("PRC") property portfolio and will adopt a cautious approach towards the development of these properties in 2017. With the multiple sources of generating funds and proceeds from proposed disposal of assets, we believe that the Group's gearing and profitability would be improved by the end of 2017.

Appreciation

I believe that unity is the key to success. Our performance is reliant on the quality and commitment of our people across the Group and business lines, from our senior management to our site staff.

On behalf of the board, I would like to express my heartfelt thanks to the management and staff of our company for their valuable dedication and tireless efforts over the last year. Thanks to their enthusiasm, loyalty and contributions to the Group, Hsin Chong is able to live out our commitment and values to our clients, our customers and most importantly, our community.

I would also like to express my heartfelt gratitude to our shareholders, business partners, clients and suppliers for their continuing support and confidence in us.

LIN Zhuo Yan

Non-executive Chairman

Hong Kong, 18 April 2017

我們將繼續鞏固我們於香港的市場地位及業務基礎，支持政府的基礎設施及樓宇規劃。我們亦將傳承我們追求卓越的傳統，服務於高端的私營客戶，達致彼等之高期望。我們已成為澳門基礎設施發展的主要參與者，並預期將透過獲取更多新合約而進一步參與其中。

為增強我們的財務狀況以面對到期的短期債務，本集團正對中華人民共和國（「中國」）物業組合進行整體審閱並將採納審慎的方法於2017年發展該等物業。鑒於多個資金來源及來自出售資產的收益，我們認為本集團的資產負債狀況及盈利能力將於2017年年底獲得改善。

致謝

凝聚孕育成功。成績的取得離不開集團上下各業務部門、從高級管理層以至一線員工全體全人的努力。

本人謹代表董事會，向公司管理層及員工於過去一年作出的寶貴貢獻及不懈努力，表示衷心感謝。正是各位對本集團的熱情投入、衷心致志及孜孜奉獻，助力新昌成功實現對客戶、消費者及社區的承諾及價值。

本人亦衷心感謝各位股東、業務夥伴、客戶及供應商對本集團的鼎力支持和持續信任。

非執行主席

林卓延

香港，2017年4月18日

Management Discussion and Analysis

管理層討論及分析

A. Review of Business and Prospects

1. Financial Overview

A. 業務回顧及前景

1. 財務回顧

(In HK\$ million) (港幣百萬元)		2016 2016年	2015 2015年	Change 變動	
				Amount 金額	%
Revenue	收益	9,823	12,585	-2,762	-22%
Revenue – excluding NSC [#]	收益 – 不包括NSC [#]	9,379	9,623	-244	-3%
Gross profit	毛利	456	435	21	+5%
Gross profit margin	毛利率	4.6%	3.5%	1.1%	
Gross profit margin (excluding NSC [#])	毛利率 – 不包括NSC [#]	4.9%	4.5%	0.4%	
Fair value (loss)/gain on investment properties	投資物業公允值之 (虧損)/收益	(884)	191	-1,075	-563%
Provision for impairment of properties under development	發展中物業減值撥備	(1,924)	-	-1,924	N/A
Gains on bargain purchase	議價收購收益	-	2,321	-2,321	-100%
EBITDA	EBITDA	(4,040)	2,706	-6,746	-249%
Net finance costs	融資成本淨額	(142)	(116)	-26	-22%
(Loss)/profit attributable to shareholders	股東應佔(虧損)/溢利	(2,734)	2,446	-5,180	-212%
Basic (loss)/earnings per share (in HK cents)	每股基本(虧損)/盈利 (港幣仙)	(48.9)	46.4	-95.3	-205%
Interim dividend (in HK cent)	中期股息(港幣仙)	-	1.0	-1.0	-100%
Final dividend (in HK cent)	末期股息(港幣仙)	-	-	N/A 不適用	N/A 不適用

Note:

Nominated subcontractors' work of Macau Galaxy Resort Phase 2 project ("NSC")

附註:

「NSC」—澳門銀河娛樂渡假村第二期項目的指定分判商工程

2. Business Overview

Hsin Chong is an integrated construction and property group in the region, which pursues a strategic transformation in its business portfolio by establishing a dynamic property company. While we await the property business to deliver significant revenue contribution to the Group, our Group's construction business remained profitable.

2. 業務回顧

作為區內的綜合建造及物業集團，新昌藉著建立一間具發展潛力的物業公司，尋求實現其業務組合的策略轉型。在我們期待物業業務為本集團帶來重大收益貢獻之同時，本集團之建造業務的保持其盈利能力。

(In HK\$ million) (港幣百萬元)		2016 2016年	2015 2015年	Change 變動	
				Amount 金額	%
Revenue	收益				
Construction – excluding NSC	建造 – 不包括NSC	9,314	9,552	-238	-2%
Property development and investment	物業發展及投資	65	71	-6	-8%
		9,379	9,623	-244	-3%
Construction – NSC	建造 – NSC	444	2,962	-2,518	-85%
		9,823	12,585	-2,762	-22%
Discontinued operation (Note 1)	已終止經營業務 (附註一)	2,163	2,434	-271	-11%
		11,986	15,019	-3,033	-20%
Gross profit	毛利				
Construction	建造	436	419	17	+4%
Property development and investment	物業發展及投資	20	16	4	+25%
		456	435	21	+5%
Discontinued operation (Note 1)	已終止經營業務 (附註一)	149	186	-37	-20%
		605	621	-16	-3%
EBITDA	EBITDA				
Construction	建造	315	275	40	+15%
Property development and investment (Note 2)	物業發展及投資 (附註二)	(4,238)	2,592	-6,830	-264%
Corporate overhead and others	企業營運費用及其他	(117)	(161)	44	+27%
		(4,040)	2,706	-6,746	-249%
Discontinued operation (Note 1)	已終止經營業務 (附註一)	48	84	-36	-43%
		(3,992)	2,790	-6,782	-243%
Gross profit margin (excluding NSC)	毛利率 (不包括NSC)				
Construction	建造	4.7%	4.4%		
Property development and investment	物業發展及投資	30.8%	22.5%		

Notes:

- 1 The discontinued operation represented interiors and special projects (“ISP”) and property and facility management business upon the disposal of Synergis Holdings Limited, which ceased to be a subsidiary on 21 November 2016.
- 2 In 2016, this division included HK\$1,924 million, being provision for impairment of properties under development; and HK\$884 million, being fair value loss on investment properties. In 2015, this division included HK\$2,321 million, being gains on bargain purchase arising in connection with the property acquisition.

2.1 Construction Business Review

During the year of 2016, the Construction Division received total new orders of HK\$5.8 billion (2015: HK\$14.9 billion), including the following major contracts:

- (i) a main contract for the Hong Kong Ocean Park Marriott Hotel;
- (ii) a design and construction contract for Kowloon East Regional Headquarters and Operational Base cum Ngau Tau Kok Divisional Police Station at 105 Concorde Road, Kai Tak;
- (iii) a HVAC installation to the main contract for Proposed Development at Tung Chung Town Lot No.2 and No.11;
- (iv) an asset enhancement works at Chung Fu Plaza (North);
- (v) an alteration and addition works at Kowloon Investment Building at 8 Bute Street; and
- (vi) a main contract for Eu Yan Sang – Chinese Medicine Plant Development at Yuen Long Industrial Estate.

Following the strong establishment of the construction business in Hong Kong and Macau, our Construction Management Services (the “CMS”) division received a CMS contract to build a twin tower of 500 metres (133 storeys) developed by Thai Boon Roong Group and Sun Kian Ip Group. Upon completion, the tower will be the tallest building in Cambodia as well as one of the world’s tallest buildings.

附註：

- 一 已終止經營業務是指室內裝飾及特殊項目以及物業及設施管理業務，由於新昌管理集團有限公司已出售，該公司於2016年11月21日不再是本集團的附屬公司。
- 二 於2016年，此部門包括港幣19.24億元之發展中物業減值撥備，以及港幣8.84億元之投資物業公允價值虧損。於2015年，此部門包括收購物業而產生之議價收購收益港幣23.21億元。

2.1 建造業務回顧

於2016年，建造業務獲得合共港幣58億元（2015年：港幣149億元）新訂單，包括以下主要合約：

- (i) 香港海洋公園萬豪酒店的主要合約工程；
- (ii) 啟德協調道105號東九龍總區總部及行動基地暨牛頭角分區警署大樓設計及建築項目；
- (iii) 東涌市地段2號及11號的擬建發展項目承包一項空氣調節系統安裝工程；
- (iv) 頌富廣場（北翼）優化改善項目；
- (v) 弼街8號九龍企業有限公司大廈改建及加建工程；及
- (vi) 余仁生一元朗工業邨中藥廠的主要發展項目。

承着我們的建造業務於香港及澳門的堅實基礎，我們的建造管理服務（「建造管理服務」）部門取得一份建造一座由泰文隆集團及新建業集團發展之500米（133層）雙子大廈的建造管理服務合約。落成後，該幢樓宇將成為柬埔寨的最高樓宇，並躋身世界最高樓宇之一。

As of 31 December 2016, the outstanding workload (excluding NSC) exceeded HK\$12 billion. Among all the contracts on hand, 64% were from the public sector and MTR Corporation, including:

- (i) Government & Public Institutions: M+ Museum Main Works Contract at West Kowloon Cultural District, Design & Construction of Kowloon East Regional Headquarters and Operational Base cum Ngau Tau Kok Divisional Police Station, Civil Engineering and Development Department and Drainage Services Department;
- (ii) Hong Kong Housing Authority: a public housing project in Tung Chung; and
- (iii) MTR Corporation: Elevated Road along LOHAS Park Road and the Pedestrian Footbridge FB1, Express Rail Link contract for West Kowloon Terminus Station South and Shatin to Central Link contract for Sung Wong Toi and To Kwa Wan Stations and Tunnels.

Another 36% were from private clients, most of which are prestigious property developers like Kerry Properties, New World Development, Swire Properties, Lai Sun Development and Macau gaming operators like Venetian, Galaxy Entertainment Group and SJH Holdings.

During the year, the Group's core Construction business, excluding discontinued operation, recorded revenue (excluding NSC) of HK\$9.3 billion (2015: HK\$9.6 billion) and gross profit of HK\$436 million (2015: HK\$419 million). The revenue for the year decreased by 2% comparing to that of the last year and gross profit increased by 4%, our gross margin was then improved by 0.3 percentage point to 4.7%.

2.2 Property and Facility Management and ISP Business

Property and Facility Management and ISP Business was disposed of in November 2016 and the Group recorded a gain of HK\$185.9 million.

截至2016年12月31日，手頭未完成合約額（不包括NSC）超過港幣120億元。於所有手頭合約中，64%來自公營機構及港鐵公司，包括：

- (i) 政府及公營機構：西九文化區的M+博物館主工程合約、東九龍總區總部及行動基地暨牛頭角分區警署大樓設計及建築項目、土木工程拓展署及渠務署；
- (ii) 香港房屋委員會：位於東涌的1個公營房屋項目；及
- (iii) 港鐵公司：康城路高架路橋及行人天橋工程、廣深港高鐵路西九龍總站（南）與宋王臺及土瓜灣鐵路站及隧道的沙中線合約。

其他36%乃來自私營客戶，該等客戶中的大多數是知名物業發展商，例如：嘉里建設、新世界發展、太古地產、麗新發展，以及澳門博彩業營辦商，例如：威尼斯人、銀河娛樂集團及澳門博彩控股。

於本年度，本集團之核心建造業務（不包括已終止業務）錄得收益（不包括NSC）港幣93億元（2015年：港幣96億元）及毛利港幣436,000,000元（2015年：港幣419,000,000元）。本年度之收益較上一年度減少2%及毛利增加4%，我們的毛利率提升0.3個百分點至4.7%。

2.2 物業及設施管理以及室內裝飾及特殊項目業務

物業及設施管理以及室內裝飾及特殊項目業務已於2016年11月出售及本集團錄得港幣185,900,000元之收益。

M+ Museum
M+ 視覺文化博物館



2.3 Property Development and Investment Business Review *Property Portfolio*

Completed properties for investment and/or sale

(i) *New Times Plaza, Beijing*

The property is a commercial development, comprising 15 storeys aboveground and 3 storeys of basement. The shopping mall and car park occupy 9 floors of the property (from 3rd floor of the basement to 6th floor) with a total gross floor area ("GFA") of 55,798 square metres ("sqm"). The apartments are located on the 7th to 15th floors of the property. As at 31 December 2016, approximately 12,115 sqm of GFA are available for sale or lease.

As of 31 December 2016, the occupancy rate of the shopping mall was more than 90%. The contribution has been improving since acquisition. The New Times Plaza has generated stable rental and related income for the year.

(ii) *Xiyang Computer City, Commercial Portion of Tian Cheng Ming Yuan*

The property, which consists of a commercial property and a car park with around 325 carparking spaces, has a total GFA of 26,306 sqm.

Property under development

(i) *La Viva, Foshan*

La Viva, Foshan project is located at the "Ninety-Ninth Hill" of Dushugang Village, Lubao Town, Sanshui District of Foshan City. The project is 40 kilometers east of downtown Guangzhou and close to Hong Kong and Macau in the south. With the established three-dimensional transportation network in the surrounding area, it only takes 2 hours to get to the main cities in the Pearl River Delta Economic Zone, including Guangzhou, Shenzhen, Zhuhai, Dongguan, Zhongshan, Yunfu, Zhaoqing, Huizhou, Qingyuan and Jiangmen. The project enjoys access to a road network consisting of three east-west corridors and two north-south corridors, among which the existing Golf Avenue, Danan First-Grade Highway and Luh Road can directly lead to the downtown area of Sanshui District, Guangzhou, Zhaoqing, and Qingyuan. The entrance of the Pearl River Delta Outer-Ring Expressway to be constructed at Lubao Town will be only 5 minutes' drive to the project. Moreover, the planning route of the Tangxi Highway to be constructed will pass by the project in the east, with a distance of only 1 minute's drive.

2.3 物業發展及投資業務回顧 *物業組合*

供投資及／或出售的已落成物業

(i) *北京新年華購物中心*

該物業為一個商業發展項目，由地上15層及3層地庫組成。購物商場及停車場佔據9層物業（由地庫第3層至地上第6層），總建築面積（「建築面積」）達55,798平方米（「平方米」）。公寓則位於該物業第7層至第15層。於2016年12月31日，可供出售或租賃建築面積約為12,115平方米。

於2016年12月31日，購物商場的出租率超過90%。自收購以來，此物業收益一直在改善。年內新年華購物中心提供穩定租金及相關收入。

(ii) *蕪陽電腦城（天晟明苑商業部分）*

該物業（包括商業物業及擁有約325個停車位的停車場）的總建築面積為26,306平方米。

發展中物業

(i) *佛山星悅南岸*

佛山星悅南岸項目位於佛山市三水區蘆苞鎮獨樹崗村「九十九崗」，項目東臨廣州市中心區40公里，南鄰港澳。項目周邊擁有完善的立體交通網絡，只需兩小時便能到達珠三角經濟圈包括廣州、深圳、珠海、東莞、中山、雲浮、肇慶、惠州、清遠、江門等主要城市。項目擁有三橫兩縱的道路系統，其中現有道路包括高爾夫大道、大南一級公路及蘆湖路，可直通三水城區、廣州、肇慶和清遠，即將修建的珠三角洲外環高速公路在蘆苞鎮的出入口距離項目只有5分鐘車程。此外，即將修建的塘西線公路計劃路線位於項目東側，距離只有一分鐘車程。

Foshan Hsin Chong Town is a mixed-use development project, consisting of a total GFA of approximately 1,900,000 sqm. The project is positioned as the first recreation and shopping resort town in Guangzhou-Foshan area. The project plans 13 featured business forms including hot springs recreation city, golf course, recreational vehicle camping ground and outlets shopping mall.

Phase 1 comprises the existing retail outlets of approximately 95,300 sqm, which has been completed. As at 31 December 2016, approximately 50% of the total indoor leasable areas of the outlet mall have been committed for use, comprising (i) approximately 27,000 sqm of leasable floor area in 119 units signed up with tenants representing a total of 113 brands; and (ii) approximately 11,000 sqm in 9 units to be operated by the Group as stores and two food & beverage outlets. After the year end date, the Group is also in discussion with potential tenants for a further 43 brands for 72 units having a total indoor leasable floor area of about 15,000 sqm.

The residential development program adopts the “new suburbs life concept” advocating for high-quality life. A total GFA of approximately 204,400 sqm of low density residential units and serviced apartments are planned for phase 1, of which about 24,000 sqm of low density residential property have been substantially completed. The residential sales will be launched after the phased opening of the retail outlets and granting of sales permit.

佛山新昌小鎮為一個混合用途發展項目，總建築面積約為1,900,000平方米。項目定位為廣佛地區首家休閒購物度假小鎮，規劃了溫泉娛樂城、高爾夫球場、房車露營地、奧特萊斯購物廣場等13大特色業務。

一期包括建築面積約為95,300平方米的現有已完工零售商場。於2016年12月31日，該零售商場的約50%室內可出租面積已承諾作以下用途：(i) 119個單位的約27,000平方米的可出租面積已與合共代表113個品牌的租戶簽訂協議；及(ii) 9個單位的約11,000平方米將由本集團經營為商店及兩間餐飲商舖。於年結日後，本集團亦正與另外43個品牌的潛在租戶就72個單位（總室內可出租面積為約15,000平方米）進行磋商。

住宅發展計畫採用「新效區生活概念」，宣導高品質的生活。一期包括總建築面積約為204,400平方米的低密度住宅單位及酒店式公寓，其中約24,000平方米的低密度住宅物業已完工。住宅物業將在零售商場分階段開張及授出銷售許可後推出市場發售。

(ii) Commercial development project, Tai'an

The project is located in the new town in the south of Tai'an city, Shandong Province – Tai'an New and High Tech Industrial Development Zone. It is 70 kilometers from Ji'nan city in its north, approximately 12 kilometers from Dongyue Street in the downtown area of Tai'an city, and 14 kilometers from the trailhead of Mountain Taishan. The project includes commercial properties with a total GFA of 274,977 sqm. The project aims at building an integrated commercial complex featured with tourism and leisure elements by integrating traditional business and tourism industries. Based on this comprehensive development framework, the tourism and leisure-oriented project will develop a variety of ancillary facilities integrating various functions such as recreation, leisure, sports, catering, and retail, etc. As at the date of this report, a total of 34 blocks of two-storey commercial retail outlet mall with a total GFA of 100,360 sqm are under construction.

(ii) 泰安商業發展項目

項目位於山東省泰安市南部新城—泰安國家高新技術產業開發區內。項目北距濟南市70公里，距離泰安市中心城區東嶽大街約12公里，距離泰山登山口14公里。該項目包括總建築面積為274,977平方米的商業物業。項目定位為將傳統商業與旅遊業相結合，形成具有旅遊、休閒特性的複合型商業綜合體。以旅遊休閒功能主導，基於泛旅遊產業綜合發展的構架，融合遊樂、休閒、運動、餐飲、零售等多種功能在內的配套型設施。於本報告日期，有34棟總建築面積為100,360平方米的兩層商業零售商場正在興建中。

Commercial development Project – Tai'an
泰安商業發展項目



(iii) Commercial development project, Tianjin

The Tianjin project is located at the start-up area of the Central Business District of Binhai New Area – the starting point of Xiangluo Bay Business District, an advantageous geographical location. Around the project are mainly office buildings and the development of the project will offer a comprehensive life centre with leisure, catering, commerce, and recreation for residents from surrounding communities. The project, which consists of a parcel of land, for which development approval has been submitted for commercial and office use, has a GFA of approximately 328,100 sqm.

(iv) La Viva, Tieling

La Viva, Tieling is located alongside the south bank of Fanhe River in the Tieling New Town, 8 kilometres north to the old town and about 30 kilometres south to the downtown of Shenyang city. The project includes numerous facilities such as retail, entertainment, tourist attractions, hotel, international school, water park, residential, office buildings and conference and exhibition facilities. It covers an area of 180 hectares and a total GFA of approximately 3 million sqm, of which approximately 2 million sqm are for residential use and approximately 1 million sqm are for commercial and other use.

Residential development Phase 1 comprises 16 high-rise residential towers and 22 low-rise residential towers, and yields a total saleable area of 225,000 sqm. Upon completion, there will be a total of 2,100 units available for sale, with sizes ranging from 40 to 213 sqm per unit and the average size per unit is 107 sqm. The residential sales will be tied with the phased opening of the retail outlets and water park.

Phase 1 of the commercial development of La Viva comprise of exhibition centre, banquet hall, club house, outlet mall and a water park, one of the key components of the unparalleled La Viva experience. It will be the first round-the-year water recreation facility in PRC's northeast region. The total GFA of the Phase 1 commercial development approximates to 185,900 sqm.

Looking Forward**Construction business**

Hsin Chong has been executing a strategic transformation in broadening the business portfolio with the additions of selective expansion overseas. It is management's primary objective to build a construction group with diversified business divisions, with the skills and business portfolio that will deliver superior financial returns to our shareholders (the "Shareholders") in the long term.

(iii) 天津商業發展項目

天津項目位於濱海新區中心商務區的起步區—響螺灣商務區的起點，地理位置優越。項目周邊多為辦公樓，該項目的發展能為周邊社區居民帶來一個綜合休閒、餐飲、商業及娛樂的生活中心。項目包括一幅已遞交發展批准可用於商業及辦公用途的土地，建築面積約為328,100平方米。

(iv) 鐵嶺星悅南岸

鐵嶺星悅南岸位於鐵嶺新城凡河南岸，北距鐵嶺老城區8公里，南距瀋陽市區30餘公里。星悅南岸項目包含零售、娛樂、觀光旅遊、酒店、國際學校、水上樂園、住宅、辦公樓及會展設施等。項目佔地面積達180公頃，總建築面積約為300萬平方米，其中約200萬平方米及約100萬平方米分別作住宅用途及商業及其他用途。

住宅發展項目1期包括16棟高層住宅及22棟低層住宅，總可售面積為225,000平方米。於完工後將有合共2,100個單位可供銷售，每個單位面積介乎40至213平方米，每個單位平均為107平方米。住宅物業將配合分階段開幕的購物村及水上樂園推出市場發售。

星悅南岸的第一期商業發展包括展覽中心、宴會廳、會所、商場及構成悅南岸精彩體驗的重要一環的水上樂園。其將成為中國東北地區首個全年營運水上娛樂設施。第一期商業發展的總建築面積約為185,900平方米。

展望**建造業務**

新昌持續實施策略性轉型以拓展其業務組合，並有選擇地進行海外擴充。管理層的首要目標為建立一個技術超卓及多元化業務組合的建造集團長期為我們的股東（「股東」）創造可持續的財務回報。

We have strengthened and will continue to strengthen our strong market position and business base in Hong Kong, participating in the Government's infrastructure and building plans. We will also continue our tradition of excellence by serving high-end private sector customers to meet their high expectation levels. We have been a major player in Macau's infrastructural development, and look forward to participating further with the award of more new contracts.

With Hong Kong's total residential supply, including public housing, home ownership scheme and private housing, targeted at 460,000 units of which 280,000 units are from public housing in the coming 10 years starting from 2016, there is good potential for the Company to secure business volume of the Construction Industry in the coming decade. In addition to the successful expansion of our CMS team to Hengqin and overseas like Saipan and Cambodia, Hsin Chong, as a long established market player with proven track records in the construction industry, will further solidify our brand and presence in Hong Kong and create value for our Shareholders and stakeholders.

PRC Property Business

In order to strengthen our financial position to meet the maturity of short term debts, the Group is taking an overall review of its PRC property portfolio and will adopt a cautious approach towards the development of these properties in 2017.

For the developed properties in Beijing and Guangzhou, the Group is actively seeking buyers and had successfully entered into memorandums of understanding ("MOU") to dispose these properties, we have confidence in selling the properties at a reasonable good price and contribute considerable cashflow to the Group after repayment of debts which were secured by these properties.

我們已鞏固並將持續鞏固我們於香港的市場地位及業務基礎，參與政府的基建及建造計劃。我們將保持追求卓越的傳統，為高端私營界別客戶提供符合其高預期的服務。我們已成為澳門基建發展的主要參與者，並有意進一步參與其中及獲得更多新合約。

鑒於香港的房屋供應（包括公營房屋、居者有其屋計劃及私營房屋）於自2016年開始的未來10年將達致460,000個單位，其中280,000個單位為公營房屋，為本公司未來十年於建造行業帶來潛在的業務量得以保證。在我們的建造管理服務團隊成功擴充至橫琴以及塞班島及柬埔寨等海外地區後，新昌作為一個於業內具備良好往績並擁有悠久歷史的市場參與者，將進一步鞏固其於香港的品牌及市場份額並為股東及持份者創造價值。

中國物業業務

為提升我們的財務狀況以滿足短期到期債務，本集團正對其中國物業組合進行整體檢討並將對該等物業於2017年的發展採納審慎方法。

就北京及廣州的已發展物業而言，本集團正積極物色買家並已成功訂立諒解備忘錄（「諒解備忘錄」）出售該等物業，我們相信能夠以合理價格出售該等物業並在償還由該等物業作抵押的債務後為本集團帶來可觀現金流量。



Saipan
塞班島

For La Viva, Foshan, we expect that the outlet mall will be soft launched before 30 June 2017 and in full operation in the third quarter of 2017. The residential sales will be launched after the mall's opening. As at the date of this report, 24,000 sqm of low density residential property has been substantially completed. With the promotion of "Destocking policy" by the National Government which releases the restrictions on housing loan, reduces the transaction levies and encourages the turnover of provident funds, it is expected that our Foshan property will benefit from this National Government policy.

For properties under development in Tieling and Tianjin, the Group is actively looking for reputable property developers to jointly develop and/or potential investors to invest in these projects.

With the multiple sources of generating funds and proceeds from the proposed disposal of assets, we believe that the Group's gearing and profitability would be improved by the end of 2017.

International Infrastructure Business – Belt and Road Initiative

The execution of a MOU between the Republic of Chad and Hsin Chong on 18 July 2016 extended the parties' collaboration horizon. Led by Dr. Haroun Kabadi, the President of the National Assembly of the Republic of Chad, a delegation comprising 7 Chad ministers visited Hong Kong in early November 2016. Meetings were held with Chad and potential financing banks on Chad's infrastructure projects. Following a visit to our project sites, including our Anderson Road Public Housing project and a reconnaissance of our M+ Museum project, Dr. Kabadi is profoundly impressed with Hsin Chong's capability in undertaking various construction projects. Dr. Kabadi again invited Hsin Chong to support Chad in carrying out projects within the framework of its first Five-Year Plan under its 2030 Vision. The Company is concurrently considering other infrastructure projects, such as, solar energy, railway and mining projects, in other African countries, e.g. Morocco, Republic of Côte d'Ivoire, Central African Republic, Democratic Republic of Congo, Zimbabwe, Rwanda and Ghana.

就佛山星悅南岸而言，我們預期商場將於2017年6月30日前試業，並將於2017年第三季度全面投入營運。住宅銷售將於商場開幕後推出。於本報告日期，24,000平方米的低密度住宅物業已大致完工。鑑於國家政府推行「去庫存政策」，作出放寬房貸限制、調減交易徵稅及鼓勵公積金貸款等措施，預期我們的佛山物業將受惠於國家政府的相關政策。

就鐵嶺及天津的發展中物業而言，本集團正在積極尋求與知名物業發展商聯手發展及／或潛在投資者投資於該等物業。

鑑於增加融資渠道，以及來自建議出售資產所得的資金，我們認為本集團的資產負債比率及盈利能力於2017年年底將獲得改善。

國際基建業務——一帶一路計劃

新昌與乍得共和國於2016年7月18日簽署的諒解備忘錄將雙方合作地平線延伸。於2016年11月初，乍得共和國國民議會主席Haroun Kabadi博士率領7名乍得部長訪問香港。在港期間，Kabadi博士與新昌詳細討論了乍得的基建項目，亦和潛在的融資銀行舉行會議。乍得代表團訪問了我們的建造項目，包括安達臣路公營房屋項目和視察了M+視覺文化博物館項目。Kabadi博士極度欣賞新昌於各種建設項目的能力。Kabadi博士再次邀請新昌支持乍得在其2030年遠景中的首個5年規劃內開展項目。與此同時，新昌正探討在其他非洲國家，包括摩洛哥、科特迪瓦共和國、中非共和國、剛果民主共和國、津巴布韋、盧旺達和加納等地，參與其太陽能發電、鐵路和採礦等基建項目。

Along the 21st-century Maritime Silk Road, Hsin Chong continues its focus on exploring infrastructure projects in Asia Pacific countries such as, India, Bangladesh, Malaysia, Philippines, Nepal and Singapore. At the beginning of 2017, the Group signed a MOU with a developer in Myanmar to provide project management and construction management services for a 1,800 acre large-scale integrated resort project.

Along the Silk Road Economic Belt, Hsin Chong also focuses on potential infrastructure projects in Central and Eastern European countries such as: Hungary and the Republic of Czech.

Hsin Chong continues to perform its role as a Super-Connector under the Belt and Road Initiative and expands its construction expertise by integrating and creating a regional economic co-operation framework.

在21世紀的海上絲綢之路，新昌繼續探討亞太國家的基建項目，如印度、孟加拉國、馬來西亞、菲律賓、尼泊爾和新加坡。集團於2017年初與緬甸一個發展商簽署一份諒解備忘錄，為當地一個佔地1,800英畝的大型綜合渡假村項目提供項目管理及建造管理服務。

新昌也重點關注沿絲路經濟帶的中歐和東歐國家如匈牙利和捷克共和國的潛在基建項目。

新昌繼續履行其在「一帶一路」倡議下的超級聯繫人的角色，並通過整合和創建一個區域經濟合作框架，從而擴展其建造專長。



Anderson Road
Public Housing
安達臣路公營
房屋

International Real Estate and Hospitality Business

In 2016, Hsin Chong has established the International Property and Hospitality Development Division to seek real estate investment and hospitality opportunities internationally. Over the period, investment opportunities in Asia and Europe have been explored. A MOU has been signed with H&Co. Real Estate Holdings Ltd, an international developer in Myanmar, with a view that Hsin Chong will provide developer services for a 1,800 acre integrated seaside resort development in Ngwe Saung. Phase I will include 3 hotels with over 300 rooms each, 500 residential units, retail facilities, cultural center, waterpark, championship golf course, tennis club, organic farm and other infrastructure developments. The Division is looking to offer similar services and there is ongoing dialogue with investors for developments in Macau, South East Asia and the United Kingdom.

Following the formation of the joint venture company, HC Sapphire Senior Living Ltd, with our Australian partner, Hsin Chong is now working towards developing senior care homes in La Viva Foshan as a showcase as well as providing fee earning management services for similar developments in first tier cities in the Mainland of China and South East Asia.

The Group is also in advanced stages of discussion in the formation of another joint venture with Vichy Group, the renowned French spa operator in co-developing on the La Viva Foshan site. In anticipation of the potential synergy with our senior care premises on site, a high end spa resort hotel as well as a rehabilitation and spa centre with resort and senior living are now being planned.

Going forward, Hsin Chong's International Property and Hospitality Development Division will continue to leverage its global network and development expertise to identify real estate development opportunities overseas, broadening the Group's income base and diversifying its business sectors and geographical coverage.

國際地產及旅遊發展業務

新昌於2016年成立國際房地產及旅遊發展部，積極開拓世界各地之地產投資及旅遊發展項目。在過去12個月，該部門已在多個亞洲及歐洲城市進行不同項目的可行性研究及評估。在緬甸，新昌與國際地產開發商H&Co. Real Estate Holdings Ltd簽訂諒解備忘錄。新昌會以發展商之角色，為一塊位於緬甸Ngwe Saung，土地面積達1,800英畝的綜合海濱度假村發展項目提供項目管理服務。第一期的發展包括三間酒店，每間酒店房間總數超過300間，以及500個住宅單位、商場、文化中心、水上樂園、達錦標賽水平之高爾夫球場、網球俱樂部、有機農場及其他基礎發展。該部門現正致力發展相關業務，現與澳門、東南亞、英國等地多個投資者進行洽商。

繼新昌與澳洲合作夥伴成立合營企業「新藍寶安老生活有限公司」後，新昌在佛山星悅南岸，正準備開發一個有示範性質長者護理及養老中心，與此同時亦將在中國大陸和東南亞一線城市，發展相關長者護理的管理收費服務。

另外新昌亦與著名法國水療營運商－薇姿集團，洽談籌組合資公司，共同開發佛山星悅南岸，計劃興建薇姿水療中心、復康設施、溫泉度假村。預計上述一系列設施落成後，會與佛山星悅南岸項目內之養老中心及高級溫泉度假酒店，產生協同效應。

未來，該部門將繼續利用新昌現有之國際人脈關係及其專業之物業開發經驗，尋找在海外房地產發展機會，務求擴闊收入來源，使業務更富國際化及多元化。

3. Funding Highlights

Issuance of convertible preference shares (“CPS”)

On 8 January 2015 and 8 July 2015, the Company issued a total of 5,654,772,134 CPS as the consideration (excluding the holdback amount) to acquire the entire issued share capital of Goleman International Limited. On 15 January 2016, the Company further issued 259,263,039 CPS to settle the holdback amount which was pending the determination of the aggregate amount of fee, fine or penalty (if any) charged under the relevant land grant contract or applicable PRC laws at any time after completion but on or before 31 December 2015 in respect of any delay in the development of certain acquired parcels of land. On 26 April 2016, the Company lastly issued 295,833,333 CPS to settle the remaining holdback amount after the issue of land use rights certificates in respect of the remaining land.

3-year senior notes

In January 2016, the Company issued a 3-year senior notes with principal amounts of USD150 million due on 22 January 2019 bearing interest of 8.5% per annum which is payable semi-annually (the “Senior Notes 2019”). The Senior Notes 2019 achieved a lower coupon than the Senior Notes 2018 which was issued in May 2015 and reflects certain market interests in our 3-year USD notes. The Senior Notes 2019 are also listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

Redemption by holders of 6.0% Convertible Bonds due 2017

On 25 October 2016, the Company received notices for the exercise of the put option in respect of USD94,700,000 in principal amount of the Convertible Bonds (the “Redemption Principal”), representing approximately 97.33% in principal amount of the Convertible Bonds outstanding as at that date. In November 2016, the Company settled the Redemption Principal together with interest accrued.

3. 資金摘要

發行可換股優先股（「可換股優先股」）

於2015年1月8日及2015年7月8日，本公司發行合共5,654,772,134股可換股優先股作為代價（不包括扣留金額）收購Goleman International Limited之全部已發行股本。於2016年1月15日，本公司進一步發行259,263,039股可換股優先股，以清償有關扣留金額，惟該金額有待於完成後但於2015年12月31日或之前任何時間就延遲開發若干幅已收購的土地而釐定根據有關土地出讓合約或中國適用法律扣取之費用、罰款或罰金（如有）的總金額而釐定。於2016年4月26日，本公司最後發行295,833,333股可換股優先股，以於簽發有關餘下地塊的土地使用權證後清償餘下扣留金額。

3年優先票據

於2016年1月，本公司發行本金總額150,000,000美元於2019年1月22日到期的3年期年利率8.5厘，每半年支付利息的優先票據（「2019年優先票據」）。2019年優先票據較於2015年5月發行的2018年優先票據的票息更低，反映市場對我們的3年期美元票據有一定的興趣。2019年優先票據亦已於香港聯合交易所有限公司（「聯交所」）上市。

持有人贖回於2017年到期之6.0厘可換股債券

於2016年10月25日，本公司接獲行使有關本金額為94,700,000美元之可換股債券（「贖回本金」，相當於該日期尚未行使之可換股債券本金額之約97.33%）之認沽期權的通知。於2016年11月，本公司已結清贖回本金及應計利息。

4. Financial Position

The Group monitors its liquidity requirements and arranges refinancing of the Group's borrowings when appropriate. As of 31 December 2016, the total debts were HK\$11.6 billion of which HK\$4.5 billion were from entrusted loans and HK\$1.3 billion were from other loans, HK\$3.4 billion were from senior notes of which HK\$1.1 billion were issued in January 2016. Convertible bonds remaining balance was HK\$45 million after redemption in November 2016. Total bank borrowings were at HK\$2.4 billion.

As of 31 December 2016, cash and bank deposits stood at HK\$1,038.6 million.

Net gearing, representing net debt over tangible net assets (net assets less intangible assets and goodwill) as at 31 December 2016, was 102% (2015: 54%).

Based on the current financial position and debt maturity profile, the primary objective of our prudent financial management is to try to lengthen the debt maturity and reduce the cost of finance. The overreliance on any single financing platform in the past would not meet the forthcoming requirements. Our financial professionals would take a proactive role to improve the Group's cashflow through the expansion of funding sources.

5. Funding Cost

Interest on the Group's bank borrowings is mainly charged at a spread to Hong Kong Interbank Offered Rate or People's Bank of China rate. Interest on other borrowings including entrusted loans for PRC properties and other loans is on fixed rate term.

6. Pledge of Assets

As at 31 December 2016, the Group pledged its investment properties with carrying amount of HK\$7,310 million (2015: HK\$8,951 million), property, plant and equipment and leasehold land with carrying amount of HK\$2,265 million (2015: HK\$506 million), properties under development with carrying amount of HK\$8,575 million (2015: HK\$12,245 million), stocks of properties with carrying amount of HK\$527 million (2015: HK\$581 million), other receivable with carrying amount of HK\$512 million (2015: nil) and bank balances with carrying amount of HK\$627 million (2015: HK\$127 million), and its equity interest in certain subsidiaries, as collaterals to various banks, financial institutions and other third parties to secure its borrowings.

4. 財務狀況

本集團監察其流動資金需求及當時為本集團之借貸安排再融資。於2016年12月31日，債務總額為港幣116億元，其中港幣45億元乃來自委託貸款及港幣13億元乃來自其他貸款，港幣34億元乃來自優先票據（其中港幣11億元乃於2016年1月發行）。於2016年11月進行贖回後，可換股債券之剩餘金額為港幣45,000,000元。銀行借貸總額為港幣24億元。

於2016年12月31日，現金及銀行存款維持在港幣1,038,600,000元。

於2016年12月31日，淨負債比率，即淨負債除以有形資產淨值（扣除無形資產及商譽的資產淨值）為102%（2015年：54%）。

根據本集團現時的財務狀況及債務到期狀況，我們的審慎財務管理目標是嘗試延長債務到期期限及降低融資成本。過去過度倚賴任何單一融資平台將無法滿足日後的需求。我們的金融專業團隊將積極透過擴大融資渠道的方式改善本集團的現金流量狀況。

5. 融資成本

本集團的銀行貸款利息主要按香港銀行同業拆息或中國人民銀行利率加息差計息。其他借貸包括為中國物業項目的委託貸款及其他貸款利息屬固定息率。

6. 資產抵押

於2016年12月31日，本集團將其賬面值為港幣7,310,000,000元（2015年：港幣8,951,000,000元）的投資物業、賬面值為港幣2,265,000,000元（2015年：港幣506,000,000元）的物業、機器及設備及租賃土地、賬面值為港幣8,575,000,000元（2015年：港幣12,245,000,000元）的發展中物業、賬面值為港幣527,000,000元（2015年：港幣581,000,000元）的物業存貨、賬面值為港幣512,000,000元的其他應收賬款（2015年：無）及賬面值為港幣627,000,000元（2015年：港幣127,000,000元）的銀行結餘，以及其於若干附屬公司的股權作為抵押物抵押予多間銀行、金融機構及其他第三方，以擔保其借貸。

7. Exposure to Fluctuations in Exchange Rates and Related Hedges

The Group operates in Hong Kong, Macau, the PRC, Saipan and Cambodia with most of the transactions denominated and settled in local currencies. Foreign exchange risk exposure arising from the Group's operation in Macau and the PRC is monitored by proper synchronisation of receipts and payments in different operating currencies. For the Group's companies with USD as functional currency, it is not expected that there are any significant movements in the USD/HKD exchange rate as the HKD is pegged to the USD. As at 31 December 2016, the Group did not use any derivative financial instruments to hedge its exposure to foreign exchange risk (2015: nil).

8. Commitments

As at 31 December 2016, the Group had capital commitments in respect of contracted but not provided for capital expenditures on properties under development and other capital investment amounting to HK\$2,939 million (2015: HK\$1,805 million).

9. Contingent Liabilities

At 31 December 2016 and 2015, the Group is subject to various claims on liquidated damages of certain construction contracts during the normal course of business. The Directors are of the opinion that the Group has applied extension of time to mitigate the liquidated damages and any resulting liability would not materially affect the financial position of the Group.

Material Acquisitions and Disposals of Subsidiaries or Affiliated Companies

On 21 November 2016, the Group completed the disposal of its entire interest in its subsidiary, Synergis Holdings Limited, at a consideration of HK\$279,010,790, resulting in a gain on disposal of HK\$185,915,000.

For details, please refer to the announcement of the Company dated 23 November 2016.

Human Capital Investment

Advocating "Social Responsibility, Contribution to the Community"

The Group strives to be an organization that cares about the society and its staff. In recognition of its achievements in community services and being a caring employer, the Group has won a variety of awards in 2016: the 10 Years Plus Caring Company Logo in 2016 by the Hong Kong Council of Social Service, the CSR Advocate Mark by the Hong Kong Quality Assurance Agency (2016), the Family-Friendly Employer by the Family Council (2015-2016), the Corporate Citizenship Logo (2016) and Happy Company Logo 2016 by the Hong Kong Productivity Council.

To build corporate culture that embraces corporate social responsibility, the Group encourages staff to join a wide range of company organised charitable activities and voluntary services actively, including Walk for Millions, Blood Donation, Construction Industry Sports cum Charity Fun Day, Dress Casual Day and Love Teeth Day.

7. 匯率波動風險及相關對沖

本集團於香港、澳門、中國、塞班島及柬埔寨經營業務，其大部分交易以當地貨幣計值和結算。本集團透過對以不同經營貨幣計值的收款及付款進行適當的換算統一監控於澳門及中國經營業務所產生的外匯風險。由於本集團之公司以美元為功能貨幣，而港幣與美元掛鈎，故預期美元兌港幣的匯率並無任何重大變動。於2016年12月31日，本集團並無動用任何衍生財務工具對沖其面臨之外匯風險（2015年：無）。

8. 承擔

於2016年12月31日，本集團就已訂約但未撥備資本開支之發展中物業及其他資本投資擁有資本承擔港幣2,939,000,000元（2015年：港幣1,805,000,000元）。

9. 或然負債

於2016年及2015年12月31日，本集團於一般業務過程中面臨多項涉及若干建造合約之定額賠償索償。董事認為，本集團遞交延期申請以減低定額賠償金額，因此所產生之負債不會對本集團之財務狀況構成任何重大影響。

重大收購及出售附屬公司或聯屬公司

於2016年11月21日，本集團完成出售於其附屬公司新昌管理集團有限公司的全部權益，代價為港幣279,010,790元，並已就該出售事項收取收益港幣185,915,000元。

有關詳情，請參閱本公司日期為2016年11月23日之公告。

人力資本投資

提倡「社會責任，貢獻社會」

本集團致力成為關懷社會及員工的組織。本集團於2016年屢獲殊榮，表彰其作為關懷僱主在社區服務方面的成就：榮獲香港社會服務聯會於2016年頒發「10年Plus商界展關懷標誌」；榮獲香港品質保證局頒發「企業社會責任先導者標誌」（2016年度）；榮獲家庭議會頒發「家庭友善僱主」獎項（2015-2016年度）；榮獲香港生產力促進局頒發「企業公民嘉許標誌」（2016年度）及「開心企業」標誌2016。

為構建企業社會責任的企業文化，本集團鼓勵員工積極參與公司舉辦的各樣慈善活動及義工服務，包括「公益金百萬行」、「捐血日」、「建造業運動會暨慈善同樂日」、「公益金便服日」及「公益愛牙日」。

Human Resources

Staff Training and Organization Development

As at 31 December 2016, the Group employed a total of 2,553 full time staff, which included staff in construction, property development, international business and related services. They are employed in Hong Kong, Macau and the Mainland of China.

The Group regards its staff as one of its key assets and invests significant effort and attention to the selection, training and personal development of its staff. The Group has been awarded as “Manpower Developer” in the “ERB Manpower Developer Award Scheme” launched by the Employees Retraining Board since 2013, recognizing its continued efforts and outstanding performance in the development of its workforce.

The Group is committed to developing its staff through the provision of training and development opportunities, which aims to enhance staff productivity and facilitate them to build their career path. The “Hsin Chong Training Centre” established in 2014 provides comprehensive training programmes including various talks and workshops delivered by senior management staff and professors from different universities. Over 20 training courses were conducted providing over 2,700 attendance hours of training for more than 1,000 participants during the year ended 31 December 2016. Moreover, the Group’s training programmes are designed and tailor-made to increase the knowledge of its staff and fill skill gaps identified during performance appraisals. Furthermore, the Learning Management System (LMS) provides staff with a user-friendly approach for online enrollment and course revision. Its overall training objectives are to enhance the personal productivity of its staff with and to identify their individual interests in order to prepare them for future roles and enable them to make greater contributions to the success of the Group’s business. Besides formal training programmes, the Group also provides comprehensive and relevant training and self-learning opportunities to staff such as on-the-job training and educational sponsorships.

Regular in-house seminars and site visits have been organised for all levels of staff, to increase their technical and corporate knowledge. These trainees acquired essential business knowledge and management skills through well planned job rotations within the Group’s core business units and corporate offices.

人力資源

人才培訓及組織發展

於2016年12月31日，本集團共聘用2,553名全職僱員，當中包括建造業、物業發展、國際業務以及相關服務之員工。他們受聘於香港、澳門及中國內地。

本集團重視員工，視之為本集團關鍵資產之一，故此對員工的甄選、培訓及個人發展投放大量資源及努力。自2013年起，本集團於僱員再培訓局推出的「ERB人才企業嘉許計劃」中，獲頒授「人才企業」稱號，表揚本集團在人才培訓方面持續努力及卓越表現。

本集團致力透過提供培訓及發展機會，以培育僱員，目的是透過提供相關培訓以提升員工之生產力和協助他們發展個人的職業階梯。本集團更於2014年成立「新昌培訓中心」，提供全面的培訓計劃，當中包括透過邀請各部門的高級管理人員及各大專院校的講師為員工提供多元化的講座及工作坊。截至2016年12月31日止年度，舉辦逾20個培訓課程，逾1,000人次參與，總培訓小時超過2,700小時。同時，本集團亦度身設計培訓計劃，以增進員工知識，並填補其在績效評估中所確定的技能差距。再者，本集團提供「網上學習管理系統」，員工可即時報名及隨時重溫培訓內容。總體培訓目標為提高員工之個人生產力，識別員工個人興趣，為其擔任未來職位作準備，從而促進本集團業務之成功發展。在提供正式培訓計劃之同時，本集團亦向員工提供相關全面培訓及進修機會，例如在職培訓及教育津貼。

本集團亦定期策劃內部研討會及工地視察，供各級員工參與，務求增進員工的技術及企業知識。透過安排本集團主要業務部門及企業辦事處不同崗位員工交替學習，讓他們學習所需商業知識及管理技巧。

For the building and construction business, developing young engineers and supervisory staff is an essential requirement. Trainings have been provided to both university and non-university graduated young engineers. In addition, the Group also recruits secondary school graduates who are interested in the construction field as apprentice by providing them on-the-job training and releasing them from work to take designated courses for completing their apprenticeship. Besides, the Group has joined the Contractor Cooperative Training Scheme since March 2014 for recruiting and providing training to staff of various trades in the industry. A graduate trainee club was formed a few years ago to encourage fellowship among all our trainees. Social and training programmes were organised regularly to improve staff commitment and sense of belonging within the Group. Senior management staff and seasoned construction managerial staff were also trained to take up the role of mentors to further help the development of the young engineers and site supervisory staff respectively. A number of in-house staff development programmes for various staff disciplines have also been established. The Group has been making effort and contribution to train youngsters to become technically competent and professionally qualified in the construction industry.

Every year, a number of recruitment talks for fresh graduated engineers are held in various universities in Hong Kong for attracting new blood to the construction industry. Promotion and salary reviews will be conducted every year to ensure alignment with industry norms and retain good performers. These are important tools to retain talent in Hong Kong's expanding construction business with limitations in the talent pool of suitable, experienced and qualified people.

Employees and Remuneration Policies

The Group provides competitive remuneration packages that are determined with reference to prevailing salary levels in the market and individual performance. Discretionary bonuses are granted to staff based on their individual performance as well as the Group's business performance. The Group has a wide range of insurance coverage, including medical insurance, life insurance and travel insurance, to staff.

Besides offering competitive remuneration packages, the Group is committed to promoting family-friendly employment policies and practices, including the implementation of Five Day Work Week and a series of family-friendly activities, such as Autumn BBQ cum Family Fun Day, to create a pro-family culture and environment. From June 2014, the Group was awarded the "Family-Friendly Employers Award" by the Family Council. In 2016, the Group was honoured with the "Distinguished Family-Friendly Employer Award" in recognition of its remarkable performance in promoting and supporting a culture of loving families in the community. Moreover, the "Social Club" led by the management was established in 2014 to enhance team spirits and encourage staff from different departments to join company events together. It provides staff the opportunities to "play hard" and pursue hobbies after work which advocates the proper attitude of healthy lifestyles.

樓宇及建造業務方面，培育年青工程師及主管級員工是必不可少的。本集團提供培訓機會給已獲取大學學位和非大學學位的年輕工程師。此外，本集團亦招收對建造業有興趣的中學畢業生為學徒，並為他們提供在職培訓機會及批准有需要的學徒提前下班以進修指定的課程，完成整個學徒期。同時，本集團自2014年3月參加了建造業工種合作培訓計劃，招募和培訓建造業界不同專業的技術人員。本集團早年已成立見習工程人員會社，以促進所有見習工程人員的同事關係，也定期舉辦社交及培訓課程，提升他們對工作的熱誠及對本集團之歸屬感。高層管理人員及經驗豐富之建造業管理人員亦於受訓後擔當導師角色，分別協助年青工程師及工地主管進一步發展。為切合不同部門員工的發展，本集團亦設立了多項內部員工發展計劃。本集團一直致力為培訓建造業界的青少年擁有技術能力和專業資格而投放資源及作出貢獻。

每年本集團都會於香港多間大學舉辦畢業生招聘會，招聘有志加入建造業之人才，為建造業界吸納更多新血。本集團每年晉升員工及檢討薪酬，確保符合業界水平，並挽留表現優秀之人才。在香港建造業務日益擴展，而合適、富經驗及合資格的人材有限的情況下，以上各種方案對於挽留人才至為重要。

僱員及薪酬政策

本集團參考當前市場薪酬水平及員工個別表現為員工釐定具競爭力之薪酬待遇。本集團將根據員工之個人表現及本集團之業務表現，發放酌情花紅予員工。本集團亦為員工提供各樣的保障，包括醫療保險、人壽保險及旅遊保險。

除提供具競爭力之員工薪酬待遇外，本集團亦致力推動家庭友善之僱傭政策及措施，包括推行五天工作週及一系列家庭友善活動，如秋季燒烤暨家庭同樂日，以締造有利家庭的商業文化和環境。本集團自2014年6月獲家庭議會評選為「家庭友善僱主」，本集團於2016年更獲頒「傑出家庭友善僱主」獎項，以表揚本集團於社會推廣及支持愛家人的文化表現傑出。另外，本集團於2014年成立了由管理層親自領導的「Social Club」，旨在凝聚本公司不同部門的同事，提升團隊精神，同時亦讓員工減壓忘憂之餘亦能培養多方面的興趣，建立健康及正面的生活態度。

Non-executive Chairman and Non-executive Director

Mr. LIN Zhuo Yan

(aged 48)

Mr. LIN Zhuo Yan ("Mr. Lin"), was appointed as a Non-executive Director with effect from 23 May 2015, and has been further appointed as the Non-executive Chairman since 19 June 2015.

Mr. Lin is the Honorary Chairman of World Association of Small and Medium Enterprises (世界中小企業協會), Permanent Standing Vice President of China Foreign Trade Council (中國對外貿易理事會), and President of Outlets Branch of China General Chamber of Commerce (中國商業聯合會奧特萊斯分會). Mr. Lin has over 20 years of experience in large enterprise operation and management as well as investment and operation of mega-sized projects.

He received the Commandery of Sant'Agata Honour and was awarded the "Prize of Most Innovative Real Estate Figures in China for the Year" (中國年度最具創新力地產人物大獎), "Prize for Business Leaders in China for the Year" (中國年度商業領袖大獎) and "Prize for Outstanding Brand Innovators in China" (中國品牌創新傑出人物大獎).

非執行主席及非執行董事

林卓延先生

(現年48歲)

林卓延先生(「林先生」),自2015年5月23日起獲委任為非執行董事,並由2015年6月19日起進一步獲委任為非執行主席。

林先生現任世界中小企業協會榮譽主席、中國對外貿易理事會永久常務副理事長及中國商業聯合會奧特萊斯分會會長。林先生擁有超過20年大企業經營管理及超大型項目投資及運作經驗。

他曾榮獲聖亞加塔「都尉」榮譽以及「中國年度最具創新力地產人物大獎」、「中國年度商業領袖大獎」以及「中國品牌創新傑出人物大獎」等殊榮。



Mr. LIN Zhuo Yan
林卓延先生



Ir Joseph CHOI Kin Hung
蔡健鴻工程師

Executive Director and Co-Chief Executive Officer

Ir Joseph CHOI Kin Hung

BSc, RPE, CEng, FHKIE, FHKIHT, MICE

(aged 69)

Ir Joseph CHOI Kin Hung (“Ir Choi”) is an Executive Director and the Co-Chief Executive Officer of the Company. He is a member of each of the Executive Committee, the Nomination Committee and the Remuneration Committee. He is also a director of certain subsidiaries of the Company.

Ir Choi is a fellow and the President of the Hong Kong Institution of Engineers (“HKIE”). He is an ex-officio member of the Administration Board of HKIE for session 2016/2017, the vice chairman of Council of China’s Foreign Trade of the China Council for the Promotion of International Trade, and a fellow and a council member of the Hong Kong Institution of Highways and Transportation. He has also been a member of the Infrastructure Development Advisory Committee of the Hong Kong Trade Development Council since 1 April 2016.

Ir Choi is a member of the Institution of Civil Engineers of the UK, a chartered engineer of the UK, a registered professional engineer of Hong Kong and a member of the Departmental Advisory Committee for the Department of Civil and Environmental Engineering of the Hong Kong Polytechnic University.

Ir Choi joined the Group in August 2009 as Assistant Managing Director and has been subsequently promoted to his current positions. He has over 45 years of multi-dimensional and multi-functional experience in construction industry across contracting and client organisations in Hong Kong, Chinese Mainland, Taiwan, Macau and overseas. Before joining the Group, he was the general manager of the Kowloon-Canton Railway Corporation and MTR Corporation Limited, responsible for the design and construction of various new railway lines.

Ir Choi graduated from the University of Aston in Birmingham, United Kingdom with a degree of Bachelor of Science in Civil Engineering.

執行董事兼聯席行政總裁

蔡健鴻工程師

BSc, RPE, CEng, FHKIE, FHKIHT, MICE

(現年69歲)

蔡健鴻工程師（「蔡工程師」）為本公司執行董事兼聯席行政總裁。彼為執行委員會、提名委員會及薪酬委員會成員。彼亦為本公司若干附屬公司之董事。

蔡工程師為香港工程師學會（「工程師學會」）之資深會員兼會長。彼為工程師學會行政政策委員會之當然委員（2016/2017年度）、中國國際貿易促進委員會中國對外貿易理事會之副理事長，以及香港公路學會之資深會員及理事。彼亦由2016年4月1日起為香港貿易發展局諮詢委員會之基建發展服務諮詢委員會之委員。

蔡工程師為英國土木工程師學會之會員、英國特許工程師、香港註冊專業工程師，以及香港理工大學土木及環境工程學系之學系顧問委員會成員。

蔡工程師於2009年8月加入本集團擔任助理董事總經理，其後晉升至現職。彼擁有逾45年豐富和全面之建造業經驗，曾於香港、中國內地、台灣、澳門及海外之承建商和客戶機構任職。彼於加入本集團前，為九廣鐵路公司及香港鐵路有限公司之總經理，負責設計及建造多條新鐵路。

蔡工程師畢業於英國伯明翰阿斯顿大學，取得土木工程理學士學位。

Executive Director and Chief Strategic Officer

Mr. ZHOU Wei

(aged 63)

Mr. ZHOU Wei (“Mr. Zhou”) is an Executive Director and Chief Strategic Officer of the Company. He is also a member of the Executive Committee and a director of a number of subsidiaries of the Company.

Mr. Zhou obtained a degree from the School of Public Finance of Liaoning Institute of Finance & Economics (currently known as “Dongbei University of Finance & Economics”) in 1978.

Prior to joining the Company, Mr. Zhou served as a Senior Accountant in the Government Offices Administration of the State Council (國務院機關事務管理局). Mr. Zhou previously occupied senior management positions in various private companies and was responsible for overseeing financial and overall management of those companies.

Mr. Zhou possesses extensive experience in finance and corporate management in Hong Kong and China with prominent business relationships.

執行董事及首席策略官

周煒先生

(現年63歲)

周煒先生(「周先生」)為本公司執行董事兼首席策略官。彼亦為執行委員會成員及本公司部分附屬公司之董事。

周先生於1978年取得遼寧財經學院(現稱「東北財經大學」)財政系學位。

於加入本公司前，周先生於國務院機關事務管理局擔任高級會計師。周先生曾擔任不同私人公司之高層管理人員，負責領導有關公司之財務及整體管理工作。

周先生於香港及中國兩地擁有豐富財務及企業管理經驗，商業關係廣博。



Mr. ZHOU Wei
周煒先生



Mr. Wilfred WU Shek Chun
鄔碩晉先生

Executive Director and Chief Risk Officer

Mr. Wilfred WU Shek Chun

MBA, MA, FCPA

(aged 47)

Mr. Wilfred WU Shek Chun ("Mr. Wu") is an Executive Director and the Chief Risk Officer of the Company. He is also a member of the Executive Committee, Remuneration Committee and a director of a number of subsidiaries of the Company. Mr. Wu joined the Group in July 2014 as the Associate Director of Corporate Finance, and was appointed as an Executive Director in June 2015, responsible for all merger and acquisition projects from due diligence, negotiation of purchase agreement, handling regulatory approvals and financial sourcing to the smooth operation after merger or acquisition of the projects. Mr. Wu was appointed as the Chief Risk Officer in September 2016, responsible for corporate risk management.

Mr. Wu has more than 20 years of experience in financial reporting, investment proposal appraisal, financial due diligence, insolvency, litigation support and forensic accounting with major corporations and consultancy firms.

Mr. Wu was conferred a Bachelor of Business Administration and Master of Arts in Comparative and Public History from the Chinese University of Hong Kong and a Master of Business Administration from the Hong Kong University of Science and Technology. He is a fellow member of Hong Kong Institute of Certified Public Accountant. Mr. Wu also serves as a council member of the Construction Industry Council and an appeal board panel member of the Urban Renewal Authority.

執行董事兼首席風險官

鄔碩晉先生

MBA, MA, FCPA

(現年47歲)

鄔碩晉先生(「鄔先生」)為本公司之執行董事兼首席風險官。彼亦為執行委員會成員、薪酬委員會成員及本公司部分附屬公司之董事。鄔先生於2014年7月加入本集團擔任企業融資副總監，並於2015年6月獲委任為執行董事，負責所有併購項目由審核調查、收購協議磋商、處理監管批准及財務資源，以至該等項目併購後順利營運之工作。2016年9月獲委任為首席風險官，負責企業風險管理的事宜。

鄔先生於大型企業及顧問公司累積逾20年財務申報、投資方案評估、財務審核調查、破產、訴訟支持及法務會計方面之經驗。

鄔先生獲授香港中文大學工商管理學士及比較及公眾史學文學碩士，以及香港科技大學工商管理碩士。彼為香港會計師公會之資深會員。鄔先生亦擔任建造業議會之議會成員及市區重建局之上訴委員會成員。

Executive Director**Mr. Eric TODD**

BSc, AICPA

(aged 55)

Mr. Eric TODD (“Mr. Todd”) joined the Group on 9 March 2017 as an Executive Director of the Company. He is also a member of the Executive Committee.

Mr. Todd possesses extensive professional experience in auditing, financial management and investment. Mr. Todd holds a Bachelor of Science degree in Business Administration from Boston University in the United States. He was a certified public accountant in the State of California, the United States from 1989 to 2010.

Mr. Todd started his career with the Hong Kong office of KPMG (formerly known as KPMG Peat Marwick) and subsequently joined the Standard Chartered Bank Group. Prior to joining the Company, he had been a business consultant and also served as finance director for several companies engaged in the media and investment industry. Mr. Todd has been appointed as a non-executive director of Leyou Technologies Holdings Limited (a company listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”), Stock Code: 1089) since July 2015, an independent non-executive director of Ngai Shun Holdings Limited (a company listed on the Main Board of the Stock Exchange, Stock Code: 1246) since July 2016, and as the chairman and an executive director of Kong Shum Union Property Management (Holding) Limited (a company listed on the GEM Board of the Stock Exchange, Stock Code: 8181) since August 2016.

執行董事**達振標先生**

BSc, AICPA

(現年55歲)

達振標先生（「達先生」）於2017年3月9日加入本集團擔任本公司之執行董事。彼亦為執行委員會成員。

達先生於審計、財務管理及投資方面擁有豐富專業經驗。達先生持有美國波士頓大學之工商管理理學士學位。彼於1989年至2010年為美國加利福尼亞州之註冊會計師。

達先生於畢馬威會計師事務所（前稱畢馬威會計師行）之香港辦事處展開其事業，其後加入渣打銀行集團。於加入本公司前，彼為業務顧問，亦擔任多間從事媒體及投資行業之公司之財務總監。達先生自2015年7月起獲委任為樂遊科技控股有限公司（一間於香港聯合交易所有限公司（「聯交所」）主板上市之公司，股份代號：1089）之非執行董事、自2016年7月起獲委任為毅信控股有限公司（一間於聯交所主板上市之公司，股份代號：1246）之獨立非執行董事及自2016年8月起獲委任為港深聯合物業管理（控股）有限公司（一間於聯交所創業板上市之公司，股份代號：8181）之主席兼執行董事。



Mr. Eric TODD
達振標先生

* for identification purposes only



Mr. YAN Jie
閻傑先生

Non-executive Director

Mr. YAN Jie
(aged 53)

Mr. YAN Jie ("Mr. Yan") has been appointed as a Non-executive Director since 30 May 2014.

Mr. Yan, joined Tewood Group Co., Ltd.* (天津物產集團有限公司) ("Tewood Group") (formerly known as Tianjin Administration Bureau of Materials and Tianjin Material & Equipment Group Corporation, being a substantial shareholder of the Company) in October 1983, and held positions in the finance department, audit department and assets department, and served as the head of corporate development department of Tewood Group.

Mr. Yan has extensive management experience in finance, audit, investment and strategic planning and has presided over or participated in a number of domestic and overseas substantial merger & acquisition and reorganization projects.

Mr. Yan is currently the board chairman of Tianjin Property Development Co., Ltd. (being a subsidiary of Tewood Group), an executive director of Tewood Investment Co., Limited and a director of various subsidiaries of Tewood Group. He is also a director of Palabora Mining Company Limited (listed in Johannesburg Stock Exchange, South Africa, and delisted in 2014).

Mr. Yan graduated from Party School of the Central Committee of CPC with a post-graduate degree majoring in economic management, and holds professional qualifications of accountant, senior economist and senior occupation manager.

非執行董事

閻傑先生
(現年53歲)

閻傑先生(「閻先生」)自2014年5月30日起獲委任為非執行董事。

閻先生於1983年10月加入天津物產集團有限公司(「天津物產集團」)(前稱天津市物資管理局及天津市物資集團總公司,為本公司的主要股東),曾先後於財務部、審計部及資產部任職,並曾擔任天津物產集團企業發展部部長。

閻先生於財務、審計、投資和戰略規劃等方面均擁有豐富管理經驗,並主持或參與多個境內外重大併購重組項目。

閻先生現為天津物產置業發展有限公司(為天津物產集團之附屬公司)之董事長、天物投資有限公司之執行董事以及天津物產集團多家附屬公司之董事。彼亦為Palabora Mining Company Limited之董事(該公司曾於南非約翰內斯堡證券交易所上市,並已於2014年退市)。

閻先生畢業於中共中央黨校,持有經濟管理專業研究生學歷,並獲得會計師、高級經濟師和高級職業經理人等專業資格。

Non-executive Director**Mr. CHEN Lei***(aged 33)*

Mr. CHEN Lei ("Mr. Chen") has been appointed as a Non-executive Director since 23 May 2015.

Mr. Chen joined Tewoo Import and Export Trade Co., Ltd.* (天津物產進出口貿易有限公司), a subsidiary of Tewoo Group, in January 2015 as the deputy general manager. Mr. Chen served as an officer of the Beijing court system and held various positions such as the deputy department head of the legal affair department of Tianjin Er-shang Group Co., Ltd.* (天津二商集團有限公司).

He has extensive experience in the fields of corporate legal affair, risk prevention and control. Mr. Chen has been redesignated as the deputy department head of corporate development department of Tewoo Group in July 2015.

Mr. Chen obtained a Bachelor degree in Management from the Beijing University of Chemical Technology (北京化工大學) and a Master degree in Law from the Tsinghua University (清華大學). He has obtained various professional qualifications such as legal qualification (Mainland China) and corporate legal counsel.

非執行董事**陳磊先生***(現年33歲)*

陳磊先生(「陳先生」)自2015年5月23日起獲委任為非執行董事。

陳先生於2015年1月加入天津物產集團之附屬公司天津物產進出口貿易有限公司，擔任副總經理。陳先生曾於北京市法院系統擔任公職人員，並曾擔任天津二商集團有限公司法律事務部副部長等職務。

彼於企業法律事務、風險防控等方面具有豐富經驗。陳先生於2015年7月調任天津物產集團企業發展部，擔任副部長職務。

陳先生於北京化工大學取得管理學學士學位及於清華大學取得法律碩士學位。彼獲得法律從業資格(中國大陸地區)、企業法律顧問等專業資質。



Mr. CHEN Lei
陳磊先生



Mr. CHUI Kwong Kau
崔光球先生

Non-executive Director

Mr. CHUI Kwong Kau

(aged 50)

Mr. CHUI Kwong Kau ("Mr. Chui") has been appointed as a Non-executive Director since 23 May 2015. He is also a member of the Audit Committee.

Mr. Chui is a non-executive director of Ngai Shun Holdings Limited (stock code: 1246) and DeTai New Energy Group Limited (stock code: 559) respectively, the shares of which are all listed on the Main Board of the Stock Exchange. He is also an executive director of Hong Kong Life Sciences and Technologies Group Limited (stock code: 8085), the share of which is listed on the Growth Enterprise Market of the Stock Exchange.

Mr. Chui was an Executive Director of China Energy Development Holdings Limited (stock code: 228) from 5 October 2005 to 30 June 2016. Further, he was an Independent Non-executive Director of Aurum Pacific (China) Group Limited (stock code: 8148) from 17 March 2010 to 16 March 2016.

He has over 20 years' experience in financial management, accounting and auditing fields.

非執行董事

崔光球先生

(現年50歲)

崔光球先生(「崔先生」)，自2015年5月23日起獲委任為非執行董事。彼亦為審核委員會成員。

崔先生現時分別為毅信控股有限公司(股份代號:1246)及德泰新能源集團有限公司(股份代號:559)的非執行董事，該等公司之股份均於聯交所主板上市。彼亦為香港生命科學技術集團有限公司(股份代號:8085)之執行董事，該公司之股份於聯交所創業板上市。

崔先生於2005年10月5日至2016年6月30日為中國能源開發控股有限公司*(股份代號:228)之執行董事。此外，2010年3月17日至2016年3月16日為奧栢中國集團有限公司(股份代號:8148)之獨立非執行董事。

彼於財務管理、會計及核數工作方面擁有超過20年經驗。

* for identification purposes only

Non-executive Director**Mr. LUI Chun Pong**

BA, MAcc, LL.M, MBA (Executive), FCPA, FCCA, ATiHK, CTA (HK), ACS, ACIS

(aged 48)

Mr. LUI Chun Pong ("Mr. Lui") has been re-designated from an Executive Director to a Non-executive Director of the Company with effect from 1 January 2017. He is also a member of the Nomination Committee.

He joined the Group in 2010 as Group Financial Controller. He was further appointed as an Executive Director and Chief Financial Officer in September 2015. Mr. Lui stepped down from the role of Chief Financial Officer of the Group with effect from 1 December 2016.

While working in the Group, Mr. Lui was responsible for overseeing the Group's finance and accounting operations. He has over 26 years of experience in corporate accounting, financing and tax administration in the real estate business like property development, property investment and property management, in addition to company secretarial practices of Hong Kong listed companies. Before joining the Group, Mr. Lui held senior positions at a number of Hong Kong companies listed on the main board of the Stock Exchange.

Mr. Lui obtained a Bachelor degree of Arts from the University of Hong Kong, a Master degree of Laws from the Chinese University of Hong Kong, a Master degree of Accountancy from Charles Sturt University in Australia and an Executive Master degree of Business Administration from the City University of Hong Kong. He is a Certified Public Accountant and a Certified Tax Advisor in Hong Kong, and a Chartered Certified Accountant and a Chartered Secretary in the United Kingdom.

Mr. Lui also serves the community through participation in promoting sports and youth and students' affairs in Hong Kong. Mr. Lui was a baseball coach and was appointed as a team secretary and a deputy delegate leader of Hong Kong Women's Baseball Team to join the Women's Baseball World Cup in 2006 and in 2014 respectively. For the public services in youth and students' affairs, Mr. Lui is a leader of various leadership mentoring programmes in Hong Kong United Youth Association, Association of Chartered Certified Accountants and Hong Kong Professionals and Senior Executives Association. Mr. Lui was a director of Hong Kong United Youth Association in 2014/2015 and is currently a member of the Hong Kong Student Affairs Sub-committee of the Association of Chartered Certified Accountants and Budget Proposal 2017-18 Sub-committee of the Hong Kong Institute of Certified Public Accountants.

非執行董事**呂振邦先生**

BA, MAcc, LL.M, MBA (Executive), FCPA, FCCA, ATiHK, CTA (HK), ACS, ACIS

(現年48歲)

呂振邦先生(「呂先生」)自2017年1月1日起由本公司之執行董事調任為非執行董事。彼亦為提名委員會之成員。

彼於2010年加入本集團擔任集團財務總監。彼於2015年9月進一步晉升為執行董事及首席財務總監。呂先生已卸任本集團首席財務總監一職，自2016年12月1日起生效。

於本集團任職期間，呂先生負責監督本集團之財務及會計運作。除於香港上市公司秘書實務方面外，彼於房地產業務(如物業發展、物業投資及物業管理)之企業會計、財務及稅務管理方面擁有逾26年之經驗。加入本集團前，呂先生曾於多間在聯交所主板上市的香港公司擔任高職。

呂先生獲授香港大學文學士學位、香港中文大學法律碩士學位、澳洲查爾斯斯特德特大學會計學碩士學位及香港城市大學行政人員工商管理碩士學位。彼為香港註冊會計師及註冊稅務顧問以及英國特許公認會計師及特許秘書。

呂先生亦積極參與推廣香港體育及青年及學生事務，投身社區服務。呂先生曾為棒球教練，並曾擔任香港女子棒球代表隊之團隊秘書及副領隊，分別參加2006年及2014年世界盃女子棒球賽。有關青年及學生事務的公共服務方面，呂先生於香港青年聯會、特許公認會計師公會及香港專業及資深行政人員協會參與多個專業師友計劃。呂先生於2014/2015年擔任香港青年聯會之會董，現為特許公認會計師公會香港學生事務委員會分會及香港會計師公會2017-18預算案委員會分會之委員。



Mr. LUI Chun Pong
呂振邦先生



Mr. CHENG Sui Sang
鄭瑞生先生

Independent Non-executive Director

Mr. CHENG Sui Sang

MBA, BEC, CPA

(aged 73)

Mr. CHENG Sui Sang ("Mr. Cheng") has been appointed as an Independent Non-executive Director since 1 January 2014. He is also the chairmen of both the Audit Committee and the Remuneration Committee, and a member of the Nomination Committee.

Mr. Cheng has extensive experience in banking, finance and investment fields. He is an associate member of the Hong Kong Institute of Certified Public Accountants.

Mr. Cheng was a director of Cosmopolitan International Holdings Limited, a company listed on the Stock Exchange, from August 2006 to June 2014 and a director of Chi Cheung Investment Company, Limited (now known as LT Holdings Limited), a company listed in the Stock Exchange, from 1997 to 2000.

He has held senior management positions in companies in Hong Kong and overseas, as well as several companies listed on the Stock Exchange. He has also been involved in private consulting working in the PRC and Hong Kong. He holds a Bachelor's degree in Economics and a Master's degree in Business Administration.

獨立非執行董事

鄭瑞生先生

MBA, BEC, CPA

(現年73歲)

鄭瑞生先生(「鄭先生」)自2014年1月1日起獲委任為獨立非執行董事。彼亦分別為審核委員會及薪酬委員會之主席，以及提名委員會之成員。

鄭先生於銀行、金融及投資領域擁有豐富經驗。彼為香港會計師公會會員。

鄭先生於2006年8月至2014年6月為Cosmopolitan International Holdings Limited (四海國際集團有限公司*) (於聯交所上市)之董事，及於1997年至2000年為至祥置業有限公司(於聯交所上市)(現稱為勒泰控股有限公司)之董事。

彼於香港及海外多間公司以及多間聯交所上市公司擔任高層管理人員職位。彼亦於中國及香港參與私人顧問工作。彼持有經濟學士學位及工商管理碩士學位。

Independent Non-executive Director

Ms. LEE Jai Ying

(aged 60)

Ms. LEE Jai Ying ("Ms. Lee") has been appointed as an Independent Non-executive Director since 9 May 2014. She is also the chairman of the Nomination Committee and a member of the Remuneration Committee.

Ms. Lee obtained a master's degree of Medicine from Jilin University. She has over 30 years' experience in corporate management. She is the chairman of Han Sheng Tang Herbal Technologies Co., Limited, specialising in research, manufacturing and modernisation of traditional Chinese medicine.

She is a Justice of the Peace in Hong Kong and a member of the 9th to 12th National Committee of the Chinese People's Political Consultative Conference.

獨立非執行董事

李嘉音女士

(現年60歲)

李嘉音女士(「李女士」)自2014年5月9日起獲委任為獨立非執行董事。彼亦為提名委員會之主席及薪酬委員會之成員。

李女士取得吉林大學醫學碩士學位。彼擁有逾30年企業管理經驗。彼為漢生堂藥業有限公司董事長，精擅傳統中藥研製與現代化發展工作。

彼為香港太平紳士及中國人民政治協商會議第九至十二屆全國委員會委員。



Ms. LEE Jai Ying
李嘉音女士



Mr. KWOK, Shiu Keung Ernest
郭少強先生

Independent Non-executive Director

Mr. KWOK, Shiu Keung Ernest

(aged 81)

Mr. KWOK, Shiu Keung Ernest (“Mr. Kwok”) has been appointed as an Independent Non-executive Director since 18 November 2015. He is also a member of the Audit Committee.

Mr. Kwok studied engineering in Hong Kong and law in the United Kingdom. He practised engineering construction in Hong Kong before 1980. Thereafter he practiced construction law in the United Kingdom, Australia and Hong Kong. Mr. Kwok is a retired chartered civil engineer, lawyer and arbitrator.

獨立非執行董事

郭少強先生

(現年81歲)

郭少強先生（「郭先生」）自2015年11月18日起獲委任為獨立非執行董事。彼亦為審核委員會成員。

郭先生曾於香港攻讀土木工程學及於英國攻讀法律學。彼於1980年前為香港工程建設業執業人員。其後為英國、澳洲及香港建築法律執業人員。郭先生為退休特許土木工程師、律師及仲裁員。

Independent Non-executive Director

Mr. George YUEN Kam Ho

(aged 73)

Mr. George YUEN Kam Ho ("Mr. Yuen") has been appointed as an Independent Non-executive Director since 12 July 2016. He is also a member of each of the Audit Committee, Remuneration Committee and Nomination Committee respectively.

Mr. Yuen is currently an Independent Non-executive Director of Easy One Financial Group Limited (formerly known as "PNG Resources Holdings Limited"), a company listed on the Stock Exchange and an Independent Non-executive Director of Industrial and Commercial Bank of China (Asia) Limited which was listed on the Stock Exchange before being privatised on 21 December 2010. He was a director of Visteon Corporation, a company listed on the New York Stock Exchange.

Mr. Yuen is currently a special adviser of China National Committee for Pacific Economic Cooperation, a Standing Committee member of the University of Hong Kong Convocation, a member of the Court of the University of Hong Kong and a business advisory council member of U.N. Economic and Social Commission for Asia and the Pacific.

Mr. Yuen graduated from The University of Hong Kong with a Bachelor's Degree (Honours) in Economics and Political Science. Mr. Yuen has attended post-graduate studies in International Marketing Management at the International Marketing Institute, Cambridge, Massachusetts, U.S.A. and has completed the Hong Kong Administrators Course (commissioned by the Hong Kong Government) in Public Administration and International Relations at Oxford University, the United Kingdom, and the International Executive Program in INSEAD, France respectively. In June 2003, Mr. Yuen was admitted to the Leadership in Development Program organised by Kennedy School of Government, Harvard University, U.S.A. In June 2004, Stanford University, California, U.S.A. had also invited Mr. Yuen to participate in its "Corporate Governance" forum and in early 2006, the University awarded a fellowship to Mr. Yuen as a non-profit leader at its Center for Social Innovation.

獨立非執行董事

袁金浩先生

(現年73歲)

袁金浩先生(「袁先生」)自2016年7月12日起獲委任為獨立非執行董事。彼亦為審核委員會、薪酬委員會及提名委員會各自之成員。

袁先生現為易易壹金融集團有限公司(前稱「PNG資源控股有限公司」,於聯交所上市之公司)獨立非執行董事及中國工商銀行(亞洲)有限公司(曾於聯交所上市,但已於2010年12月21日私有化)獨立非執行董事。彼曾任Visteon Corporation(於紐約證券交易所上市之公司)董事。

袁先生現為中國太平洋經濟合作全國委員會特邀顧問、香港大學畢業生議會常務委員、香港大學校董會委員及聯合國亞太經濟和社會委員會商務諮詢委員會理事。

袁先生畢業於香港大學,取得經濟及政治學榮譽學士學位。袁先生分別在美國麻省劍橋國際市場學院修讀國際市場管理課程,及獲香港政府保薦往英國牛津大學完成公共行政及國際關係之香港行政人員課程,並於法國歐洲商業學院(INSEAD)參與國際工商管理人員培訓計劃。於2003年6月,袁先生被邀參與美國哈佛大學肯尼迪政府學院主辦的領袖發展計劃。於2004年6月,袁先生獲邀參與美國加州史丹福大學「公司管治」研修會議。在2006年初,史丹福大學社會創建學院更邀請袁先生為訪問學者作短期研修。



Mr. George YUEN Kam Ho
袁金浩先生

Mr. Yuen has been Chief Executive Officer of “The Better Hong Kong Foundation” for nine years from September 1997. Prior to his joining “The Better Hong Kong Foundation”, Mr. Yuen was the Assistant Director and Acting Deputy Director of the Information Services Department of the Hong Kong Government. Mr. Yuen played an active role in organising significant international conferences in Hong Kong and held multiple public offices, including being a board member of the East-west Strategic Development Commission. From 2003 to 2007, Mr. Yuen was a member of the Pan-Pearl River Delta Panel of the Central Policy Unit (“CPU”) of the HKSAR Government. From January 2006 to January 2013, Mr. Yuen was a member of the Committee of Guangxi Zhuang Autonomous Region, the Chinese People’s Political Consultative Conference, an adviser of the Institute of Finance and Trade Economics, Chinese Academy of Social Sciences, an adviser of Center for Hong Kong and Macao Research, Shanghai Academy of Social Sciences, China, and an adviser of Guangzhou Municipal Board for International Investment, China.

Mr. Yuen is a fellow member of the Hong Kong Institute of Directors, a member of the British Institute of Management and the Institute of Marketing, U.K., and was also commended by the U.S. President, George W. Bush for his efforts in support of coalition’s campaign against global terrorism.

自1997年9月起，袁先生曾出任「香港明天更好基金」行政總裁達9年。於加入「香港明天更好基金」前，袁先生於香港政府新聞處擔任新聞處助理處長及署理副處長。袁先生積極參與籌組於香港舉行之重要國際會議，並曾擔當多項公職，其中包括出任國際策略發展局董事局成員。於2003年至2007年期間，袁先生曾任香港特別行政區政府中央政策組泛珠江三角洲流域研究委員會成員。在2006年1月至2013年1月期間，袁先生曾為中國人民政治協商會議廣西壯族自治區委員會委員、中國社會科學院財政與貿易經濟研究所顧問、中國上海社會科學院港澳研究中心顧問及中國廣州市國際投資促進中心顧問。

袁先生為香港董事學會之資深會員、英國管理學會及英國市務學會會員，並曾獲前任美國總統布殊親函嘉許其支持世界反恐工作的貢獻。

Construction Business

Ir Paul LEE Kai Hung ("Ir Lee"), *BEng, MASc, PEng, MCSCCE, RPE, CEng, FHKIE, MICE*, aged 60, is the Managing Director of each of Hsin Chong Construction Company Limited ("HCC"), Hsin Chong Construction (Asia) Limited ("HCA") and HCCG Building and Civil Engineering (Macau) Limited. He is also a director of certain subsidiaries of the Company. Ir Lee was appointed as the Deputy Managing Director of HCC in July 2015 and has been promoted to his current position in HCC in October 2015.

Ir Lee is responsible for the management of the construction and related businesses within the Group. Ir Lee joined the Group in 2010 and has more than 37 years of experience in civil engineering and building construction.

Ir Lee is a registered professional engineer. He is also a fellow of The Hong Kong Institution of Engineers. Prior to joining the Group, he was a senior executive with a leading Hong Kong contractor.

Mr. Desmond SZE Man Sang ("Mr. Sze"), *MHKIE, RPE (CVL)*, aged 56, is an Assistant Managing Director since January 2017 of HCC. Mr. Sze is responsible for part of the building business of the Group within Hong Kong. He joined the Group in 2015 and has 35 years of experience in the field of civil and building construction.

Mr. Cyrus CHIN Chi Keung ("Mr. Chin"), *BSc (Hons), MSc, MHKIE, RPE*, aged 58, is a director of HCC and HCA, and a director of certain subsidiaries of the Company. Mr. Chin is responsible for the overall management of the Building Division in Hong Kong. He joined the Group in 1994 and has over 33 years of experience in the field of structural design and project management. Mr. Chin is a member of the Mandatory Provident Fund Industry Schemes Committee and has stepped down from the post of vice president of the Hong Kong Construction Association.

Mr. James LEE Kok Foo ("Mr. Lee"), *BEng, MHKIE*, aged 65, is a director of HCC and HCA, and a director of certain subsidiaries of the Company. Mr. Lee is responsible for the business development for the Building Division, including managing the business development and operation of Design and Build Projects. He joined the Group in 1981 and has over 42 years of experience in the field of electrical and mechanical engineering and building construction management.

Mr. Steven John MEREDITH ("Mr. Meredith"), *BSc (Eng), C.Eng, MICE*, aged 58 is a director of HCC and HCA. Mr. Meredith is a director (Civil Engineering), and is responsible for the civil engineering business of the Group within Hong Kong. He joined the Group in 2017 and has 37 years of experience in the field of civil engineering.

Mr. Alan Clive EVANS ("Mr. Evans"), *MA, FRICS, ACI Arb, RPS(QS)*, aged 55, is a director of HCC and HCA, and a director of certain subsidiaries of the Company. Mr. Evans is responsible for overseeing all commercial, legal, insurance and procurement matters for the whole construction business. He joined the Group in 2011 as Group Commercial Manager and has more than 30 years of property and construction management experience with major corporations and international consultants in the UK, Qatar, Macau and Hong Kong.

建造業務

李啟鴻工程師 (「李工程師」) · *BEng, MASc, PEng, MCSCCE, RPE, CEng, FHKIE, MICE* · 現年60歲，為新昌營造廠有限公司 (「新昌營造廠」) · 新昌營造廠 (亞洲) 有限公司 (「新昌亞洲」) 及新營房屋及土木工程 (澳門) 有限公司之董事總經理。彼亦為本公司若干附屬公司之董事。李工程師於2015年7月獲委任為新昌營造廠之副董事總經理，並於2015年10月晉升至現於新昌營造廠之職位。

李工程師負責管理本集團所有建築及相關業務。李工程師於2010年加入本集團，擁有逾37年土木工程及樓宇建造方面之經驗。

李工程師為註冊專業工程師。彼亦為香港工程師學會之資深會員。於加入本集團前，彼曾於本港一家大型承建商擔任要職。

史文生先生 (「史先生」) · *MHKIE, RPE (CVL)* · 現年56歲，於2017年起出任新昌營造廠之助理董事總經理。史先生負責本集團於香港之部分建造業務。彼於2015年加入本集團，並於土木及樓宇建造領域擁有35年經驗。

錢志強先生 (「錢先生」) · *BSc (Hons), MSc, MHKIE, RPE* · 現年58歲，為新昌營造廠及新昌亞洲之董事，以及本公司若干附屬公司之董事。錢先生負責香港樓宇建造部之整體管理。彼於1994年加入本集團，並擁有逾33年結構設計及項目管理之經驗。錢先生現時為強制性公積金行業計劃委員會成員及剛卸任香港建造商會副會長。

李國富先生 (「李先生」) · *BEng, MHKIE* · 現年65歲，為新昌營造廠及新昌亞洲之董事，以及本公司若干附屬公司之董事。李先生負責樓宇部門的業務發展，包括管理設計及承建項目之業務發展及營運。彼於1981年加入本集團，並擁有逾42年機電工程及樓宇建造管理之經驗。

Steven John MEREDITH先生 (「Meredith先生」) · *BSc (Eng), C.Eng, MICE* · 現年58歲，為新昌營造廠及新昌亞洲之董事。Meredith先生為土木工程部之董事，並負責本集團於香港之土木工程業務。彼於2017年加入本集團，並於土木工程領域擁有37年之經驗。

Alan Clive EVANS先生 (「Evans先生」) · *MA, FRICS, ACI Arb, RPS(QS)* · 現年55歲，為新昌營造廠及新昌亞洲之董事，以及本公司若干附屬公司之董事。Evans先生負責統籌整個建造業務之所有商務、法律、保險及採購事宜。彼於2011年加入本集團，擔任本集團商務經理，在英國、卡塔爾、澳門及香港等地之大型企業及國際性顧問公司，累積逾30年物業及建造管理之經驗。

Mr. Joseph FUNG Cho Ning (“Mr. Fung”), *BSc (Eng), CEng, RPE, FIMECHE, MCIBSE, MHKIE*, aged 64, is the managing director of Hsin Chong Aster Building Services Limited (“HC Aster”), the electrical and mechanical engineering specialists of the Group, and a director of certain subsidiaries of the Company. Mr. Fung has the primary responsibility in managing the business of HC Aster. He joined the Group in 2003 and has over 39 years of experience in the engineering field as consultant, client’s representative and contractor in Hong Kong, United Kingdom and Australia. Prior to joining the Group, for over 17 years, Mr. Fung was engaged in the general management of companies in Australia and Hong Kong before acting as the general manager of Jardine and Cathay Pacific group of companies.

Mr. Keith John BUCKLEY (“Mr. Buckley”), *BSc (Civil), CEng, MICE, MHKIE*, aged 68, is a director of HCC and HCA, and a director of certain subsidiaries of the Company. Mr. Buckley is the Executive Project Director of the construction management business of the Group in Macau. He joined the Group in 2003 and has over 46 years of experience in the field of building construction and civil engineering.

Mr. Augustine TANG Man Yee (“Mr. Tang”), *MSc, MCIQB, MAIB, MHKICM*, aged 59, is a director of HCC, HCCG Building and Civil Engineering (Macau) Limited, Ever Work Construction Limited, HCCG Building & Civil Engineering (Saipan) Limited, Zhuhai Hengqin New Area HCCG Construction Management Co., Ltd. and Hsin Chong Building and Civil Engineering (Cambodia) Co. Ltd. Mr. Tang is responsible for the civil engineering and building Projects in Macau, Zhuhai and overseas. He joined the Group in 1976 and has over 40 years of experience in the field of building construction and project management of mega construction projects in Hong Kong, Beijing, Shenzhen, Zhuhai, Macau and overseas.

Mr. Phillip Kenneth CLARKE (“Mr. Clarke”), *MRICS*, aged 57, is the commercial director of Hsin Chong Construction (Macau) Limited, Hsin Chong Engineering (Macau) Limited and Ever Apex Construction (Macau) Company Limited, the Company’s subsidiaries in Macau. Mr. Clarke joined the Group in 2004 and has over 35 years of experience in providing commercial and technical support in the construction field.

Property Development and Hospitality Business (Hong Kong and International)

Mr. Alfred Kwong Fai YEUNG (“Mr. Yeung”), *BA, DipArch, DMS, MSc, RIBA, MCMI, MAPM*, aged 57, joined the Group in February 2016 as the Managing Director responsible for developing real estate, hospitality, and aged care business of the Group in Hong Kong and overseas.

Mr. Yeung has more than 30 years of experience in architecture and planning, real estate and project management. He has worked on property development and hospitality projects in Europe, North America, Asia Pacific and Australasia.

馮祖寧先生（「馮先生」），*BSc (Eng), CEng, RPE, FIMECHE, MCIBSE, MHKIE*，現年64歲，為本集團專責機電工程業務之新昌亞仕達屋宇設備有限公司（「新昌亞仕達」）之董事總經理，以及本公司若干附屬公司之董事。馮先生主要負責管理新昌亞仕達之業務，彼於2003年加入本集團，於香港、英國及澳洲出任顧問、客戶代表及承建商，在工程界擁有逾39年之經驗。於加入本集團前，馮先生曾負責澳洲及香港公司之一般管理工作逾17年，其後出任怡和集團及國泰航空集團旗下公司之總經理。

Keith John BUCKLEY先生（「Buckley先生」），*BSc (Civil), CEng, MICE, MHKIE*，現年68歲，為新昌營造廠及新昌亞洲之董事，以及本公司若干附屬公司之董事。Buckley先生為本集團澳門建造管理業務之行政項目總監。彼於2003年加入本集團，並於樓宇建造及土木工程方面，擁有逾46年之經驗。

鄧文儀先生（「鄧先生」），*MSc, MCIQB, MAIB, MHKICM*，現年59歲，為新昌營造廠、新營房屋及土木工程（澳門）有限公司、永成建築有限公司、新營房屋及土木工程（塞班）有限公司、珠海橫琴新區新昌建設管理有限公司及新昌房屋及土木工程（東涌寨）有限公司之董事。鄧先生負責澳門、珠海與海外之土木工程及建造項目。彼於1976年加入本集團，並擁有逾40年樓宇建造及項目管理之經驗，曾參與香港、北京、深圳、珠海、澳門與海外的大型建造項目。

Phillip Kenneth CLARKE先生（「Clarke先生」），*MRICS*，現年57歲，為本公司之澳門附屬公司新昌營造（澳門）有限公司、新昌工程（澳門）有限公司及永發建築（澳門）有限公司之商務董事。Clarke先生於2004年加入本集團，並於建造業擁有逾35年提供商業及技術支援之經驗。

物業開發及旅遊發展（香港及國際）

楊光輝先生（「楊先生」），*BA, DipArch, DMS, MSc, RIBA, MCMI, MAPM*，現年57歲，於2016年2月加入本集團擔任董事總經理，負責本集團在香港及海外市場的物業、旅遊及養老業發展。

楊先生於建築及規劃、房地產及項目管理領域上擁有逾30年的經驗。他曾參與歐洲、北美、亞太及澳新區的物業發展及旅遊項目。

Mr. Yeung has built real estate networks around the globe over the years and has rich experience in land assembly, project feasibility and incubation, masterplanning, design, joint-venture partnership formation, project management, as well as sales, marketing and disposal.

Mr. Yeung has held directorate appointments in a number of multi-national companies. He was the Managing Director of Great Eagle Development and Project Management Limited before joining the Group, looking after over US\$2.5 billions in hospitality and real estate investments spreading across New York, Los Angeles, San Francisco, Toronto, London, Hong Kong, Shanghai, Dailin, Sydney, Melbourne and Auckland.

Mr. Yeung was also the Group Property Development Director for Melco International and has built award winning hospitality destinations in the Mainland of China and with investment works in the Philippines, Korea, Kazakhstan and Russia. Previously, Mr. Yeung was the General Manager for property development in Kowloon Canton Railway Corporation where he was responsible for the Corporation's US\$30 billion development portfolio encompassing 20 projects along the rail lines in Hong Kong.

Mr. Yeung is a chartered architect by profession, qualified at Liverpool John Moores University and received a Master degree in Construction Management from University of Bath. He has also received executive management training from Harvard Law School, Franklin Covey Leadership Programme and Richard Ivey Business School. Mr. Yeung is a chartered member of Royal Institute of British Architects, a founding member of its Hong Kong Chapter. He is also a member of Urban Lands Institute, Chartered Management Institute and Association for Project Management in UK. Mr. Yeung has been appointed by The Chinese University of Hong Kong as Adjunct Associate Professor.

Project Directors (Construction Business)

Mr. Chris CHAU Chi Wai ("Mr. Chau"), *BSc (Hons), MHKIE, RPE*, aged 55, is an assistant director of Building Division of HCC. He is responsible for construction projects, including M+ Museum, Dragons Range, redevelopment of Hong Kong Sports Institute and Shek Mun HSBC Data Centre. Mr. Chau joined the Group in 2007. He has 32 years of experience in the construction industry.

Mr. Benjamin CHOW Tai Wang ("Mr. Chow"), *BSc (Civil Engineering)*, aged 64, has been promoted as an assistant director of HCC in 2015 and is the head of civil projects operations. He is responsible for project management, tendering and business development. Mr. Chow joined the Group in 2002. He has over 38 years of experience in foundation, site formation, infrastructure, structural steel, road & drainage, marine works, demolition, building and contracting business.

楊先生近年在全球建立房地產方面的人脈，並於土地整理、項目可行性及培育、總體規劃、設計、組建合營夥伴關係、項目管理，以及銷售、營銷及出售等方面擁有豐富經驗。

楊先生曾於多間跨國公司擔任董事職位。於加入本集團前，彼為鷹君發展及策劃管理有限公司之董事總經理，管理多於25億美元的酒店及房地產項目投資，遍及紐約、洛杉磯、三藩市、多倫多、倫敦、香港、上海、大連、雪梨、墨爾本及奧克蘭。

楊先生亦曾任新濠國際集團房地產董事，在中國內地開發了多個旅遊重點項目，並於菲律賓、韓國、哈薩克斯坦及俄羅斯負責投資工作。此外，楊先生曾為香港九廣鐵路公司物業發展部總經理，彼負責該公司300億美元的物業發展組合，包括鐵路沿線的20個項目。

楊先生為英國特許建築師，畢業於利物浦約翰摩爾斯大學(Liverpool John Moores University)建築系，並取得巴斯大學(University of Bath)建造管理碩士學位。彼亦於哈佛大學法學院、富蘭克林柯維領導才能計劃(Franklin Covey Leadership Programme)和理察·艾菲商學院(Richard Ivey Business School)接受行政管理培訓。楊先生為英國皇家建築師學會之會員、是其香港分會的創始幹事。彼亦為城市土地學會、英國特許管理學會和英國項目管理協會之會員。楊先生亦獲香港中文大學委任為客席副教授。

項目總監 (建造業務)

周志偉先生 (「周先生」)，*BSc (Hons), MHKIE, RPE*，現年55歲，為新昌營造廠樓宇建造部的助理董事。彼負責建造項目，包括M+視覺文化博物館、玖瓏山、香港體育學院重建項目及滙豐銀行石門數據中心。周先生於2007年加入本集團。彼於建造業擁有32年之經驗。

周大宏先生 (「周先生」)，*BSc (Civil Engineering)*，現年64歲，於2015年獲晉升為新昌營造廠的助理董事，彼亦為土木工程項目營運之主管。彼負責項目管理、投標工作及業務發展。周先生於2002年加入本集團。彼於地基工程、地盤平整、基建、鋼結構、道路及排水、海事工程、清拆、建造及承建業務方面，擁有逾38年之經驗。

Mr. CHOI Man Fai ("Mr. Choi"), *BSc, FHKIE, FCIQB, FHKICM, MICE, MRICS, RPE*, aged 55, is a senior project director of HCC. He is responsible for managing all aspects of the construction operations in projects under his control including the MTRC Shatin to Central Link Contract No. SCL1109 – Sung Wong Toi and To Kwa Wan Stations and Tunnels. Mr. Choi joined the Group in 2009. He has over 28 years of experience in managing and administering both Government-funded and privately-sponsored infrastructure projects comprising civil, building and foundation jobs.

Mr. Frankie LAM Kam Keung ("Mr. Lam"), *BSc (Eng), MA (Arb & DR), CEng, MICE, RPE, MHKIE, MCSCCHKB*, aged 48, is a senior project director of HCC. He is primarily responsible for project management as well as tender preparation and business development. Mr. Lam joined the Group in 1994. He has over 26 years of experience in both consulting and contracting business on a wide spectrum of projects including infrastructure, site formation, roads & drainage, foundation, deep excavation, geotechnical and ground investigation field works. He is also appointed as the Authorised Signatory under the Buildings Ordinance (Chapter 123) supervising site formation and foundation works.

Mr. Christopher TANG Sik Ming ("Mr. Tang"), *BSc (Hons), MCIQB, MHKIE, MASCE, MHKICM, MCMI, RPE, MASI*, aged 62, is a senior project director of HCC. He is responsible for the construction management of various projects: Sai Wan Terrace, Tsuen Wan Adventist Hospital, Hong Kong Housing Authority's housing developments at Anderson Road and Tung Chung, and HKUST, etc. Mr. Tang joined the Group in 2011. He has over 37 years of experience in building construction management and administration.

Mr. Simon YIU Chi Kin ("Mr. Yiu"), *BSc, MSc, MHKIE, MHKICM, MCIQB, MRICS*, aged 48, is a senior project director of HCC. He is responsible for construction project management and training programme of young engineers in the Hong Kong Buildings Division. Mr. Yiu joined the Group in August 1991 as Graduate Building Engineer. He has over 25 years of experience in building project planning and programming, cost control, contract administration and overall construction management.

Mr. Wayne CHAN Wai Kei ("Mr. Chan"), *BSc (Arch), MIHEEM, ASHRAE*, aged 61, is a project director of HC Aster. He is responsible for Building Services project management, tender preparation and business development. Mr. Chan joined the Group in 2005. He has over 36 years of experience in the managing and administering of both public and private sector E & M projects.

Mr. TSANG Hing Wah ("Mr. Tsang"), *BSc (Bldg), MSc (Environ. Mgt), MHKICM, MIHEEM*, aged 45, is a project director of HCCA. He is responsible for the construction management in various projects. Mr. Tsang joined the Group in August 1994 as Graduate Building Engineer. He has over 22 years of experience in building construction and over 14 years of experience in construction project management.

蔡文輝先生 (「蔡先生」) · *BSc, FHKIE, FCIQB, FHKICM, MICE, MRICS, RPE* · 現年55歲，為新昌營造廠的高級項目總監。彼負責建造業務各方面的管理工作，其所監督的項目包括港鐵沙田至中環線建造合約編號SCL1109—宋王臺及土瓜灣鐵路及隧道工程。蔡先生於2009年加入本集團。彼於政府資助及私人贊助基建項目的土木工程、建造及地基工程方面，擁有逾28年之管理及行政經驗。

林錦強先生 (「林先生」) · *BSc (Eng), MA (Arb & DR), CEng, MICE, RPE, MHKIE, MCSCCHKB* · 現年48歲，為新昌營造廠的高級項目總監。彼主要負責項目管理、投標工作及業務發展。林先生於1994年加入本集團。彼於顧問及承建業務方面，擁有逾26年之經驗，曾負責多類型的項目，包括基建、地盤平整、道路及排水、地基工程、深挖、岩土技術及地基調查實地工作。彼亦獲委任為建築物條例（第123章）的授權簽署人，負責監督地盤平整及地基工程。

鄧錫明先生 (「鄧先生」) · *BSc (Hons), MCIQB, MHKIE, MASCE, MHKICM, MCMI, RPE, MASI* · 現年62歲，為新昌營造廠的高級項目總監。彼負責西灣臺、荃灣港安醫院、香港房屋委員會安達臣道及東涌住宅發展，以及香港科技大學等項目的建造管理工作。鄧先生於2011年加入本集團。彼於樓宇建造管理及行政方面擁有逾37年之經驗。

姚志堅先生 (「姚先生」) · *BSc, MSc, MHKIE, MHKICM, MCIQB, MRICS* · 現年48歲，為新昌營造廠的高級項目總監。彼負責香港樓宇建造部門的建造項目管理，以及新晉工程師的培訓課程。姚先生於1991年8月以建築工程系畢業生的身份加入本集團。彼於樓宇項目策劃及規劃、成本控制、合約管理及整體建造管理方面擁有逾25年之經驗。

陳偉基先生 (「陳先生」) · *BSc (Arch), MIHEEM, ASHRAE* · 現年61歲，為新昌亞仕達的項目總監。彼負責樓宇服務之項目管理、投標工作及業務發展。陳先生於2005年加入本集團。彼於公共及私營機電項目方面，擁有逾36年管理及行政之經驗。

曾慶華先生 (「曾先生」) · *BSc (Bldg), MSc (Environ. Mgt), MHKICM, MIHEEM* · 現年45歲，為新昌營造廠（亞洲）有限公司的項目總監。彼於不同項目中負責建造項目管理。曾先生於1994年8月以建築工程系畢業生的身份加入本集團。彼於樓宇建造擁有逾22年之經驗，在建造項目管理亦有逾14年的經驗。

Business of the Mainland of China

Mr. ZHANG Xuejun ("Mr. Zhang"), aged 51, Co-Chief Executive Officer, graduated from Capital Normal University (formerly known as Beijing Normal College) and obtained a Bachelor's Degree in Philosophy. He also completed an on-job postgraduate course at Chinese Academy of Social Sciences. Subsequently, he obtained an Executive Master's degree in Business Administration from Cheung Kong Graduate School of Business in 2006.

Mr. ZHANG taught at School of English and School of Political Science and Law in Beijing Normal College. Subsequently, he successively assumed the deputy office head of Municipal Party Committee of Youth League in Beijing (北京團市委), secretary of the Committee of Youth League in Chaoyang District in Beijing (北京市朝陽區團委), director and secretary of Party Work Committee (黨工委書記) of Heping Subdistrict Office in Chaoyang District in Beijing (北京市朝陽區和平街街道辦事處). Since 2000, he has served in Central Committee of Chinese Communist Youth League (共青團中央). He successively assumed the deputy director of Chinese Young Pioneers Business Development Center (團中央中國少先隊事業發展中心副主任), deputy director of the Central Juvenile Department (團中央少年部) and Central Propaganda Department (團中央宣傳部), director of Central Juvenile Department (團中央少年部) of the Chinese Communist Youth League, deputy director of National Committee of Chinese Young Pioneers (全國少工委副主任) and the member of 16th Central Standing Committee of the Chinese Communist Youth League (16屆團中央常委).

Mr. ZHANG served as a deputy secretary (department level) at Municipal Party Committee of Jiujiang in Jiangxi Province from 2008 to 2011; and a Party secretary and director at Foreign Affairs Office in Jiangxi Province (江西省外事僑務辦公室) from 2011 to 2014. He has served as a Party member and the Secretary-General of Chinese Western Returned Scholars Association (歐美同學會) since February 2014.

Ms. WAN Wen Ying ("Ms. Wan"), aged 71, joined Hsin Chong Holdings (China) Limited as Senior Commercial Vice President in March 2016. She is also Chairman of Hsin Chong (China) Business Management Company Limited*.

Ms. Wan has engaged in business operation and management for 41 years and devoted herself to research and development of the business sector in China, and accumulated rich experience in business management. Honoured as the "originator of China's outlets", she was the first to bring the outlets mode into China, and she was also the planner and leader of the outlets business model of the new generation. In recent years, as the general business advisor of Beijing Capital Land, she led and directed in the opening and operation of Capital Land's projects in Fangshan, Wanning, Huzhou, and Kunshan, and explored a path for developing outlets with Chinese characteristics.

Ms. Wan is also standing director of China General Chamber of Commerce, vice president of China Commerce Association for General Merchandise, a member of the Expert Committee of China General Chamber of Commerce, and honorary president of Outlets Branch of China General Chamber of Commerce. Ms. Wan is also a senior economist and senior corporate operator.

* for identification purposes only

中國內地之業務

張學軍先生 (「張先生」), 現年51歲, 為聯席行政總裁, 畢業於首都師範大學 (原北京師範學院), 取得哲學學士學位。另於中國社科院修畢在職研究生課程。隨後, 於2006年畢業於長江商學院, 並取得高層管理人員工商管理碩士學位。

張先生曾於北京師範學院英語系、政法系任教。其後分別在北京團市委、北京市朝陽區團委、北京市朝陽區和平街街道辦事處工作, 任辦公室副主任、團區委書記、街道辦事處主任、黨工委書記。2000年起到共青團中央工作, 歷任中國少先隊事業發展中心副主任、少年部、宣傳部副部長、少年部部長、全國少工委副主任、16屆團中央常委等職務。

張先生於2008年至2011年出任江西省九江市委副書記 (正廳級), 2011年至2014年任職江西省外事僑務辦公室黨組書記、主任, 2014年2月起任歐美同學會黨組成員、秘書長。

萬文英女士 (「萬女士」), 現年71歲, 2016年3月加入新昌控股 (中國) 有限公司擔任高級商業副總裁, 新昌 (中國) 商管有限公司董事長。

萬女士從事商業運營及管理41年, 一直致力於中國商業領域的研究發展, 積累了極為豐富的商業管理經驗。被譽為「中國奧特萊斯鼻祖」, 是中國引進奧特萊斯業態的第一人, 也是新一代奧特萊斯商業模式的籌劃者和領航者。近年來作為首創置業的商業總顧問主導、指揮了首創房山、萬寧、湖州、昆山項目的開業、運營工作, 摸索出一套適合中國國情的奧特萊斯發展之路。

萬女士還兼任中國商業聯合會常務理事, 中國百貨協會副會長, 中國商業聯合會專家委員及奧特萊斯分會名譽會長。萬女士亦為高級經濟師、高級企業運營師。

Mr. JIANG Wanyong (“Mr. Jiang”), aged 57, is a senior engineer with the Bachelor’s Degree in Engineering. He now assumes the senior vice president of Hsin Chong Holdings (China) Limited. Mr. Jiang once worked for China-Foreign Aid Office of Ministry of Railways/China Civil Engineering Construction Corporation (CCECC), and was dispatched to Arabia and African countries, Hong Kong, Macao and North America. He worked as the director of business development in Mainland China for CH2MHILL, a world’s famous large-scale engineering consulting company and took charge of energy and transportation services. With over 30 years’ management experience in real estate investment and development, energy and environmental protection, urban planning and infrastructure construction, communications technologies and services, asset restructuring, mergers and acquisitions of enterprises and others, Mr. Jiang, a senior business management specialist, has accumulated rich experience in the investment and operation and management of large projects at home and abroad as well as commercial real estate investment and development management, and obtained outstanding achievements in related fields. Mr. Jiang also concurrently serves as an expert member of Commercial Real Estate Association and the vice president of Ortles Branch of China General Chamber of Commerce.

Ms. ZENG Xian (“Ms. Zeng”), aged 49, is a senior corporate culture specialist and economist with double Master’s Degree respectively in Economic Management and Psychology. She has been the vice president of Hsin Chong Holdings (China) Limited since 2015. As a senior human resources expert, Ms. Zeng once assumed the senior management position of several famous listed companies and large real estate enterprises, and she particularly excels in human resource management of real estate industry. Ms. Zeng also concurrently serves as the vice president of Ortles Branch of China General Chamber of Commerce, the director of Practice Committee of Chinese Human Resource Theory and Practice Association, the vice chairman of Human Resource Alliance of Commercial and Tourism Real Estate Professional Committee of China Real Estate Association, managing director of National Real Estate Managers Alliance, distinguished lecturer of China Federation of Human Resources Managers and career mentor of Sun Yat-sen Business School.

Mr. DING Mingliang (“Mr. Ding”), aged 49, graduated from Tsinghua University with a masters’ degree, majoring in heating, ventilation and air conditioning. He joined Hsin Chong (China) Business Management Company Limited* as Executive Deputy General Manager in 2015 and is responsible for the properties and engineering related business.

For many years Mr. Ding engaged in planning, investment attraction, and operation management with commercial real estate projects. He has nearly 20 years’ experience as a senior executive at well-known enterprises and commercial property companies including GT Land Group, Saite Group, and Beijing Modern Plaza, thus with comprehensive management capability in large commercial real estate projects, especially in large commercial complex and other commercial projects in Guangzhou Area.

江萬勇先生（「江先生」），工學學士，高級工程師，現年57歲。現任新昌控股（中國）有限公司高級副總裁。江先生早年供職於國家鐵道部援外辦公室／中國土木工程集團公司，曾被派往阿拉伯地區及非洲國家、港澳及北美地區工作。曾就職於世界著名的大型工程諮詢公司美國西圖集團（CH2MHILL）擔任中國大陸地區業務拓展總監，負責能源與交通業務。江先生從事管理工作三十多年來的行業經驗涉及到房地產投資與開發、能源與環保、城市規劃與基礎設施有建設、通訊技術與服務、資產重組與企業併購等諸多方面，是資深企業管理專家，擁有豐富的國內外大型項目的投資和運營管理經驗，以及商業地產投資與開發管理等方面的豐富經驗，在相關領域成績顯赫。江先生還兼任中國商業地產聯盟專家委員，中國商業聯合會奧特萊斯分會副會長。

曾先女士（「曾女士」），經濟管理和心理學雙研究生學歷，高級企業文化師，經濟師，現年49歲，2015年加入新昌控股（中國）有限公司擔任副總裁。曾女士作為資深人力資源專家，曾在多家著名上市公司及大型地產企業高級管理職位，在地產行業人力資源管理方面尤有專長。曾女士還兼任中國商業聯合會奧特萊斯分會副會長，中國人力資源理論與實踐聯盟實踐委員會理事，中房協商業和旅遊地產專業委員會人力資源聯盟副主任委員，中國房地產經理人聯盟常務理事，中國人力資源經理人聯合會特聘講師和中山大學管理學院職業導師。

丁明亮先生（「丁先生」），現年49歲，畢業於清華大學，供熱、通風及空調專業，碩士學位，2015年加入新昌（中國）商管有限公司任職常務副總經理，分管物業及工程相關業務。

丁先生多年來從事商業地產項目的策劃、招商和運營管理，在高德置地集團、賽特集團、北京當代商城等知名商業企業和商業地產企業任職高管近20年，具備掌控大型商業地產項目的綜合管理能力，尤其擅長大型商業綜合體及廣州其他商業項目的運營管理。

* for identification purposes only

Mr. JIA Tongli (“Mr. Jia”), aged 53, graduated from the Party School of the CPC, majored in economic administration. He joined Hsin Chong (China) Business Management Company* as Vice General Manager in 2015 and is responsible for investment attraction.

Mr. Jia has over 20 years’ experience in commercial retailing, and had taken up positions at more than ten retail enterprises including Beijing Yansha Youyi Shopping City, Yansha Outlets Shopping Center, Yansha Shopping Center (Jinyuan), Beijing Henderson Yansha, and Beijing U-town Plaza. He participated in the planning, investment attraction and operation of various outlets projects in recent years, and has become an expert with rich practical experience in commercial retailing business.

Mr. LI Qiming (“Mr. Li”), aged 46, is a senior engineer and a Class 1 registered constructor as well as a national supervision engineer with a civil engineering degree. Mr. Li joined Hsin Chong Holdings (China) Limited in 2016 as the general manager of Liaoning Tongji Property Investment Limited / Liaoning Huisheng Property Investment Limited (Tieling project company). Mr. Li has 17 years of experience in comprehensive development and management of large-scale real estate complex, commercial, hotel, residential and tourism properties, and has conducted whole process management and operation in a number of complexes and real estate projects with an area over 500,000 sqm². He has assumed various senior management positions in Yintai Land Group, Wanda Group and many other well-known real estate enterprises, including the general manager of projects and the general manager of cites. Mr. Li has outstanding performance in real estate operation and has profound management experience in all stages of commercial property development as well as remarkable resources integration capabilities.

Ms. LIU Lan (“Ms. Liu”), aged 48, holds a bachelor degree in economic management and an MBA degree in monetary banking. Ms. Liu is currently the general manager of the Taian Project of Hsin Chong Holdings (China) Limited. Ms. Liu is a senior professional manager in the property development industry in China. She has held senior executive positions in various well-known real estate enterprises such as the Contue Group, the Rongqiao Group and the Tahoe Group, delivering outstanding performances in project development, sales and commercial opening. She was named one of the Top 10 Characters in National Property Marketing. Ms. Liu was also engaged by the Alumni Office of the Renmin University of China as consultant and by Taian High-tech Industrial Development Zone as investment adviser.

Mr. XIE Lizhong (“Mr. Xie”), aged 49, is the general manager of the Foshan Project Company of Hsin Chong Holdings (China) Limited. Mr. Xie is a senior engineer graduated from Tsinghua University with a degree in water resources and hydropower engineering. Mr. Xie had been the Director of Guangdong Fangshi Construction Supervision Co., Ltd. (廣東房實建設工程監理有限公司), the deputy general manager of Guangdong Jinhuiyang Real Estate Co., Ltd. (廣東金輝洋房地產有限公司) and the project manager of Panyu Clifford Estate Real Estate Limited (番禺祈福新村房地產有限公司). He has nearly 30 years’ experience in construction project management, particularly in the operation of construction and supervision companies, and is familiar with the construction related processes and relevant laws and regulations of property development.

* for identification purposes only

賈通利先生（「賈先生」），現年53歲，畢業於中央黨校，經濟管理專業，2015年加入新昌（中國）商管公司任職副總經理，分管招商業務。

賈先生從事商業零售業20餘年，曾在北京燕莎友誼商城、燕莎奧特萊斯購物中心、燕莎金源店、北京恆基燕莎、北京悠唐生活廣場等十多家零售企業就職，近年曾參與、主導了多個奧特萊斯項目的策劃、招商和運營管理工作，是一位具有豐富商業零售業實操經驗的專家。

李其明先生（「李先生」），土木工程專業畢業，高級工程師，一級建造師、全國監理工程師，現年46歲，2016年加入新昌控股（中國）有限公司任遼寧同濟置業有限公司／遼寧匯盛置業有限公司（鐵嶺項目公司）總經理職務。李先生擁有17年房地產大型綜合體、商業、酒店、住宅及旅遊地產全面開發管理經歷，有多個50萬平米以上綜合體項目全盤管理和大盤實操經驗。歷任銀泰置地集團、萬達集團等多家知名房地產企業項目總經理、城市總經理等高管職位，創造了卓越的操盤運營業績。李先生對商業地產開發各個環節具備豐富的管理經驗以及超強的整合資源的能力。

劉嵐女士（「劉女士」），經濟管理學士，貨幣銀行學MBA，現年48歲，現任新昌控股（中國）有限公司泰安項目總經理職務。劉女士是中國房地產開發行業的資深職業經理人，歷任康居集團、融僑集團、泰禾集團等多家知名房地產企業的高管職位，創造多個開發、銷售和商業開業的優異成績，曾榮獲「全國房地產營銷人物十佳」稱號。同時劉女士還被聘為中國人民大學校友辦主任顧問、泰安國家高新區招商顧問。

謝立忠先生（「謝先生」），新昌控股（中國）有限公司佛山項目公司總經理。畢業於清華大學水利水電工程專業，高級工程師，現年49歲。謝先生曾任廣東房實建設工程監理有限公司總監、廣東金輝洋房地產有限公司副總經理，番禺祈福新村房地產有限公司項目經理。具有將近三十年的工程管理經驗，熟悉房地產開發的工程設置流程和相關法規，對施工、監理單位的工程運作等具有豐富的管理經驗。

Mr. ZHENG Chenglie ("Mr. Zheng"), aged 56, is a member of the Royal Institution of Chartered Surveyors (Facilities Management) with a master degree of Business Administration awarded by the Newport University in the US. Mr. Zheng has been engaged in property management for over 20 years and accumulated considerable experience in property and asset management during his service in well-known projects in Hong Kong and Mainland China. He has cooperated with renowned domestic and overseas property developers and Top 500 companies in managing high-end residential properties, 5A office buildings, large shopping malls and service apartments, etc. He is an expert in market development, early stage consultation, preparation of accurate management budget, acceptance inspection, renovation supervision, hygiene, environmental protection and fire inspection, inspection before opening of projects and risk management. By effectively applying the mature management modes of Hong Kong properties to those in mainland China, he is capable of coordinating the operation of various departments and managing projects comprehensively and has a good track record in his management work.

Mr. ZHOU Hong (Note 1) ("Mr. Zhou"), aged 47, graduated from Civil Aviation University of China majoring in Planning Finance. He obtained a MBA from Renmin University of China and an EMBA from China Europe International Business School. Mr. Zhou is a financial professional and an expert on enterprise strategic management, investment and financing, and financial management. He is also a senior business administrator. He joined Hsin Chong Finance Lease (China) Limited* as CEO and Hsin Chong Capital Management (China) Limited* as President in 2015.

Mr. Zhou had acted as senior executive at various large enterprise groups and many financial institutions including finance lease companies, futures companies, finance companies and insurance companies, which helped him accumulate rich practical experience in financial and tax management, business development, corporate operation and management, investment and financing, and capital market operation. He has built up close cooperative relationships with local governments, financial institutions, and investment organizations, with great achievements in corporate strategy research and management. Mr. Zhou is also a member of the Central Economics Committee under China Democratic League, and has an in-depth insight into the macro economy and the industrial research.

Chief Operating Officer

Mr. Thomas PANG Pui Yin ("Mr. Pang"), aged 55, is Chief Operating Officer of the Company. Mr. Pang is primarily responsible for overseeing the operations of the Company. Mr. Pang possesses over 30 years of experience in the areas of capital markets, accounting & finance, and corporate management covering a number of industrial sectors such as real estate investment and management, oil and gas, financial advisory, investment management and securities market regulation. Before joining the Group, Mr. PANG held senior positions including Chief Executive Officer and Chief Financial Officer of a real estate investment fund as well as a number of Hong Kong listed companies.

鄭承烈先生 (「鄭先生」)，美國Newport大學工商管理碩士，RICS英國皇家測量師學會會員（設施管理），現年56歲，從事物業管理工作超過20年，於香港及多個國內知名項目積累了大量的物業及資產管理經驗，與國內外眾多知名地產商及500強客戶有合作經歷，管理業態遍及高檔住宅、5A級寫字樓、大型購物中心、酒店式服務公寓等。擅長市場開拓、前期諮詢、編製精確管理預算、接管驗收、裝修工程監理、衛生、環保及消防報驗、各項開業前檢查並風險管理；統籌公司各部門運作及項目全方位管理，能將內地物業與香港成熟物業的管理模式有效結合，並在既往的管理經歷中取得良好的管理效果。

周鴻先生 (附註一) (「周先生」)，現年47歲，畢業於中國民航大學計劃財務專業，中國人民大學工商管理專業，中歐國際工商學院EMBA，碩士學位，金融領域專業人士，企業戰略管理、投融資以及財務管理專家，高級工商管理師。2015年分別加入新昌融資租賃(中國)有限公司任職首席執行官及新昌資本管理(中國)有限公司任職總裁。

周先生歷任大型企業集團及各類融資租賃公司、期貨公司、財務公司、保險公司等多家金融機構高級管理職位，相繼在財稅管理、業務開拓及公司運營管理、投融資及資本市場運作等方面擁有豐富的實操經驗，與各地政府、金融機構、投資機構合作關係密切，在企業戰略研究及管控方面卓有建樹。周先生同時兼任中國民盟中央經濟委員會委員，對宏觀經濟和行業研究頗有思考。

首席營運官

彭沛然先生 (「彭先生」)，現年55歲，現為本公司首席營運官，彼主要負責管理本公司的日常營運。彭先生擁有超過30年在資本市場、會計與金融、及企業管理等範疇的工作經驗，其間涵蓋的不同行業包括房地產投資和管理、油氣、財務顧問、投資管理和證券市場監管。加入本集團前，彭先生於一房地產投資基金、以及不同之香港上市公司工作，曾出任行政總裁及首席財務總監等之高職。

Mr. Pang qualified as a Chartered Accountant in England and Wales in 1988 while working in the London office of a big 4 accounting firm. He is a member of Hong Kong Institute of Certified Public Accountants with exposure in the United Kingdom, Australia, New Zealand, Hong Kong, the Mainland of China and Dubai. Mr. Pang graduated from the University of Oxford, England with a Master's degree and also obtained a Master's degree from the International School of Advanced Studies, University of Trieste, Italy.

Corporate Service

Ms. Victoria TAM Yin Ping ("Ms. Tam"), *MSc, MBA, M.I.H.R.M. (HK), MHKIoD, FInstLM*, aged 55, is the Group Human Resources & Administration Director. She is responsible for the Group's human resources strategy to support the Group's growth opportunities in Hong Kong, Macau, China and overseas, as well as for superintending the administrative functions at the Group's headquarters. Ms. Tam is also a member of the Human Resources Steering Committee of the executive board of the Group, and is responsible for deploying effective human resources management policies, plans and practical methods for corporate sustainable competitive advantages. Ms. Tam possesses over 25 years of human resources & administration management spanning across construction, property investment and development and hospitality industries, with expertise including organizational transformation strategies, leadership and management coaching, and talent management.

Ms. WONG May Kay ("Ms. Wong"), aged 54, is the Vice President of Business Relations of the Group. She joined the Group in February 2016 and is responsible for leading the Business Relations and Corporate Communications team to develop and drive strategies for enhancing the corporate image of the Group while building positive relations with different stakeholders in and outside of Hong Kong to support the Group's business expansion strategy.

Ms. Wong is an all-rounded communications and relationship-management professional of 30 years. Graduating from Canada's premier journalism school at Carleton University in Ottawa, Ontario, Ms. Wong spent more than 13 years as a television journalist covering domestic and world news before becoming a corporate communications specialist with particular expertise in communications strategy development and crisis communications. She has led the communications function for other Hong Kong-listed companies including MTR Corporation Limited.

Note 1: Mr. ZHOU Hong has resigned on 13 March 2017.

彭先生於1988年在一間四大會計師事務所的倫敦分公司工作時，取得英格蘭及威爾斯特許會計師資格，彼亦為香港會計師公會會員。彼曾在英國、澳洲、紐西蘭、香港、中國內地和杜拜各地工作。彭先生於英國牛津大學畢業並取得碩士學位，其後在義大利University of Trieste之International School of Advanced Studies取得碩士學位。

企業服務

譚燕萍女士（「譚女士」），*MSc, MBA, M.I.H.R.M. (HK), MHKIoD, FInstLM*，現年55歲，為集團人力資源及行政董事，負責集團人力資源策略，支持集團在香港、澳門、中國和全球的業務發展，以及監督集團總部的行政管理。譚女士也是集團執行董事會人力資源指導委員，對企業可持續競爭優勢部署有效的人力資源管理政策、規劃以及實踐方法等。譚女士擁有超過25年的人力資源及行政管理經驗，跨越建築、房地產投資和開發，及酒店業不同領域，專長包括組織變革策略，領導和管理指導，以及人才管理。

王美琪女士（「王女士」），現年54歲，為本集團之業務關係副總裁。彼於2016年2月加入本集團，負責帶領業務關係及企業傳訊團隊，通過制定及執行策略，為集團提升企業形象，並在香港及海外與不同持份者建立良好關係以促進集團的業務發展。

王女士是一位全方位的企業傳訊及關係管理專家，擁有30年經驗。自加拿大首屈一指的卡爾頓大學（位於安大略省渥太華市）新聞學院畢業後，王女士擔任新聞從業員超過13年，之後轉投企業傳訊界，尤其擅長溝通策略及危機公關。彼曾任職其他香港上市公司的企業傳訊部主管，包括香港鐵路有限公司。

附註一：周鴻先生已於2017年3月13日辭任。

Corporate governance is the system by which the Company is directed and controlled. The Board is fully aware of its importance to shareholders and has developed a rigorous system of checks and balances which allows management to respond to the strategic directions approved by the Board. The Board believes that a well balanced corporate governance system enables the Company to achieve business excellence and fulfill the Company's mission.

Corporate Code of Conduct

Since 1995, the Company has published and distributed its Corporate Code of Conduct to all staff to educate and reinforce the Company's commitment to the highest standards of business ethics and the seriousness with which the Board treats such matters. The Corporate Code of Conduct is a living document that will be periodically updated to incorporate comments and suggestions from the Independent Commission Against Corruption and the other regulating authorities in Hong Kong.

Corporate Governance Code

The Company has applied the principals in the code provisions and certain recommended best practices set out in the Corporate Governance Code (the "CG Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). During the financial year ended 31 December 2016, the Company complied with all code provisions of the CG Code, except those deviations as mentioned herein below.

Model Code for Securities Transactions by Directors

The Board has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules (as amended from time to time by the Stock Exchange) as its own code of conduct for regulating securities transactions by Directors. Having made specific enquiry of all Directors, all Directors confirmed that they have complied with the required standard set out in the Model Code throughout the financial year ended 31 December 2016.

The Board has further adopted the Model Code as the written guidelines for regulating securities transactions by the senior management and certain employees of the Group (collectively, the "Relevant Employees"). The Board believes that the Relevant Employees may, by virtue of their positions, likely be in possession of unpublished inside information of the Group.

企業管治為本公司之指導及監控系統。董事會十分明白其對股東之重要性，因此建立了一套嚴謹之監察及制衡制度，使管理層能配合董事會批准之策略方針。董事會相信，建立一套制衡之企業管治系統，可以讓本公司獲得業務優勢，及實現本公司之使命。

公司紀律守則

自1995年以來，本公司已開始印製其《公司紀律守則》並分發予全體僱員，藉此教育和鞏固僱員對本公司致力維繫最高商業道德標準之決心，並表明董事會對一切關乎商業道德事宜之認真態度。《公司紀律守則》為一份不斷更新之規管文件，內容定期作出修訂，以納入廉政公署及其他香港監管機構之意見和建議。

企業管治守則

本公司一直應用香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄14所載之《企業管治守則》（「企業管治守則」）所載之守則條文及若干建議最佳常規之原則。於截至2016年12月31日止財政年度內，本公司已遵守企業管治守則之所有守則條文，惟下文所載偏離者除外。

董事進行證券交易的標準守則

董事會已採納上市規則（經聯交所不時修訂）附錄10所載之《上市發行人董事進行證券交易的標準守則》（「標準守則」）作為其規管董事進行證券交易之操守準則。經向所有董事作出特定查詢後，所有董事確認彼等於截至2016年12月31日止財政年度內一直遵守標準守則所載之規定準則。

董事會進一步採納標準守則作為規管高層管理人員及本集團若干僱員（統稱「有關僱員」）進行證券交易之書面指引。董事會認為有關僱員或可透過其本身之職位取得本集團未經刊發之內幕消息。

Board of Directors

Composition

As at 18 April 2017, the Board comprised 13 Directors, including four Executive Directors, five Non-executive Directors and four Independent Non-executive Directors.

The Directors who were in office during the year and up to the date of this report are named as below:

Non-executive Chairman

Mr. LIN Zhuo Yan

Executive Directors

Ir Joseph CHOI Kin Hung (*Co-Chief Executive Officer*)

Mr. ZHOU Wei (*Chief Strategic Officer*)

Mr. Wilfred WU Shek Chun (*Chief Risk Officer*)

Mr. Eric TODD (appointed with effect from 9 March 2017)

Non-executive Directors

Mr. YAN Jie

Mr. CHEN Lei

Mr. CHUI Kwong Kau

Mr. LUI Chun Pong (re-designated with effect from 1 January 2017)

Independent Non-executive Directors

Mr. CHENG Sui Sang

Ms. LEE Jai Ying

Mr. KWOK, Shiu Keung Ernest

Mr. George YUEN Kam Ho (appointed with effect from 12 July 2016)

Mr. GAO Jingyuan (resigned with effect from 12 July 2016)

Following the appointment of Mr. Eric TODD as an Executive Director, the number of the Independent Non-executive Directors has fallen below the minimum number required under Rule 3.10(1) and Rule 3.10A of the Listing Rules. The Company will seek a suitable candidate to fill the expected replacement to be appointed within three months from 9 March 2017 pursuant to Rule 3.11 of the Listing Rules.

An updated list of Directors identifying their roles and functions is available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.hsinchong.com).

Coming from diverse business and professional backgrounds, including real estate development, property development, construction, finance, and finance related work, members of the Board possess a balance of skills, expertise and experience appropriate for the requirements of the business of the Group which helps promote its success and benefits its management. Save as disclosed in the Profiles of Directors set out on pages 23 to 36 of this annual report, there is no relationship among the members of the Board.

董事會

組成

於2017年4月18日，董事會由13名董事組成，包括4名執行董事、5名非執行董事及4名獨立非執行董事。

於本年度及直至本報告日期在任董事姓名如下：

非執行主席

林卓延先生

執行董事

蔡健鴻工程師 (*聯席行政總裁*)

周煒先生 (*首席策略官*)

鄔碩晉先生 (*首席風險官*)

達振標先生 (自2017年3月9日獲委任)

非執行董事

閻傑先生

陳磊先生

崔光球先生

呂振邦先生 (自2017年1月1日起調任)

獨立非執行董事

鄭瑞生先生

李嘉音女士

郭少強先生

袁金浩先生 (自2016年7月12日起獲委任)

高景遠先生 (自2016年7月12日起辭任)

於委任達振標先生為執行董事後，獨立非執行董事人數少於上市規則第3.10(1)條及第3.10A條規定之最少人數。本公司將物色合適人選填補空缺，預期替代人選將根據上市規則第3.11條自2017年3月9日起計三個月內獲委任。

董事名單更新版本可於聯交所網站(www.hkexnews.hk)及本公司網站(www.hsinchong.com)查閱，當中會列明各董事之職能及責任。

董事會成員來自包括房地產發展、物業發展、建造業、金融、與財務相關工作等不同行業及專業背景，具備全面技能、專業知識與經驗，適用於管理本集團之業務，使其得以成功發展並令其管理層獲益。除於本年報第23頁至36頁所載董事之簡介所披露者外，董事會成員之間並無關係。

Each of the Independent Non-executive Directors has given the Company an annual confirmation of independence in compliance with Rule 3.13 of the Listing Rules. The Company considers that all the Independent Non-executive Directors are and have remained independent. Mr. CHENG Sui Sang, chairman of the Audit Committee, has the appropriate accounting and financial management expertise required under Rule 3.10(2) of the Listing Rules.

Members of the Board, including the names of all the Independent Non-executive Directors, are expressly identified in all corporate communications which disclose the names of the directors of the Company.

Functions

The Board has an ultimate oversight of the Group's activities. Its primary functions are to set and direct the Company's strategy and to monitor and measure the management's performance. It is accountable for the overall strategic development of the Group with the objective to enhance shareholder value. Material matters are reserved for the Board's considerations or decisions which include, among other things, overall strategy of the Group, business plans, annual budgets, significant capital expenditure, interim and annual results and reports, dividend policy and payments, material acquisitions, disposals or investment proposals, directors' appointments, re-appointments or removal, and other material transactions.

The Board has delegated certain of its responsibilities to the Audit Committee, Remuneration Committee, Nomination Committee and Executive Committee. It has also delegated the day-to-day operations of the Group's business to the senior management. Delegation of duties to the Board committees and daily business operations to the management are discussed on pages 53 to 62 of this report.

Board Chairman and Chief Executive Officer

Code provision A.2.1 of the CG Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. LIN Zhuo Yan is the Non-executive Chairman. For the period from 1 January 2016 to 18 September 2016, Mr. Joseph CHOI Kin Hung (an Executive Director) was the Chief Executive Officer. Upon the appointment of Mr. ZHANG Xuejun as Co-Chief Executive Officer with effect from 19 September 2016, the title of Mr. Joseph CHOI Kin Hung was changed to Co-Chief Executive Officer.

The roles of chairman and chief executive are separate, and there are clear divisions among their responsibilities with a view to achieving a balance of power and authority. Therefore, the Company complies with the code provision A.2.1 of the CG Code.

每名獨立非執行董事已根據上市規則第3.13條就其獨立性向本公司作出年度書面確認。本公司認為所有獨立非執行董事現時及一直以來均為獨立人士。審核委員會主席鄭瑞生先生具備上市規則第3.10(2)條規定之適當會計及財務管理專長。

董事會之成員（包括所有獨立非執行董事之姓名）均明確地載列於所有披露本公司董事姓名之企業通訊中。

職能

董事會為本集團業務之最高監督組織。其主要職能為制定本公司之策略並提供指引，亦同時監察及評估管理層之表現。董事會負責本集團之整體策略發展，以提升股東價值為目標。重大事項均留待董事會考慮或作出決定，其中包括本集團之整體策略、業務計劃、年度預算、重大資本開支、中期與年度業績及報告、股息政策及分派、重大收購、出售或投資方案、委任、重新委任或罷免董事以及其他重大交易。

董事會已將其若干責任轉授予審核委員會、薪酬委員會、提名委員會以及執行委員會。董事會亦已授權高層管理人員處理本集團日常業務營運。有關轉授職責予董事會轄下的委員會及授權管理層處理日常業務營運之詳情，於本報告第53至62頁討論。

董事會主席及行政總裁

企業管治守則第A.2.1條守則條文規定，主席與行政總裁的角色應有區分，並不應由一人同時兼任。林卓延先生為非執行主席。於2016年1月1日至2016年9月18日期間，蔡健鴻工程師（執行董事）為行政總裁。於2016年9月19日委任張學軍先生為聯席行政總裁後，蔡健鴻工程師之職銜已變更為聯席行政總裁。

主席與行政總裁的角色已分開，而且兩者之責任明確劃分，務求在權力及權限之間取得平衡。因此，本公司已符合企業管治守則第A.2.1條守則條文之規定。

With the support from the Executive Directors and the Company Secretary, the Board chairman ensures that all Directors are properly briefed on issues arising from Board meetings and receive adequate, complete and reliable information on a timely manner.

Appointment, Re-election and Removal of Directors

The Board has assumed the responsibility to consider the appointment, re-election and removal of the Directors. The Board set up a Nomination Committee in 2011 to recommend the appointment, re-election and removal of the Directors.

All the Non-executive and Independent Non-executive Directors have entered into letters of appointment with the Company for a term of two years subject to the requirements of the Listing Rules and the bye-laws of the Company (the "Bye-laws"), including the requirement of retirement by rotation and re-election or standing for re-election at annual general meetings of the Company at least once every three years. The term is renewable upon expiry.

Any new director to be appointed by the Company shall be provided with information on duties and obligations of director, relevant regulatory requirements and the Group's business affairs. All Directors appointed to fill a casual vacancy would be subject to election by shareholders at the first general meeting of the Company after appointment.

Board Meetings

Regular Board meetings are held at least four times a year at approximately quarterly intervals. Tentative dates of regular Board meetings for next year are scheduled approaching the end of each calendar year in order to facilitate the Directors to plan for attendance of the meetings. Additional Board meetings will be convened, as and when required, to deal with ad hoc issues. Any Director who is not able to present physically may participate at any Board meeting through electronic means of communication, such as conference telephone or other similar communication equipment, in accordance with the Bye-laws.

Board Proceedings

Notice convening each regular Board meeting is sent at least 14 days in advance, and reasonable notice is given for other Board meetings. The Company Secretary assists the Board chairman to prepare the meeting notice and agenda. Each Director may include any item in the agenda. The agenda, accompanied by meeting papers with sufficient and reliable information, are sent to each Director not less than three days before the date of a Board meeting to enable the Directors to make informed decisions on the matters to be discussed, except where a Board meeting is convened on a very urgent basis to consider any urgent ad hoc matter.

The Company Secretary is responsible for taking minutes of the Board meetings, drafts and final versions of which will be circulated to Directors for comments and records, respectively, and in both cases, within a reasonable time after each meeting. Minutes recorded in sufficient detail the matters considered by the Board at the meeting and decisions reached, including any concerns raised by the Directors or dissenting view (if any) expressed. Minutes of Board meetings are kept by the Company Secretary and open for inspection to any Director on request.

在執行董事及公司秘書之協助下，董事會主席確保所有董事均就董事會會議上提出之事項獲得適當說明，並適時收到充分、完備且可靠之資料。

委任、重選及罷免董事

董事會負責考慮委任、重選及罷免董事。董事會於2011年成立提名委員會，就董事之委任、重選及罷免提供建議。

所有非執行及獨立非執行董事均與本公司簽訂任期為2年之委任函，惟須遵守上市規則及本公司細則（「細則」）之規定，包括最少每3年一次於本公司股東周年大會上輪席告退並膺選連任或尋求重選連任之規定。該任期於屆滿時可予續期。

任何新董事於獲本公司委任時均獲提供董事之職責及義務、有關監管規定及本集團業務事宜之資料。所有為填補臨時空缺而獲委任的董事應在獲委任後的本公司首次股東大會上接受股東選舉。

董事會會議

董事會每年最少舉行4次定期會議，約每季一次。翌年董事會定期會議之日期將於每曆年年底時暫定，以便董事就出席會議作出安排。董事會於有需要時會另行召開會議，以處理突發事項。根據細則，任何無法親身出席之董事均可透過電子通訊設備，例如會議電話或其他類似通訊設備，參與任何董事會會議。

董事會程序

召開每次董事會定期會議之通告會於最少14天前發出，而就其他董事會會議之通告則會於合理時間內發出。公司秘書協助董事會主席擬定會議通告及議程。每位董事均可於議程內加入任何議題。議程連同載有充足且可靠資料之會議文件將不少於董事會會議舉行日期前3天發送給每位董事（除非董事會會議於緊急情況下召開以考慮任何緊急突發事項），使董事能就須討論之事項作出知情決定。

公司秘書負責撰寫董事會會議記錄，會議記錄之初稿及最終稿將於每次會議後之合理時間內向董事傳閱，初稿供評議，而最終稿則供存檔之用。會議記錄須對董事會於會議上所考慮之事項及達成之決定作出充足詳細之記錄，包括董事提出之任何疑慮或表達之反對意見（如有）。董事會會議記錄由公司秘書備存，並將按要求公開予任何董事查閱。

All Directors have access to the Company Secretary who is responsible for ensuring that the Board procedures are complied with and all applicable rules and regulations are followed. Directors have full and timely access to all relevant information, including reports from the Board committees and reports from the management. They are also provided with updates on the latest developments of the Listing Rules and other relevant legal and regulatory changes and matters of relevance to the Directors in discharging their duties as and when appropriate.

To assist the Directors to discharge their duties, the Board has adopted written procedures in case any Director wishes to seek independent professional advice at the Company's expenses.

Board approval is also given by circulation of resolution in writing pursuant to the Bye-laws on urgent matter which requires decision in a tight timeframe and hence convening a Board meeting is difficult or not practicable. In case where a resolution in writing is circulated, sufficient information and explanatory materials will also be provided to the Directors at the same time. These written resolutions were tabled for the Directors' review at the next following Board meeting so that Directors were given the opportunity to raise any further comment (if any) on the relevant matters.

If a substantial shareholder or a Director has a conflict of interest in a matter (including material transaction with connected persons) which the Board determines to be material, the Board will hold a meeting (as long as time is allowed to convene a Board meeting) to consider the relevant matter first before any subsequent approval is given by way of circulation of resolution in writing.

Appropriate insurance covering directors' and officers' liabilities has been arranged to protect the Directors and officers of the Group.

所有董事均有接觸公司秘書之途徑，公司秘書有責任確保董事會程序獲依循及所有適用規則及規例均獲遵守。董事均可適時全面取得所有相關資料，包括董事會轄下委員會之報告及管理層之報告。彼等亦獲適時提供有關上市規則之最新發展及其他有關法例及監管規例變動之最新信息，以及與董事履行彼等職責有關之事宜。

為協助董事履行彼等之職責，董事會已採納書面程序，使任何董事如欲尋求獨立專業意見時，均可依循該等程序，費用由本公司支付。

如有緊急事項須於緊迫時限內作出決定，並因此難以或不能召開董事會會議，則根據細則，董事會可透過傳閱書面決議方式批准有關事項。在傳閱書面決議時，充分之資料及說明材料亦將同時提供予董事。該等書面決議均於獲通過後之下一次董事會會議上提呈董事省覽，使董事有機會就有關事項提出任何進一步意見（如有）。

倘主要股東或董事在某一事項（包括與關連人士之重大交易）中存在董事會認為重大之利益衝突，董事會將首先舉行會議（只要在時間上容許召開董事會會議）以考慮有關事項，隨後才會透過以傳閱書面決議方式給予任何批准。

本集團已購買合適之董事及高級職員責任保險，為其董事及高級職員提供保障。

Attendances of Meetings

Eight Board meetings, two Audit Committee meetings, six Remuneration Committee meetings, two Nomination Committee meetings, one annual general meeting and two special general meetings were held during the year ended 31 December 2016. Attendances of these meetings by Directors are set out below:

會議出席記錄

截至2016年12月31日止年度內已舉行8次董事會會議、2次審核委員會會議、6次薪酬委員會會議、2次提名委員會會議、1次股東周年大會及2次股東特別大會。下列為各董事出席該等會議之情況：

Name of Directors	董事姓名	Meetings attended/Eligible to attend 出席/具資格出席會議					Annual General Meetings 股東周年大會	Special General Meetings 股東特別大會
		Board 董事會	Audit Committee 審核委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會			
<i>Non-executive Chairman</i> LIN Zhuo Yan	非執行主席 林卓延	7/8	n/a 不適用	n/a 不適用	n/a 不適用	1/1	2/2	
<i>Executive Directors</i> Joseph CHOI Kin Hung (Co-Chief Executive Officer)	執行董事 蔡健鴻 (聯席行政總裁)	8/8	n/a 不適用	6/6	2/2	1/1	2/2	
ZHOU Wei (Chief Strategic Officer)	周煒 (首席策略官)	7/8	n/a 不適用	n/a 不適用	n/a 不適用	1/1	2/2	
Wilfred WU Shek Chun (Chief Risk Officer)	鄒碩晉 (首席風險官)	8/8	n/a 不適用	3/3	n/a 不適用	1/1	2/2	
<i>Non-executive Directors</i> YAN Jie	非執行董事 閻傑	7/8	n/a 不適用	n/a 不適用	n/a 不適用	1/1	2/2	
CHEN Lei	陳磊	6/8	n/a 不適用	n/a 不適用	n/a 不適用	1/1	1/2	
CHUI Kwong Kau	崔光球	7/8	2/2	n/a 不適用	n/a 不適用	1/1	2/2	
LUI Chun Pong ³	呂振邦 ³	8/8	n/a 不適用	n/a 不適用	0/0	1/1	2/2	
<i>Independent Non-executive Directors</i> CHENG Sui Sang	獨立非執行董事 鄭瑞生	6/8	2/2	6/6	1/2	1/1	2/2	
GAO Jingyuan ¹	高景遠 ¹	4/5	n/a 不適用	3/3	n/a 不適用	1/1	2/2	
LEE Jai Ying	李嘉音	8/8	n/a 不適用	2/3	1/2	0/1	0/2	
KWOK, Shiu Keung Ernest	郭少強	6/8	2/2	n/a 不適用	n/a 不適用	0/1	1/2	
George YUEN Kam Ho ²	袁金浩 ²	3/3	1/1	3/3	n/a 不適用	n/a 不適用	n/a 不適用	

Notes:

- 1 Mr. GAO Jingyuan resigned as an Independent Non-executive Director and a member of Remuneration Committee respectively with effect from 12 July 2016.
- 2 Mr. George YUEN Kam Ho has been appointed as an Independent Non-executive Director with effect from 12 July 2016.
- 3 Mr. LUI Chun Pong was re-designated from an Executive Director to a Non-executive Director with effect from 1 January 2017.

n/a: not applicable

附註:

- 1 高景遠先生已分別辭任獨立非執行董事及薪酬委員會成員，自2016年7月12日起生效。
- 2 袁金浩先生已獲委任為獨立非執行董事，自2016年7月12日起生效。
- 3 呂振邦先生由執行董事調任非執行董事，自2017年1月1日起生效。

不適用: 不適用

During the year under review, the Chairman of the Board also held a meeting with Non-executive Directors (including Independent Non-executive Directors) without the presence of Executive Directors.

Code provision A.6.7 of the CG Code requires that independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. Mr. CHEN Lei, a Non-executive Director, and Ms. LEE Jai Ying, an Independent Non-executive Director, did not attend the special general meeting of the Company held on 14 March 2016 due to their own official businesses and Ms. LEE Jai Ying and Mr. KWOK, Shui Keung Ernest, the Independent Non-executive Directors, did not attend the annual general meeting and the special general meeting of the Company held on 19 May 2016 due to their own official businesses.

Directors' Training and Professional Development

Every Director keeps abreast of responsibilities as a director of the Company and of the conduct, business activities and development of the Company. The Company provides all members of the Board with monthly updates on the Group's performance and financial position.

Directors are aware of the requirement under code provision A.6.5 of the CG Code regarding continuous professional development. During the year, the Company provided reading materials to the Directors for self-study. In addition, the Directors have attended external courses, conferences or luncheons organised by various organisations.

回顧本年度，董事會主席與非執行董事（包括獨立非執行董事）亦在沒有執行董事出席的情況下舉行會議。

企業管治守則第A.6.7條守則條文規定，獨立非執行董事及其他非執行董事應出席股東大會，並對股東的意見有公正的了解。由於個人公務，非執行董事陳磊先生及獨立非執行董事李嘉音女士並無出席本公司於2016年3月14日舉行之股東特別大會，及由於個人公務，獨立非執行董事李嘉音女士及郭少強先生並無出席本公司於2016年5月19日舉行之股東周年大會及股東特別大會。

董事培訓及專業發展

每位董事均會時常更新有關本公司董事責任，以及本公司的經營、業務活動及動向的資料。本公司每月向董事會所有成員提供本集團業績及財務狀況的最新資料。

董事均知悉企業管治守則第A.6.5條守則條文有關持續專業發展的規定。年內，本公司向董事提供閱覽資料以供自學。此外，董事亦參與由不同機構舉辦的外界課程、會議或午餐會。

Directors also reviewed the monthly business and financial updates and other reading materials provided to them concerning latest developments in corporate governance practices, and relevant legal and regulatory developments. A record of the Directors' participation in various professional development programs is kept by the company secretarial department. A summary of training received by the Directors for the year ended 31 December 2016 is according to the records provided by the Directors as follows:

董事亦審閱彼等獲提供之每月業務及財務的更新資料以及其他有關企業管治常規和相關法例及法規最新發展的閱覽資料。有關董事參與不同專業發展項目的記錄由公司秘書部門保存。根據董事提供的記錄，董事於截至2016年12月31日止年度所接受培訓概要如下：

Name of Directors	董事姓名	Giving talks or attending seminars/conferences/forums 舉行講座或出席研討會/會議/論壇	Reading newspapers, journals and updates relating to the economy, general business, accounting, laws, rules and regulations, etc. 閱讀關於經濟、一般商業、會計、法律、規則及法規等方面之報章、期刊及最新資訊
LIN Zhuo Yan (<i>Non-executive Chairman</i>)	林卓延 (<i>非執行主席</i>)	✓	✓
Joseph CHOI Kin Hung (<i>Co-Chief Executive Officer</i>)	蔡健鴻 (<i>聯席行政總裁</i>)	✓	✓
ZHOU Wei (<i>Chief Strategic Officer</i>)	周煒 (<i>首席策略官</i>)	✓	✓
Wilfred WU Shek Chun (<i>Chief Risk Officer</i>)	鄔碩晉 (<i>首席風險官</i>)	✓	✓
YAN Jie	閻傑	✓	✓
CHEN Lei	陳磊	✓	✓
CHUI Kwong Kau	崔光球	✓	✓
LUI Chun Pong	呂振邦	✓	✓
CHENG Sui Sang	鄭瑞生	✓	✓
GAO Jingyuan ¹	高景遠 ¹	✓	✓
LEE Jai Ying	李嘉音	✓	✓
KWOK, Shiu Keung Ernest	郭少強	✓	✓
George YUEN Kam Ho ²	袁金浩 ²	✓	✓

Notes:

- 1 Mr. GAO Jingyuan resigned as an Independent Non-executive Director and a member of Remuneration Committee respectively with effect from 12 July 2016.
- 2 Mr. George YUEN Kam Ho has been appointed as an Independent Non-executive Director with effect from 12 July 2016.

附註：

- 1 高景遠先生已辭任獨立非執行董事及薪酬委員會成員，均自2016年7月12日起生效。
- 2 袁金浩先生已獲委任為獨立非執行董事，自2016年7月12日起生效。

Board Committees

Each of the Board committees, namely, the Audit Committee, the Remuneration Committee, the Nomination Committee and the Executive Committee, is to assist in the execution of the Board's responsibilities and to oversee particular aspect of the Group's affairs. Each Board committee is provided with sufficient resources to discharge its duties properly, and holds meetings in accordance with the Bye-laws, its specific written terms of reference and, where applicable, the proceedings of Board meeting.

董事會轄下之委員會

董事會轄下之各委員會，即審核委員會、薪酬委員會、提名委員會及執行委員會，均為協助執行董事會之責任，並專責監督本集團事務之某一特定範疇。每個董事委員會均獲提供充足資源，可適當地履行其職責，並根據細則、其特定書面職權範圍及董事會會議程序（如適用）舉行會議。

Audit Committee

The Audit Committee comprises Mr. CHENG Sui Sang (Independent Non-executive Director) as chairman, Mr. CHUI Kwong Kau (Non-executive Director), Mr. KWOK, Shiu Keung Ernest (Independent Non-executive Director) and Mr. George YUEN Kam Ho (who was appointed as an Independent Non-executive Director and a member with effect from 12 July 2016) as members. None of the Audit Committee members is or has been a former partner of the existing auditing firm engaged by the Company for the past one year.

The Audit Committee is primarily responsible for conducting an independent and objective review of the financial reporting process, internal controls and audit function with emphasis on:

- (i) appraise the quality of the audit effort of the Company's internal and external auditors;
- (ii) serve as an independent and objective party to review the financial information presented by management to shareholders, regulators and the general public;
- (iii) ascertain the adequacy of the Company's system of internal controls which management and the Board have established; and
- (iv) serve as useful channel of communication between the Board and the external and internal auditors on matters relating to and arising out of the external and internal audit.

The authority and duties of the Audit Committee are set out in its specific written terms of reference. Full text of the terms of reference of the Audit Committee is available on the websites of the Company and the Stock Exchange.

The principal duties of the Audit Committee include, among other things, recommending to the Board on the appointment, re-appointment or removal of the Company's external auditor and on its remuneration; reviewing the Company's interim and annual financial statements and other financial reports; and reviewing the Company's financial reporting system, internal control procedures (including monitoring the effectiveness of the internal audit function) and risk management systems. The Audit Committee has explicit authority to investigate any activity within its duties and responsibilities and the authority to obtain outside legal or other independent professional advice if it considers necessary.

The Audit Committee meets at least twice a year. During the year ended 31 December 2016, two committee meetings were held. Attendances of the meetings have been disclosed on page 51 of this report.

審核委員會

審核委員會由鄭瑞生先生(獨立非執行董事)擔任主席,並由崔光球先生(非執行董事)、郭少強先生(獨立非執行董事)及袁金浩先生(彼於2016年7月12日獲委任為獨立非執行董事及成員)擔任成員。於現時或過去一年,沒有審核委員會成員是本公司現時外聘核數師事務所之前合夥人。

審核委員會主要負責就財務報告程序、內部監控及審核職能作出獨立及客觀之檢討,並專注於以下事項:

- (i) 評核本公司內部及外聘核數師之核數成果的質素;
- (ii) 以獨立及客觀者身份檢閱管理層向股東、監管機構及一般公眾提呈的財務資料;
- (iii) 確保由管理層及董事會設立的本公司內部監控系統已經足夠;及
- (iv) 作為董事會及外聘及內部核數師就有關及由外聘及內部核數引致事宜的有效溝通渠道。

審核委員會之權限和職責載於其特定書面職權範圍內。審核委員會職權範圍全文可於本公司及聯交所網站瀏覽。

審核委員會之主要職責包括(當中包括)就委任、重新委任或罷免本公司外聘核數師及就其酬金向董事會作出建議;審閱本公司中期及年度財務報表以及其他財務報告;及檢討本公司之財務報告制度、內部監控程序(包括監管內部審核功能之有效性)及風險管理系統。審核委員會具明確權限,可在其職責及責任範圍內調查任何活動,並有權於其認為必要時取得外聘法律或其他獨立專業意見。

審核委員會須每年舉行最少兩次會議。於截至2016年12月31日止年度內,委員會共舉行2次會議。有關會議之出席情況已於本報告第51頁披露。

During the year ended 31 December 2016, the Audit Committee members reviewed (i) the audit strategy memorandum from the external auditor; (ii) with the participation of the internal and external auditors and the management, reviewed the internal control and risk management systems of the Group; and (iii) with the participation of the internal and external auditors and the management, the interim and annual results and the related financial statements of the Company with a view to ensuring that these financial statements were prepared in accordance with the accounting principles and standards generally accepted in Hong Kong. The Audit Committee also considered the reports from the external auditor on the scope and findings of its independent review of the interim financial information and independent audit of the annual financial statements.

Remuneration Committee

The Remuneration Committee comprises Mr. CHENG Sui Sang (Independent Non-executive Director) as chairman, Ir Joseph CHOI Kin Hung (Executive Director), Mr. Wilfred WU Shek Chun (Executive Director), Ms. LEE Jai Ying (Independent Non-executive Director), Mr. GAO Jingyuan (who resigned as an Independent Non-executive Director and ceased to be a member with effect from 12 July 2016) and Mr. George YUEN Kam Ho (who was appointed as Independent Non-executive Director and a member with effect from 12 July 2016) as members.

The authority and duties of the Remuneration Committee are set out in its specific written terms of reference. Full text of the terms of reference of the Remuneration Committee is available on the websites of the Company and the Stock Exchange.

The Remuneration Committee is primarily responsible for reviewing the remuneration policy of the Group and the remuneration packages of the Directors and senior management of the Company. Its duties are summarised below:

- (i) make recommendations to the Board on the Company's remuneration policy and structure for all Directors and senior management and on the establishment of a formal and transparent procedure for developing remuneration policy;
- (ii) review and approve the management's remuneration proposals with reference to the Board's corporate goals and objectives;
- (iii) make recommendations to the Board on the remuneration packages of individual Executive Directors and senior management;
- (iv) make recommendations to the Board on the remuneration of Non-executive Directors;

截至2016年12月31日止年度內，審核委員會成員已審閱：(i)外聘核數師的審核策略備忘；(ii)在內部核數師及外聘核數師及管理層的參與下審閱本集團的內部監控及風險管理系統；及(iii)在內部核數師及外聘核數師及管理層的參與下已審閱本公司中期及年度業績以及相關之財務報表，旨在確保該等財務報表乃根據香港一般公認會計準則及標準編撰。審核委員會亦已省覽外聘核數師就其對中期財務資料之獨立審閱與對年度財務報表之獨立審核之範圍及就所得結果作出之報告。

薪酬委員會

薪酬委員會由鄭瑞生先生（獨立非執行董事）擔任主席，蔡健鴻工程師（執行董事）、鄒碩晉先生（執行董事）、李嘉音女士（獨立非執行董事）、高景遠先生（彼於2016年7月12日起辭任獨立非執行董事並不再為成員）及袁金浩先生（彼於2016年7月12日獲委任為獨立非執行董事及成員）擔任成員。

薪酬委員會之權限和職責載於其特定書面職權範圍內。薪酬委員會職權範圍全文可於本公司及聯交所網站瀏覽。

薪酬委員會主要負責檢討本集團之薪酬政策及本公司董事與高層管理人員之薪酬待遇。其職責概述如下：

- (i) 就本公司全體董事及高層管理人員的薪酬政策及架構，及就設立正規而具透明度的程序制訂薪酬政策，向董事會提出建議；
- (ii) 因應董事會所訂企業方針及目標而檢討及批准管理層的薪酬建議；
- (iii) 就個別執行董事及高層管理人員之薪酬待遇，向董事會提出建議；
- (iv) 就非執行董事的薪酬向董事會提出建議；

- (v) consider salaries paid by comparable companies, time commitment and responsibilities, and employment conditions elsewhere in the Group;
- (vi) review and approve compensation payable to Executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive;
- (vii) review and approve compensation arrangement, relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate;
- (viii) delegate such of its powers the committee deems appropriate to the management; and
- (ix) ensure that no Director or any of his associates is involved in deciding his own remuneration.
- (v) 考慮同類公司支付的薪酬，須付出的時間及職責，以及本集團內其他職位的僱傭條件；
- (vi) 檢討及批准向執行董事及高層管理人員就其喪失或終止職務或委任而須支付的賠償，以確保該等賠償與合約條款一致；若未能與合約條款一致，賠償亦須公平合理，不致過多；
- (vii) 檢討及批准因董事行為失當而解僱或罷免有關董事所涉及的賠償安排，以確保該等安排與合約條款一致；若未能與合約條款一致，有關賠償亦須合理適當；
- (viii) 委員會可下放其認為合適的權力予管理層；及
- (ix) 確保概無董事或其任何聯繫人參與釐定其本身之薪酬。

The Remuneration Committee shall meet at least once a year. During the year ended 31 December 2016, six committee meetings were held. Attendances of the meetings have been disclosed on page 51 of in this report.

薪酬委員會須每年最少舉行一次會議。於截至2016年12月31日止年度內，共舉行6次委員會會議。會議之出席情況已於本報告第51頁披露。

During the year ended 31 December 2016, the Remuneration Committee members (i) reviewed the bonus distribution of the Executive Directors and the senior management for the year ended 31 December 2015; (ii) reviewed the bonus structure of the Executive Directors and the senior management; (iii) reviewed the salaries of Executive Directors and senior management; (iv) reviewed the annual fee of Directors and annual fees for Chairman and members of each of Board committees for the financial year ending 31 December 2017; (v) the grant of share options to a relevant employee; and (vi) recommended the aforesaid matters to the Board for approval.

截至2016年12月31日止年度內，薪酬委員會成員已(i)就向執行董事及高層管理人員分派截至2015年12月31日止年度之花紅作出檢討；(ii)就執行董事及高層管理人員之花紅架構作出檢討；(iii)就執行董事及高層管理人員之薪金作出檢討；(iv)就截至2017年12月31日止財政年度之年度董事袍金及各董事委員會主席及成員之年度袍金作出檢討；(v)授出認股權予一名相關僱員；及(vi)就上述事宜向董事會提出建議以供批准。

Pursuant to code provision B.1.5 of the CG Code, the remuneration of the senior management by band for the year ended 31 December 2016 is set out below:

根據企業管治守則第B.1.5條，以下列出高層管理人員於截至2016年12月31日止年度的薪酬組別：

Within the band of	組別介乎於	Number of individuals 人數
Up to HK\$1,000,000	港幣1,000,000元或以下	10
HK\$1,000,001 to HK\$2,000,000	港幣1,000,001元至港幣2,000,000元	7
HK\$2,000,001 to HK\$3,000,000	港幣2,000,001元至港幣3,000,000元	10
HK\$3,000,001 to HK\$4,000,000	港幣3,000,001元至港幣4,000,000元	6
HK\$4,000,001 to HK\$5,000,000	港幣4,000,001元至港幣5,000,000元	2
HK\$5,000,001 to HK\$6,000,000	港幣5,000,001元至港幣6,000,000元	1
HK\$6,000,001 to HK\$7,000,000	港幣6,000,001元至港幣7,000,000元	1
Over HK\$7,000,000	港幣7,000,000元以上	1

Remuneration Policy of the Group

The Group adopts sound policies of management incentives and competitive remuneration, which aligns the interests of management, employees and shareholders. The chief asset of the Group remains the skills and expertise of our loyal staff and we have rightly invested much time and effort in the selection, training and personal improvement of our staff.

The Group sets its remuneration policy by making reference to the prevailing market conditions and a performance-based reward system. It is to ensure that the Group is able to attract, retain and motivate executives of the highest caliber, essential to the successful leadership and effective management of the Group. The performance measures are balanced between financial and industrial comparatives. The components of the remuneration package consist of base salary, allowances, benefits-in-kind, fringe benefits including medical insurance and contributions to pension funds, as well as incentives like discretionary bonus, participation in share option scheme and long-term rewards.

The remuneration packages of the directors are recommended by the Remuneration Committee and determined by the Board except that no director or any of his associates is allowed to make recommendation on or to determine his own remuneration package. Director's remuneration is determined by reference to each director's duties and responsibilities in the Group as well as the overall performance of the respective company and the Group and the prevailing market situation and competitiveness in the industry.

The remuneration packages of the senior management are determined by the Remuneration Committee and approved by the Board by reference to their respective responsibilities and accountability, target achievements, business results and market competitiveness of the Group. The remuneration packages of the managerial and support staff are determined by the senior management of the Company.

Incentive bonus scheme for each major business segment is set up for senior management staff and employees with significant contributions to the business objectives. The scheme is business result oriented and performance based. Share options are granted to directors, senior management and other employees based on individual performance and overall contributions to the Group. The number and terms of share options granted to each grantee are proposed by the respective executive directors (except for options granted to themselves), reviewed by the Remuneration Committee and approved by the Board.

The Group has sought to make the remuneration policy more transparent and well communicated to its staff. Details of the remuneration payable to each Director for the year ended 31 December 2016 are set out in Note 11 to the consolidated financial statements of this annual report.

本集團之薪酬政策

本集團採納具成效之管理層獎勵政策及具競爭力之薪酬，務求令管理層、僱員及股東利益達成一致。本集團之最重要資產仍為其熟練且專業之忠誠僱員，因此本集團在對其僱員之甄選、培訓以及自我提升方面適當投入大量時間與資源。

本集團在訂立其薪酬政策時會參考當時市況，並制訂一套與工作表現掛鈎之獎賞制度，以確保本集團能吸引、挽留及激勵具有卓越才幹，可成功領導及有效管理本集團之人才。在進行表現評核時會考慮財政狀況及行業指標以求在兩者中取得平衡。薪酬待遇可包括基本薪金、津貼、實物利益、附帶福利（包括醫療保險及退休金供款），以及酌情花紅、參與認股權計劃或長期服務獎金等獎勵。

董事之薪酬待遇乃由薪酬委員會作出建議，並由董事會釐定，惟概無董事或其任何聯繫人可就其本身之薪酬待遇作出建議或決定。董事之薪酬乃參考每位董事於本集團之職責及責任，以及各自的公司與本集團之整體表現，加上當時市場情況及行內競爭性後釐定。

高層管理人員之薪酬待遇乃由薪酬委員會釐定及經由董事會參考彼等各自之責任及權責、達標成績、業績及本集團之市場競爭力後批准。經理級及後勤員工之薪酬待遇乃由本公司高層管理人員釐定。

就各個主要業務分類中對業務目標有重大貢獻之高層管理人員及僱員訂有花紅獎勵計劃。該計劃以業績為依據及與工作表現掛鈎。董事、高層管理人員及其他僱員會根據個人表現及對本集團之整體貢獻獲授認股權。各承授人獲授之認股權數目及條款乃由各自的執行董事作出建議（惟授予彼等自身之認股權除外），經薪酬委員會審閱後再由董事會批准。

本集團力求令薪酬政策更具透明度及令其僱員清楚了解。截至2016年12月31日止年度應支付各董事之薪酬詳情載於本年報之綜合財務報表附註11。

Nomination Committee

The Nomination Committee comprises Ms. LEE Jai Ying (Independent Non-executive Director) as chairman, Ir Joseph CHOI Kin Hung (Executive Director), Mr. LUI Chun Pong (who was re-designated from an Executive Director to a Non-executive Director with effect from 1 January 2017), Mr. CHENG Sui Sang (Independent Non-executive Director) and Mr. George YUEN Kam Ho (who was appointed as an Independent Non-executive Director and a member with effect from 12 July 2016) as members.

The authority and duties of the Nomination Committee are set out in its specific written terms of reference. Full text of the terms of reference of the Nomination Committee is available on the websites of the Company and the Stock Exchange.

The Nomination Committee is primarily responsible for formulating nomination policy and leading the process of identifying and nominating suitable candidates. Its duties are summarised below:

- (i) review the structure, size and diversity (including, but not limited to gender, age, cultural and educational background, ethnicity, skills, knowledge, professional experience and length of service) of the Board at least annually; and make recommendations on any proposed changes to the Board to complement the Group's corporate strategy;
- (ii) identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (iii) identify and nominate candidates to fill casual vacancies of directors for the Board's approval;
- (iv) taking into account the Group's corporate strategy and mix of skills, knowledge, experience and diversity needed in the future, to make recommendations to the Board on the appointment or re-appointment of directors and succession planning for directors, in particular the chairman and the chief executive;
- (v) assess the independence of independent non-executive directors and review the independent non-executive directors' annual confirmations on their independence; and make disclosure of its review results in the Corporate Governance Report;
- (vi) regularly review the time required from a director to perform his/her responsibilities and report to the Board of their findings; and
- (vii) review the Board Diversity Policy, as appropriate; and review the measurable objectives that the Board had set for implementing the Board Diversity Policy, and the progress on achieving the objectives; and make disclosure of its review results in the Corporate Governance Report annually.

提名委員會

提名委員會由李嘉音女士（獨立非執行董事）擔任主席，並由蔡健鴻工程師（執行董事）、呂振邦先生（彼於2017年1月1日由執行董事調任非執行董事）、鄭瑞生先生（獨立非執行董事）及袁金浩先生（彼於2016年7月12日獲委任為獨立非執行董事及成員）擔任成員。

提名委員會之權限及職責載於其特定書面職權範圍內。提名委員會職權範圍全文可於本公司及聯交所網站瀏覽。

提名委員會主要負責制定提名政策及主導物色及提名合適候選人的過程。其職責概述如下：

- (i) 至少每年檢討董事會的架構、人數及成員多元化（包括但不限於性別、年齡、文化及教育背景、種族、技能、知識、專業經驗及服務年期方面），並就為配合本集團的企業策略而擬對董事會作出的任何變動提供建議；
- (ii) 物色具備合適資格可擔任董事會成員的人士，並挑選提名有關人士出任董事或就此向董事會提出建議；
- (iii) 物色及提名可填補董事臨時空缺的人選，供董事會批准；
- (iv) 因應本集團的企業策略以及未來所需的技能、知識、經驗及多元化組合，就董事委任或重新委任以及董事（尤其是主席及行政總裁）繼任計劃向董事會提出建議；
- (v) 評核獨立非執行董事的獨立性及審視獨立非執行董事就其獨立性作出的年度確認；並在《企業管治報告》內披露審視結果；
- (vi) 定期檢討董事履行其責任所需付出的時間，並向董事會匯報其檢討結果；及
- (vii) 在適當情況下檢討董事會成員多元化政策；及檢討董事會為執行董事會成員多元化政策而制定的可計量目標和達標進度；以及每年在《企業管治報告》內披露檢討結果。

The Nomination Committee shall meet at least once a year. During the year ended 31 December 2016, two committee meetings were held. Attendances of the meetings have been disclosed on page 51 of this report.

During the year ended 31 December 2016, the Nomination Committee members (i) reviewed and considered that the structure, size, diversity and composition of the Board are appropriate; (ii) assessed the independence of Independent Non-executive Directors; (iii) recommended the appointments of new Board members, and (iv) recommended the aforesaid matters to the Board for approval.

The “Board Diversity Policy” sets out the approach to achieve diversity of the Board. It is believed that a truly diverse board will include and make good use of differences in the skills, background, experience, knowledge, expertise and other qualities of members of the board. These differences will be taken into account in determining the optimum composition of the Board. The Nomination Committee will review the Board composition by considering the benefits of all aspects of diversity, including but not limited to those described above. The “Board Diversity Policy” shall be reviewed by the Nomination Committee, as appropriate, to ensure its effectiveness.

Executive Committee

The Executive Committee comprises four members, namely, Ir Joseph CHOI Kin Hung, Mr. ZHOU Wei, Mr. Wilfred WU Shek Chun, Mr. LUI Chun Pong (who was re-designated from an Executive Director to a Non-executive Director and ceased to be a member with effect from 1 January 2017) and Mr. Eric TODD (who was appointed as an Executive Director with effect from 9 March 2017 and was appointed to be member with effect from 22 March 2017).

The authority and duties of the Executive Committee are set out in its specific written terms of reference. Its primary duties are to approve banking matters, issue of shares under any share option schemes of the Company, and administrative issues of routine nature (excluding notifiable transactions), with a view to assisting the Board to discharge partially its executive functions.

The Executive Committee shall meet as and when required depending on business and operation needs. Members’ attendances would depend on the importance of the matters to be transacted. During the year ended 31 December 2016, the Executive Committee held 13 meetings to discharge their duties.

提名委員會須每年最少舉行一次會議。於截至2016年12月31日止年度內，已舉行2次委員會會議。會議之出席情況已於本報告第51頁披露。

截至2016年12月31日止年度內，提名委員會成員已(i)審閱並認為董事會的架構、人數、成員多元化及組成屬合適；(ii)評核獨立非執行董事的獨立性；(iii)建議董事會新成員的任命；及(iv)就上述事宜向董事會提出建議以供批准。

「董事會成員多元化政策」載列實現董事會成員多元化之方式。本公司認為一個真正成員多元化之董事會將融入及善用董事會成員之不同技能、背景、經驗、知識、專長及其他質素。該等差異將在釐定董事會之最佳組合時納入考量。提名委員會將透過考慮多元化之所有益處（包括但不限於上述方面）檢討董事會之組成。「董事會成員多元化政策」須由提名委員會進行檢討（如適當）以確保其有效性。

執行委員會

執行委員會由4名成員組成，即蔡健鴻工程師、周煒先生、鄒碩晉先生、呂振邦先生（彼於2017年1月1日由執行董事調任為非執行董事並不再為成員）以及達振標先生（彼於2017年3月9日起獲委任為執行董事及自2017年3月22日起獲委任為成員）。

執行委員會之權限及職責載於其特定書面職權範圍內。其主要職責為批准銀行事項、根據本公司任何認股權計劃發行股份，以及日常行政事項（不包括須予披露之交易），旨在協助董事會履行其部份執行職能。

執行委員會乃按業務及營運所需舉行會議。成員出席率視乎會議議程之重要性。於截至2016年12月31日止年度內，執行委員會共舉行13次會議，以履行其職責。

Corporate Governance Functions

The Board is responsible for determining the policy for the corporate governance of the Company and performing the corporate governance duties as below:

- (i) develop and review the Company's policies and practices on corporate governance;
- (ii) review and monitor the training and continuous professional development of Directors and senior management;
- (iii) review and monitor the Company's policies and practices on compliance with all legal and regulatory requirements;
- (iv) develop, review and monitor the code of conduct and compliance manual (if any) applicable to the employees and Directors; and
- (v) review the Company's compliance with the CG Code and disclosure requirements in the Corporate Governance Report.

The Board has in place procedures for Directors to seek Independent Professional Advice.

Delegation to Management

Management Committee

The monitoring of business operations and implementation of business plans and strategies adopted by the Board are performed by senior executives led primarily by the Executive Committee. The Management Committee for the Group's operations comprising all the Executive Directors and key senior executives was established to oversee the achievement of the Group's operations. The Management Committee holds regular meetings to review and discuss the Group's performance against budget, business strategy, operational issues, and matters relating to corporate services including human resources, corporate communications, and information technology. Other management meetings are also held regularly to review and discuss the day-to-day operations and performance of individual business divisions.

Tender Procedures for Construction Related Business

The directors of the respective business divisions are responsible for reviewing business opportunities and their associated risks; formulating viable business models; and deciding the strategy and tactic towards each opportunity. These directors or the managing director of the construction division, working together with the estimator, the bid manager or other persons with relevant expertise continuously review, discuss and approve the various business proposals submitted.

企業管治職能

董事會負責釐定本公司企業管治政策及履行以下企業管治職責：

- (i) 發展及檢討本公司企業管治政策及常規；
- (ii) 檢討及監察董事及高層管理人員之培訓及持續專業發展；
- (iii) 檢討及監察本公司就遵守所有法律及監管規定所制定之政策及常規；
- (iv) 發展、檢討及監察適用於僱員及董事之行為守則及合規手冊（如有）；及
- (v) 檢討本公司是否遵守企業管治守則及企業管治報告之披露規定。

董事會已設有董事尋求獨立專業意見之程序。

轉授權力予管理層

管理委員會

高級行政人員主要在執行委員會統領下，負責監管業務運作及執行董事會採納之業務計劃及策略。本公司成立管理委員會負責本集團營運，成員包括所有執行董事及主要之高級行政人員，以監督本集團運作之成績。管理委員會定期舉行會議，藉以檢討及討論本集團業務對比預算之表現、業務策略、經營上的問題及與企業服務有關包括人力資源、企業傳訊，以及資訊科技等事項。其他管理層會議亦定期舉行，藉以檢討及討論日常運作及個別業務部門之表現。

建造相關業務投標程序

各個業務部門之董事負責審視業務商機及彼等相關之風險；制定可行業務模式；及就每個商機出謀獻策。該等董事或建造部門之董事總經理會聯同估價員、項目投標經理或其他相關專業人士共同持續檢討、討論及批准由各業務部門提交之業務計劃書。

Risk Management Committee

The Risk Management Committee for the property and construction operations was set up to assess and manage market risks, financial risks, and operational risks of the Company. The committee is led by an executive director as convener, with members that comprise managing director of construction, managing director of PRC property, group financial controller, general counsel, commercial director, head of IT, human resources director, company secretary and internal audit. Risk information is reviewed and assessed from time to time during the committee meetings. A supervisory board that is chaired by the chief executive officer of the Company with other executive directors will review the risk management report/meeting minutes before this is communicated to the Audit Committee. The Risk Management Committee for the property and facility management operations (Synergis' operations) will also submit its risk management report/meeting minutes to the supervisory board for its overall consideration and assessment.

Risk Management and Internal Control

The Board has overall responsibility for the Group's systems of internal control and for the assessment and management of risks.

While such systems are designed to identify and manage risks that could have an adverse impact on the achievement of the Group's objectives, it does not provide an absolute assurance against material misstatement or loss.

Management is responsible for setting the appropriate tone from the top, performing risk assessments, and owning the design, implementation and maintenance of internal controls. The associated policies and procedures for risk management and internal controls, are designed to help ensure that the Group's assets are safeguarded against unauthorised use or disposition; relevant rules and regulations are adhered to and complied with; complete, accurate and reliable financial and accounting records are maintained; and key risk factors including business strategic, operational, financial and regulatory compliance risks which may impact the Group's performance are appropriately identified and managed.

The key elements of the Company's risk management and internal control systems include:

- A distinct organisational structure for different responsible parties with defined authority, responsibilities and risk management roles;
- The Board sets forth the proper risk management culture and risk appetite for the Group, evaluates and determines the level of risk that the Group should take and monitor regularly;
- The Risk Management Committee facilitates the risk assessment process and timely communication to the Audit Committee and the Board. Also, they ensure key business and operational risks properly identified and managed; and
- A Risk Management Policy has been established to provide a framework for the identification, analysis, evaluation, treatment, monitoring and reporting of key financial risks and in particular, liquidity risk, currency risk and interest rate risk, with a view to further strengthening the financial risk management.

風險管理委員會

本公司已成立物業及建造營運之風險管理委員會，以評估及管理本公司的市場風險、財務風險及營運風險。該委員會由一名執行董事領導並擔任召集人，成員包括建造董事總經理、中國物業董事總經理、集團財務總監、法律顧問、商務總監、資訊技術主管、人力資源總監、公司秘書及內部審核。委員會會議將不時檢討及評估風險資料。由本公司行政總裁擔任主席並包括其他執行董事之監事會將於風險管理報告／會議記錄送交審核委員會前對其進行檢討。物業及設施管理營運（新昌管理之營運）之風險管理委員會亦將向監事會呈交其風險管理報告／會議記錄以供其作出全盤考量及評估。

風險管理及內部監控

董事會整體對本集團的內部監控系統以及風險評估及管理負責。

倘有關系統旨在識別及管理可能對實現本集團目標產生不利影響的風險，其並不保證絕對避免重大錯誤陳述或損失。

管理層負責由高層為進行風險評估定下基調，並負責設計、執行及維持內部監控。風險管理及內部監控的相關政策及程序旨在保證本集團的資產不受違規使用或處置；相關規則及法規獲得遵守；完整、準確及可靠的財務及會計記錄獲得保存；及可能對本集團表現產生影響的重大風險因素（包括業務策略、營運、財務及合規風險）妥為識別及管理。

本公司風險管理及內部監控系統的關鍵因素包括：

- 不同責任方具有明確的組織架構，具備明確的職責、責任及風險管理角色；
- 董事會為本集團設定適當的風險管理文化及風險偏好，評估及釐定本集團應承擔及定期監察的風險水平；
- 風險管理委員會促進風險評估程序並及時與審核委員會及董事會溝通。彼等亦保證重大業務及經營風險獲妥為識別及管理；及
- 制定風險管理政策為識別、分析、評估、處理、監察及呈報重大財務風險，尤其是流動資金風險、貨幣風險及利率風險提供框架，以進一步提升風險管理。

Internal Control

The Group has separate internal audit functions for its principal property, construction & construction related operations, and for its subsidiary property and facility management operations, forming part of its ongoing effort to focus on greater efficiency and to quickly respond to the management's concern for the likely problem areas due to their distinctive business nature. Internal audit adopts risks and controls based audit approach. The internal audit work plan for the subsidiary property and facility management operations is reviewed by Group internal audit, and its audit reports and follow-up actions are circulated to the Group internal audit for information. The work plans of internal audit are reviewed/further reviewed and endorsed by the respective audit committees. Examination of the processes, practices and procedures of internal controls for business operations and corporate functions of the Group are performed on a regular basis. Internal audit reports containing findings and recommendations for improvements are submitted to the respective audit committees for review.

The Group is fully aware of its obligation of handling and dissemination of inside information under the Listing Rules and the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO"). The Group has a set of procedures and controls in place to preserve the confidentiality of inside information relating to the Group. All Board members and senior management, who are likely to possess the Group's inside information because of their offices or employments in the Group, are bound by Model Code. In addition, every employee is required to follow the guidelines of the code of conduct and the staff handbook to keep unpublished inside information strictly confidential.

The Board has also considered the adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting and financial reporting function.

During the year under review, the Board has conducted a review of the effectiveness of the risk management and internal control systems of the Group through discussion with the Audit Committee on audit findings and control issues at least annually. These procedures provide reasonable, but not absolute, assurance against material errors, losses and fraud, and manage rather than eliminate risks of failure in the Group's operational systems and in the achievement of the Group's business objectives.

Integrity Committee

The Integrity Committee was established for the purpose of examining integrity-related matters. Currently, the Integrity Committee is chaired by Ir Joseph CHOI Kin Hung, an Executive Director and Co-Chief Executive Officer as chairman, and members of this committee come from various departments and operating divisions, including Human Resources, Finance & Accounts, Internal Audit, Commercial and Project Administration. The Integrity Committee reports directly to the Audit Committee. The authority and duties of the Integrity Committee are set out in its specific written terms of reference as well as the policies, procedures and guidelines relating to integrity issues.

Connected transactions

During the year, the Group entered into a series of transactions and provide financial assistance to entities associated with an executive director, Mr. Zhou Wei, which constitute connected transactions for the Company under Chapter 14A of the Listing Rules.

內部監控

本集團之主要的物業、建造工程及相關建造營運，以及旗下附屬公司之物業及設施管理營運因其不同的業務性質而擁有不同的內部審核職能，藉以致力提高內部效率及迅速回應管理層所關注可能出現問題的領域。內部審核採納以風險及監控為基礎之審核方法。附屬公司之物業及設施管理營運內部審核計劃會交集團內部審核檢討，而其審核報告及後續行動亦將呈交集團內部審核參考。各自的審核委員會負責檢討／進一步檢討及批准內部審核之工作計劃，並對本集團業務營運及企業職能之內部監控流程、常規與程序作出定期查核。載有審核發現及改善建議之內部審核報告會提交各自的審核委員會審閱。

本集團全面知悉其於上市規則及證券及期貨條例（香港法例第571章）（「證券及期貨條例」）項下處理及發佈內幕消息的義務。本集團設有一系列程序及控制措施以保證有關本集團之內幕消息的機密性。因彼等之於本集團的職位或僱傭關係而可能知悉本集團內幕消息的全體董事會成員及高級管理層受標準守則規限。此外，每名僱員均須遵守行為守則及員工手冊之指引對未公佈的內部消息嚴格保密。

董事會亦已考慮本集團會計及財務匯報職能之資源、員工資格及經驗、培訓計劃及預算是否足夠。

回顧本年度，董事會透過與審核委員會討論審核結論及監控事宜，從而至少每年對本集團風險管理及內部監控系統之成效作出檢討。訂立上述程序旨在可合理但非絕對確保本集團不會出現重大失誤、虧損及欺詐，並可管理但非消除本集團營運制度失誤及業務未能達標之風險。

誠信督導委員會

誠信督導委員會成立之目的為審視與誠信相關的事項。目前誠信督導委員會由執行董事兼聯席行政總裁蔡健鴻工程師擔任主席，而委員會成員來自不同部門及營運部門，包括人力資源、財務及會計、內部審核、商務及項目管理等。誠信督導委員會直接向審核委員會匯報。誠信督導委員會的權限和職責載於其特定書面職權範圍，以及有關誠信事宜的各份政策、程序和指引文件中。

關連交易

於本年度，本集團已訂立一系列交易及向與一名執行董事周煒先生有關聯的實體提供財務資助，構成本公司於上市規則第14A章項下的關連交易。

The Company had omitted to comply with the reporting, announcement and independent Shareholders' approval requirements of Rule 14A.35 of the Listing Rules and failed to announce the provisions of financial assistance to the connected entities at the time of the execution of the relevant agreements at the material time.

Details of the connected transactions mentioned above are set out in the announcement of the Company dated 30 March 2017.

Delay In Publication of Annual Results and Postponement of Board Meeting

The Company announced on 5 April 2017 that the release of annual results for the year ended 31 December 2016 (the "Annual Results") would be delayed.

The Board acknowledges that the delay in the publication of the announcement of the Annual Results constitutes non-compliance with Rule 13.49(1) of the Rules.

Independent Auditor's Report on the Company's Consolidated Financial Statements for the year ended 31 December 2016

As disclosed in sections headed "Basis for Disclaimer of Opinion" and "Disclaimer of Opinion" in independent auditor's report contained on pages 98 to 107 of this report, the auditor of the Company did not express an audit opinion on the consolidated financial statements of the Group for the year ended 31 December 2016 as a result of certain matters, including: (1) multiple uncertainties relating to going concern; (2) transactions and balances relating to Mr. Zhou and his related entities; (3) payments made to a construction company; and (4) payments made to certain financial consultancy companies.

The Board of Directors of the Company has set up an independent investigation committee in late March 2017 which has agreed to conduct the independent investigation on the matters (2), (3) and (4) as mentioned above as soon as practicable.

Directors' Responsibility for Financial Reporting

The Directors acknowledge their responsibility for preparing the consolidated financial statements which give a true and fair view of the state of affairs of the Company and the Group on a going concern basis. With the support of the accounting and finance functions led by Group Financial Controller of the Group, the Directors have ensured that the consolidated financial statements for the year ended 31 December 2016 have been prepared in accordance with appropriate accounting policies applied consistently save for those new and amended accounting standards, if any, as disclosed in the Notes to the consolidated financial statements.

In preparing the interim financial information and annual financial statements, announcements and other financial disclosures required under the Listing Rules, the Directors aim at presenting a balanced, clear and understandable assessment of the Group's position and prospects. Financial information put before the Board for approval by management is accompanied by sufficient explanation to enable the Directors to make an informed assessment.

The independent auditor's report, which contains the statement of the external auditor about its reporting responsibilities on the Group consolidated financial statements, is set out on pages 98 to 107 of this annual report.

本公司忽略遵守上市規則第14A.35條項下的報告、公告及獨立股東批准規定，亦未能於簽立相關協議的重要時刻公佈向一間關連實體提供財務資助。

上述關連交易的詳情載於本公司日期為2017年3月30日的公告。

延遲刊發全年業績及推遲召開董事會會議

本公司於2017年4月5日宣佈截至2016年12月31日止年度之全年業績（「全年業績」）的刊發將延遲。

董事確認延遲刊發全年業績公告構成對上市規則第13.49(1)條之不合規行為。

獨立核數師對本公司截至2016年12月31日止年度的綜合財務報表之報告

誠如本報告第98頁至第107頁所載獨立核數師報告「無法表示意見的基礎」及「無法表示意見」所披露，本公司的核數師並無就本集團截至2016年12月31日止年度的綜合財務報表發表審核意見，乃由若干事項所致，包括(1)有關持續經營的多項不明朗因素；(2)有關周先生及其關聯實體的交易及結餘；(3)向一間建造公司作出之付款；及(4)向若干財務諮詢公司作出之付款。

本公司董事會於2017年3月底為上述(2)、(3)及(4)之事項已成立獨立調查委員會，其已同意將盡快進行獨立調查。

董事之財務匯報責任

董事明白彼等有責任以持續營運之基準編製真實且公平地反映本公司及本集團經營狀況之綜合財務報表。在本集團首席財務總監負責之會計及財務職能提供協助下，董事確保截至2016年12月31日止年度之綜合財務報表已按貫徹應用之適當會計政策編製，惟綜合財務報表附註所披露之新訂及經修訂會計準則（如有）除外。

在編製中期財務資料及年度財務報表、公告及根據上市規則須予披露之其他財務資料時，董事力求就本集團之狀況及前景提呈一個相稱、清晰且易於明白之評估。由管理層提交董事會批准之財務資料均附有充分說明，以供董事作出有根據之評估。

載有外聘核數師就其對本集團綜合財務報表之匯報責任所作聲明之獨立核數師報告載於本年報第98頁至107頁。

Auditor's Remuneration

The fees paid/payable to PricewaterhouseCoopers, the Company's external auditor, for services rendered for the year ended 31 December 2016 (excluded the fees in respect of Synergis Holdings Limited which was disposed by the Group during the year) are set out as follows:

Services rendered 所提供服務	Fees paid/payable 已付／應付費用 HK\$'000 港幣千元
Audit services 審核服務	7,269
Non-audit services* 非審核服務*	3,118

* including advisory services for compliance with regulatory requirements and potential transactions, interim review of financial information, services on notes issuance and continuing connected transactions assurance etc.

核數師酬金

截至2016年12月31日止年度，就本公司外聘核數師羅兵咸永道會計師事務所提供之服務已付／應付費用（不包括有關本集團於本年度已出售之新昌管理集團有限公司費用）載列如下：

* 包括有關符合法規要求及潛在交易、中期財務資料審閱、發行票據之服務及持續關連交易核證等的顧問服務。

Company Secretary

The Company Secretary is responsible for facilitating the Board process, as well as communications among Board members. The Company Secretary complied with all the qualifications under the Listing Rules.

公司秘書

公司秘書負責協助董事會按照規程運作，以及董事會成員間之溝通。公司秘書符合上市規則下的所有資格要求。

Shareholders' Rights, Investor Relations and Communications with Shareholders

In addition to publishing interim and annual reports, announcements, circulars, quarterly business updates, and press releases, updates on the Group's developments are also provided on the Company's website which is updated on a timely manner.

Comments, suggestions and enquiries from shareholders or investors to the Board are welcome through the following channels to the Company:

- (i) by post to the Company's Hong Kong principal place of business at Hsin Chong Center, 107-109 Wai Yip Street, Kwun Tong, Kowloon, Hong Kong
- (ii) by facsimile transmission to (852) 2516 6596
- (iii) by telephone at (852) 2579 8238
- (iv) by email at info@hcg.com.hk
- (v) on the Company's website at www.hsinchong.com under "IR Contact" of "Investor Relations"

股東權利、投資者關係及與股東之溝通

除透過刊發中期報告與年報、公告、通函、季度業務更新及新聞稿外，有關本集團最新發展情況之信息亦載列於本公司網站並按時予以更新。

股東或投資者如須向董事會作出任何意見、建議及查詢，歡迎透過下列途徑提交予本公司：

- (i) 郵寄至本公司之香港主要營業地點，地址為香港九龍觀塘偉業街107-109號新昌中心
- (ii) 傳真至(852) 2516 6596
- (iii) 致電(852) 2579 8238
- (iv) 發送電郵至info@hcg.com.hk
- (v) 於本公司網站www.hsinchong.com內「投資者關係」之「投資界查詢」一欄

Shareholders' Rights, Investor Relations and Communications with Shareholders (continued)

An annual general meeting is deemed as a forum for shareholders to communicate directly with the Board members. Notice of 20 clear business days together with detailed agenda is given to shareholders for the annual general meeting of the Company and ten clear business days for all special general meetings of the Company. Separate resolution is proposed at an annual general meeting on each substantially separate issue, including the election of each individual director.

In accordance with the Bye-laws, any shareholder holding not less than one-tenth of the paid-up capital of the Company carrying the right of voting at a general meeting shall have the right, by written requisition served to the Board or the Company Secretary, to require a special general meeting to be convened by the Board for transaction of any business specified in such requisition. Any vote of shareholders at a general meeting must be taken by poll. The chairman of meeting will explain the poll voting procedures at the relevant general meeting.

Continuous Corporate Governance Enhancement

The Board is committed to continuous corporate governance enhancement including giving closer attention to any regulatory changes with a view to maintaining a corporate culture built on ethics and integrity and increasing shareholder value as a whole.

股東權利、投資者關係及與股東之溝通 (續)

股東周年大會被視為股東與董事會成員直接進行溝通之場合。召開本公司股東周年大會須最少於20個營業日前向股東寄發載有詳細會議議程之通告，而所有股東特別大會之通告則須最少於10個營業日前寄發。於股東周年大會上，就各項重要之獨立事項（包括推選每位個別董事）會提呈獨立決議案。

根據細則，持有本公司附帶權利可於股東大會上投票之繳足股本不少於十分之一之任何股東有權向董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求列明任何事項之交易。於股東大會上任何股東的投票均以投票表決方式進行。大會主席將會於有關股東大會上說明投票表決之程序。

不斷提升企業管治水平

董事會承諾將不斷提升企業管治水平，包括密切留意任何法規變動，旨在維持道德和誠信之企業文化，並提升股東之整體價值。

Environmental, Social and Governance Report

環境、社會及管治報告

About This Report

We are pleased to present this Environmental, Social and Governance (“ESG”) Report, which provides an overview of the ESG performance of Hsin Chong Group Holdings Limited (the “Company” or “Hsin Chong”) together with its subsidiaries (collectively, the “Group”) for the year ended 31 December 2016.

The scope of this report covers the major operations in the Group’s building construction and property development across Hong Kong, Macau and the Mainland of China.

This report is prepared in accordance with the ESG Reporting Guide under Appendix 27 of the Main Board Listing Rules issued by the Stock Exchange of Hong Kong Limited in 2015.

Our Philosophy in ESG

The Group has strong belief in the need of prioritising environmental and social responsibilities. Besides fulfilling our business objectives, we are committed to operating in an accountable and sustainable way by integrating ESG considerations in our day-to-day operations.

Our Board oversees the direction of our ESG strategy to align our business objectives with sustainable growth. A dedicated ESG Steering Committee, comprised of executive directors and senior management, has been established to assist the Board in setting out principles and priorities for managing our ESG impacts. ESG performance of our businesses is measured, reviewed and reported to the management periodically for creating sustained values for our stakeholders.

Stakeholder Engagement and Materiality Assessment

We maintain open and honest dialogues with our stakeholders on important ESG issues. Given that our operations span across several regions, we interact with a wide range of stakeholders including employees, customers, suppliers, shareholders and local communities. We engage our stakeholders regularly across various channels, such as meetings, workshops, interviews and surveys.

This ESG report serves to respond to the key concerns and expectations of our stakeholders. Representative initiatives have been prioritised and highlighted in this report, in the order of employment and labour standards, operating practices, environmental protection and community involvement. We believe these examples can best demonstrate our efforts in addressing our stakeholders’ interests and concerns.

關於本報告

我們欣然提呈本環境、社會及管治（「環境、社會及管治」）報告，其中提供新昌集團控股有限公司（「本公司」或「新昌」）連同其附屬公司（統稱「本集團」）截至2016年12月31日止年度的環境、社會及管治表現的概覽。

本報告的範圍涵蓋本集團於香港、澳門及中國內地的樓宇建造及物業發展業務。

本報告乃根據香港聯合交易所有限公司於2015年頒佈之主板上市規則附錄27項下之環境、社會及管治報告指引編製。

我們的環境、社會及管治理念

本集團堅信需要將環境及社會責任放在優先位置。除達致我們的業務目標外，我們致力以負責及可持續之方式經營，將環境、社會及管治考量與日常經營結合。

我們的董事會監察環境、社會及管治策略的方向，使我們的業務目標與可持續增長達成一致。集團成立由執行董事及高層管理人員組成的專門環境、社會及管治指導委員，旨在協助董事會制定管理環境、社會及管治事項的原則及優先次序。我們的環境、社會及管治表現乃定期進行評估、檢討並呈報予管理層，為持份者創造持續價值。

持份者溝通和關鍵性分析

在重要的環境、社會及管治事項方面，我們與持份者保持開放及坦誠的對話。鑒於我們的經營範圍涵蓋若干地區，我們與不同的持份者包括僱員、客戶、供應商、股東及當地社區保持聯繫。我們透過多種渠道例如會議、工作坊、會見及調查與持份者定期溝通。

本環境、社會及管治報告旨在回應集團的持份者的重要關注及預期。具代表性的舉措已於本報告按環境及勞工標準、經營常規、環境保護及社區參與的順序進行優先處理及重視。我們認為該等示例能夠展示我們對持份者權益及關注方面的努力。

Caring for Our People

As one of the Asia's longest-standing construction groups, Hsin Chong takes pride in being responsive to the needs and aspirations of our employees. In order to attract, retain and motivate our talent, the Group provides competitive remuneration packages as well as a wide range of support services to support employees' well-being and professional career development.

Employment well-being

Our success relies on the dedication of our skilled and competent workforce. It is of paramount importance that we continue to attract and retain skilled talent. We work closely with the Hong Kong Construction Industry Council ("CIC") to attract talent through Contractor Cooperative Training Scheme and the CIC Joint Apprenticeship Programme. We also broaden our talent pipelines through recruitment days at our headquarters in Hong Kong as well as through recruitment talks at local universities and the Vocational Training Council. In addition, Hsin Chong has a graduate trainee programme that aims to attract highly qualified talent who are eager to develop a rewarding long-term career with us. In 2016, more than 30 graduate trainees from various education background were recruited, these includes engineering, quantity surveying and construction management.

Recognising employees' work performances and capabilities are the core basis of rewarding and promoting our talents. We offer reasonable remuneration packages which include allowances, benefits-in-kind, medical insurance, contributions to pension funds, discretionary bonus, as well as participation in a share option scheme or long-term rewards to eligible employees. These packages are reviewed and adjusted regularly to keep up with the competitive employment market level.

We work to provide an inclusive working environment for our employees. We instil corporate identity by nurturing team spirit among our employees through a wide range of social activities. These include excursions, festival parties, interest groups, community services events, athletic teams and its cheerleading teams. In 2016, the Group welcomed the newly joined graduate trainees to the Graduate Trainee Summer Camp. During the week-long event, the newcomers were able to build relationship with various departments through a series of workshops, competitions and group-discussions.

Hsin Chong is committed to fostering employees' well-being. As part of our commitment, we provide leave entitlements for a more flexible work and personal schedule. The Employee Assistance Programme (EAP) was initiated in May 2016 to promote mental health awareness and provide assistance if needed. This program aims to help employees in handling work, family and personal related stress in a confidential manner.

We have extended our care to families of our employees. The Hsin Chong Staff's Children Education Fund established on the 50th Anniversary of the Group. Since 1990, the fund has awarded scholarships and grants to employees' children in supporting their education and personal development.

關懷員工

作為亞洲歷史最悠久的建造集團之一，新昌對能夠滿足僱員的需求及願望感到驕傲。為吸引、挽留及激勵人才，本集團提供具競爭力的薪酬待遇及廣泛的支援服務以保障僱員的福祉及事業發展。

僱員福利

我們的成功有賴我們熟練及能幹員工的付出。我們繼續吸引及挽留熟練的員工屬至關重要。我們與香港建造業議會（「建造業議會」）緊密合作，以透過建造業工種合作培訓計劃及建造業議會聯合學徒計劃吸引人才。我們亦透過香港總部的招募日及於本地大學及職業訓練局的招聘講座拓展我們的人才儲備。此外，新昌設有見習工程師計劃，旨在吸引有意與新昌一起發展回報豐厚長期事業的高質素人才。於2016年集團已招募超過30名不同教育背景包括工程、工料測量及建造管理的見習工程師。

認可僱員之工作表現及能力乃獎勵及提拔人才的核心基準。我們提供合理的薪酬待遇，其中包括津貼、實物福利、醫療保險、退休金供款、酌情花紅及合資格僱員可參與認購股權計劃及獲得長期獎勵。集團會定期檢討及調整以緊跟競爭激烈的僱傭市場水平。

我們致力為僱員營造良好的工作環境。我們透過一系列社交活動培養僱員的團隊精神，進而建立企業形象。活動包括遠足、節日晚會、興趣小組、社區服務活動、運動隊及其啦啦隊。於2016年，本集團歡迎新入職的見習工程師參加見習工程師夏令營。在為期一週的活動中，新同事能夠透過一系列工作坊、競賽及小組討論與不同部門建立關係。

新昌致力於提升僱員福祉。我們提供休假權利，讓僱員能更靈活安排工作及個人時間。於2016年5月推出的「心靈熱線計劃」旨在提升心理健康意識，並於有需要時提供幫助。該計劃旨在幫助僱員以保密方式處理工作、家庭及個人相關的壓力。

我們亦將關懷延伸至僱員的家人，本集團於50周年慶時設立新昌員工子女教育基金。自1990年起，該基金已向僱員子女授出獎學金及撥款以支持員工子女之教育及個人發展。

As a result of our dedication, we were presented with numerous awards which recognise the Group's work towards promoting a happy and conducive working environment. During the reporting period, not only we received the Distinguished Family-Friendly Employers 2015/2016 Award, we also received a Special Mention under the Family-Friendly Employers Award Scheme for the second time, organised by the Home Affairs Bureau and the Family Council. Additionally, we also attained the Happy Company Label under the "Happiness-at-Work Promotional Scheme 2016" jointly organised by the Promoting Happiness Index and Hong Kong Productivity Council.

Diversity and equal opportunity forms part of our people strategy. Our employment practices support the building of an inclusive work environment free from any kind of discriminations including gender, age, nationality, sexual orientation, family status, race or religion.

Health and Safety

Hsin Chong places great emphasis on maintaining workplace health and safety. The Corporate Safety Committee was established to safeguard the proper mitigation and management of occupational health and safety ("OHS") related risks. Our management system is certified against recognised international standards such as the Occupational Health and Safety Assessment Series (OHSAS) 18001. Our operations adhere to our OHS Policy to identify, assess, control and monitor safety risks. We also raise staff awareness on safety matters through OHS training and safety workshops. In addition to safety inspections, OHS incidents and near-misses are recorded and followed up for continuous improvement. As a result of our work in promoting workplace safety, Hsin Chong received a number of awards related to OHS. For example, in 2016 we were presented with the Bronze Safety Management System Award in the "Construction" category at the 15th Hong Kong Occupational Safety and Health Award ceremony conducted by the Occupational Safety and Health Council. We were also honoured at the 22nd Considerate Contractors Site Award Scheme, jointly organised by the Development Bureau and the Construction Industry Council.

Training and Development

Hsin Chong strives to actualise the full potential of our employees through on-the-job training, professional skills training and managerial training. To encourage our employees to undertake lifelong learning, we provide Staff Education Sponsorship and the Early Leave for Study arrangement. With the aim of enriching personal and professional development, we enable eligible employees to be nominated in the Tomorrow's Young Leadership Programme organised by the Global Institute.

Labour Practice

The Group strictly prohibits the use of child and forced labour. It has implemented policies and procedures to prevent, monitor, report and properly handle suspected malpractices. We expect our contractors and suppliers to adhere to the same standards of behaviour when working with us.

Regulatory Compliance

During the year, we were not aware of any non-compliance with laws and regulations that have a significant impact on the Group relating to employment and labour practices and occupational health and safety. Nor did we identify any incidents that have a significant impact on the Group relating to the use of child or forced labour.

我們努力的成果獲授多個獎項以表彰本集團對推動快樂及有利的工作環境的付出。於報告期間，我們不僅再次獲得由民政事務局及家庭議會頒發的「2015/16年度傑出家庭友善僱主」，亦再次獲頒「傑出家庭友善僱主特別嘉許獎」。此外，由香港提升快樂指數基金及香港生產力促進局聯合推出的「開心工作間推廣計劃2016」中，新昌獲頒「開心企業」標誌。

多樣化及機會均等為集團人才策略的一部分。我們的僱傭支持建立消除任何歧視（包括性別、年齡、國籍、性向、家庭狀況、人種或宗教）的包容工作環境。

健康及安全

新昌十分重視維護工作場所的健康及安全。企業安全委員會的成立，確保妥善減輕及控制職業健康安全（「OHS」）相關風險。我們的管理體系獲得多項國際標準認證，包括職業健康安全管理体系（OHSAS）18001。我們遵從OHS政策經營業務，以識別、評估、控制及監察安全風險。我們亦透過OHS培訓及安全工作坊提高員工的安全意識。除安全檢查外，OHS意外及險兆事件亦予以記錄及跟進，以作出持續改進。鑒於我們為促進工作場所安全所作的努力得到多項OHS相關獎項的確認。例如，我們於2016年在職業健康安全局舉辦的第15屆香港職業安全健康大獎頒獎典禮上獲頒「安全管理制度銅獎」（建造業組）。我們亦榮獲發展局與建造業議會聯合頒發的第22屆「公德地盤嘉許獎」。

培訓及發展

新昌致力透過在職培訓、專業技能培訓及管理培訓充分發揮僱員潛能。我們為僱員提供員工教育獎學金（Staff Education Sponsorship）及早退學習（Early Leave for Study）安排，以鼓勵員工進行終身學習。為豐富個人及專業發展，我們支持合資格僱員參加由全球未來研究所（Global Institute）主辦的青年領袖計劃。

勞工常規

本集團嚴禁使用童工及強制勞工，並已實施政策及程序以防止、監察、報告及妥善處理疑似違規情況。我們期望承建商及供應商在與我們合作時遵從相同的行為準則。

監管合規

年內，我們並不知悉任何對本集團在僱傭及勞工常規以及職業健康安全方面有重要影響的違反法律及法規的情況，亦無發現任何對本集團在使用童工或強制勞工方面有重要影響的意外事件。

Caring for Customers

We aspire to be a leader in construction, property and related services. The Group has been pursuing the transformation from a building contractor to a company that provides a full range of businesses including civil and engineering, interiors and fitting-out, electrical and mechanical engineering and construction management. In upholding our principles of “quality, safety, reliability and integrity”, we deliver efficient solutions, quality products and services to earn customer respect and loyalty.

Product and Service Excellence

We apply our expertise and strengths to build world-class facilities that improve quality of life.

Our teams focus on achieving quality and efficiency throughout construction projects. From material procurement, material testing, construction and completion, stringent quality assurance and control procedures are applied from start to end. Our dedicated experts monitor and control quality, time and cost to help ensure effective planning, design and construction from inception to completion.

Flexibility, reliability and effective teamwork are key to the success of projects. At our construction project of the Imperial Pacific Resort in Garapan, Saipan, our team has demonstrated exceptional standard in solving problems despite the lack of material supply and large scale of the project. For instance, we dispatched dedicated personnel to station in the mainland of China for quality production and timely delivery of materials. At the construction field, 18 employees from Hsin Chong collaborated closely with 1,700 locally-based employees, transcending the cultural barriers and delivered the work of quality and timeliness, despite various challenges such as last minute design changes and adverse weather conditions.

During 2016, numerous organisations showed appreciation to our quality service. We were recognised with awards such as “Outstanding Construction Group Award” at Mediazone’s annual “Most Valuable Services Awards in Hong Kong 2016”.

Innovative Solutions

Delivering innovative solutions is part of our commitment to customers. As the main contractor of the M+ Museum, construction in the West Kowloon District of Hong Kong, we successfully overcame the structural challenge by adopting an innovative engineering solution. As over half of the museum’s podium base will rest on top of the Airport Express/Tung Chung Line railway tunnel, a light structure is required to support the weight above without breaching the maximum limit of safety. Our team designed a mega truss to support the podium, used rare composite of structural steel and concrete to meet structural constraints. Additionally, the podium was built from the top-down, instead of bottom up in traditional projects.

關懷客戶

我們矢志成為建造、房地產及相關服務的行業領導者。本集團一直追求轉型，力求從樓宇承建商轉型為業務涵蓋土木工程、室內裝飾及裝修、機電及建造管理服務之提供全方位建造業務公司。秉承「優質、安全、可靠及真誠」的原則，我們致力交付高效的解決方案、優質的產品及服務以贏取客戶的尊重與忠誠。

卓越的產品及服務

我們運用專業知識及實力建造可改善生活質量的世界一流設施。

我們的團隊在整個項目建造過程中注重質量及效率。從物料採購、物料測試、建造到竣工，各個環節均實行嚴格的質量保證及控制程序。我們的專責專家負責監察及監控質量、時間及成本，以協助確保由始至終的高效規劃、設計及建造。

靈活、可靠及高效的團隊協作是項目取得成功的關鍵。在塞班島加拉班建造博華太平洋度假村的項目上，儘管物料供應短缺及項目規模龐大，我們的團隊亦展示出非凡的處事能力。例如，我們曾派遣專責人員駐守中國內地，以確保物料的生產質素與及時交付。建造方面，新昌派駐的18名同事與1,700名當地員工同心協力，跨越文化障礙，追求優質工程同時兼顧效率，積極面對設計臨時改動及惡劣氣候狀況等各項挑戰。

於2016年，我們的優質服務獲得多個機構表彰，例如，我們在Mediazone舉辦的「2016香港最佳價值服務大獎」中，榮獲「香港傑出建造集團」獎項。

創新解決方案

交付創新解決方案是我們對客戶承諾的一部分。作為於香港西九文化區建造之M+博物館的主要承建商，我們透過採用創新的工程解決方案成功克服結構方面的挑戰。由於博物館底層結構超過一半直接坐落機場快線／東涌線隧道之上，我們必須建造既能承受上部重量又不會違反最大安全限度的輕質鐵鋼架。我們的團隊已設計出支撐展廳層的主要支架（Mega Truss），該支架較罕見地以結構鋼和混凝土結合而成。此外，不同於傳統項目由下而上的建造方法，展廳層乃由上而下建造。

In Macau, the “Eiffel Tower” of Parisian Macao marks another state-of-art solution delivered by Hsin Chong. We took great care to simulate the details of the original Eiffel Tower. By using modern computational technologies, such as finite element analyses, 3D drafting and shop drawing preparation, we successfully tackled complex design, fabrication and erection of the lattice geometry.

Customer Protection

To maintain ongoing communication and build close relationships with our customers, a complaint handling mechanism is implemented to receive, record and address complaints from customers. Follow-up actions are undertaken by dedicated teams to enhance service quality in the long run.

Customer data privacy is dealt seriously across the Group. All collected customer data are treated as strictly confidential and handled with due care, accessible only by designated personnel.

Regulatory Compliance

In 2016, we were not aware of any incidents of non-compliance with laws and regulations that have a significant impact on the Group concerning product responsibility.

Caring for Business Partners

The Group interacts with a wide range of business partners, including subcontractors, suppliers and service providers across our footprint in construction and property development business. We seek to drive positive influence by engaging our suppliers to join force with us in providing responsible and sustainable solutions to the society.

The Group adheres to fair operating practices through robust procurement mechanism which sets out screening criteria to identify and measure risks from suppliers. The criteria cover not only technical capability but also performance in quality, safety, labour and environmental compliance. A competitive tendering process is required to demonstrate our commitment to maintaining fairness and integrity of our supply chain. We manage our supply chain risks through vigilant monitoring and regular performance appraisals. In the event of business partners failed to comply with our standards, they are required to undertake corrective actions in a timely manner, otherwise they may be suspended from any business relationship with us.

We seek to exert positive influence over our supply chain and contribute to the sustainable development of the construction and property development value chain. For example, we encourage our suppliers to participate in our green initiatives to manage environmental impacts. We work closely with suppliers who share our philosophy in responsible management of quality, safety, labour and environmental issues. To deepen our collaborative relationships, we regularly communicate with our suppliers to share knowledge and experience of good industry practices, and seek opportunities to apply in our projects and operations.

於澳門，澳門巴黎人「艾菲爾鐵塔」標誌著新昌另一項先進解決方案的誕生。為了確保新鐵塔與本尊形神俱備，我們用心雕琢細節，結合多項現代計算技術如有限元分析（FEA）和三維草圖及施工圖繪製技術，最後成功設計並建成鐵塔複雜的晶格幾何形態。

客戶保障

為保持與客戶的持續溝通及建立緊密關係，本集團已實施客戶投訴處理機制，接受、記錄及解決投訴事件，並由專責團隊採取跟進行動，以不斷提高服務質素。

本集團嚴肅對待客戶資料隱私。所收集的所有客戶資料均獲嚴格保密及妥善處理，且僅對指定人員開放。

監管合規

於2016年，我們並不知悉任何對本集團在產品責任方面有重要影響的違反法律及法規的事件。

關懷業務夥伴

本集團有眾多業務夥伴，包括建造及物業發展業務中的分包商、供應商及服務提供商。我們與供應商攜手為社會提供負責任及可持續的解決方案，致力創造積極正面的影響。

本集團一直秉持公平的營運慣例，制定完善的採購機制明確載列供應商的篩選標準，以有效識別及管控供應商方面的風險。有關標準不僅包含對供應商技術能力的要求，亦將供應商在質量、安全、勞工及環保合規方面的表現納入考量標準。為確保供應鏈管理的公平公正，我們實行公平競爭的招標流程。同時，透過嚴密監控及定期考核管控供應鏈方面的風險。倘業務夥伴出現不達標情況，要求其及時採取糾正措施，否則會暫停任何業務合作關係。

我們致力對供應鏈各方創造積極正面影響，繼續為建造及物業發展價值鏈的可持續發展作出貢獻。例如，我們鼓勵供應商參與管理環境影響的綠色行動計劃，並與同樣秉持負責任地管理質量、安全、勞工及環保問題理念的供應商保持緊密合作。為加深合作關係，我們定期與供應商溝通，分享有關良好行業慣例的知識及經驗，並致力在我們的項目及營運中付諸實踐。

Anti-corruption

We are committed to operating as a responsible business by upholding high ethical standards and building trust with our stakeholders. Our anti-corruption principles are well communicated to employees through induction and refresher training, talks by the Independent Commission Against Corruption (ICAC) and compliance training. Clear guidelines and Code of Conduct in the staff handbook are conveyed to the employees. Meanwhile, we established an Integrity Committee with an aim to examine suspected matters and prevent from compromising corporate ethical values. The Integrity Committee also serves as a whistle-blowing channel for staff to report any integrity-related issues in a confidential manner. Reported cases will be followed up promptly and confirmed cases will be reported to the Audit Committee.

Regulatory Compliance

During the reporting period, we were not aware of any breach of laws and regulations that have a significant impact on the Group relating to anti-corruption.

Caring for the Environment

Environmental responsibility forms an important part of our corporate social responsibility. To honour our commitment to the environment, the Group puts great emphasis on improving our environmental practices through minimising waste, maximising resource efficiency and reducing environmental impacts from our operations.

Managing Emissions and Improving Resource Efficiency

The Group has policies in place to encourage continuous improvement in environmental management practices. We have also implemented environmental and energy management systems that are certified to the ISO14001 and ISO50001 standards respectively. Numerous initiatives have been carried out across our operations to reduce emissions and waste, enhance resource efficiency and minimise environmental footprint.

We work to minimise energy consumption and greenhouse gas (GHG) emissions. At our construction fields, we improve efficiency by adopting renewable energy and energy efficient equipment.

We introduced renewable energy sources to cut our GHG emissions. For example, at construction sites we have added biodiesel to our existing fuel mix for all non-road mobile machinery such as generators and excavators. Solar panels are installed at a number of site offices to power water heaters for showering.

In maximising energy efficiency, we have installed LED lamps at construction sites and office in replacement of less energy efficient models. Our teams are encouraged to switch off idle plants and machinery to avoid energy wastage. To further improve fuel efficiency and reduce GHG emissions, regular maintenance of the construction plants and equipment are conducted.

反貪污

我們致力成為負責任的企業，在營運中秉持嚴格的道德準則，力求與持份者建立互信。我們透過入職及進修培訓、廉政公署講座及合規培訓等活動，向全體僱員宣傳我們的反貪污原則。我們在員工手冊中制定明確的指引及操守守則，並向員工傳達有關資訊。此外，我們已設立誠信委員會負責調查可疑事件，防範任何違反企業道德價值觀的行為。誠信委員會亦作為員工暗中舉報任何誠信問題的渠道，並會立即跟進舉報事件及向審核委員會報告任何經確認事件。

法律合規

於報告期內，我們沒有發現違反任何對本集團有重大影響的反貪污法律及規例的情況。

愛護環境

環保責任是我們企業社會責任的重要部分。為踐行我們的環保承諾，本集團重視在營運中盡力減少廢物、提升資源效益及降低環境影響，不斷優化我們的環保慣例。

管控排放物及提升資源效益

本集團已設立促進環保管理慣例持續優化的政策。我們亦實行分別通過ISO14001及ISO50001標準認證的環保及能源管理制度。在營運中，我們已推行多項減少排放物和廢物、提高資源效益及減少環境足跡的行動計劃。

我們致力最大限度減少能源消耗及溫室氣體排放。在建築工地，我們使用可再生能源及節能設備，提高能源效率。

我們已引進多種可再生能源，以減少溫室氣體排放。例如，在建築工地，我們已為發電機及挖掘機等所有非道路移動機械的現有燃料組合增加生物柴油，並在多個工地辦公室安裝太陽能電池板為淋浴熱水器供電。

為最大限度地提高能源效率，我們為建築工地及辦公室更換更節能的LED燈，鼓勵員工在閒置時間關閉設備及機器避免能源浪費，並對建築設備及機器進行定期保養，以進一步提高燃料效率及減少溫室氣體排放。

We encourage a waste management hierarchy that prioritises avoidance, reduction, reuse and recycling, over disposal. Our project teams carefully plan work programmes to avoid over-ordering of materials. In addition, good site practices are adopted to prevent cross contamination of materials. Excavated materials from the site are sorted, segregated and reused as fill materials at the premises as much as possible. Reusable metal formwork is encouraged to be applied at site to reduce material consumption such as wood.

During the Parisian Macao project where we were the main contractor, each floor has 2 central recycling stations and 400 large recycling bins to collect recyclable plastic, metal, paper and cardboard. Extra labour was hired to manage recycled material collection and compression for transport. The project achieved a 50% recovery rate through recycling. The Parisian Macao has been awarded a LEED certification (Leadership in Energy and Environmental Design) for its sustainable building strategies.

We apply good construction site management to reduce other environmental impacts such as dust emissions and wastewater discharges. Control measures such as water sprays, dust curtains and covers are applied to suppress dust from excavation and during transportation. Construction wastewater is collected and treated for reuse on site for wheel washing and dust suppression.

The Group supports the use of materials from responsible sources during construction. For example, we import Forest Stewardship Council-certified timbers that are sourced and managed through sustainable sources.

In April 2016, two of our projects were honoured at the Hong Kong Awards for Environmental Excellence ("HKAEE"), in recognition of the Group's dedication to promote a greener environment. We were presented the Bronze Award – Construction Industry for the MTR Shatin to Central project, Contract 1109 – Stations and Tunnels of Kowloon City Section. Our effort in the main contract work for the Ho Man Tin Project (Mantin Heights), the residential development at Sheung Lok Street and Sheung Shing Street, was recognised with the Merit Award. The Ho Man Tin Project also won the Platinum Award in both Kerry Properties – Green Construction Site Award 2016 and Kerry Properties – Best Green Leadership Award for the recognition of our eco-friendly construction practices.

Supporting Green Buildings

In the role of a contractor, we actively seek ways to contribute to a more sustainable living environment. The concept of sustainable living and working is embedded and applied throughout the building construction lifecycle. We work closely with clients in identifying better ways for bringing green building designs to life. The Group encourages and supports employees to add value to project delivery by undertake training on green building assessment and certification.

我們在廢物管置中比廢物處置更重視避免產生、減少產生、再利用及回收利用廢物。我們的項目團隊會細緻規劃工程計劃，避免訂購過多的材料。此外，工地亦採取良好慣例防止材料交叉污染。地盤挖掘物料會進行分類、隔離及盡量再利用作物業的填充材料。我們鼓勵在地盤使用可再用的金屬模板，以減少木材等材料消耗。

於擔任澳門巴黎人項目主承建商中，團隊於每層工地設置兩個集中回收站，整個工地共有約400個大型回收垃圾桶，用於回收可循環再用的塑膠、金屬、廢紙和紙皮。團隊額外聘請人員管理回收廢料的收集及對廢料進行壓縮以便於運送。項目回收率高達50%。澳門巴黎人憑藉其可持續建築策略獲得「領先能源與環境設計先鋒」(LEED)認證。

我們對建築地盤實行良好的管理，以減少粉塵排放及廢水排污等其他環境影響。我們採取灑水、加裝防塵圍籬、防塵罩網等措施，減少挖掘及運輸過程中的揚塵，並對建築工地的廢水進行收集及處理，再利用作工地的車輪清洗及抑塵灑水。

本集團鼓勵在建築施工中使用來自負責任的供應商的材料。例如，我們進口由可持續供應源提供及管理的獲森林管理委員會認證的木材。

2016年4月，我們的兩個項目榮獲「香港環境卓越大獎」，充分肯定了本集團在促進環保方面的努力。我們的港鐵沙中線合約編號1109工程（九龍城段車站及隧道項目）奪得建造業銅獎，而何文田（皓畋）常樂街及常盛街交界住宅發展項目亦獲頒優異獎，並榮獲「嘉里建設—綠色建築工地獎2016」白金獎及「嘉里建設—卓越綠色領導」白金獎，反映業界對我們環保建築常規的認可。

支援綠色建築

作為承建商，我們努力為更可持續的生活環境作貢獻。可持續生活與工作的概念被嵌入及應用於整個建築施工週期。我們與客戶密切合作，力求將綠色建築設計帶入生活。本集團鼓勵並支持員工通過綠色建築評估及認證培訓，為項目增加價值。

In the M+ Museum project, we endeavour to support this project in attaining a BEAM Plus Gold Rating (Building Environmental Assessment Method) by minimising the environmental impacts during construction.

Regulatory Compliance

The Group was not aware of any non-compliance of laws and regulations that have a significant impact on the Group relating to air and GHG emissions, discharges into water and land, and generation of hazardous and non-hazardous waste during 2016.

Caring for Community

Caring for Community is a value shared by the Group and its employees. We are committed to giving back to the society through leveraging our resources and supporting meaningful projects and charitable services.

During 2016, we attained a number of recognitions for our continuous efforts in giving back to the society. We received the Corporate Citizenship Logo from the Hong Kong Productivity Council, which demonstrated our achievement in support in social welfare. The Group was also awarded the Caring Company Logo 2015/16 by the Hong Kong Council of Social Service for the 14th consecutive year, and also the CSR Advocate Mark from the Hong Kong Quality Assurance Agency for the 4th year in a row.

We have three main focuses when developing community initiatives, which are youth education and development, community wellness and conservation. During the reporting period, we made a charitable contribution of HK\$157,000 and engaged our employees in social services to provide support and show care to the less fortunate members in the society.

Youth Education and Development

Hsin Chong continues to provide funding to support adolescents and young adults for their education. We recognise the importance of STEM (Science, Technology, Engineering and Mathematics) education in the early stages of youth development. In 2016, we sponsored a team of young engineers from Sha Tin College during their journey to design their own Formula 1 race car in the F1 in Schools Hong Kong Finals Competition. The competition fostered students' interest in STEM through practical applications of physics, aerodynamics, fabrication and design and facilitated teamwork.

Additionally, we continue to provide scholarships for the Hong Kong Institute of Vocational Education which is intended to recognise outstanding students. In March 2016, more than 40 employees from Macau participated with their family members in the charitable sports event "beHERO Run 2016" to raise fund for teenagers in need.

在M+博物館項目建造過程中，我們努力將環境影響降至最低，為該項目爭取到綠建環評(BEAM Plus)金級(建築環境評審法)評級。

監管合規

於2016年，本集團並無出現因空氣及溫室氣體排放、向水體及土地排污以及產生有害及無害廢物而對本集團產生重大影響的任何違反法律法規事件。

關懷社區

關懷社區為本集團與其僱員的共同價值。我們致力於充分利用我們的資源和支援公益項目及慈善服務以回饋社會。

於2016年，我們在回饋社會方面的不懈努力得到多項嘉許。我們榮獲香港生產力促進局頒發「企業公民嘉許標誌」，嘉許我們在支援社會福利工作取得的成就。本集團亦連續第14年榮獲香港社會服務聯會頒發「2015/16年商界展關懷嘉許標誌」，以及連續第4年榮獲香港品質保證局頒發「企業社會責任先導者標誌」。

我們在開展社區工作時重點專注三方面，即青少年教育與發展、社區健康及保育。於報告期間，我們作出慈善捐款港幣157,000元並鼓勵員工參與各類社會服務，支持及關懷社會上的弱勢社群。

青少年教育與發展

新昌持續提供資金支持青少年及年輕成年人教育。我們認識到青少年發展早期階段接受STEM(科學、科技、工程及數學)教育的重要性。於2016年，我們贊助沙田學院一支少年工程師團隊設計他們的F1方程式賽車，以參加F1 in Schools香港地區總決賽。本次大賽通過物理學、空氣動力學、製造及設計的實際應用培養學生對STEM的興趣，並提倡了團隊協作。

此外，我們繼續支持香港專業教育學院的獎助學金計劃，為優秀學生提供資助。於2016年3月，40多名澳門員工與家人參加「百仁基金beHERO Run 2016」慈善跑活動，齊心為有需要的青少年籌款。

Community Wellness

The Group has been organising blood donation day since 2009 in response to the Hong Kong Red Cross's plea for blood donation. This year, we received many support from staff, more than 50 of them donated their blood for the cause.

The Hsin Chong "Love & Care" team, which consisted of volunteer from all department took part in the "Bring Warmth to the Elderly" in November 2016. The team visited the Salvation Army Nam Tai Centre for Senior Citizens with gifts and organised activities to bring joy and warmth to the elderly.

The Group also demonstrated its charitable spirit in a number of fund raising events. More than 50 employees participated in Dress Casual Day to raise fund for the Community Chest. Over 130 colleagues donated money during the Love Teeth Day to help the less privileged to gain access to dental care.

Hsin Chong has also put many efforts in various sport-related charity events. In January 2016, more than 70 employees brought other members to participate in the annual charity walk "Walk for Millions" organised by the Community Chest to raise funds for the less unfortunate. Similarly, our colleagues also raise awareness of mental health through participation in Charity Run held by Joyful Foundation. They also fundraised for the Construction Charity Fund at the Construction Industry Council Sports Day.

Conservation

As part of the Group's effort to cherish our environment and protect biodiversity, Hsin Chong sponsored the Ocean Park Conservation Day, organised by Ocean Park Conservation Foundation. A series of workshops, nature tours and programmes were held to raise public awareness on conservation. The theme of 2016 was "Biodiversity Fiesta", with a focus on protecting wildlife especially the endangered species.

社區健康

為響應香港紅十字會的捐血呼籲，新昌自2009年開始舉辦捐血日。本年度，我們得到員工積極支持，逾50名員工參與捐血活動。

新昌「Love & Care」義工隊由各部門的義工組成，於2016年11月參與「敬老送暖大行動」。義工隊探訪救世軍南泰長者中心，送禮物給長者並安排活動，為長者送上歡樂及溫暖。

本集團亦在多項籌款活動中顯現慈善精神。超過50名員工參與「便服日」為香港公益金籌款。於公益「愛牙日」，超過130名同事慷慨捐款，讓有需要人士更容易獲得口腔護理服務。

新昌亦積極參加各類體育慈善活動。於2016年1月，超過70名員工與其他成員攜手參與公益金組織的一年一度「百萬行」慈善步行活動，為有需要的弱勢社群籌款。同樣，我們的員工還參與由心晴行動慈善基金主辦的「慈善跑」活動，呼籲各界關注情緒健康。他們亦在建造業運動會暨慈善同樂日為建造業關懷基金籌款。

保育

作為本集團提倡珍惜環境及保護生物多樣性的行動之一，新昌贊助香港海洋公園保育基金舉行的海洋公園保育日。該基金策劃一系列工作坊、導賞團和計劃，以提升公眾的保育意識。2016年的主題是「生態嘉年華」，重點推廣野外生態保育，特別是瀕危物種。

The Board have pleasure in presenting their report and the consolidated financial statements of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2016 to the shareholders.

Principal Activities

The principal activity of the Company is investment holding. The principal activities of the Company's subsidiaries are building construction, civil engineering, electrical and mechanical installation, interiors and special projects, property development and investment, and provision of property and facility management services. The provision of interiors and special projects, and property and facility management services are undertaken by Synergis Holdings Limited, the shares of which are listed on the main board of the Stock Exchange, and a non wholly-owned subsidiary of the Company up to 21 November 2016 upon which the Group disposed its entire interests in it. Particulars of the Company's principal subsidiaries are set out in Note 46 to the consolidated financial statements and particulars of its joint operations are set out in Note 22 to the consolidated financial statements.

Segment Information

Details of segment information are set out in Note 5 to the consolidated financial statements.

Business Review

Details of the business review information are set out in the section headed "Management Discussion and Analysis" on pages 6 to 22 of this annual report.

Environmental Policies and Performance

We consider environmental protection is essential to the long-term development of the Group and will constantly improve a management practices so as to minimise waste, maximise efficiencies and reduce our negative environmental impact on the environment.

For details, please refer to the section headed "Environmental, Social and Governance" on pages 66 to 74 of this annual report.

Compliance with Laws and Regulations

The Group recognises the importance of compliance with regulatory requirements and the risk of non-compliance with such requirements. The Group has been allocating system and staff resources to ensure ongoing compliance with rules and regulations.

The Group's operations are mainly carried out by the Company's subsidiaries in Hong Kong and the mainland China while the Company itself was incorporated in Bermuda and listed on the Stock Exchange in Hong Kong. Our establishment and operations accordingly shall comply with relevant laws and regulations in Hong Kong, Bermuda and the mainland China. A review was undertaken of procurement processes, procedures and practices for compliance with the new Competition Ordinance that came into force in December 2015. No significant amendments were required as the preexisting approach was already consistent with the ethos and requirements of the Ordinance.

To ensure compliance with the new Competition Ordinance, the Group has conducted trainings for our staff. We also step up measures to increase safety awareness amongst our management and staff to prevent accidents in contravention with safety regulations.

董事會欣然向各股東提呈其報告連同本公司及其附屬公司（統稱「本集團」）截至2016年12月31日止年度之綜合財務報表。

主要業務

本公司之主要業務為投資控股。本公司附屬公司之主要業務為樓宇建造、土木工程、機電安裝工程、室內裝飾及特殊項目、物業發展及投資，以及提供物業及設施管理服務。提供室內裝飾及特殊項目以及物業及設施管理服務由新昌管理集團有限公司（其股份於聯交所主板上市並為本公司一家非全資擁有附屬公司（直至本集團於2016年11月21日出售其全部權益））提供。本公司主要附屬公司之詳情載於綜合財務報表附註46，而其共同經營業務之詳情載於綜合財務報表附註22。

分類資料

分類資料詳情載於綜合財務報表附註5。

業務回顧

業務回顧資料詳情載於本年報第6頁至22頁「管理層討論及分析」一節。

環境政策及表現

我們認為環境保護對本集團的長遠發展至關重要並將持續優化管理，致力最大程度減少廢棄物、最大化效益及減少我們對環境產生的負面影響。

有關詳情，請參閱本年報第66頁至74頁「環境、社會及管治」一節。

遵守法律及法規

本集團深明遵守監管規定的重要性及違反該等規定的風險。本集團持續投入系統及人手資源，確保一直遵守規則及法規。

本集團的營運主要由本公司位於香港及中國內地的附屬公司進行，而本公司本身乃於百慕達註冊成立並於香港聯交所上市。因此，我們的成立及營運須遵守香港、百慕達及中國內地的有關法律及法規。本公司已對採購流程、程序及常規進行審閱以遵守於2015年12月生效之新競爭條例。由於原有之方法與該條例之原則及規定一致，因而毋須進行重大修訂。

為確保遵守新競爭條例，本集團已對員工進行培訓。我們亦採取措施提升管理人員及員工安全意識，以防止發生違反安全法規之事故。

Risks and Uncertainties

Various risks that the Company may face have been disclosed in the Corporate Governance Report and the Notes to the Consolidated Financial Statements of this Report.

Relationships with Employees, Customers and Suppliers

The Group ensures all staff are reasonably remunerated and we regularly review and improve our policies on remuneration and benefits, training, occupational health and safety.

The Group maintains a good relationship with its customers. A customer complaint handling mechanism is in place to receive, analyse and study complaints and make recommendations on remedies with the aim of improving service quality.

The Group is in good relationship with its suppliers and conducts a fair and strict appraisal of its suppliers.

Results and Appropriations

The results of the Group for the year ended 31 December 2016 are set out in the consolidated income statement on page 108; the consolidated statement of comprehensive income on page 109 and the state of affairs of the Group and of the Company as at 31 December 2016 are set out in the consolidated balance sheet on pages 110 to 111.

The Board did not recommend the payment of interim dividend for the six months ended 30 June 2016 (2015: 1.0 HK cent per share). To preserve funds for the expansion and development of the Company, the Board does not recommend the payment of final dividend for the year ended 31 December 2016 (2015: Nil). Accordingly, total dividends for the financial year of 2016 is nil (2015: 1.0 HK cent per share).

風險及不確定因素

本公司可能面臨的各類風險已於本報告之企業管治報告及綜合財務報表附註披露。

與僱員、顧客及供應商之關係

本集團確保給予所有員工合理待遇，並定期檢討和完善我們的薪酬福利、培訓、職業健康與安全政策。

本集團與顧客關係良好。本集團已制定客戶投訴處理機制，收集、分析及研究投訴事件及提出改善意見，以不斷提高服務質素。

本集團與供應商關係良好，並會對供應商進行公平及嚴格審核。

業績及分派

本集團截至2016年12月31日止年度之業績載於第108頁之綜合收益表、第109頁之綜合全面收益表，而本集團及本公司於2016年12月31日之事務狀況載於第110至111頁之綜合資產負債表。

董事會並不建議就截至2016年6月30日止六個月派付中期股息（2015年：每股港幣1.0仙）。為儲備資金以供本公司之擴張及發展，董事會並不建議就截至2016年12月31日止年度派付末期股息（2015年：無）。因此，2016年財政年度之股息總額為無（2015年：每股港幣1.0仙）。

Reserves

Details of movements in the reserves of the Group and of the Company during the year are set out in the consolidated statement of changes in equity on pages 114 to 116 and in Note 45 to the consolidated financial statements respectively.

Five-Year Financial Summary

A summary of the operating results and of the assets and liabilities of the Group for the last 4 financial years and for the year ended 31 December 2016 is set out on page 215. This summary does not form part of the consolidated financial statements.

Property, Plant and Equipment and Leasehold Land

Details of movements in the property, plant and equipment and leasehold land of the Group during the year are set out in Note 17 to the consolidated financial statements.

Major Properties

A summary of the properties of the Group held for investment/own use/sale and properties under development as at 31 December 2016 is set out on pages 220 to 223.

Share Capital

Details of movements in the share capital of the Company during the year are set out in Note 36 to the consolidated financial statements.

Distributable Reserves

Distributable reserves of the Company as at 31 December 2016, calculated under the Companies Act 1981 of Bermuda (as amended), amounted to nil (2015: HK\$170,769,000).

Pre-emptive Rights

There are no provisions for pre-emptive rights under the Bye-laws although there is no restriction against such rights under the laws of Bermuda.

Permitted Indemnity Provisions

Pursuant to bye-law 177 of the Company's Bye-laws, every director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he/she may sustain or incur in or about the execution of the duties of his/her office or otherwise in relation thereto, and no Director or other officer shall be liable for any loss, damages or misfortune which may happen to or be incurred by the Company in the execution of the duties of his/her office or in relation thereto, provided that the Bye-laws shall only have effect in so far as its provisions are not avoided by the Bermuda Companies Act. The Company and its listed subsidiary have maintained Directors and officers liability insurance during the year.

儲備

本集團及本公司之儲備於年內之變動詳情分別載於第114頁至116頁之綜合權益變動表及綜合財務報表附註45。

五年財務摘要

本集團過去4個財政年度及截至2016年12月31日止年度之經營業績以及資產及負債摘要載於第215頁。此摘要並不構成綜合財務報表之一部份。

物業、機器及設備及租賃土地

本集團物業、機器及設備及租賃土地於年內之變動詳情載於綜合財務報表附註17。

主要物業

本集團於2016年12月31日之持作投資／自用／出售物業以及發展中物業摘要載於第220至223頁。

股本

本公司股本於年內之變動詳情載於綜合財務報表附註36。

可供分派儲備

根據百慕達1981年《公司法》(經修訂)計算,本公司於2016年12月31日之可供分派儲備為無(2015年:港幣170,769,000元)。

優先購股權

細則並無有關優先購股權之條文,惟百慕達法例亦無就該等權利設有任何限制。

獲准許彌償條文

根據本公司細則之細則第177條,本公司各董事或其他高級職員有權就履行其職務或在其他有關方面可能蒙受或產生之所有虧損或負債自本公司之資產中獲得彌償,且概無董事或其他高級職員須就履行職責或與此有關而使本公司可能蒙受或產生之任何虧損、損失或不幸事件負責,惟該公司細則僅在未被百慕達公司法廢止之情況下有效。本公司及其上市附屬公司於年內維持董事及高級職員責任保險。

Directors

The Directors during the year ended 31 December 2016 and up to the date of this report were:

Non-executive Chairman

Mr. LIN Zhuo Yan

Executive Directors

Ir Joseph CHOI Kin Hung (*Co-Chief Executive Officer*)

Mr. ZHOU Wei (*Chief Strategic Officer*)

Mr. Wilfred WU Shek Chun (*Chief Risk Officer*)

Mr. Eric TODD (appointed with effect from 9 March 2017)

Non-executive Directors

Mr. YAN Jie

Mr. CHEN Lei

Mr. CHUI Kwong Kau

Mr. LUI Chun Pong (re-designated with effect from 1 January 2017)

Independent Non-executive Directors

Mr. CHENG Sui Sang

Ms. LEE Jai Ying

Mr. KWOK, Shiu Keung Ernest

Mr. George YUEN Kam Ho (appointed with effect from 12 July 2016)

Note:

Mr. GAO Jingyuan resigned as an Independent Non-executive Director with effect from 12 July 2016. He has confirmed that he has no disagreement with the Board and there is nothing relating to the affairs of the Company that needed to be brought to the attention of the shareholders of the Company or the Stock Exchange.

The Profiles of Directors who are in office as at the date of this report are set out on pages 23 to 36 of this annual report.

In accordance with bye-law 98(A) of the Bye-laws, Ir Joseph CHOI Kin Hung, Mr. CHEN Lei, Mr. CHUI Kwong Kau and Mr. CHENG Sui Sang shall retire by rotation but, being eligible, have offered themselves for re-election at the forthcoming 2017 annual general meeting. Besides, Mr. George YUEN Kam Ho was appointed by the Board as an Independent Non-executive Director of the Company with effect from 12 July 2016 and Mr. Eric TODD was appointed by the Board as an Executive Director with effect from 9 March 2017. In accordance with bye-law 101(B) of the Bye-laws, they shall retire from office, but being eligible, have offered themselves for re-election at the forthcoming 2017 annual general meeting. Save for the aforesaid, the other remaining directors of the Company would continue in office.

The Company has received from each Independent Non-executive Director an annual confirmation of his/her independence pursuant to Rule 3.13 of the Listing Rules, and considers that all the Independent Non-executive Directors are independent in accordance with the terms of the independence guidelines set out in Rule 3.13 of the Listing Rules.

董事

於截至2016年12月31日止年度內及截至本報告日期止，董事如下：

非執行主席

林卓延先生

執行董事

蔡健鴻工程師（*聯席行政總裁*）

周煒先生（*首席策略官*）

鄔碩晉先生（*首席風險官*）

達振標先生（由2017年3月9日起獲委任）

非執行董事

閻傑先生

陳磊先生

崔光球先生

呂振邦先生（由2017年1月1日起調任）

獨立非執行董事

鄭瑞生先生

李嘉音女士

郭少強先生

袁金浩先生（於2016年7月12日起獲委任）

附註：

高景遠先生已辭任獨立非執行董事，自2016年7月12日起生效。彼確認彼與董事會並無分歧，亦無其他有關本公司事務之事宜需提請本公司股東或聯交所垂注。

在任董事於本報告日期之履歷簡介載於本年報第23頁至36頁。

根據細則之細則第98(A)條，蔡健鴻工程師、陳磊先生、崔光球先生及鄭瑞生先生須於即將舉行之2017年股東周年大會輪值退任，惟彼等符合資格並願意膺選連任。此外，袁金浩先生自2016年7月12日起獲董事會委任為獨立非執行董事及達振標先生自2017年3月9日起獲董事會委任為執行董事。根據細則之細則第101(B)條，彼等須於即將舉行之2017年股東周年大會上退任，惟合資格並有意膺選連任。除以上所述者外，本公司其餘董事將繼續留任。

本公司已接獲每位獨立非執行董事根據上市規則第3.13條就其獨立性作出之年度確認書，並認為所有獨立非執行董事根據上市規則第3.13條所載之獨立指引條款均為獨立人士。

Directors' Service Contracts

None of the Directors offering themselves for re-election at the 2017 annual general meeting of the Company has entered into a service contract with the Company or any of its subsidiaries which is not terminable within one year without payment of compensation (other than statutory compensation).

Directors' Interests in Transactions, Arrangements and Contracts

Save as disclosed in the connected transactions section, there were no transactions, arrangements and contracts of significance in relation to the Group's business to which the Company, or any of its subsidiaries, fellow subsidiaries or holding companies was a party and in which a Director and the Director's connected party had a material interest, whether directly or indirectly, subsisted at the end of or at any time during the year.

Directors' Emoluments

Details of directors' emoluments are set out in Note 11 to the consolidated financial statements.

Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company and its Associated Corporations

As at 31 December 2016, the interests and short positions of the Directors and chief executive of the Company and their associates in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company under Section 352 of the SFO, or otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code contained in Appendix 10 of the Listing Rules, were as follows:

董事之服務合約

於本公司之2017年股東周年大會上膺選連任之董事概無與本公司或其任何附屬公司簽訂不可於1年內終止而毋須支付賠償(法定賠償除外)之服務合約。

董事於交易、安排及合約之權益

除關連交易一節所披露者外，於年度末或年內之任何時間，本公司、或其任何附屬公司、同系附屬公司或控股公司概無就本集團之業務訂立或存續董事及董事之關連方直接或間接於其中擁有重大權益之重大交易、安排及合約。

董事酬金

董事酬金之詳情載於綜合財務報表附註11。

董事及行政總裁於本公司及其相聯法團之股份、相關股份及債券中擁有之權益及淡倉

於2016年12月31日，本公司各董事及行政總裁及彼等之聯繫人於本公司或其任何相聯法團(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352條本公司須予存置之登記冊所記錄之權益及淡倉，或根據上市規則附錄十所載有關標準守則須通知本公司及聯交所之權益及淡倉如下：

Long positions in the shares and underlying shares of the Company

於本公司股份及相關股份之好倉

Name of Directors	Capacity	Number of shares held/ involved	Number of underlying shares held	Total	Approximate percentage of interest in the issued share capital
董事姓名	身份	持有／涉及之股份數目	持有之相關股份數目	總計	佔已發行股本之權益概約百分比 (Note 4) (附註4)
LIN Zhuo Yan 林卓延	Interest of spouse 配偶權益	1,466,858,789 (Note 1) (附註1)	–	1,466,858,789	25.70%
	Interest of controlled corporations 受控法團權益	–	2,704,166,666 (Note 2) (附註2)	2,704,166,666	47.39%
Joseph CHOI Kin Hung 蔡健鴻	Beneficial owner 實益擁有人	–	1,334,000 (Note 3) (附註3)	1,334,000	0.023%
ZHOU Wei 周煒	Beneficial owner 實益擁有人	48,932,000	–	48,932,000	0.86%
LUI Chun Pong 呂振邦	Beneficial owner 實益擁有人	–	750,000 (Note 3) (附註3)	750,000	0.013%

Notes:

1 475,816,993 ordinary shares are held by Neo Summit Limited ("Neo Summit"), which is owned by (a) Pinnacle State Real Estate Limited as to 28.89%; (b) Summit View Holdings Limited ("Summit View") as to 13.33%; (c) Jones Capital Investments Limited as to 28.89%; and (d) Becl World Holding Ltd as to 28.89%. Jones Capital Investments Limited is wholly-owned by Ms. MA Kwing, Pony ("Ms. MA"). As such, Neo Summit is deemed to be a controlled corporation of Ms. MA under the SFO.

991,041,796 ordinary shares are held by Summit View, which is owned as to 50% by Dr. Wilfred WONG Ying Wai and 50% by Ms. MA. As such, Summit View is deemed to be a controlled corporation of Ms. MA under the SFO.

Mr. LIN Zhuo Yan is the spouse of Ms. MA Kwing, Pony and is deemed to be interested in the aforesaid 1,466,858,789 shares under the SFO.

附註:

1 新峰有限公司(「新峰」)持有475,816,993股普通股,並由以下各方擁有:(a)峻炫地產有限公司擁有28.89%;(b)峰景控股有限公司(「峰景」)擁有13.33%;(c) Jones Capital Investments Limited 擁有28.89%;及(d) Becl World Holding Ltd 擁有28.89%。Jones Capital Investments Limited由馬焯女士(「馬女士」)全資擁有。因此,根據證券及期貨條例,新峰被視為馬女士之受控法團。

峰景持有991,041,796股普通股,並由王英偉博士及馬女士各自擁有50%。因此,根據證券及期貨條例,峰景被視為馬女士之受控法團。

林卓延先生為馬焯女士之配偶,故根據證券及期貨條例被視為於上述1,466,858,789股股份中擁有權益。

- 2 As disclosed in (i) the announcement of the Company dated 15 May 2014, Hsin Chong Property Holdings Limited (a wholly-owned subsidiary of the Company) as the Purchaser entered into the Acquisition Agreement with Rich Century Development Limited (a company wholly-owned by the Non-executive Chairman of the Company, Mr. LIN Zhuo Yan) ("Rich Century") as the Vendor and Mr. LIN Zhuo Yan as the warrantor regarding a very substantial acquisition in relation to the acquisition of a property development project in the PRC; and (ii) the announcement of the Company dated 4 November 2014, a Supplemental Agreement was entered into amongst the same parties. As part of the consideration of the Acquisition Agreement, the Company may issue to Rich Century convertible preference shares ("CPSs") which can be converted into Shares in the Company. As such, Rich Century being a company wholly owned by Mr. LIN Zhuo Yan is deemed to be a controlled corporation of Mr. LIN Zhuo Yan under the SFO.

As disclosed in the announcement of the Company dated 8 January 2015 in relation to the issuance of CPSs as part of the consideration, the total number of CPSs (issued or which may be issued) to Rich Century and which can be converted into Shares of the Company is 6,253,829,151. Upon issue of certain number of CPSs to Rich Century on 8 January 2015, it then disposed 1,855,563,322 CPSs on the same date. Therefore, as of 30 June 2015, Rich Century held 4,398,265,830 CPSs (rounding difference included).

As further disclosed in the announcements of the Company dated 30 June 2015, 15 January 2016 and 26 April 2016 respectively in relation to the issuance of CPSs as part of the consideration, Rich Century was further allotted by the Company 1,095,042,146 CPSs, 259,263,039 CPSs and 295,833,333 CPSs on 8 July 2015, 15 January 2016 and 26 April 2016 respectively. Rich Century then disposed 1,095,042,146 CPSs, 43,960,645 CPSs, 259,263,039 CPSs, 280,000,000 CPSs and 15,833,333 CPSs on 15 July 2015, 15 January 2016, 19 January 2016, 29 April 2016 and 31 May 2016 respectively. Therefore, as at 31 December 2016, Rich Century held 2,704,166,666 CPSs.

- 3 As at 31 December 2016, the interests in the underlying shares held by the Directors represented share options granted pursuant to the share option scheme adopted by the Company on 22 May 2008. Details of share options granted were set out below:

Name of Directors 董事姓名	Date of grant 授出日期 (dd/mm/yyyy) (日/月/年)	Number of share options held 持有認股權數目	Exercise price per share 每股行使價 (HK\$) (港幣元)	Exercisable period 行使期 (dd/mm/yyyy) (日/月/年)
Joseph CHOI Kin Hung 蔡健鴻	04/12/2009	1,334,000 (i)	1.02	04/12/2010 – 03/12/2019
LUI Chun Pong 呂振邦	01/09/2011	750,000 (ii)	1.29	30/09/2012 – 31/08/2021

- i. Share options were vested in three portions on 4 December 2010, 2011 and 2012 respectively, and became exercisable for a period from the respective dates and ending on 3 December 2019.
- ii. Share options were vested in three portions on 30 September 2012, 2013 and 2014 respectively, and became exercisable for a period from the respective dates and ending on 31 August 2021.

- 4 There were 5,706,670,104 ordinary shares of the Company in issue as at 31 December 2016.

Save as disclosed above, as at 31 December 2016, none of the Directors and chief executive of the Company or their associates had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of the SFO or otherwise required to be notified to the Company and the Stock Exchange pursuant to Model Code.

- 2 誠如(i)本公司日期為2014年5月15日之公告所披露，新昌地產控股有限公司(本公司一間全資擁有附屬公司)(作為買方)與利世發展有限公司(一間由本公司非執行主席林卓延先生全資擁有之公司)(「利世發展」)(作為賣方)及林卓延先生(作為擔保人)就有關收購一項位於中國之物業發展項目之非常重大收購事項訂立收購協議；及(ii)本公司日期為2014年11月4日之公告所披露，相同之訂約方訂立補充協議。作為收購協議代價之一部份，本公司可向利世發展發行可轉換優先股(「可轉換優先股」)，其可轉換為本公司股份。因此，根據證券及期貨條例，利世發展(林卓延先生全資擁有之公司)被視為林卓延先生之受控法團。

誠如本公司日期為2015年1月8日內容有關發行可轉換優先股作為部份代價之公告所披露，已向或可向利世發展發行之可轉換優先股總數為6,253,829,151股，均可轉換為本公司股份。於2015年1月8日向利世發展發行若干數目之可轉換優先股後，其於同日出售1,855,563,322股可轉換優先股。因此，於2015年6月30日，利世發展持有4,398,265,830股可轉換優先股(四捨五入之差異)。

誠如本公司日期分別為2015年6月30日、2016年1月15日及2016年4月26日內容有關發行可轉換優先股作為部份代價之公告所進一步披露，利世發展分別於2015年7月8日、2016年1月15日及2016年4月26日獲本公司進一步配發1,095,042,146股可轉換優先股、259,263,039股可轉換優先股及295,833,333股可轉換優先股。利世發展其後分別於2015年7月15日、2016年1月15日、2016年1月19日、2016年4月29日及2016年5月31日出售1,095,042,146股可轉換優先股、43,960,645股可轉換優先股、259,263,039股可轉換優先股、280,000,000股可轉換優先股及15,833,333股可轉換優先股。因此，於2016年12月31日，利世發展持有2,704,166,666股可轉換優先股。

- 3 於2016年12月31日，董事持有之相關股份之權益指根據本公司於2008年5月22日採納之認股權計劃授出之認股權。授出之認股權詳情載列如下：

- i. 認股權分別於2010年、2011年及2012年12月4日按3部份歸屬，並於各自日期起至2019年12月3日止期間可予行使。
- ii. 認股權分別於2012年、2013年及2014年9月30日按3部份歸屬，並於各自日期起至2021年8月31日止期間可予行使。

- 4 本公司於2016年12月31日之已發行普通股為5,706,670,104股。

除上文所披露者外，於2016年12月31日，本公司各董事及行政總裁或彼等之聯繫人概無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)之股份、相關股份及債券中擁有任何權益或淡倉而記錄於根據證券及期貨條例第352條本公司須予存置之登記冊內，或根據標準守則須通知本公司及聯交所。

Share Option Scheme

2008 Option Scheme

A share option scheme was adopted by the shareholders of the Company on 22 May 2008 (the "2008 Option Scheme"). Pursuant to the 2008 Option Scheme, the directors may, at their absolute discretion, make an offer to grant share options to eligible persons (as defined in the rules of the 2008 Option Scheme) who might include, inter alia, any employee, executive director, non-executive director and independent non-executive director of the Company or its subsidiaries. A summary of the rules of the 2008 Option Scheme is set out below:

(1) Summary of the 2008 Option Scheme

(a) Purpose of the 2008 Option Scheme

The purpose of the 2008 Option Scheme is to provide an Eligible Person (as defined below) with the opportunity to acquire equity securities in the Company, thus enabling them to participate in the prosperity of the Company and/or its subsidiaries and/or any invested entity (which refers to any entity in which the Company or any of its subsidiaries holds any equity interest) ("Invested Entity") and consequently such opportunity is an incentive for such Eligible Person to contribute further to the success of the Company and/or its any subsidiary and/or any Invested Entity.

(b) Participants of the 2008 Option Scheme

The Board (or a duly authorised committee thereof) shall, at its absolute discretion, make an offer to grant option to any person ("Eligible Person") belonging to any of the following classes of participants to subscribe for the shares of the Company (the "Shares"):

- (i) any employee (whether full time or part time) of the Company, any of its subsidiary or any Invested Entity, including any executive director of the Company, its subsidiary or any Invested Entity and for the avoidance of doubt, including any employee employed or to be employed by the Company, any of its subsidiary or any Invested Entity in The People's Republic of China;
- (ii) any non-executive director (including any independent non-executive director) of the Company, any of its subsidiary or any Invested Entity; or
- (iii) the trustee of any trust pre-approved by the Board, the beneficiary (or in case of discretionary trust, the discretionary objects) of which includes any of the persons mentioned in subparagraphs (i) and (ii) above.

認股權計劃

2008年認股權計劃

一項認股權計劃乃由本公司股東於2008年5月22日採納（「2008年認股權計劃」）。根據2008年認股權計劃，董事可行使絕對酌情權向合資格人士（定義見2008年認股權計劃之規則）提呈授出認股權要約，合資格人士應包括（當中包括）本公司或其附屬公司之任何僱員、執行董事、非執行董事及獨立非執行董事。2008年認股權計劃之規則摘要載列如下：

(1) 2008年認股權計劃之摘要

(a) 2008年認股權計劃之目的

2008年認股權計劃旨在為合資格人士（定義見下文）提供購買本公司股本證券之機會，使其可分享本公司及／或其附屬公司及／或任何投資實體（指本公司或其任何附屬公司於當中持有任何股本權益之任何實體）（「投資實體」）取得之豐碩成果，從而令上述機會最終能激勵該合資格人士進一步為本公司及／或其任何附屬公司及／或任何投資實體取得成功而作出貢獻。

(b) 2008年認股權計劃之參與者

董事會（或其正式授權之委員會）可行使絕對酌情權向屬於下列任何參與者類別之任何人士（「合資格人士」）提呈授出可認購本公司股份（「股份」）之認股權要約：

- (i) 本公司、其任何附屬公司或任何投資實體之任何僱員（不論全職或兼職），包括本公司、其附屬公司或任何投資實體之任何執行董事，且為免產生疑問，前述者包括本公司、其任何附屬公司或任何投資實體於中華人民共和國僱用或將僱用之任何僱員；
- (ii) 本公司、其任何附屬公司或任何投資實體之任何非執行董事（包括任何獨立非執行董事）；或
- (iii) 經董事會預先批准之任何信託之受託人，其受益人（或倘為全權信託，則為受益對象）包括任何上文分段(i)及分段(ii)所述之人士。

(c) *Maximum number of Shares available for issue under the 2008 Option Scheme*

As at 18 April 2017, the total number of shares available for issue was 18,584,000 shares, representing 0.33% of the total issued share capital of the Company.

(d) *Maximum entitlement of each Eligible Person under the 2008 Option Scheme*

No option may be granted to any one Eligible Person in any 12-month period which, if exercised in full, would result in the total number of Shares already issued to such Eligible Person under all the options previously granted to him/her which have been exercised and, issuable to him/her under all the options previously granted to him/her which are for the time being subsisting and unexercised, exceeding 1% of the total number of issued Shares on the last date of such 12-month period unless approval by the shareholders in a general meeting with such Eligible Person and his/her associates abstaining from voting has been obtained.

(e) *Period for and consideration payable upon acceptance of an option*

An offer for the grant of option must be accepted within the time period specified in the relevant offer letter. A sum of HK\$10.00 is payable as consideration upon acceptance of the offer. Such amount shall in no circumstances be refundable.

(f) *Basic of determining the subscription price*

The subscription price for Shares shall be a price to be determined by the Board and notified to each grantee but shall not be less than the highest of:

- (i) the nominal value of a Share;
- (ii) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the offer date, which must be a business day; and
- (iii) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the offer date, which must be a business day,

provided that in the event of fractional prices, the subscription price shall be rounded upwards to the nearest whole cent.

(g) *Minimum period for holding an option before exercise*

There is no minimum holding period for which an option must be held before exercise pursuant to the 2008 Option Scheme. The commencement date of the period during which an option may be exercised shall be determined by the Board and specified in the offer letter in respect of the option.

(c) *根據2008年認股權計劃可予發行之股份數目上限*

於2017年4月18日，可供發行之股份總數為18,584,000股股份，相當於本公司已發行股本總數之0.33%。

(d) *根據2008年認股權計劃每位合資格人士最多可享有之權利*

倘於任何12個月期間內可向任何一位合資格人士授出之認股權獲悉數行使時，將導致該合資格人士因行使其所有過往獲授之認股權而已獲發行之股份，加上其過往獲授及於當時仍有效且尚未行使之所有認股權可獲發行之股份，合共之總數將超過於該12個月期間最後一天已發行股份總數之1%，則不可向該合資格人士授出認股權，除非經股東於股東大會上批准且該合資格人士與其聯繫人已於會上放棄投票。

(e) *接納認股權之期限及接納時之應付代價*

授出認股權之要約須於有關要約函件所訂明之期限內予以接納。於接納要約時須繳付港幣10.00元之金額作為代價。該金額在任何情況下均不予退還。

(f) *釐定認購價之基準*

股份之認購價將為董事會所釐定及通知各承授人之價格，惟其將不得低於下列三者中之最高者：

- (i) 股份之面值；
- (ii) 於緊接要約日期（必須為營業日）前五個營業日股份在聯交所每日報價表所載之平均收市價；及
- (iii) 於要約日期（必須為營業日）當日股份在聯交所每日報價表所載之收市價，

惟倘出現零碎價格時，認購價將向上湊合至最接近之一整仙。

(g) *認股權行使前須持有之最短期限*

根據2008年認股權計劃，認股權於行使前並無必須持有之最短期限。認股權可予行使之期間之開始日期將由董事會決定並於有關認股權之要約函件內訂明。

(h) Remaining life

The 2008 Option Scheme shall remain in effect for a period of 10 years commencing from 22 May 2008, its date of adoption, unless otherwise terminated in accordance with the rules of the 2008 Option Scheme.

(h) 剩餘之有效期

除根據2008年認股權計劃之規則另行予以終止外，2008年認股權計劃將由2008年5月22日（即其採納日期）起計十年期內維持有效。

(2) Movements under the 2008 Option Scheme

Details of movements in the share options under the 2008 Option Scheme, and the options outstanding as at the beginning and the year ended 31 December 2016 are as follows:

(2) 2008年認股權計劃下之變動

於2008年認股權計劃下認股權之變動及於年初及截至2016年12月31日止年度之未行使認股權詳情如下：

Name of grantee(s) 承授人姓名	Date of grant 授出日期 (dd/mm/yyyy) (日/月/年)	Number of share options held as at 1 January 2016 於2016年1月1日持有之認股權數目	Changes during the year 年內變動				Number of share options held as at 31 December 2016 於2016年12月31日持有之認股權數目	Exercise price per share 每股行使價 (HK\$) (港幣元)	Exercisable period 行使期 (dd/mm/yyyy) (日/月/年)	Closing price per share immediately before date of grant of share options 緊接認股權授出日前的每股收市價 (HK\$) (港幣元)
			Granted 授出	Exercised 行使	Lapsed 失效	Cancelled 註銷				
Directors 董事										
Joseph CHOI Kin Hung 蔡建鴻	04/12/2009	1,334,000 ⁽¹⁾	-	-	-	-	1,334,000	1.02	04/12/2010 – 03/12/2019	1.02
LUI Chun Pong 呂振邦	01/09/2011	750,000 ⁽²⁾	-	-	-	-	750,000	1.29	30/09/2012 – 31/08/2021	1.27
Ex-Director 前董事										
Wilfred WONG Ying Wai ⁽³⁾ 王英偉 ⁽³⁾	23/05/2008	5,000,000 ⁽³⁾	-	-	(5,000,000)	-	-	2.13	01/01/2009 – 22/05/2018	2.04
Employees (in aggregate) 僱員 (總計)	23/05/2008	14,000,000 ⁽⁴⁾	-	-	-	-	14,000,000	2.13	01/01/2009 – 22/05/2018	2.04
	04/12/2009	1,420,000 ⁽¹⁾	-	-	(420,000)	-	1,000,000	1.02	04/12/2010 – 03/12/2019	1.02
	01/09/2011	1,500,000 ⁽²⁾	-	-	-	-	1,500,000	1.29	30/09/2012 – 31/08/2021	1.27
	29/01/2016	-	3,000,000 ⁽⁶⁾	-	(3,000,000) ⁽⁷⁾	-	-	0.70	11/06/2016 – 10/06/2025	0.70
Total 總計		24,004,000	3,000,000	-	(8,420,000)	-	18,584,000			

Notes:

- Share options were vested in three portions on 4 December 2010, 2011 and 2012 respectively, and became exercisable for a period from the respective dates and ending on 3 December 2019.
- Share options were vested in three portions on 30 September 2012, 2013 and 2014 respectively, and became exercisable for a period from the respective dates and ending on 31 August 2021.
- Share options were vested in equal portions on 1 January 2009 and 2010 respectively, and became exercisable for a period from the respective dates and ending on 22 May 2018.
- Share options were vested in three portions on 1 January 2009, 2010 and 2011 respectively, and became exercisable for a period from the respective dates and ending on 22 May 2018.
- Dr. Wilfred WONG Ying Wai resigned as the Executive Chairman and Chief Executive Officer with effect from 1 November 2015 and his share options lapsed on 30 April 2016.
- Share options were or will be vested in three portions on 11 June 2016, 2017 and 2018 respectively, and became exercisable for a period from the respective dates and ending on 10 June 2025.
- These 3,000,000 share options lapsed on 29 July 2016.

附註：

- 認股權分別於2010年、2011年及2012年12月4日按三份歸屬，並於各自日期起至2019年12月3日止期間可予行使。
- 認股權分別於2012年、2013年及2014年9月30日按三份歸屬，並於各自日期起至2021年8月31日止期間可予行使。
- 認股權分別於2009年及2010年1月1日按同等份數歸屬，並於各自日期起至2018年5月22日止期間可予行使。
- 認股權分別於2009年、2010年及2011年1月1日按三份歸屬，並於各自日期起至2018年5月22日止期間可予行使。
- 王英偉博士已辭任執行主席兼行政總裁，由2015年11月1日起生效及其購股權已於2016年4月30日失效。
- 認股權已或將分別於2016年、2017年及2018年6月11日歸屬，並於有關日期起至2025年6月10日止期間可供行使。
- 該等3,000,000份購股權已於2016年9月29日失效。

Directors' Right to Acquire Shares or Debentures

During the year, the Company operated a share option scheme pursuant to which options may be granted, inter alia, to the directors of the Company. Details of such scheme and the movements in options are set out in the paragraphs entitled "Share Option Schemes" above. Further details of options granted and/or shares allotted or transferred to the directors of the Company are disclosed in the paragraph entitled "Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares and Debentures of the Company and its Associated Corporations" and Note 36 to the consolidated financial statements.

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 of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Directors' Interests in Competing Business

During the year ended 31 December 2016, Mr. YAN Jie (a Non-executive Director) was the board chairman of 天津物產置業發展有限公司 ("Tewoo Property") engaging in property development in the PRC (the "Tewoo Business"). Based on Tewoo Group's website, in recent years, it has developed and is developing projects of approximately 1.4 million sq.m GFA in total. Tewoo Property is a wholly-owned subsidiary of Tewoo Group, which is a substantial shareholder of the Company.

For the purposes of the Listing Rules, Mr. YAN Jie is considered to have interests (by way of directorship) in competing businesses (i.e. property development and investment in the PRC). The operations of Tewoo Property and the Group and their respective management are totally separate and independent. Therefore, the Company has been and continues to carry on its business, management and operation independently of, and at arm's length from, the Tewoo Business.

As disclosed in page 90, Mr. Zhou Wei (an Executive Director), has interests in Zhong Wu Xin He which engaging in property development in the PRC.

For the purposes of the Listing Rules, Mr. Zhou Wei is considered to have interests (by way of shareholding) in competing businesses (i.e. property development and investment in the PRC). The operations of Zhong Wu Xin He and the Group and their respective management are totally separate and independent. Therefore, the Company has been and continues to carry on its business, management and operation independently of, and at arm's length from, the Zhong Wu Xin He.

Save as disclosed above, none of the Directors (excluding Independent Non-executive Directors) were interested in any business apart from the Group's business which competed or was likely to compete, either directly or indirectly, with the business of the Group during the year ended 31 December 2016.

董事認購股份或債券之權利

於年內，本公司設有一項購股權計劃，據此，可向（其中包括）本公司董事授予購股權。有關該等計劃及購股權變動之詳情載於上文「購股權計劃」之段落。向本公司董事授出的購股權及／或配發或轉讓的股份之進一步詳情披露於「董事及行政總裁於本公司及其相聯法團之股份、相關股份及債券中擁有之權益及淡倉」之段落及綜合財務報表附註36。

除上文所披露者外，本公司或其任何附屬公司於年內任何時間概無訂立任何安排，致使本公司董事可透過購買本公司或任何其他法人團體之股份或債券而從中獲取利益。

董事於競爭業務之權益

於截至2016年12月31日止年度，閻傑先生（非執行董事）為天津物產置業發展有限公司（「天津物產置業」）之董事長，該公司於中國從事物業發展業務（「天津物產置業業務」）。根據天津物產集團之網站，其近年來一直發展及正在發展建築總面積合共約1,400,000平方米之項目。天津物產置業為天津物產集團（其為本公司之主要股東）之全資附屬公司。

就上市規則而言，閻傑先生被認為於競爭業務（即於中國之物業發展及投資）中擁有權益（透過董事職務方式）。天津物產置業之營運與本集團及彼等各自之管理乃完全分開及獨立。因此，本公司一直及繼續獨立於天津物產置業業務且與天津物產置業業務按公平原則開展其業務、管理及營運。

誠如第90頁所披露，周煒先生（執行董事）於中物信和（於中國從事物業發展）擁有權益。

就上市規則而言，周煒先生被視為（透過持股）於競爭業務（即於中國從事物業發展及投資）中擁有權益。中物信和及本集團的經營以及彼等各自的管理完全分離及獨立。因此，本公司已並將繼續獨立於中物信和及公平從事其業務、管理及經營。

除上文所披露者外，於截至2016年12月31日止年度，董事（不包括獨立非執行董事）概無於本集團業務以外之任何與本集團業務直接或間接構成競爭或可能構成競爭之業務中擁有權益。

Convertible Securities, Options, Warrants or Similar Rights

Issuance of convertible preference shares

On 8 January 2015 and 8 July 2015, the Company issued a total of 5,654,772,134 CPSs as the consideration (excluding the holdback amount) to acquire the entire issued share capital of Goleman International Limited. On 15 January 2016, the Company further issued 259,263,039 CPSs to settle the holdback amount which was pending the determination of the aggregate amount of fee, fine or penalty (if any) charged under the relevant land grant contract or applicable People's Republic of China ("PRC") laws at any time after completion but on or before 31 December 2015 in respect of any delay in the development of certain acquired parcels of land. On 26 April 2016, the Company lastly issued 295,833,333 CPSs to settle the remaining holdback amount after the issue of land use rights certificates in respect of the remaining land.

3-year senior notes

In January 2016, the Company issued a 3-year senior notes with principal amounts of USD150 million due on 22 January 2019 bearing interest of 8.5% per annum which is payable semi-annually (the "Senior Notes 2019"). The Senior Notes 2019 achieved at a lower coupon than the Senior Notes 2018 which was issued in May 2015 reflects certain market interests in our 3-year USD notes. The Senior Notes 2019 are also listed on The Stock Exchange of Hong Kong Limited.

Redemption by holders of 6.0% Convertible Bonds due 2017

On 25 October 2016, the Company has received notices for the exercise of the put option in respect of USD94,700,000 in principal amount of the Convertible Bonds (the "Redemption Principal"), representing approximately 97.33% in principal amount of the Convertible Bonds outstanding as at that date. In November 2016, the Company settled the Redemption Principal together with interest accrued.

Save as above, the option scheme mentioned under "Share Option Scheme" above and in Note 36 to the consolidated financial statements, the Company had no other outstanding convertible securities, options, warrants or similar rights as at 31 December 2016. Other than those disclosed above and in Note 36 to the consolidated financial statements, there was no issue or exercise of any convertible securities, options, warrants or similar rights during the year ended 31 December 2016.

Management Contracts

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year ended 31 December 2016.

Retirement Schemes

The Group participated defined contribution retirement schemes during the year. Particulars of the retirement schemes are set out in Note 2(u)(i) to the consolidated financial statements.

可換股證券、認股權、認股權證或類似權利

發行可轉換優先股

於2015年1月8日及2015年7月8日，本公司發行合共5,654,772,134股可轉換優先股作為代價（不包括扣留金額）收購Goleman International Limited之全部已發行股本。於2016年1月15日，本公司進一步發行259,263,039股可轉換優先股，以清償有關扣留金額，惟該金額有待於完成後但於2015年12月31日或之前任何時間就延遲開發若干幅已收購的土地而釐定根據有關土地出讓合約或中華人民共和國（「中國」）適用法律扣取之費用、罰款或罰金（如有）的總金額而釐定。於2016年4月26日，本公司最後發行295,833,333股可轉換優先股，以於簽發有關餘下地塊的土地使用權證後清償餘下扣留金額。

3年優先票據

於2016年1月，本公司發行本金額150,000,000美元於2019年1月22日到期的3年期年利率8.5厘，每半年支付利息的優先票據（「2019年優先票據」）。2019年優先票據較於2015年5月發行的2018年優先票據的票息更低，反映市場對我們的3年期美元票據有一定的興趣。2019年優先票據亦已於香港聯合交易所有限公司上市。

持有人贖回於2017年到期之6.0厘可換股債券

於2016年10月25日，本公司已接獲行使有關本金額為94,700,000美元之可換股債券（「贖回本金」，相當於該日期尚未行使之可換股債券本金額之約97.33%）之認沽期權的通知。於2016年11月，本公司已結清贖回本金及應計利息。

除上述者，於上文「認股權計劃」項下及綜合財務報表附註36所述之認股權計劃外，於2016年12月31日，本公司概無其他尚未行使之可換股證券、認股權、認股權證或類似之權利。除上述已披露者及綜合財務報表附註36所披露者外，於截至2016年12月31日止年度內概無任何可換股證券、認股權、認股權證或類似之權利獲發行或行使。

管理合約

於截至2016年12月31日止年度內概無就本公司全部或任何主要業務部份訂立或訂有任何管理及行政合約。

退休計劃

於年內本集團參與界定供款退休計劃。該等退休計劃詳情已載於綜合財務報表附註2(u)(i)。

Substantial Shareholders' Interests and Short Positions in the Shares and Underlying Shares of the Company

As at 31 December 2016, the interests or short positions of the following substantial shareholders (other than a director and the chief executive of the Company) in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, were as follows:

Long positions in the shares and underlying shares of the Company

主要股東於本公司股份及相關股份中擁有之權益及淡倉

於2016年12月31日，根據證券及期貨條例第336條本公司須予存置之登記冊所記錄，下列主要股東（本公司董事及行政總裁除外）於本公司股份及相關股份中擁有之權益或淡倉如下：

於本公司股份及相關股份之好倉

Name of Shareholder 股東名稱	Capacity 身份	Number of shares held/ involved 所持／涉及之 股份數目	Number of underlying shares 相關股份數目	Approximate percentage of interest in the issued share capital 佔已發行 股本權益之 概約百分比 (Note 3) (附註3)
(1) Tewoo Group Co., Ltd.* 天津物產集團有限公司	Interests of controlled corporation 受控法團權益	513,861,240	3,000,000,000	61.57%
(2) Tewoo Investment Co., Limited 天物投資有限公司	Beneficial owner 實益擁有人	137,940,000	–	2.42%
(3) Riant Investment Co., Limited 瑞安投資有限公司	Interests of controlled corporation 受控法團權益	375,921,240	3,000,000,000	59.16%
(4) Neo Summit 新峰	Beneficial owner 實益擁有人	375,921,240	3,000,000,000	59.16%
(5) Neo Summit 新峰	Beneficial owner 實益擁有人	475,816,993 (Note 1(a)) (附註1(a))	–	8.34%
(5) Summit View 峰景	Beneficial owner 實益擁有人	991,041,796 (Note 1(b)) (附註1(b))	–	17.37%
(6) MA Kwing, Pony 馬炯	Interests of controlled corporation 受控法團權益	1,466,858,789 (Note 1) (附註1)	–	25.70%
	Interests of spouse 配偶權益	–	2,704,166,666 (Note 2) (附註2)	47.39%
(7) Wilfred WONG Ying Wai 王英偉	Beneficial owner 實益擁有人	26,000,000	–	0.46%
	Interests of controlled corporation 受控法團權益	1,466,858,789 (Note 1) (附註1)	–	25.70%
(8) Rich Century Development Limited 利世發展有限公司	Beneficial owner 實益擁有人	–	2,704,166,666 (Note 2) (附註2)	47.39%

* For identification purposes only

* 僅供識別

Name of Shareholder	Capacity	Number of shares held/ involved	Number of underlying shares	Approximate percentage of interest in the issued share capital
股東名稱	身份	所持／涉及之 股份數目	相關股份數目	佔已發行 股本權益之 概約百分比 (Note 3) (附註3)
(9) China Merchants Securities Co., Ltd. 招商證券股份有限公司	Interests of controlled corporation 受控法團權益	276,855,000 (long position) (好倉)	–	4.85%
		83,100,000 (short position) (淡倉)	–	1.46%
(10) China Merchants Securities International Company Limited 招商證券國際有限公司	Interests of controlled corporation 受控法團權益	276,855,000 (long position) (好倉)	–	4.85%
		83,100,000 (short position) (淡倉)	–	1.46%
(11) China Merchants Securities Investment Management (HK) Co., Limited 招商證券投資管理(香港)有限公司	Beneficial owner 實益擁有人	193,755,000 (long position) (好倉)	–	3.40%
(12) Cheng Yu Tung Family (Holdings) Limited	Interests of controlled corporation 受控法團權益	400,000,000 (Note 4) (附註4)	–	7.01%
(13) Cheng Yu Tung Family (Holdings II) Limited	Interests of controlled corporation 受控法團權益	400,000,000 (Note 4) (附註4)	–	7.01%
(14) Chow Tai Fook Capital Limited	Interests of controlled corporation 受控法團權益	400,000,000 (Note 4) (附註4)	–	7.01%
(15) Chow Tai Fook (Holding) Limited	Interests of controlled corporation 受控法團權益	400,000,000 (Note 4) (附註4)	–	7.01%
(16) Chow Tai Fook Nominee Limited 周大福代理人有限公司	Beneficial owner 實益擁有人	400,000,000 (Note 4) (附註4)	–	7.01%
(17) MAK Siu Hang Viola 麥少嫻	Interests of controlled corporation 受控法團權益	434,484,000	–	7.61%
(18) VMS Holdings Limited	Interests of controlled corporation 受控法團權益	434,484,000	–	7.61%
(19) VMS Investment Group Ltd.	Beneficial owner 實益擁有人	434,484,000	–	7.61%

Notes:

1. (a) 475,816,993 Shares are held by Neo Summit, which is owned by (a) Pinnacle State Real Estate Limited as to 28.89%; (b) Summit View Holdings Limited ("Summit View") as to 13.33%; (c) Jones Capital Investments Limited as to 28.89%; and (d) Becl World Holding Ltd as to 28.89%. Pinnacle State Real Estate Limited is indirectly wholly-owned by Dr. Wilfred WONG Ying Wai. Jones Capital Investments Limited is wholly-owned by Ms. MA Kwing, Pony ("Ms. MA"). As such, Neo Summit is deemed to be a controlled corporation of Dr. Wilfred WONG Ying Wai and Ms. MA under the SFO.
- (b) 991,041,796 ordinary shares are held by Summit View, which is owned as to 50% by Dr. Wilfred WONG Ying Wai and 50% by Ms. MA. As such, Summit View is deemed to be a controlled corporation of Dr. Wilfred WONG Ying Wai and Ms. MA under the SFO.

2. As disclosed in (i) the announcement of the Company dated 15 May 2014, Hsin Chong Property Holdings Limited (a wholly-owned subsidiary of the Company) as the Purchaser entered into the Acquisition Agreement with Rich Century (a company wholly-owned by Mr. LIN Zhuo Yan) as the Vendor and Mr. LIN Zhuo Yan as the warrantor regarding a very substantial acquisition in relation to the acquisition of a property development project in the PRC; and (ii) the announcement of the Company dated 4 November 2014, a Supplemental Agreement was entered into amongst the same parties. As part of the consideration of the Acquisition Agreement, the Company may issue to Rich Century CPs which can be converted into Shares in the Company. As such, Rich Century being a company wholly owned by Mr. LIN Zhuo Yan is deemed to be a controlled corporation of Mr. LIN Zhuo Yan under the SFO. MA Kwing, Pony is the spouse of Mr. LIN Zhuo Yan and is deemed to be interested under the SFO.

As disclosed in the announcement of the Company dated 8 January 2015 in relation to the issuance of CPs as part of the consideration, the total number of CPs (issued or which may be issued) to Rich Century and which can be converted into Shares of the Company is 6,253,829,151. Upon issue of certain number of CPs to Rich Century on 8 January 2015, it then disposed 1,855,563,322 CPs on the same date. Therefore, as of 30 June 2015, Rich Century held 4,398,265,830 CPs (rounding difference included).

As further disclosed in the announcements of the Company dated 30 June 2015, 15 January 2016 and 26 April 2016 respectively in relation to the issuance of CPs as part of the consideration, Rich Century was further allotted by the Company 1,095,042,146 CPs, 259,263,039 CPs and 295,833,333 CPs on 8 July 2015, 15 January 2016 and 26 April 2016 respectively. Rich Century then disposed 1,095,042,146 CPs, 43,960,645 CPs, 259,263,039 CPs, 280,000,000 CPs and 15,833,333 CPs on 15 July 2015, 15 January 2016, 19 January 2016, 29 April 2016 and 31 May 2016 respectively. Therefore, as at 31 December 2016, Rich Century held 2,704,166,666 CPs.

3. There were 5,706,670,104 ordinary shares of the Company in issue as at 31 December 2016.
4. As of 31 December 2016, 400,000,000 shares are held by Chow Tai Fook Nominee Limited, which is owned by Chow Tai Fook (Holding) Limited as to 99.80%. Chow Tai Fook (Holding) Limited is owned by Chow Tai Fook Capital Limited as to 78.58%. Chow Tai Fook Capital Limited is in turn owned by (i) Cheng Yu Tung Family (Holdings) Limited as to 48.98% and (ii) Cheng Yu Tung Family (Holdings II) Limited as to 46.65%.

Save as disclosed above, as at 31 December 2016, the Company had not been notified of any other persons (other than a director and the chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

附註:

1. (a) 新峰持有475,816,993股股份，並由以下各方擁有：(a)峻炫地產有限公司擁有28.89%；(b)峰景控股有限公司(「峰景」)擁有13.33%；(c) Jones Capital Investments Limited擁有28.89%；及(d) Becl World Holding Ltd擁有28.89%。峻炫地產有限公司由王英偉博士間接全資擁有。Jones Capital Investments Limited由馬焯女士(「馬女士」)全資擁有。因此，根據證券及期貨條例，新峰被視為王英偉博士及馬女士之受控法團。
- (b) 峰景持有991,041,796股普通股，並由王英偉博士及馬女士各自擁有50%。因此，根據證券及期貨條例，峰景被視為王英偉博士及馬女士之受控法團。

2. 誠如(i)本公司日期為2014年5月15日之公告所披露，新昌地產控股有限公司(本公司一間全資擁有附屬公司)(作為買方)與利世發展(一間林卓延先生全資擁有之公司)(作為賣方)及林卓延先生(作為擔保人)就有關收購一項位於中國之物業發展項目之非常重大收購事項訂立收購協議；及(ii)本公司日期為2014年11月4日之公告所披露，收購協議之訂約方訂立收購協議之補充協議。作為收購協議代價之一部份，本公司可向利世發展發行代價優先股，其可轉換為本公司股份。因此，根據證券及期貨條例，利世發展(林卓延先生全資擁有之公司)被視為林卓延先生之受控法團。馬焯女士為林卓延先生之配偶，故根據證券及期貨條例被視為擁有權益。

誠如本公司日期為2015年1月8日內容有關發行代價優先股作為部份代價之公告所披露，已向或可向利世發展發行之代價優先股總數為6,253,829,151股，均可轉換為本公司股份。於2015年1月8日向利世發展發行若干數目之代價優先股後，其於同日出售1,855,563,322股代價優先股。因此，於2015年6月30日，利世發展持有4,398,265,830股代價優先股(四捨五入之差異)。

誠如本公司日期分別為2015年6月30日、2016年1月15日及2016年4月26日內容有關發行可轉換優先股作為部份代價之公告所進一步披露，利世發展分別於2015年7月8日、2016年1月15日及2016年4月26日獲本公司進一步配發1,095,042,146股可轉換優先股、259,263,039股可轉換優先股及295,833,333股可轉換優先股。利世發展其後分別於2015年7月15日、2016年1月15日、2016年1月19日、2016年4月29日及2016年5月31日出售1,095,042,146股可轉換優先股、43,960,645股可轉換優先股、259,263,039股可轉換優先股、280,000,000股可轉換優先股及15,833,333股可轉換優先股。因此，於2016年12月31日，利世發展持有2,704,166,666股可轉換優先股。

3. 於2016年12月31日，本公司之已發行普通股為5,706,670,104股。
4. 於2016年12月31日，周大福代理人有限公司持有400,000,000股股份，其99.80%屬周大福(控股)有限公司持有。而Chow Tai Fook Capital Limited則於周大福(控股)有限公司持有78.58%權益，而Chow Tai Fook Capital Limited由以下各方擁有(i) Cheng Yu Tung Family (Holdings) Limited擁有48.98%及(ii) Cheng Yu Tung Family (Holdings II) Limited擁有46.65%。

除上文所披露者外，於2016年12月31日，本公司並無獲悉任何其他人士(本公司董事及行政總裁除外)於本公司股份或相關股份中擁有權益或淡倉而記錄於根據證券及期貨條例第336條本公司須予存置之登記冊內。

Connected Transactions

Provision of financial assistance to Zhong Wu Xin He

On 24 August 2016, Hsin Chong Finance Lease (China) Company Limited (the "Finance Lease Company") and Zhong Wu Xin He Property Development Company Limited ("Zhong Wu Xin He") is an associate of Mr. Zhou Wei ("Mr. Zhou") who is an Executive Director, entered into a Sale and Leaseback Agreement, pursuant to which, (i) the Finance Lease Company shall purchase the Properties from Zhong Wu Xin He at a consideration of RMB500,000,000; and (ii) upon the settlement of the first instalment of the purchase price of the Properties of RMB130,000,000 by the Finance Lease Company, the Finance Lease Company shall lease the Properties back to Zhong Wu Xin He for a period of 8 years commencing from 24 August 2016, for an aggregate lease consideration of approximately RMB203,485,214.31 payable semi-annually. The interest rate is calculated on the basis of 12% per annum.

On 25 August 2016, the Finance Lease Company has paid Zhong Wu Xin He RMB129,000,000 (after deducting RMB1,000,000 as security money) as the first instalment of the purchase price of the Properties.

On 15 December 2016, the Finance Lease Company, Zhong Wu Xin He, Hsin Chong Holdings (China) Limited ("Hsin Chong China"), an indirect wholly-owned subsidiary of the Company, and Tianjin Jiu Ding Ke Mao Company Limited entered into the Confirmation Letter, pursuant to which it was confirmed among the parties that (i) the Sale and Leaseback Agreement (including the pledges of the equity interest in Zhong Wu Xin He and the mortgage of the Properties by Zhong Wu Xin He) shall be terminated; (ii) the first instalment of the RMB129,000,000 paid by the Finance Lease Company to Zhong Wu Xin He under the Sale and Leaseback Agreement shall be treated as an unsecured loan provided by the Finance Lease Company to Zhong Wu Xin He; and (iii) the rights of the Finance Lease Company under such loan shall be assigned to Hsin Chong China, a fellow subsidiary of the Finance Lease Company. On the same day, the Finance Lease Company, Hsin Chong China and Zhong Wu Xin He entered into an agreement, pursuant to which, the parties agreed that Zhong Wu Xin He shall repay the loan of RMB129,000,000 which was originally received from the Finance Lease Company under the Sale and Leaseback Agreement to Hsin Chong China before 21 August 2024. The interest rate for the loan of RMB129,000,000 shall be 12% per annum which shall be paid by Zhong Wu Xin He semi-annually.

關連交易

向中物信和提供財務資助

於2016年8月24日，新昌融資租賃(中國)有限公司(「融資租賃公司」)與北京中物信和房地產開發有限公司(「中物信和」)為執行董事周煒先生(「周先生」)之一名聯繫人)訂立售後租回協議，據此(i)融資租賃公司須以人民幣500,000,000元之代價向中物信和購買該等物業；及(ii)於融資租賃公司支付該等物業購買價的首期款項人民幣130,000,000元後，融資租賃公司須於2016年8月24日起的8年期間內將該等物業租回給中物信和，租賃總代價約為人民幣203,485,214.31元，須每半年支付一次。相關利率按年息12%計算。

於2016年8月25日，融資租賃公司已向中物信和支付人民幣129,000,000元(經扣除人民幣1,000,000元作為保證金)作為該等物業購買價之首期款項。

於2016年12月15日，融資租賃公司、中物信和、本公司的一間間接全資附屬公司新昌控股(中國)有限公司(「新昌中國」)及天津九鼎科貿有限公司訂立確認函，據此各方確認：(i)售後租回協議(包括中物信和質押中物信和之股權及抵押該等物業)將告終止；(ii)融資租賃公司根據售後租回協議已向中物信和支付的人民幣129,000,000元首期款項應被視為融資租賃公司向中物信和提供的無抵押貸款；及(iii)融資租賃公司於該筆貸款下的權利應轉讓給融資租賃公司的同系附屬公司新昌中國。同日，融資租賃公司、新昌中國及中物信和訂立一份協議，據此，各方同意中物信和應於2024年8月21日之前向新昌中國償還最初由融資租賃公司根據售後租回協議提供之人民幣129,000,000元之貸款。該筆人民幣129,000,000元之貸款之利率為年息12%，應由中物信和每半年支付一次。

Provision of financial assistance to Beijing Xuan He

On 27 December 2016, Beijing Xuan He, Hsin Chong China and Zhong Wu Xin He entered into the Loan Agreement, pursuant to which Hsin Chong China agreed to advance a loan to Beijing Xuan He in the sum of RMB247,500,000 for a term of period from 28 December 2016 to 12 November 2018. The interest rate for the loan shall be 0.91667% per month payable in four instalments during the term of the loan. The loan together with the unpaid interest may be prepaid in full after the expiry of six months from the commencement date of the term of the loan by giving ten working days notice to Hsin Chong China. Pursuant to the Loan Agreement, Zhong Wu Xin He shall act as the guarantor for Beijing Xuan He.

Listing rules implications

As Zhong Wu Xin He is an associate of Mr. Zhou who is an Executive Director, Zhong Wu Xin He is a connected person of the Company, and Beijing Xuan He is a deemed connected person of the Company within the meaning under the Listing Rules, the entering into of each of the Sale and Leaseback Agreement, the Confirmation Letter, the Cooperation Agreement and the Loan Agreement constitutes connected transaction and the transactions as contemplated thereunder constitute connected transactions for the Company under Chapter 14A of the Listing Rules.

As the relevant percentage ratios in respect of the Sale and Leaseback Agreement, the Confirmation Letter, the Cooperation Agreement and the Loan Agreement, on an aggregated basis, exceed 5% and the total value of the financial assistance plus the monetary advantage to the connected person is more than HK\$10,000,000, the transactions thereunder constitutes a non-exempt connected transaction for the Company and is therefore subject to the reporting, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Company had omitted to comply with the reporting, announcement and independent Shareholders' approval requirements of Rule 14A.35 of the Listing Rules and failed to announce the provisions of financial assistance to the connected entities at the time of the execution of the relevant agreements at the material time.

For details of the connected transactions mentioned above, please refer to the Company's announcement dated 30 March 2017.

向北京宣和提供財務資助

於2016年12月27日，北京宣和、新昌中國及中物信和訂立貸款協議，據此新昌中國同意向北京宣和提供人民幣247,500,000元之貸款，期限為2016年12月28日至2018年11月12日之期間。該貸款之利率為月息0.91667%，於貸款期限內分四期支付。於貸款期限開始日期起滿六個月後可透過向新昌中國發出十個工作日之通知，提前悉數償還貸款連同未支付利息。根據貸款協議，中物信和將擔任北京宣和之擔保人。

上市規則之涵義

由於中物信和為執行董事周先生之聯繫人，中物信和為本公司之關連人士，及北京宣和為本公司之視為關連人士（定義見上市規則），根據上市規則第14A章，訂立售後租回協議、確認函、合作協議及貸款協議構成關連交易，其項下擬進行之交易構成本公司之關連交易。

由於售後租回協議、確認函、合作協議及貸款協議合併計算之相關適用百分比率超過5%且向關連人士提供之財務資助總值加上金錢利益超過港幣10,000,000元，該等協議項下之交易構成本公司之不獲豁免關連交易，因此須遵守上市規則第14A章之申報、公告及獨立股東批准之規定。

本公司忽略遵守上市規則第14A.35條項下的報告、公告及獨立股東批准規定，亦未能於簽立相關協議的重要時刻公佈向一間關連實體提供財務資助。

有關詳情，謹請參閱本公司日期為2017年3月30日之公告。

Continuing Connected Transactions

Smart Lane, an indirect wholly-owned subsidiary of the Company has already sold all its shareholding in Synergis Holdings Limited ("Synergis") to Champ Key, the transaction of which was completed on 21 November 2016 ("Completion"). As such, since Synergis is no longer a subsidiary of the Company, the transactions between Synergis and the Company are no longer regarded as connected transactions since 21 November 2016.

During the year ended 31 December 2016, the Company and/or its subsidiaries had entered into (or continued to be a party to) the following continuing connected transactions which are subject to the annual review and reporting requirements under Chapter 14A of the Listing Rules:

(A) Tenancy Agreement and Carpark Agreements

Cogent Spring Limited, a wholly-owned subsidiary of the Company, or the Company entered into tenancy agreement, sub-lease agreement or carpark agreement with subsidiaries of Synergis, details of the transactions were disclosed in the announcements of the Company of 27 February 2015 and 18 January 2016. The annual caps, considerations for the period ended 30 November 2016 and other details for the year ended 31 December 2016 were as follows:

持續關連交易

本公司之一間間接全資附屬公司Smart Lane Holdings Limited已出售其於新昌管理集團有限公司(「新昌管理」)的全部股權予Champ Key Holdings Limited,有關交易已於2016年11月21日完成(「完成」)。因此,由於新昌管理不再為本公司的附屬公司,自2016年11月21日起,本公司與新昌管理之間的交易不再被視為關連交易。

於截至2016年12月31日止年度內,本公司及/或其附屬公司已訂立(或繼續為該等交易之訂約方)下列須遵守上市規則第14A章之年度審核及申報規定的持續關連交易:

(A) 租賃協議及停車場協議

本公司之全資附屬公司Cogent Spring Limited或本公司與新昌管理之附屬公司訂立了租賃協議、分租協議或停車場協議,有關交易詳情披露於本公司日期為2015年2月27日及2016年1月18日之公告。截至2016年11月止期間之年度上限、代價及截至2016年12月31日止年度之年其他詳情如下:

Connected person(s)	Date of agreement(s)	Terms	Particulars	Annual cap	Consideration for the period ended November 2016 截至2016年11月止期間 之代價 (HK\$) (港幣元)	Nature and extent of the connected person's interest
關連人士	協議日期	期限	詳情	年度上限 (HK\$) (港幣元)	之代價 (HK\$) (港幣元)	關連人士之權益性質及範圍
Hsin Chong Interiors (Hong Kong) Limited ("Hsin Chong Interiors") as lessee	Renewal Sub-lease Agreement dated 27 February 2015	2 years from 1 January 2015 to 31 December 2016	Lease of portion of 7/F of Hsin Chong Center	1,000,000	857,888	Hsin Chong Interiors and SMS are wholly-owned subsidiaries of Synergis, a non-wholly-owned subsidiary of the Company where Summit View Holdings Limited, a substantial shareholder of the Company, is directly holding 16.64% of Synergis. Hence, Hsin Chong Interiors and SMS are connected persons under the Listing Rules.
新昌室內裝飾(香港)有限公司(「新昌室內裝飾」),作為承租人	日期為2015年2月27日之重續分租協議	由2015年1月1日起至2016年12月31日止2年	租賃新昌中心7樓之部份			新昌室內裝飾及新昌管理服務為本公司非全資附屬公司新昌管理之全資附屬公司,本公司之主要股東峰景控股有限公司直接持有新昌管理16.64%之股權。因此,新昌室內裝飾及新昌管理服務為上市規則項下之關連人士。
Synergis Management Services Limited ("SMS") as lessee	Tenancy Agreement dated 18 January 2016	1 year from 1 January 2016 to 31 December 2016	Lease of portion of 3/F, 5/F, 8/F and 10/F of Hsin Chong Center	4,000,000	2,237,066	新昌室內裝飾及新昌管理服務為本公司非全資附屬公司新昌管理之全資附屬公司,本公司之主要股東峰景控股有限公司直接持有新昌管理16.64%之股權。因此,新昌室內裝飾及新昌管理服務為上市規則項下之關連人士。
新昌管理服務有限公司(「新昌管理服務」),作為承租人	日期為2016年1月18日之租賃協議	由2016年1月1日起至2016年12月31日止1年	租賃新昌中心3樓、5樓、8樓及10樓之部份			
SMS as lessee	New Carpark Agreement dated 27 February 2015	2 years from 1 January 2015 to 31 December 2016	Lease of car parking spaces of Hsin Chong Center	230,000	124,158	
新昌管理服務作為承租人	日期為2015年2月27日之新停車場協議	由2015年1月1日起至2016年12月31日止2年	租賃新昌中心泊車位			

(B) General Business Services Agreement

The Company entered into a General Business Services Agreement on 31 December 2014 with Synergis pursuant to which Synergis Group is the service provider. The annual cap for the General Business Services Agreement for the year ended 31 December 2016 was HK\$45,000,000. Details of the General Business Services Transaction were disclosed in the announcement of the Company dated 31 December 2014 and its circular dated 2 February 2015.

(B) 一般業務服務協議

本公司與新昌管理於2014年12月31日訂立一般業務服務協議，據此新昌管理集團為有關服務之供應方。截至2016年12月31日止年度，一般業務服務協議的年度上限為港幣45,000,000元。一般業務服務交易的詳情披露於本公司日期為2014年12月31日之公告及2015年2月2日之通函。

Connected person(s)	Date of agreement(s)	Terms	Particulars	Consideration for the period ended November 2016 截至2016年11月止期間之代價 (HK\$) (港幣元)	Nature and extent of the connected person's interest
關連人士	協議日期	期限	詳情		關連人士之權益性質及範圍
Synergis	General Business Services Agreement dated 31 December 2014	3 years from 1 January 2015 to 31 December 2017	Provision of property and facility management services, cleaning services and miscellaneous services by relevant members of Synergis to relevant members of the Group	16,420,554	The Company is a substantial shareholder and controlling shareholder of Synergis and hence, Synergis is a connected person under the Listing Rules.
新昌管理	日期為2014年12月31日之一般業務服務協議	由2015年1月1日起至2017年12月31日止3年	新昌管理相關成員公司向本集團相關成員公司提供物業及設施管理服務、清潔服務及雜項服務		本公司為新昌管理的主要及控股股東，因此，新昌管理為上市規則項下之關連人士。

(C) Tender Services Agreement

The Company entered into the Tender Services Agreement with Synergis on 31 December 2014 pursuant to which the Group will provide tender services to Synergis Group. The annual cap for the Tender Services Agreement for the year ended 31 December 2016 was HK\$1,300,000,000. Details of the transactions were disclosed in the announcement of the Company dated 31 December 2014 and its circular dated 2 February 2015.

(C) 投標服務協議

本公司與新昌管理於2014年12月31日訂立投標服務協議，據此本集團將向新昌管理集團提供投標服務。截至2016年12月31日止年度，投標服務協議的年度上限為港幣1,300,000,000元。交易的詳情披露於本公司日期為2014年12月31日之公告及日期為2015年2月2日之通函。

Connected person(s)	Date of agreement(s)	Terms	Particulars	Consideration for the period ended November 2016 截至2016年11月止期間之代價 (HK\$) (港幣元)	Nature and extent of the connected person's interest
關連人士	協議日期	期限	詳情		關連人士之權益性質及範圍
Synergis	Tender Services Agreement dated 31 December 2014	3 years from 1 January 2015 to 31 December 2017	To provide tender services to Synergis Group	85,345,565	The Company is a substantial shareholder and controlling shareholder of Synergis and hence, Synergis is a connected person under the Listing Rules.
新昌管理	日期為2014年12月31日之投標服務協議	由2015年1月1日起至2017年12月31日止3年	向新昌管理集團提供投標服務		本公司為新昌管理的主要及控股股東，因此，新昌管理為上市規則項下之關連人士。

(D) Supporting Services Agreement

The Company entered into the Supporting Services Agreement with Synergis on 31 December 2014 pursuant to which the Group will provide supporting services (which mainly involve staff costs in health, safety, quality, environmental, plant, surveying, site administration, building services and special projects, etc.) to Synergis Group. The annual cap for the Supporting Services Agreement for the year ended 31 December 2016 was HK\$18,000,000. Details of the transactions were disclosed in the announcement of the Company dated 31 December 2014 and its circular dated 2 February 2015.

(D) 支援服務協議

本公司與新昌管理於2014年12月31日訂立支援服務協議，據此本集團將向新昌管理集團提供支援服務，當中主要涉及健康、安全、品質、環境、廠房、調查、地盤管理、樓宇服務及特別項目等員工成本。截至2016年12月31日止年度，支援服務協議之年度上限為港幣18,000,000元。交易的詳情披露於本公司日期為2014年12月31日之公告及日期為2015年2月2日之通函。

Connected person(s)	Date of agreement(s)	Terms	Particulars	Consideration for the period ended November 2016 截至2016年11月止期間之代價 (HK\$) (港幣元)	Nature and extent of the connected person's interest
關連人士	協議日期	期限	詳情		關連人士之權益性質及範圍
Synergis	Supporting Services Agreement dated 31 December 2014	3 years from 1 January 2015 to 31 December 2017	To provide supporting services to Synergis Group	8,991,232	The Company is a substantial shareholder and controlling shareholder of Synergis and hence, Synergis is a connected person under the Listing Rules.
新昌管理	日期為2014年12月31日之支援服務協議	由2015年1月1日起至2017年12月31日止3年	向新昌管理集團提供支援服務		本公司為新昌管理的主要及控股股東，因此，新昌管理為上市規則項下之關連人士。

(E) Specialist Works Sub-Contracting Agreement

The Company entered into the Specialist Works Sub-Contracting Agreement with Synergis on 31 December 2014 pursuant to which Synergis Group may engage the Group as the sub-contractor of Synergis Group for provision of specialist works to the Synergis Group's projects. The annual cap for the Specialist Works Sub-Contracting Agreement for the year ended 31 December 2016 was HK\$600,000,000. Details of the transactions were disclosed in the announcement of the Company dated 31 December 2014 and its circular dated 2 February 2015.

(E) 專門工程分判協議

本公司與新昌管理於2014年12月31日訂立專門工程分判協議，據此新昌管理集團可委聘本集團作為新昌管理集團之分判商向新昌管理集團之項目提供專門工程。截至2016年12月31日止年度，專門工程分判協議之年度上限為港幣600,000,000元。交易的詳情披露於本公司日期為2014年12月31日之公告及日期為2015年2月2日之通函。

Connected person(s)	Date of agreement(s)	Terms	Particulars	Consideration for the period ended November 2016 截至2016年11月止期間之代價 (HK\$) (港幣元)	Nature and extent of the connected person's interest
關連人士	協議日期	期限	詳情		關連人士之權益性質及範圍
Synergis	Specialist Works Sub-Contracting Agreement dated 31 December 2014	3 years from 1 January 2015 to 31 December 2017	Synergis Group to engage the Group as its sub-contractor for providing specialist works	0	The Company is a substantial shareholder and controlling shareholder of Synergis and hence, Synergis is a connected person under the Listing Rules.
新昌管理	日期為2014年12月31日之專門工程分判協議	由2015年1月1日起至2017年12月31日止3年	新昌管理集團委聘本集團作為其分判商提供專門工程		本公司為新昌管理的主要及控股股東，因此，新昌管理為上市規則項下之關連人士。

(F) ISP Works Sub-Contracting Agreement

The Company entered into the ISP Works Sub-Contracting Agreement with Synergis on 31 December 2014 pursuant to which the Group may engage the Synergis Group as its sub-contractor for provision of the ISP works to the Group's projects. The annual cap for the ISP Works Sub-Contracting Agreement for the year ended 31 December 2016 was HK\$700,000,000. Details of the transactions were disclosed in the announcement of the Company dated 31 December 2014 and its circular dated 2 February 2015.

(F) 室內裝飾及特殊項目工程分判協議

本公司與新昌管理於2014年12月31日訂立室內裝飾及特殊項目工程分判協議，據此本集團可委聘新昌管理集團作為其分判商，為本集團之項目提供室內裝飾及特殊項目工程。截至2016年12月31日止年度，室內裝飾及特殊項目工程分判協議之年度上限為港幣700,000,000元。交易的詳情披露於本公司日期為2014年12月31日之公告及日期為2015年2月2日之通函。

Connected person(s)	Date of agreement(s)	Terms	Particulars	Consideration for the period ended November 2016 截至2016年11月止期間之代價 (HK\$) (港幣元)	Nature and extent of the connected person's interest
關連人士	協議日期	期限	詳情		關連人士之權益性質及範圍
Synergis	ISP Works Sub-Contracting Agreement dated 31 December 2014	3 years from 1 January 2015 to 31 December 2017	The Group to engage Synergis Group as its subcontractor for providing ISP works	6,267,850	The Company is a substantial shareholder and controlling shareholder of Synergis and hence, Synergis is a connected person under the Listing Rules.
新昌管理	日期為2014年12月31日之室內裝飾及特殊項目工程分判協議	由2015年1月1日起至2017年12月31日止3年	本集團委聘新昌管理集團作為其分判商提供室內裝飾及特殊項目工程		本公司為新昌管理的主要及控股股東，因此，新昌管理為上市規則項下之關連人士。

The directors (including the independent non-executive directors) of the Company have reviewed and confirmed that all the continuing connected transactions mentioned in (A) to (F) above conducted in the year were entered into on the following basis:

- in the ordinary and usual course of the business of the Group;
- on normal commercial terms or better; and
- according to the relevant agreements governing these transactions on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The Company's auditor was engaged to report on the Group's continuing connected transactions 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. The auditor has issued an unqualified letter containing his findings and conclusions in respect of the continuing connected transactions disclosed by the Group as above in accordance with Rule 14A.56 of the Listing Rules. A copy of the auditor's letter has been provided by the Company to the Stock Exchange.

本公司董事（包括獨立非執行董事）已審閱並確認年內進行之上文(A)至(F)段所述所有持續關連交易乃按照下列基準訂立：

- 於本集團日常業務範圍內進行；
- 按照一般商業條款或更佳條款訂立；及
- 根據監管該等交易的相關協議按公平合理並符合本公司股東整體利益的條款訂立。

根據香港會計師公會頒佈的香港鑒證業務準則3000號「歷史財務資料審核或審閱以外的鑒證工作」並參考實務說明740號「香港上市規則規定的持續關連交易的核數師函件」，本公司核數師已受聘對本集團持續關連交易作出報告。根據上市規則第14A.56條，核數師已就上述本集團所披露的持續關連交易發出無保留意見的函件，當中載有其發現和結論。本公司已將核數師函件副本提呈聯交所。

In addition, the auditor of the Company has confirmed to the Board that nothing has come to their attention that causes them to believe that the above continuing connected transactions for the year ended 31 December 2016:

- (a) have not been approved by the Board;
- (b) were not, in all material respects, in accordance with the pricing policies of the Group where the transactions involve the provision of services by the Group;
- (c) were not entered into, in all material respects, in accordance with the relevant agreements governing the transactions; and
- (d) have exceeded the relevant annual caps as disclosed in the respective previous announcements of the Company.

The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules in respect of the continuing connected transactions mentioned in (A) to (F) above.

Major Customers and Suppliers

The five largest customers of the Group accounted for 52% (2015: 61%) of the Group's total revenue and the largest customer of the Group accounted for 19% (2015: 24%) of the Group's total revenue for the year.

The 5 largest suppliers of the Group accounted for less than 30% (2015: less than 30%) of the Group's total purchase for the year.

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

Senior Notes, Bank Loans and Other Borrowings

The particulars of senior notes, bank and other borrowings of the Group as at 31 December 2015 and 31 December 2016 are set out in Notes 30, 32 and 33 to the consolidated financial statements respectively.

Convertible Bonds

On 20 November 2015, the Company issued Convertible Bonds bearing interest at 6% per annum at a par value of US\$100 million. The bonds mature two years from the issue date at their nominal value of US\$100 million or can be converted into ordinary shares of the Company at the holder's option within the conversion period at the initial conversion of HK\$1.00 per share subject to adjustments required under the conditions of the bonds. The maximum number of ordinary shares to be issued at the maturity date is 775,020,000 shares and none of them was issued up to 31 December 2015. The net proceeds received from the issuance of convertible bonds was HK\$728.7 million. The Company will not receive further consideration when any holder determines to convert the bonds into ordinary shares of the Company on conversion date. The Company intended to use the net proceeds for refinancing the Group's debts and provision of working capital for its general corporate purposes.

此外，本公司之核數師已向董事會確認，彼等並不知悉任何事項使彼等相信上述截至2016年12月31日止年度之持續關連交易：

- (a) 並未獲董事會批准；
- (b) 於所有重大方面並沒有按照，本集團有關涉及本集團提供服務之交易之定價政策進行；
- (c) 於所有重大方面並無根據規管該等交易之相關協議訂立；及
- (d) 超過本公司各先前公告所披露之相關年度上限。

本公司已就上文第(A)至(F)項所述有關的持續關連交易遵守上市規則第14A章的披露規定。

主要客戶及供應商

於年內，本集團最大5位客戶佔本集團總收益之52%（2015年：61%），而本集團最大客戶則佔本集團總收益之19%（2015年：24%）。

於年內，本集團最大5位供應商佔本集團之總採購額少於30%（2015年：少於30%）。

董事、任何彼等之聯繫人或股東（據董事所知擁有本公司已發行股本超過5%者）概無於本集團最大5位客戶中擁有任何權益。

優先票據、銀行貸款及其他借貸

本集團於2015年12月31日及2016年12月31日之優先票據、銀行及其他借貸詳情分別載於綜合財務報表附註30、32及33。

可換股債券

於2015年11月20日，本公司發行面值100,000,000美元按年利率6厘計息的可換股債券。該等債券按其面值100,000,000美元自發行日期起計兩年到期，或可按持有人的選擇於轉換期內按每股港幣1.00元的初步轉換價轉換為本公司普通股，惟須根據該等債券項下之條件進行調整。於到期日將予發行的最高普通股數目為775,020,000股，而截至2015年12月31日概無發行任何普通股。自發行可換股債券收取的所得款項淨額為港幣728,700,000元。倘任何持有人決定於轉換日將債券轉換為本公司普通股，則本公司將不會收取進一步代價。本公司擬將所得款項淨額用於為本集團之債務再融資及為一般公司用途撥充營運資金。

Donations

During the year, donations made by the Group for charitable and other purposes amounted to HK\$157,000 (2015: HK\$279,000).

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

During the year ended 31 December 2016, the Company had repurchased on the Stock Exchange a total of 14,436,000 Shares. All the repurchased Shares were cancelled on 21 June 2016.

Related Party Transactions

Significant related party transactions of the Group are set out in Note 38 to the consolidated financial statements. In relation to those related party transactions that also constituted connected transaction or continuing connected transactions of the Group as defined in the Listing Rules, if any, the relevant disclosure requirements in accordance with Chapter 14A of the Listing Rules have been complied with except for the connected transaction disclosed in pages 90 to 91.

Public Float

At the date of this report, the Company has maintained the prescribed public float under the Listing Rules, based on the information that is publicly available to the Company and to the best of knowledge of its directors.

Auditor

The consolidated financial statements have been audited by PricewaterhouseCoopers whose term of office will expire upon the forthcoming annual general meeting of the Company. PricewaterhouseCoopers will retire as auditor of the Company at the forthcoming annual general meeting of the Company and will not offer themselves for re-appointment. The Board will propose the appointment of new auditor of the Company following the retirement of PricewaterhouseCoopers, subject to approval by the shareholders of the Company at the forthcoming general meeting. The resolution to authorise the Directors to fix the remuneration of the new auditor will also be proposed at the forthcoming general meeting.

On behalf of the Board

LIN Zhuo Yan
Non-executive Chairman

Hong Kong, 18 April 2017

捐款

於年內，本集團為慈善及其他目的所作之捐款為港幣157,000元（2015年：港幣279,000元）。

購買、出售或贖回本公司之上市證券

於截至2016年12月31日止年度，本公司已於聯交所購回合共14,436,000股股份。所有已購回股份已於2016年6月21日註銷。

關聯方交易

本集團之重大關聯方交易載於財務報表附註38。如該等關聯方交易亦構成上市規則所界定之本集團關連交易或持續關連交易（如有），本集團已遵守根據上市規則第14A章之相關披露規定，惟第90至91頁所披露的關連交易除外。

公眾持股量

於本報告日期，據本公司所獲得之公開資料及其董事所知悉，本公司已維持上市規則所訂明之公眾持股量。

核數師

綜合財務報表已由羅兵咸永道會計師事務所審核，其任期將於本公司應屆股東周年大會上屆滿。羅兵咸永道會計師事務所將於本公司的應屆周年股東大會上退任核數師且無意膺選連任。董事會將建議於羅兵咸永道會計師事務所退任後委任新的核數師，惟須待本公司股東於應屆股東大會上批准後方告作實。授權董事釐定新核數師酬金的決議案將於應屆股東大會上獲提呈。

代表董事會

非執行主席
林卓延

香港，2017年4月18日



To the Shareholders of Hsin Chong Group Holdings Limited
(incorporated in Bermuda with limited liability)

Disclaimer of Opinion

We were engaged to audit the consolidated financial statements of Hsin Chong Group Holdings Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages 108 to 214, which comprise:

- the consolidated balance sheet as at 31 December 2016;
- the consolidated income statement for the year then ended;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include a summary of significant accounting policies.

We do not express an opinion on the consolidated financial statements of the Group due to the potential interaction of the multiple uncertainties relating to going concern and their possible cumulative effect on the consolidated financial statements and because we have not been able to obtain sufficient appropriate evidence as described in the Basis for Disclaimer of Opinion section of our report. In all other respects, in our opinion the consolidated financial statements have been properly prepared in compliance with disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Disclaimer of Opinion

(1) Multiple uncertainties relating to going concern

As described in Note 2(a)(i) to the consolidated financial statements, the Group reported a net loss attributable to the owners of the Company of HK\$2,734 million and had a net operating cash outflow of approximately HK\$1,334 million during the year ended 31 December 2016. As at the same date, the Group's total borrowings amounted to HK\$11,580 million, of which HK\$6,551 million were classified as current liabilities, while its unrestricted cash and cash equivalents amounted to HK\$411 million only.

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羅兵咸永道

致新昌集團控股有限公司之股東
(於百慕達註冊成立之有限公司)

無法表示意見

吾等獲委聘審核載於第108頁至第214頁的新昌集團控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表,其中包括:

- 於2016年12月31日的綜合資產負債表;
- 截至該日止年度的綜合收益表;
- 截至該日止年度的綜合全面收益表;
- 截至該日止年度的綜合權益變動表;
- 截至該日止年度的綜合現金流量表;及
- 綜合財務報表附註,其中包括主要會計政策概要。

由於有關持續經營之多項不明朗因素之間的潛在相互影響及其對綜合財務報表可能構成之累計影響,且由於我們如本報告「無法表示意見的基準」一節所述未能取得充分及適當之證據,我們不對貴集團綜合財務報表發表意見。至於所有其他方面,我們認為綜合財務報表已遵照香港公司條例披露規定妥為擬備。

無法表示意見的基準

(1) 有關持續經營的多項不明朗因素

誠如綜合財務報表附註2(a)(i)所述,貴集團於截至2016年12月31日止年度錄得貴公司擁有人應佔虧損淨額港幣2,734,000,000元,以及經營現金流出淨額約港幣1,334,000,000元。於同日,貴集團借款總額為港幣11,580,000,000元,其中港幣6,551,000,000元分類為流動負債,而其不受限制現金及等同現金項目則僅有港幣411,000,000元。

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On 22 March 2017, the Group received a letter from a lender of a borrowing of HK\$768 million as at 31 December 2016 demanding for immediate repayment of total outstanding overdue balance of HK\$796 million. Subsequent thereto, the Group has already fully settled the amount. In connection with the drawdown of this borrowing in November 2016, certain assets of the Group were pledged as security therefor, and if such pledge was not considered as permitted lien under the relevant documents of the senior notes issued by the Company under non-current liabilities amounting to HK\$3,418 million, this might lead to a breach of the relevant covenants such that reclassification of the borrowings under the senior notes to current liabilities as at 31 December 2016 might be required. As at 31 December 2016 and up to the date of this report, the borrowings of the Group in aggregate of HK\$455 million were overdue. Subsequent to 31 December 2016, additional borrowings of the Group in aggregate of HK\$705 million (excluding the aforesaid borrowings of HK\$768 million and HK\$455 million) as at 31 December 2016 were also overdue but the Group has already obtained extension of repayment of such balances prior to the date of this report. The overdue borrowings without extension would be immediately repayable if requested by the lenders. Furthermore, in respect of the borrowings of the Group in aggregate of HK\$4,348 million as at 31 December 2016, the Group could not meet certain financial ratios as set out in the covenants in the relevant borrowing agreements.

Should the above-mentioned situations constitute or have become events of default under the respective borrowing agreements, including those under the cross-default terms, these might cause an aggregate amount of borrowings up to HK\$6,294 million at 31 December 2016, of which an aggregate amount of HK\$4,850 million had original contractual repayment dates beyond 31 December 2017, to become immediately repayable.

These conditions, together with other matters described in Note 2(a)(i) to the consolidated financial statements, indicate the existence of material uncertainties which may cast significant doubt about the Group's ability to continue as a going concern.

於2017年3月22日，貴集團接獲來自貸款人函件，就於2016年12月31日借款港幣768,000,000元要求立即償還尚未償還逾期結餘總額港幣796,000,000元。此後，貴集團已悉數清償該等款項。就有關於2016年11月提取該借款而言，貴集團已質押若干資產作為抵押品，因此，倘有關質押並不被視為就非流動負債港幣3,418,000,000元而言，由貴公司所發行優先票據相關文件項下之獲許可留置權，則可能會違反相關契諾以至於2016年12月31日的優先票據項下借貸須重新分類至流動負債。於2016年12月31日及直至本報告日期，貴集團借款合共港幣455,000,000元已逾期。於2016年12月31日後，貴集團於2016年12月31日額外借款合共港幣705,000,000元（上述借款港幣768,000,000元及港幣455,000,000元除外）亦已逾期，惟貴集團於本報告日期已獲得延期償還該等結餘。並無延期的逾期借貸將須於貸款人要求時即時償還。此外，就貴集團於2016年12月31日合共港幣4,348,000,000元之借款而言，貴集團可能無法滿足相關借貸協議契諾所載的若干財務比率。

倘上述情況構成或成為有關借貸協議項下的違約事件（包括違反交叉違約條款者），可能會導致於2016年12月31日之借款總額最高港幣6,294,000,000元，其中總額港幣4,850,000,000元原有合約還款日期為2017年12月31日之後變為須立即償還。

此等狀況連同綜合財務報表附註2(a)(i)所述之其他事宜，表明存在重大不明朗因素可能會對貴集團能否持續經營業務的能力構成重大疑問。

The directors of the Company have been undertaking a number of measures to improve the Group's liquidity and financial position, and to remediate certain delayed repayments to financial institutions, which are set out in Note 2(a)(i) to the consolidated financial statements. The consolidated financial statements have been prepared on a going concern basis, the validity of which depends on the outcome of these measures, which are subject to multiple uncertainties, including (i) the successful negotiations with the lenders for the renewal of or extension for repayment of outstanding borrowings, including those with overdue principals and interests; (ii) the successful obtaining of additional new sources of financing as and when needed; (iii) the successful implementation and acceleration of its disposal plan of its properties, plant and equipment, investment properties, properties under development and completed properties held for sale, including timely execution of definitive sales agreements and timely collection of the disposal proceeds, and the successful deferral of capital expenditures for the Group's unsold projects; (iv) the successful launch of its outlet mall and pre-sales of certain residential units in Foshan so as to generate operating cash inflows; (v) the successful negotiation with the Group's existing lenders such that no action will be taken by the relevant lenders to demand immediate repayment of the borrowings in any breach of loan covenants or default, including those with cross-default terms; and (vi) the successful maintenance of relationship with the suppliers of the Group, in particular those in relation to the Group's construction business and the property development projects such that no actions will be taken by those suppliers against the Group should the Group not be able to meet all the payment obligations on a timely basis.

Should the Group fail to achieve the above mentioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities. The effects of these adjustments have not been reflected in the consolidated financial statements.

貴公司董事已採取多項措施，以改善 貴集團的流動性及財務狀況，並補救若干延後向金融機構還款的問題，有關資料載於綜合財務資料的附註2(a)(i)。綜合財務報表乃按持續經營業務基準編製，其有效性取決於該等措施的結果，其受制於多項不確定事項，包括(i)就尚欠借款（包括已逾期償還本金及利息）與貸款人成功磋商達成重續或延展還款安排；(ii)於需要時成功獲得新的資金來源；(iii)成功實施及加快其物業、機器及設備、投資物業、發展中物業及持有待售已落成物業的出售計劃，包括及時簽立正式出售協議、及時收回出售所得款項及就 貴集團的尚未出售項目成功遞延資本開支；(iv)於佛山成功推出購物商場及預售若干住宅單位以產生現金流入；(v)成功與 貴集團現有貸款人進行磋商，使相關貸款人不會因任何違反貸款契諾或任何違約，包括該等交叉違約條款，而採取行動要求即時償還所拖欠的借款；及(vi)成功與 貴集團供應商維持關係，尤其是有關 貴集團建造業務及物業發展項目的供應商，使該等供應商在 貴集團未能及時滿足所有還款責任的情況下不會對 貴集團採取行動。

倘若 貴集團未能實現上述計劃及措施，則未必能繼續按持續經營業務基準經營，將會作出調整以將 貴集團的資產的賬面值撇減至其可收回金額，就可能產生的任何進一步負債作出準備，及將非流動資產及非流動負債分別重新分類為流動資產及流動負債。該等調整的影響尚未在該等綜合財務報表內反映。

(2) Transactions and balances relating to Mr. Zhou and his related entities**(2)(i) Funding arrangements in relation to certain properties in Beijing**

In late January 2017, management provided us with a set of agreements ("Agreement A"), which was not complete and fully executed, entered into by a wholly-owned subsidiary of the Group ("Subsidiary A"), Mr. Zhou Wei ("Mr. Zhou", an executive director of the Company), and a PRC incorporated company indirectly owned by Mr. Zhou and his relative ("Mr. Zhou's Company A"). Pursuant to Agreement A, Mr. Zhou's Company A should sell certain properties in Beijing, the PRC (the "BJ Properties") to the Group at a consideration of RMB500 million. According to Agreement A, the Group should make a first instalment payment of RMB130 million upon fulfilling certain conditions, of which RMB129 million had been paid by Subsidiary A to Mr. Zhou's Company A in August 2016 and recorded as "Receivables and Prepayments" under non-current assets in the Group's consolidated balance sheet as at 31 December 2016. The remaining consideration of RMB370 million has yet been paid by the Group up to the date of this report. Pursuant to Agreement A, Mr. Zhou's Company A should lease back the BJ Properties at an agreed term, and upon full settlement of the corresponding rental, the Group should transfer the BJ Properties back to Mr. Zhou's Company A at RMB100. Furthermore, the BJ Properties and 86% equity interest in Mr. Zhou's Company A should be pledged to the Group, and Mr. Zhou should provide a personal guarantee for the obligations of Mr. Zhou's Company A under Agreement A.

On 14 March 2017, management provided us with another set of agreements ("Complete Agreement A") that were the same as Agreement A, except that they were complete and fully executed. On 28 March 2017, management provided us with further documents signed by various parties in December 2016, including Subsidiary A, another wholly-owned subsidiary of the Group ("Subsidiary B") and Mr. Zhou's Company A ("Further Documents"). Pursuant to Further Documents, Complete Agreement A was terminated as Subsidiary A had not provided the remaining funding of RMB370 million under that agreement. Furthermore, the RMB129 million advanced by Subsidiary A was treated as an unsecured loan to Mr. Zhou's Company A, which carries interest at 12% per annum and is repayable before 21 August 2024. Management explained that the delay in provision of Complete Agreement A and Further Documents to us was due to inadvertent omission and unintentional oversight. We could not ascertain when Complete Agreement A and Further Documents were executed.

(2) 有關周先生及其關聯實體的交易及結餘**(2)(i) 有關若干北京物業的融資安排**

於2017年1月底，管理層向我們提供由貴集團全資附屬公司（「附屬公司A」）、周煒先生（「周先生」，貴公司執行董事）與由周先生及其關聯方間接擁有的一間中國註冊成立公司（「周先生公司A」）訂立的一組協議（「協議A」），該等協議尚未完整及全面執行。根據協議A，周先生公司A須向貴集團按代價人民幣500,000,000元出售若干於中國北京物業（「北京物業」）。根據協議A，貴集團須於滿足若干條件後作出第一期分期付款人民幣130,000,000元，其中人民幣129,000,000元已於2016年8月由附屬公司A向周先生公司A支付並已於貴集團於2016年12月31日之綜合資產負債表入賬為非流動資產項下之「應收賬款及預付金」。貴集團直至本報告日期尚未支付剩餘代價人民幣370,000,000元。根據協議A，周先生公司A須按協定條款租回北京物業且於悉數清償相應租金後，貴集團須按人民幣100元向周先生公司A轉回北京物業。此外，北京物業及於周先生公司A 86%股權須質押予貴集團，且周先生須就周先生公司A於協議A項下的責任提供個人擔保。

於2017年3月14日，管理層向我們提供另一組協議（「完整協議A」），與協議A相同並已完整及執行。於2017年3月28日，管理層向我們提供多訂約方（包括附屬公司A、貴集團之另一全資附屬公司（「附屬公司B」）與周先生公司A）於2016年12月簽訂的其他文件（「其他文件」）。根據其他文件，由於附屬公司A並無根據完整協議A提供剩餘資金人民幣370,000,000元，故完整協議A獲終止，附屬公司A已授出之墊款人民幣129,000,000元被視作向周先生公司A所作的無抵押貸款，按年利率12%計息並須於2024年8月21日前償付。管理層解釋延遲向我們提供完整協議A及其他文件乃由於無意遺漏及無心疏忽所致。我們無法確認完整協議A及其他文件於何時執行。

(2)(ii) Cooperation agreement in relation to the BJ Properties

In early February 2017, management provided us with a cooperation agreement entered into between another wholly-owned subsidiary of the Group ("Subsidiary C") and another PRC incorporated company owned by Mr. Zhou's relatives ("Mr. Zhou's Company B"), together with a guarantee agreement entered into amongst Subsidiary C, Mr. Zhou's Company A and Mr. Zhou (collectively, "Agreement B"). Pursuant to Agreement B, Mr. Zhou's Company B was required to (i) facilitate the handover of the property operation and management of the BJ Properties from Mr. Zhou's Company A to Subsidiary C; and (ii) refurbish the BJ Properties according to Subsidiary C's specification by 30 September 2017. As considerations for these services provided under Agreement B, Subsidiary C should pay a total amount of RMB247.5 million to Mr. Zhou's Company B. Payments of RMB126.2 million and RMB121.3 million were made by Subsidiary C to another company indirectly owned by Mr. Zhou on 29 December 2016 and 13 January 2017, respectively, which were financed by a long-term loan facility of RMB420 million provided by a financial institution in the PRC to the Group on 28 December 2016. Pursuant to the relevant loan agreement, Mr. Zhou's Company A has pledged the BJ Properties to the financial institution as a security to the loan facility. Pursuant to Agreement B, Mr. Zhou's Company A and Mr. Zhou are guarantors for the obligations of Mr. Zhou Company B under Agreement B. As at 31 December 2016, the first payment was recorded as "Receivables and Prepayments" under non-current assets in the Group's consolidated balance sheet. No profit or loss was recognised in the consolidated income statement for the year then ended in this connection.

Agreement B was undated. Although the company chop of Subsidiary C was noted on Agreement B, no signature of the authorised representative of Subsidiary C was found. On 14 March 2017, management provided us with an agreement dated 27 December 2016 ("Agreement C") and a loan agreement dated 27 December 2016 ("Agreement D"). Pursuant to Agreement C, Agreement B was to be terminated; and pursuant to Agreement D, the total payment of RMB247.5 million to be made under Agreement B should be treated as a loan from Subsidiary C to Mr. Zhou's Company B for a term of period from 28 December 2016 to 12 November 2018, which carries interest at 0.91667% per month. Management explained that the delay in provision of Agreement C and Agreement D to us was due to inadvertent omission and unintentional oversight. We could not ascertain when Agreement C and Agreement D were executed.

(2)(ii) 有關北京物業的合作協議

於2017年2月初，管理層向我們提供由 貴集團其他全資附屬公司（「附屬公司C」）與由周先生關聯方所擁有其他中國註冊成立公司（「周先生公司B」）簽訂的合作協議，連同由附屬公司C、周先生公司A及周先生簽訂的擔保協議（「協議B」）。根據協議B，周先生公司B須(i)促使周先生公司A向附屬公司C交接北京物業的物業營運及管理；及(ii)於2017年9月30日前按附屬公司C的規格翻新北京物業。作為根據協議B所提供服務的代價，附屬公司C須向周先生公司B支付總額人民幣247,500,000元。附屬公司C分別於2016年12月29日及2017年1月13日支付人民幣126,200,000元及人民幣121,300,000元予周先生間接擁有的另一公司，該等款項由一間中國金融機構向 貴集團於2016年12月28日所提供的長期貸款融資人民幣420,000,000元進行撥付。根據相關貸款協議，周先生公司A已向該金融機構質押北京物業作為貸款融資之抵押。根據協議B，周先生公司A及周先生均為周先生公司B於協議B項下責任的擔保人。於2016年12月31日，第一筆付款已於 貴集團之綜合資產負債表入賬為非流動資產項下之「應收賬款及預付金」。截至有關年度並無於綜合收益表確認任何損益。

協議B並無註明日期。儘管協議B內印有附屬公司C的公司印鑑，但並無發現附屬公司C授權代表的簽署。於2017年3月14日，管理層向我們提供日期為2016年12月27日之協議（「協議C」）及日期為2016年12月27日之貸款協議（「協議D」）。根據協議C，協議B將獲終止及根據協議D，依據協議B將予作出的付款總額人民幣247,500,000元將被視為附屬公司C應付周先生公司B的貸款，貸款期限由2016年12月28日至2018年11月12日，按月利率0.91667%計息。管理層解釋延遲提供協議C及協議D乃由於無意遺漏及無心疏忽所致。我們無法確認協議C及協議D於何時執行。

In relation to these transactions and balances with Mr. Zhou and entities related to him under 2(i) and 2(ii), management was unable to provide us with adequate documentary evidence to support the proper approval of these transactions at or prior to the transaction dates, nor was it able to provide satisfactory and consistent explanations about their business rationale and commercial substance. We were also not able to obtain all the necessary corroborative evidence from the counterparties to substantiate the nature of these transactions and the related outstanding balances, and to assess their recoverability. Given the above, together with our concerns on those transactions described in the sub-sections headed (3) and (4) below, we have requested the audit committee of the Company to commission an independent investigation on the approval, authenticity and commercial substance of the relevant transactions (the "Proposed Investigation"). The audit committee has confirmed that an independent investigation committee was set up in late March 2017 which agreed to conduct the Proposed Investigation as soon as practicable.

As at the date of this report, the Proposed Investigation on those transactions under this sub-section (2) has just commenced. Because of the above scope limitations, there were no alternative audit procedures that we could perform to satisfy ourselves as to:

- (i) the business rationale and commercial substance, legitimacy, occurrence, accuracy, completeness and presentation of these transactions and the related balances as at and during the year ended 31 December 2016;
- (ii) the valuation of the related balances at 31 December 2016; and
- (iii) whether the effects of these transactions have been properly accounted for and disclosed, including the accuracy and completeness of any related party transaction disclosures.

(3) Payments made to a construction company

In January 2017, management provided us with two shop renovation subsidy agreements (the "Subsidy Agreements") entered into by certain wholly-owned subsidiaries of the Group with a construction company incorporated in the PRC (the "Construction Company"), one dated 16 January 2016 in relation to the Group's property development project in Foshan city, the PRC (the "Foshan project"), and another one dated 4 August 2016 in relation to the Group's property development project in Taian city, the PRC (the "Taian project"). We were informed by management that the Construction Company was an enterprise owned by whole people (全民所有制企業) and an independent third party. In addition, we were provided with a supplemental agreement (the "Supplemental Agreement") dated 26 March 2016 in relation to the Foshan project, and an interior renovation construction contract (the "Renovation Contract") dated 1 July 2016 in relation to the Taian project.

就有關2(i)及2(ii)項下周先生及與其相關實體的該等交易及結餘而言，管理層無法向我們提供充分文件證據證明於交易日或之前該等交易獲妥善批准，或無法就彼等業務理由及商業性質提供令人信服及一致性之解釋。我們亦無法自交易對手方取得所有必要佐證證據證實該等交易及相關尚未償還結餘的性質，並對其可收回性作出評估。鑒於上文所述，以及吾等對於下文第(3)及(4)分節所述該等交易的憂慮，我們已要求 貴公司審核委員會對有關相關交易的批准、真確性及商業實質性進行獨立調查（「建議調查」）。審核委員會確認已於2017年3月底成立獨立調查委員會，同意在切實可行的情況下盡快進行建議調查。

截至本報告日期，有關本分節(2)項下所述交易的建議調查已剛為開展。由於上述範圍限制，我們並無可執行之替代審核程序，令我們本身信納以下各項：

- (i) 於2016年12月31日及截至該日止年度之該等交易及相關結餘之商業理據及商業實質、合法性、存在、準確性、完整性及呈報；
- (ii) 相關結餘於2016年12月31日之估值；及
- (iii) 該等交易之影響是否已妥為入賬及披露，包括任何關聯方交易披露之準確性及完整性。

(3) 向一間建造公司作出之付款

於2017年1月，管理層向我們提供兩份商舖裝修工程補償委託協議（「補償協議」），該等協議由 貴集團之若干全資附屬公司與一間於中國註冊成立之建造公司（「建造公司」）訂立，其中一份日期為2016年1月16日，內容有關 貴集團於中國佛山市之物業發展項目（「佛山項目」），另一份日期為2016年8月4日，內容有關 貴集團於中國泰安市之物業發展項目（「泰安項目」）。我們獲管理層告知，建造公司為全民所有制企業及獨立第三方。此外，我們獲提供一份日期為2016年3月26日內容有關佛山項目之補充協議（「補充協議」）及一份日期為2016年7月1日內容有關泰安項目之室內裝修工程施工合同（「裝修合約」）。

Pursuant to the Subsidy Agreements, the Group should pay to the Construction Company an amount calculated at a unit rate of RMB8,500 per sq. meter in exchange for the Construction Company's service in providing renovation subsidies to the future tenants of the first phase outlet mall of each of the Foshan project and the Taian project. The total contract sums payable under the Subsidy Agreements amounted to RMB765 million and RMB136 million for the Foshan project and the Taian project respectively. The Group should pay 90% of the total contract sum to the Construction Company on the 5th working day after signing of the Subsidy Agreements. According to the accounting records of the Group, RMB433 million and RMB22 million were paid under the Subsidy Agreements for the Foshan project and the Taian project respectively during the year.

Pursuant to the Supplemental Agreement for the Foshan project only, based on the Group's revised development and investment plan, RMB457 million out of the total contract sum of RMB765 million pursuant to the Subsidy Agreements should be revised to cover certain services to be provided by the Construction Company including (i) assistance in demolition and relocation matters; (ii) greening and other environment restoration work of the land used for construction; and (iii) water and sewage system works. The remaining balance of the original contract sum of RMB308 million should be applied as subsidies for the renovation work of the future tenants as stipulated in the Subsidy Agreements, together with other construction and tender services in relation to the Foshan project, with the final contract sum subject to work certification. Up to December 2016, of the total RMB433 million paid by the Group to the Construction Company pursuant to the Subsidy Agreements, RMB409 million was accounted for as partial payment in respect of the work of RMB457 million under the Supplemental Agreement. In August 2016, the Construction Company issued a payment request to the Group stating that the work under items (i) to (iii) above had been completed and requested for the balance payment of RMB48 million, which was settled by the Group in January 2017.

Pursuant to the Renovation Contract for the Taian project only, the Construction Company should provide interior decoration service for the first phase outlet mall of the Taian project at a total contract sum of RMB500 million. The Group should pay 50% of the total contract sum to the Construction Company within 30 working days after signing of the Renovation Contract. According to the accounting records of the Group, RMB250 million was paid under Renovation Contract during the year. Management confirmed that as at 31 December 2016, the work under the Renovation Contract has not commenced.

根據補償協議，貴集團應向建造公司支付按照單位價格每平方米人民幣8,500元計算的金額，以換取建造公司向佛山項目及泰安項目一期商場之未來租戶提供裝修補償之服務。補償協議項下就佛山項目及泰安項目之應付合約總金額分別為人民幣765,000,000元及人民幣136,000,000元。貴集團須於簽署補償協議後第5個工作日向建造公司支付合約總金額之90%。根據貴集團之會計記錄，本年度已就補償協議分別就佛山項目及泰安項目支付人民幣433,000,000元及人民幣22,000,000元。

僅根據佛山項目之補充協議，按貴集團之已修訂發展及投資計劃，人民幣765,000,000元之合約總金額中有人民幣457,000,000元將根據補償協議予以修訂，以支付建造公司將予提供之若干服務，該等服務包括(i)協助拆卸及搬遷事宜；(ii)建造用地之綠化及其他環境修復工作；及(iii)供水及排污系統工程。人民幣308,000,000元之原合約金額餘額須用作補償協議所規定之未來租戶之裝修工程，連同與佛山項目有關之其他建造及投標服務之補償，而最終合約金額須根據工程認證情況予以調整。直至2016年12月為止，貴集團根據補償協議向建造公司支付之合共人民幣433,000,000元中，人民幣409,000,000元入賬為就補充協議項下人民幣457,000,000元之工程的部分付款。於2016年8月，建造公司向貴集團發出付款請求，當中說明上文(i)至(iii)項下之工作已完成，其請求支付餘額人民幣48,000,000元，而貴集團已於2017年1月償付該款項。

僅根據泰安項目之裝修合約，建造公司須就泰安項目一期商場提供內部裝修服務，合約總金額為人民幣500,000,000元。貴集團須於簽署裝修合約後30個工作日內向建造公司支付合約總金額之50%。根據貴集團之會計記錄，本年度已就裝修合約支付人民幣250,000,000元。管理層確認，於2016年12月31日，裝修合約項下之工程尚未開始。

In the Group's consolidated balance sheet, the aggregate amount of RMB272 million paid in respect of the Taian project was included as "Receivables and Prepayments" under non-current assets while for the aggregate amount of RMB433 million paid in respect of the Foshan project, RMB409 million was accounted for as addition to "Investment Properties" during 2016 and RMB24 million was included as "Receivables and Prepayments" under non-current assets. For the year ended 31 December 2016, the fair value change recognised for certain investment properties of the Foshan project was calculated after taking into account of the aforesaid addition to the investment properties. Should the remaining paid and payable amount of RMB356 million for Foshan project under the Subsidy Agreements and the total contracted amount of RMB636 million for Taian project under the Subsidy Agreements and Renovation Contract be considered as unavoidable cost directly attributable to the investment properties, the amounts might need to be included in determining, and thus might increase, the fair value loss of "Investment Properties".

Management was unable to provide us with adequate documentary evidence to support the proper approval and the nature of the transactions, the value and status of the work and services performed by the Construction Company as at and during the year ended 31 December 2016, and whether the amounts paid and payable under the aforesaid agreements have been incorporated in the Group's approved development budget for these projects, nor was it able to provide satisfactory explanations about the commercial substance of these transactions. Although we have interviewed the representatives of the Construction Company who explained that the services to be provided under these agreements were mainly identification and solicitation of new tenants, interior decoration work at the requests of the tenants and other refurbishment works, we were not able to obtain all the necessary corroborative evidence from the Construction Company to substantiate the nature of these transactions, and to verify the value and status of the work and services performed. Given these scope limitations, and because the Proposed Investigation on those transactions under this sub-section (3) is yet to commence as at the date of this report, there were no alternative audit procedures that we could perform to satisfy ourselves as to:

- (i) the business rationale (including the reasonableness of the subsidies to tenants as compared with common market practices) and commercial substance, occurrence, accuracy, completeness and presentation of these transactions together with the related balances as at and during the year ended 31 December 2016;
- (ii) whether the effects of these transactions have been properly accounted for and disclosed, including the potential impact on the carrying amounts of the related assets of the Foshan project and the Taian project including "Investment Properties", "Receivables and Prepayments" or other assets in the Group's consolidated balance sheet and the potential related impact to changes in fair value for investment properties or other items in the consolidated income statement; and
- (iii) disclosure of the related capital commitment, if any.

於 貴集團綜合資產負債表中，已就泰安項目支付之總金額人民幣272,000,000元作為非流動資產項下之「應收賬款及預付金」列賬，而已就佛山項目支付之總金額人民幣433,000,000元中，人民幣409,000,000元作為2016年「投資物業」之添置入賬及人民幣24,000,000元作為非流動資產項下之「應收賬款及預付金」列賬。截至2016年12月31日止年度，就佛山項目之若干投資物業所確認之公允值變動乃於計及投資物業之上述添置後計算得出。倘補償協議項下就佛山項目之餘下已付及應付金額人民幣356,000,000元以及補償協議及裝修合約項下泰安項目之合約總金額人民幣636,000,000元被視為投資物業直接應佔之無可避免成本，則該等金額可能須於釐定「投資物業」之公允值虧損時計算在內，並因此造成該虧損有所增加。

管理層無法向我們提供證實交易之適當批准及性質、建造公司於2016年12月31日及截至該日止年度所進行之工程及服務的價值及狀態以及上述協議項下已付及應付之款項是否已納入 貴集團就該等項目之經批准發展預算之充分書面證據，亦無法就該等交易之商業實質提供令人信服之解釋。儘管我們已與建造公司代表進行面談，彼等向我們解釋該等交易項下之服務主要為物色及招攬新租戶、按租戶請求進行室內裝修工程及其他翻新工程，但我們無法從建造公司獲得所有必要之佐證證據以證實該等交易之性質及核實已進行工程及服務之價值及狀態。鑒於該等範圍限制且由於有關本分節(3)項下所述交易的建議調查直至本報告日期仍有待開展，我們並無可執行之替代審核程序，令我們本身信納以下各項：

- (i) 於2016年12月31日及截至該日止年度之該等交易及相關結餘之商業理據（包括相較常見市場慣例而言給予租戶之補償的合理性）及商業實質、存在、準確性、完整性及呈報；
- (ii) 該等交易之影響是否已妥為入賬及披露，包括對佛山項目及泰安項目相關資產（包括 貴集團綜合資產負債表當中的「投資物業」、「應收賬款及預付金」或其他資產）賬面值之潛在影響及對綜合收益表當中之投資物業公允值變動或其他項目之潛在相關影響；及
- (iii) 披露相關資本承擔（如有）。

(4) Payments made to certain financial consultancy companies

During the course of our audit, we have identified total payments of RMB120 million to four companies incorporated in the PRC (the "Financial Consultancy Companies") made by certain wholly-owned subsidiaries during the year. We were informed by management that the Financial Consultancy Companies were independent third parties. In the Group's consolidated balance sheet, these amounts were capitalised in "Properties under Development" during the year ended 31 December 2016.

With regard to these payments, in January 2017, management provided us with several financial consultancy service agreements (the "Financial Consultancy Agreements") entered into in May 2016. Pursuant to the Financial Consultancy Agreements, the Financial Consultancy Companies should provide financial consultancy services to the Group, although the details of the services, e.g., references to specific financing activities undertaken by the Group or to specific property projects of the Group, were not provided in these agreements. Subsequently, management provided us with a management schedule relating the aforesaid financial consultancy service fees to an entrusted loan of RMB750 million obtained by the Group in May 2016, together with certain documents from the Financial Consultancy Companies to the Group stating that the amounts received were related to the aforesaid entrusted loan. However, the names or the existence of the Financial Consultancy Companies as consultants were not mentioned in the corresponding entrusted loan agreement.

Management was unable to provide us with adequate documentary evidence to support the nature and details of these transactions, nor was it able to provide satisfactory explanations about the commercial substance of these transactions. We were also unable to obtain all the necessary corroborative evidence from the counterparties to substantiate the nature of these transactions. Given these scope limitations, and because the Proposed Investigation on those transactions under this sub-section (4) is yet to commence as at the date of this report, there were no alternative audit procedures that we could perform to satisfy ourselves as to:

- (i) the business rationale and commercial substance, occurrence, accuracy, completeness and presentation of these transactions together with the related balances as at and during the year ended 31 December 2016; and
- (ii) whether the effects of these transactions have been properly accounted for and disclosed, including the potential impact on the carrying amounts of the any related assets of the Group's property projects under "Properties under Development" and "Investment Properties" in the consolidated balance sheet and the potential related impact to the consolidated income statement.

(4) 向若干財務諮詢公司作出之付款

於審核過程中，我們發現若干全資附屬公司於年內向四間於中國註冊成立之公司（「財務諮詢公司」）作出合共人民幣120,000,000元之付款。我們獲管理層告知，財務諮詢公司均屬獨立第三方。於 貴集團綜合資產負債表中，該等款項於截至2016年12月31日止年度在「發展中物業」項下予以資本化。

至於該等付款，於2017年1月，管理層向我們提供數份於2016年5月訂立之財務諮詢服務協議（「財務諮詢服務協議」）。根據財務諮詢服務協議，財務諮詢公司須向 貴集團提供財務諮詢服務，但該等協議當中並無提供服務之詳情，如對 貴集團所進行之特定融資活動或 貴集團之特定物業項目的提述。隨後，管理層向我們提供一份有關上述財務諮詢費用（有關 貴集團於2016年5月所取得之人民幣750,000,000元的信託貸款）之管理層清單，而 貴集團自財務諮詢公司接獲之文件當中則說明該等已收取款項乃與上述信託貸款有關。然而，相應信託貸款協議中卻並無提及財務諮詢公司作為顧問之名稱或存在。

管理層無法向我們提供證實該等交易之性質及詳情之充分書面證據，亦無法就該等交易之商業實質提供令人信服之解釋。我們亦無法從交易對方取得用以證實該等交易之性質的所有必要佐證證據。鑒於該等範圍限制且由於有關本分節(4)項下所述交易的建議調查直至本報告日期為止仍有待開展，我們並無可執行之替代審核程序，令我們本身信納以下各項：

- (i) 於2016年12月31日及截至該日止年度之該等交易及相關結餘之商業理據及商業實質、存在、準確性、完整性及呈報；及
- (ii) 該等交易之影響是否已妥為入賬及披露，包括包括綜合資產負債表當中「發展中物業」及「投資物業」項下的 貴集團物業項目之任何相關資產之賬面值及對綜合收益表之潛在相關影響。

Responsibilities of Directors and Audit Committee for the Consolidated Financial Statements

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

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 Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Hong Kong Standards on Auditing issued by the HKICPA and to issue an auditor's report. We report solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. However, due to the potential interaction of the multiple uncertainties and their possible cumulative effect on the consolidated financial statements and because we have not been able to obtain sufficient appropriate audit evidence as described in the Basis for Disclaimer of Opinion section of our report, it is not possible for us to form an opinion on these consolidated financial statements.

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.

The engagement partner on the audit resulting in this independent auditor's report is Chu Ho Kwan Raphael.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, 18 April 2017

董事及審核委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告》準則及香港《公司條例》的披露規定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。

審核委員會須負責監督 貴集團的財務報告過程。

核數師就審計綜合財務報表須承擔的責任

吾等之責任為根據香港會計師公會頒佈的香港核數準則對 貴集團的綜合財務報表進行審核並刊發核數師報告。吾等根據百慕達1981年《公司法》第90條僅向 閣下（作為整體）報告，除此之外本報告別無其他目的。吾等並不就本報告的內容向任何其他人士負責或承擔任何責任。然而，由於有關持續經營之各項不明朗因素之間的潛在相互影響及其對綜合財務報表可能構成之累計影響，且由於我們如本報告「無法表示意見的基準」一節所述未能取得充分及適當之證據，我們不對 貴集團綜合財務報表發表意見。

根據香港會計師公會的專業會計師道德守則（「守則」），吾等獨立於 貴集團，並已遵循守則履行其他道德責任。

出具本獨立核數師報告的審計項目合夥人是朱皓琨。

羅兵咸永道會計師事務所
執業會計師

香港，2017年4月18日

Consolidated Income Statement

綜合收益表

For the year ended 31 December 2016

截至2016年12月31日止年度

		Notes 附註	2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Continuing operations	持續經營業務			
Revenue	收益	5	9,823,216	12,585,256
Cost of sales	銷售成本	10	(9,366,767)	(12,149,786)
Gross profit	毛利		456,449	435,470
Other (losses)/gains, net	其他(虧損)/收益淨額	7	(1,106,159)	112,603
Gains on bargain purchase	議價收購收益	41	–	2,320,579
Fair value (loss)/gain on investment properties	投資物業公允值(虧損)/收益	18	(883,925)	191,225
Provision for impairment of properties under development	發展中物業減值撥備	8	(1,924,025)	–
Net exchange loss	匯兌虧損淨額		(101,899)	(17,668)
Selling and general administrative expenses	銷售及一般行政開支		(507,182)	(404,378)
Amortisation of intangible assets	無形資產攤銷	19	(12,340)	(4,090)
Interest income	利息收入		12,101	3,022
Interest expenses	利息開支	9	(154,465)	(118,947)
			(4,221,445)	2,517,816
Share of loss of an associated company	應佔一間聯營公司虧損	21	(52,015)	–
(Loss)/profit before taxation	除稅前(虧損)/溢利	10	(4,273,460)	2,517,816
Taxation	稅項	14	1,350,866	(99,213)
(Loss)/profit for the year from continuing operations	來自持續經營業務的本年度(虧損)/溢利		(2,922,594)	2,418,603
Discontinued operation	已終止經營業務			
Gain on disposal of a subsidiary	出售一間附屬公司之收益	6	185,915	–
Profit for the year from discontinued operation	來自已終止經營業務的本年度溢利	6	24,493	55,487
			210,408	55,487
(Loss)/profit for the year	本年度(虧損)/溢利		(2,712,186)	2,474,090
(Loss)/profit attributable to: Equity holders of the Company	應佔(虧損)/溢利: 本公司權益持有人		(2,733,500)	2,445,837
Non-controlling interests	非控股權益		21,314	28,253
			(2,712,186)	2,474,090
(Loss)/profit attributable to equity holders of the Company:	本公司權益持有人應佔(虧損)/溢利:			
Continuing operations	持續經營業務		(2,936,129)	2,410,659
Discontinued operation	已終止經營業務		202,629	35,178
			(2,733,500)	2,445,837
(Loss)/earnings per share from continuing operations (HK cents)	來自持續經營業務之每股(虧損)/盈利(港幣仙)			
Basic	基本	15	(52.6)	45.8
Diluted	攤薄	15	(52.6)	22.0
Earnings per share from discontinued operation (HK cents)	來自已終止經營業務之每股盈利(港幣仙)			
Basic	基本	15	3.6	0.7
Diluted	攤薄	15	3.6	0.3

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 31 December 2016
截至2016年12月31日止年度

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
(Loss)/profit for the year	本年度(虧損)/溢利	(2,712,186)	2,474,090
Other comprehensive income	其他全面收益		
<i>Items that will not be reclassified to profit or loss:</i>	<i>不會重新分類為損益之項目:</i>		
Actuarial loss on retirement benefit obligations	退休福利責任之精算虧損	(101)	(3,280)
Fair value gain on leasehold land and building	租賃土地及樓宇之公允值收益	117,548	43,951
Deferred tax on fair value gain of leasehold land and building	租賃土地及樓宇公允值收益之遞延稅項	(19,395)	(7,252)
<i>Items that may be subsequently reclassified to profit or loss:</i>	<i>其後可能重新分類為損益之項目:</i>		
Fair value (loss)/gain on available-for-sale financial asset	可供出售財務資產之公允值(虧損)/收益	(1,877)	3,864
Deferred tax on fair value loss/(gain) of available-for-sale financial asset	可供出售財務資產公允值虧損/(收益)之遞延稅項	469	(966)
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	(1,034,216)	(1,003,401)
Other comprehensive income for the year, net of tax	本年度經扣除稅項後之其他全面收益	(937,572)	(967,084)
Total comprehensive income for the year, net of tax	本年度經扣除稅項後之全面收益總額	(3,649,758)	1,507,006
Total comprehensive income attributable to:	應佔全面收益總額:		
Equity holders of the Company	本公司權益持有人	(3,631,959)	1,492,368
Non-controlling interests	非控股權益	(17,799)	14,638
		(3,649,758)	1,507,006

Consolidated Balance Sheet

綜合資產負債表

As at 31 December 2016

於2016年12月31日

		Notes 附註	2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Non-current assets	非流動資產			
Property, plant and equipment and leasehold land	物業、機器及設備及租賃土地	17	3,010,816	568,137
Investment properties	投資物業	18	9,597,022	10,721,129
Intangible assets	無形資產	19	194,200	76,043
Goodwill	商譽	20	–	42,002
Available-for-sale financial asset	可供出售之財務資產	23	29,785	31,662
Receivables and prepayments	應收賬款及預付金	26	661,070	208,941
Tax indemnification asset	稅項彌償資產	42	–	1,006,384
Deferred tax assets	遞延稅項資產	29	9,056	41,974
			13,501,949	12,696,272
Current assets	流動資產			
Properties under development	發展中物業	24	13,429,518	16,808,489
Stocks and contracting work-in-progress	存貨及興建中工程	25	2,395,934	2,537,258
Receivables and prepayments	應收賬款及預付金	26	3,063,363	2,679,474
Amounts due from non-controlling interests	應收非控股權益款項	27	267	1,043
Amount due from an associate	應收一間聯營公司款項	21	–	11,940
Amounts due from other partners of joint operations	應收共同經營之其他合作夥伴款項	22	8,041	11,200
Deposits, cash and cash equivalents	存款、現金及等同現金項目	28	411,147	1,469,463
Restricted cash	受限制現金	28	627,416	126,812
			19,935,686	23,645,679
Current liabilities	流動負債			
Bank overdrafts	銀行透支		(25,216)	–
Bank loans	銀行貸款	30	(2,329,735)	(3,117,787)
Convertible bonds	可換股債券	34	(44,696)	(544,199)
Other borrowings	其他借貸	32	(4,151,612)	(2,400,736)
Payables and accruals	應付賬款及應計費用	31	(6,011,998)	(6,073,538)
Amounts due to other partners of joint operations	應付共同經營之其他合作夥伴款項	22	(22,847)	(16,153)
Financial derivative liability	金融衍生工具負債	34	(183)	(206,412)
Current tax liabilities	當期稅項負債		(81,827)	(66,760)
			(12,668,114)	(12,425,585)
Net current assets	流動資產淨值		7,267,572	11,220,094
Total assets less current liabilities	總資產減流動負債		20,769,521	23,916,366

		Notes 附註	2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Non-current liabilities	非流動負債			
Bank loans	銀行貸款	30	–	(679,816)
Other borrowings	其他借貸	32	(1,610,389)	–
Senior notes	優先票據	33	(3,417,715)	(2,275,504)
Long service payment liabilities	長期服務金負債	35	(2,157)	(6,553)
Deferred tax liabilities	遞延稅項負債	29	(4,632,585)	(6,407,122)
Total non-current liabilities	非流動負債總計		(9,662,846)	(9,368,995)
Net assets	資產淨值		11,106,675	14,547,371
Equity	權益			
Capital and reserves attributable to the Company's equity holders	本公司權益持有人應佔資本及儲備			
Share capital	股本	36	1,141,084	1,084,335
Other reserves	其他儲備		8,937,241	9,694,991
Retained profits	保留溢利		446,785	3,109,814
Proposed dividends	擬派股息	16	–	–
Non-controlling interests	非控股權益		10,525,110	13,889,140
			581,565	658,231
Total equity	權益總計		11,106,675	14,547,371

The financial statements on pages 108 to 214 were approved by the Board of Directors on 18 April 2017 and were signed on its behalf.

第108至214頁之財務報表已經由董事會於2017年4月18日批准並由下列董事代表簽署。

Joseph CHOI Kin Hung 蔡健鴻

Executive Director and Co-Chief Executive Officer 執行董事兼聯席行政總裁

Wilfred WU Shek Chun 鄒碩晉

Executive Director and Chief Risk Officer 執行董事兼首席風險官

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 December 2016

截至2016年12月31日止年度

		Notes 附註	2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Operating activities	經營活動			
Net cash outflow from operations	經營之現金流出淨額	43	(310,800)	(133,502)
Interest received	已收利息		12,206	3,123
Interest paid	已付利息		(986,769)	(407,565)
Tax paid	已付稅項		(58,186)	(43,964)
Long service payment	長期服務金		(793)	(734)
Net advance from/(repayment to) other partners of joint operations	共同經營之其他合作夥伴之墊款／(還款)淨額		9,868	(2,911)
Net cash outflow from operating activities	經營活動之現金流出淨額		(1,334,474)	(585,553)
Investing activities	投資活動			
Acquisition of a non-wholly owned subsidiary	收購一間非全資附屬公司		249	–
Net cash paid for consideration for business combination	已付業務合併代價之現金淨額	41	–	(2,411,927)
Release of time deposit over three months	三個月以上定期存款之解除		316	7,168
Investment in an associate	於一間聯營公司之投資		(52,994)	–
Increase in amount due from a shareholder of an associate	應收一間聯營公司之一名股東之款項增加		(156,044)	–
Advance to an associate	提供予一間聯營公司之墊款		–	(11,940)
Purchase of property, plant and equipment and leasehold land	購買物業、機器及設備及租賃土地		(42,838)	(19,048)
Purchase of intangible assets	購買無形資產		(544)	(714)
Additions of investment properties	添置投資物業		(740,986)	(537,517)
Deposits paid	已付按金		(528,415)	(208,941)
Increase in receivables	應收賬款之增加		(150,572)	–
Proceeds from disposal of property, plant and equipment and leasehold land	出售物業、機器及設備及租賃土地所得款項		319	928
Net cash receipt from disposal of a subsidiary	來自出售一間附屬公司收取之現金淨額		190,088	943
Net cash outflow from investing activities	投資活動之現金流出淨額		(1,481,421)	(3,181,048)

	Notes 附註	2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Financing activities	融資活動		
Deposits paid	已付按金	(35,163)	—
Increase in receivables	應收賬款之增加	(535,058)	—
Drawdown of bank loans	提取銀行貸款	1,400,606	1,344,193
Repayment of bank loans	償還銀行貸款	(2,627,871)	(1,325,295)
Proceeds from issuance of shares by Synergis to non-controlling interests upon exercise of share options	因行使認股權而新昌管理向非控股權益發行股份所得款項	389	10,203
Dividends paid to non-controlling interests	已派予非控股權益股息	(7,148)	(11,339)
Dividends paid to the Company's shareholders	已派予本公司股東股息	—	(322,896)
Proceeds from issuance of shares	發行股份所得款項	—	2,255,816
Net proceeds from issuance of senior notes	來自發行優先票據之所得款項淨額	1,106,501	2,271,129
Net proceeds from issuance of convertible bonds	來自發行可換股債券之所得款項淨額	—	728,713
Redemption of convertible bonds	贖回可換股債券	(733,943)	—
Repurchase of shares	購回股份	(7,583)	—
Drawdown of other borrowings	提取其他借貸	5,269,050	1,988,641
Repayment of other borrowings	償還其他借貸	(1,582,383)	(2,284,083)
Repayment of notes	償還票據	—	(156,250)
Increase in bank overdrafts	銀行透支增加	25,216	—
Increase in restricted deposits	受限制存款增加	(500,604)	(96,104)
Net cash inflow from financing activities	融資活動之現金流入淨額	1,772,009	4,402,728
(Decrease)/increase in cash and cash equivalents	現金及等同現金項目(減少)/增加	(1,043,886)	636,127
Cash and cash equivalents at the beginning of the year	於年初之現金及等同現金項目	1,462,716	850,045
Exchange loss on cash and cash equivalents	現金及等同現金項目之匯兌虧損	(14,114)	(23,456)
Cash and cash equivalents at the end of the year	於年末之現金及等同現金項目	404,716	1,462,716
Analysis of the balances of cash and cash equivalents:	現金及等同現金項目結存之分析:		
Bank balances and cash – unrestricted	銀行結存及現金 – 不受限制	411,147	1,469,463
Less: Time deposit over three months	減: 三個月以上定期存款	(6,431)	(6,747)
Cash and cash equivalents at the end of the year	於年末之現金及等同現金項目	404,716	1,462,716

Consolidated Statement of Changes In Equity

綜合權益變動表

For the year ended 31 December 2016
截至2016年12月31日止年度

		Share capital	Share premium	Exchange reserve	Capital redemption and general reserve	Special reserve	Revaluation reserve	Share options reserve	Convertible bonds and warrants equity reserve	Other reserves	Retained profits	Total	Non-controlling interests	Total equity
		股本	股份溢價	匯兌儲備	資本贖回及普通儲備	特別儲備	重估儲備	認股權儲備	可換股債券及認股權儲備	其他儲備	保留溢利	總計	非控股權益	權益總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 January 2016	於2016年1月1日	1,084,335	9,440,807	(881,989)	14,420	588,716	440,606	17,117	-	75,314	3,109,814	13,889,140	658,231	14,547,371
(Loss)/profit for the year	本年度(虧損)/溢利	-	-	-	-	-	-	-	-	-	(2,733,500)	(2,733,500)	21,314	(2,712,186)
Other comprehensive income	其他全面收益	-	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial loss on retirement benefit obligations	退休福利責任之精算虧損	-	-	-	-	-	-	-	-	-	(101)	(101)	-	(101)
Fair value gain on leasehold land and building	租賃土地及樓宇之公允價值收益	-	-	-	-	-	117,548	-	-	-	-	117,548	-	117,548
Deferred tax on fair value gain of leasehold land and building	租賃土地及樓宇公允價值收益之遞延稅項	-	-	-	-	-	(19,395)	-	-	-	-	(19,395)	-	(19,395)
Fair value loss on available-for-sale financial asset	可供出售財務資產之公允價值虧損	-	-	-	-	-	(1,877)	-	-	-	-	(1,877)	-	(1,877)
Deferred tax on fair value loss of available-for-sale financial asset	可供出售財務資產公允價值虧損之遞延稅項	-	-	-	-	-	469	-	-	-	-	469	-	469
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	(995,103)	-	-	-	-	-	-	-	(995,103)	(39,113)	(1,034,216)
Total comprehensive income	全面收益總額	-	-	(995,103)	-	-	96,745	-	-	-	(2,733,601)	(3,631,959)	(17,799)	(3,649,758)
Issue of consideration preference shares	發行代價優先股	55,510	446,702	-	-	(256,670)	-	-	-	-	-	245,542	-	245,542
Issue of shares upon conversion of convertible bonds	因轉換可換股債券而發行股份	2,683	18,654	-	-	-	-	-	-	-	-	21,337	-	21,337
Recognition of equity component upon issuance of convertible bonds	確認可換股債券之權益部分	-	-	-	-	-	-	-	9,874	-	-	9,874	-	9,874
Cancellation on repurchase of shares	購回股份之註銷	(1,444)	-	-	1,444	-	-	-	-	-	(7,583)	(7,583)	-	(7,583)
Issue of shares by Synergis to non-controlling interests upon exercise of share options	因行使認股權而新昌管理向非控股權益發行股份	-	-	-	-	-	-	(110)	-	-	-	(110)	499	389
Acquisition of a non-wholly owned subsidiary	收購一間非全資附屬公司	-	-	-	-	-	-	-	-	-	-	-	249	249
Transfer upon share options lapsing	因認股權失效而轉撥	-	-	-	-	-	-	(4,043)	-	-	4,051	8	(8)	-
Equity settled share-based transactions	以股份為基礎之股權結算交易	-	-	-	-	-	-	71	-	-	-	71	(2)	69
Disposal of a subsidiary	出售一間附屬公司	-	-	-	-	-	-	-	-	(75,314)	75,307	(7)	(53,843)	(53,850)
Change in ownership interest in a subsidiary without loss of control	於一間未失去控制權之附屬公司之擁有權益變動	-	-	-	-	-	-	-	-	-	(1,203)	(1,203)	1,386	183
Dividends paid	已派股息	-	-	-	-	-	-	-	-	-	-	-	(7,148)	(7,148)
		56,749	465,356	-	1,444	(256,670)	-	(4,082)	9,874	(75,314)	70,572	267,929	(58,867)	209,062
At 31 December 2016	於2016年12月31日	1,141,084	9,906,163	(1,877,092)	15,864	332,046	537,351	13,035	9,874	-	446,785	10,525,110	581,565	11,106,675

		Share capital	Share premium	Exchange reserve	Capital redemption and general reserve	Special reserve	Revaluation reserve	Share options reserve	Convertible bonds and warrants equity reserve	Other reserves	Retained profits	Total	Non-controlling interests	Total equity
		股本	股份溢價	匯兌儲備	資本贖回及普通儲備	特別儲備	重估儲備	認股權儲備	可換股債券及認股權儲備	其他儲備	保留溢利	總計	非控股權益	權益總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 January 2015	於2015年1月1日	285,817	2,385,285	108,819	14,420	332,046	401,009	19,656	11,683	74,137	976,491	4,609,363	49,087	4,658,450
Profit for the year	本年度溢利	-	-	-	-	-	-	-	-	-	2,445,837	2,445,837	28,253	2,474,090
Other comprehensive income	其他全面收益	-	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial loss on retirement benefit obligations	退休福利責任之精算虧損	-	-	-	-	-	-	-	-	-	(2,258)	(2,258)	(1,022)	(3,280)
Fair value gain on leasehold land and building	租賃土地及樓宇之公允價值收益	-	-	-	-	-	43,951	-	-	-	-	43,951	-	43,951
Deferred tax on fair value gain of leasehold land and building	租賃土地及樓宇公允價值收益之遞延稅項	-	-	-	-	-	(7,252)	-	-	-	-	(7,252)	-	(7,252)
Fair value gain on available-for-sale financial asset	可供出售財務資產之公允價值收益	-	-	-	-	-	3,864	-	-	-	-	3,864	-	3,864
Deferred tax on fair value gain of available-for-sale financial asset	可供出售財務資產公允價值收益之遞延稅項	-	-	-	-	-	(966)	-	-	-	-	(966)	-	(966)
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	(990,808)	-	-	-	-	-	-	-	(990,808)	(12,593)	(1,003,401)
Total comprehensive income	全面收益總額	-	-	(990,808)	-	-	39,597	-	-	-	2,443,579	1,492,368	14,638	1,507,006
Issue of new placing shares	發行新配售股份	147,296	1,266,746	-	-	-	-	-	-	-	-	1,414,042	-	1,414,042
Issue of rights shares	發行供股股份	85,745	756,029	-	-	-	-	-	-	-	-	841,774	-	841,774
Issue of convertible preference shares	發行可轉換優先股	565,477	5,032,747	-	-	-	-	-	-	-	-	5,598,224	-	5,598,224
Unissued consideration shares	未發行代價股份	-	-	-	-	256,670	-	-	-	-	-	256,670	-	256,670
Acquisition of a non-wholly owned subsidiaries	收購非全資附屬公司	-	-	-	-	-	-	-	-	-	-	-	594,280	594,280
Issue of shares by Syneris to non-controlling interests upon exercise of share options	因行使認股權而新昌管理向非控股權益發行股份	-	-	-	-	-	-	(2,688)	-	-	-	(2,688)	12,891	10,203
Equity settled share-based transactions	以股份為基礎之股權結算交易	-	-	-	-	-	-	1,357	-	-	-	1,357	(400)	957
Transfer upon share options lapsing	因認股權失效而轉撥	-	-	-	-	-	-	(1,208)	-	-	957	(251)	251	-
Transfer upon warrants lapsing	因認股權證失效而轉撥	-	-	-	-	-	-	-	(11,683)	-	11,683	-	-	-
Change in ownership interest in a subsidiary without loss of control	於一間未失去控制權之附屬公司之擁有權益變動	-	-	-	-	-	-	-	-	1,177	-	1,177	(1,177)	-
Dividends paid	已派股息	-	-	-	-	-	-	-	-	-	(322,896)	(322,896)	(11,339)	(334,235)
		798,518	7,055,522	-	-	256,670	-	(2,539)	(11,683)	1,177	(310,256)	7,787,409	594,506	8,381,915
At 31 December 2015	於2015年12月31日	1,084,335	9,440,807	(881,989)	14,420	588,716	440,606	17,117	-	75,314	3,109,814	13,889,140	658,231	14,547,371

Notes:

- (i) Capital redemption reserve was created during the repurchase of shares of HK\$4,420,000 and HK\$1,444,000 in 2015 and 2016 respectively. General reserve amounts to HK\$10,000,000.
- (ii) Special reserves comprise:
- (a) the difference between the fair value of the consideration, net of deferred taxation and fair value of acquiring land parcels in Tieling, the People's Republic of China (the "PRC"). This reserve will be recognised through the retained profits upon the earlier of the disposal of the subsidiaries or the disposal by the subsidiaries of the assets to which it relates, in proportion to the percentage the Group disposes.
- (b) the convertible preference shares issued on 15 January and 26 April 2016 for settling part of the consideration for acquiring the properties in Foshan, the PRC (Note 41).
- (iii) Revaluation reserve comprises the fair value gains, net of deferred tax, on leasehold land and building held for own use and available-for-sale financial assets.
- (iv) Other reserves were arisen from the Group's reorganisation and realignment of business activities.

On 30 November 2012, the Company completed the disposal of Interiors & Special Projects division to Driven Power Management Limited ("Driven Power"), a wholly owned subsidiary of Synergis Holdings Limited ("Synergis"), a separately listed subsidiary of the Company. The transaction was accounted for as a transaction with non-controlling interests.

As part of the settlement of the consideration, Synergis issued 58,666,667 convertible preference shares ("CPS") to the Company. In determining the Group's economic interest in Synergis after the transaction, management has taken into account the rights of the CPS holders, among other things, potential voting rights and the same entitlement to dividends and other distributions as the ordinary shareholders, and that a holder of the CPS is entitled to the return of capital in priority of ordinary shares in case of winding up of Synergis. Accordingly, the Group's economic interest in Synergis increased from 50.94% to 58.31% and the gain on disposals to non-controlling interests of HK\$77,664,000 was recognised in equity.

On 21 November 2016, the Group has disposed its subsidiary, Synergis, and the related other reserves have been transferred to retained profits.

附註:

- (i) 於2015年及2016年因購回股份而分別產生港幣4,420,000元及港幣1,444,000元之資本贖回儲備。普通儲備達港幣10,000,000元。
- (ii) 特別儲備為:
- (a) 收購於中華人民共和國(「中國」)鐵嶺地塊的代價公允值(扣除遞延稅項)與取得地塊之公允值的差額。此儲備將於出售該等附屬公司時,或該等附屬公司出售所涉及的資產時(以較早者為準),按本集團出售的比例,透過保留溢利確認。
- (b) 就清償收購中國佛山之物業之部份代價於2016年1月15日及4月26日發行之可轉換優先股(附註41)。
- (iii) 重估儲備包括持作自用之租賃土地及樓宇及可供出售財務資產經扣除遞延稅項後之公允值收益。
- (iv) 其他儲備因本集團重組及業務活動調整而產生。

於2012年11月30日,本公司完成向Driven Power Management Limited(「Driven Power」), Synergis Holdings Limited(新昌管理集團有限公司*(「新昌管理」),本公司之獨立上市附屬公司)的全資擁有附屬公司出售室內裝飾及特殊項目分部。該項交易入賬作為與非控股權益之交易。

作為償付代價之一部份,新昌管理向本公司發行58,666,667股可轉換優先股(「可轉換優先股」)。於完成交易後釐定本集團於新昌管理的經濟權益時,管理層已計及可轉換優先股持有人的權利,當中包括潛在投票權及與普通股持有人享有同等權利獲得股息及其他分派,而倘新昌管理清盤,可轉換優先股持有人相對普通股持有人有權優先取回資本。因此,本集團於新昌管理的經濟權益由50.94%增至58.31%,而出售予非控股權益的港幣77,664,000元收益則於權益中確認。

於2016年11月21日,本集團出售其附屬公司新昌管理,相關之其他儲備轉撥至保留溢利。

* for identification purposes only

* 僅供識別

1. General information

Hsin Chong Group Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) are engaged in building construction, civil engineering, electrical and mechanical installation, property development and investment.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda. The Company has its primary listing on the main board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The consolidated financial statements are presented in thousands of Hong Kong dollars (HK\$’000), unless otherwise stated, and were approved for issue by the Board of Directors of the Company on 18 April 2017.

2. Summary of significant accounting policies

The significant accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The consolidated financial statements which have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and under the historical cost convention, as modified by the revaluation of investment properties, leasehold land and building in Hong Kong, available-for-sale financial assets and financial derivatives which are carried at fair value.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

(i) Going concern basis

For the year ended 31 December 2016, the Group reported a net loss attributable to the owners of the Company of HK\$2,734 million (2015: profit of HK\$2,446 million) and had a net operating cash outflow of HK\$1,334 million (2015: HK\$586 million). Total borrowings increased from HK\$9,224 million as at 31 December 2015 to HK\$11,580 million as at 31 December 2016, of which HK\$6,551 million (2015: HK\$6,269 million) were classified as current liabilities. Unrestricted cash and cash equivalents reduced from HK\$1,469 million as at 31 December 2015 to HK\$411 million as at 31 December 2016.

1. 一般資料

新昌集團控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)從事樓宇建造、土木工程、機電安裝工程、物業發展及投資。

本公司為於百慕達註冊成立的有限責任公司。其註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton, HM 11, Bermuda。本公司以香港聯合交易所有限公司(「聯交所」)主板作第一上市。

除另有列明外，本綜合財務報表以港幣千元為單位列示，並已於2017年4月18日獲本公司董事會批准刊發。

2. 主要會計政策概要

編製該等綜合財務報表所採納之主要會計政策載列如下。除另有說明外，該等政策已於所有呈報年度貫徹應用。

(a) 編製基準

本綜合財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈之所有適用的香港財務報告準則(「香港財務報告準則」)及歷史成本慣例編製，並已就按公允值列賬之投資物業重估、於香港之租賃土地及樓宇、可供出售之財務資產及金融衍生工具作出修訂。

在遵照香港財務報告準則編製財務報表時，須採用若干重大會計估計，管理層亦須在應用本集團會計政策之過程中作出判斷。涉及較高水平判斷或較複雜之範圍或對綜合財務報表屬重大之假設及估計範圍已於附註4披露。

(i) 持續經營基準

截至2016年12月31日止年度，本集團錄得本公司擁有人應佔淨虧損港幣2,734,000,000元(2015年：溢利港幣2,446,000,000元)以及經營現金流出淨額港幣1,334,000,000元(2015年：港幣586,000,000元)。總借貸由2015年12月31日之港幣9,224,000,000元增加至2016年12月31日之港幣11,580,000,000元，其中港幣6,551,000,000元(2015年：港幣6,269,000,000元)分類為流動負債。不受限制的現金及等同現金項目由2015年12月31日之港幣1,469,000,000元減少至2016年12月31日之港幣411,000,000元。

2. Summary of significant accounting policies (continued)**(a) Basis of preparation (continued)****(i) Going concern basis (continued)**

On 22 March 2017, the Group received a letter from a lender of a borrowing of HK\$768 million as at 31 December 2016 demanding for immediate repayment of total outstanding overdue balance of HK\$796 million. Subsequent thereto, the Group has already fully settled the amount. In connection with the drawdown of this borrowing in November 2016, certain assets of the Group were pledged as security therefor, and if such pledge was not considered as permitted lien under the relevant documents of the senior notes issued by the Company under non-current liabilities amounting to HK\$3,418 million, this might lead to a breach of the relevant covenants.

As at 31 December 2016 and up to the date of the approval of these consolidated financial statements, the borrowings of the Group in aggregate of HK\$455 million were overdue. Subsequent to 31 December 2016, additional borrowings of the Group in aggregate of HK\$705 million (excluding the aforesaid borrowings of HK\$768 million and HK\$455 million) as at 31 December 2016 were also overdue but the Group has already obtained extension of repayment of such balances prior to the date of approval of these consolidated financial statements. The overdue borrowings without extension would be immediately repayable if requested by the lenders.

In respect of the borrowings of the Group in aggregate of HK\$4,348 million as at 31 December 2016, the Group could not meet certain financial ratios as set out in the covenants in the relevant borrowing agreements.

Should the above-mentioned situations constitute or have become events of default under the respective borrowing agreements, including those under the cross-default terms, these might cause an aggregate amount of borrowings up to HK\$6,294 million at 31 December 2016, of which an aggregate amount of HK\$4,850 million had original contractual repayment dates beyond 31 December 2017, to become immediately repayable.

All of the above conditions indicate the existence of material uncertainties which may cast significant doubt about the Group's ability to continue as a going concern.

2. 主要會計政策概要 (續)**(a) 編製基準 (續)****(i) 持續經營基準 (續)**

於2017年3月22日，本集團接獲來自貸款人有關於2016年12月31日金額為港幣768,000,000元之借貸的函件，要求立即償還尚未償還逾期結餘總額合共港幣796,000,000元。於其後，本集團已悉數清償該等款項。於2016年11月提取該借貸時，本集團若干資產已質押作為其抵押，倘該質押根據本公司發行的優先票據（分類為非流動負債，金額為港幣3,418,000,000元）的相關文件不被視為獲許可留置權，這可能導致違反相關契諾。

於2016年12月31日及直至批准該等綜合財務報表當日，本集團總額為港幣455,000,000元的借貸已逾期。於2016年12月31日後，本集團於2016年12月31日的額外總額為港幣705,000,000元的借貸（不包括上述港幣768,000,000元及港幣455,000,000元的借貸）亦已逾期，但本集團於批准該等綜合財務報表當日前已取得償還該等結餘的延期。未延期的逾期借貸將於貸款人要求時須立即償還。

此外，就本集團於2016年12月31日總額為港幣4,348,000,000元的借貸而言，本集團未能達到相關借貸協議中契諾所載的若干財務比率。

倘上述情況根據相關借貸協議構成或成為違約事件（包括交叉違約條款項下者），則可能導致於2016年12月31日的總借貸金額港幣6,294,000,000元（其中總金額港幣4,850,000,000元原有合約還款日期為2017年12月31日之後）變為須立即償還。

所有上述條件顯示存有重大不確定性，或會使本集團的持續經營能力成疑。

2. Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

(i) Going concern basis (continued)

In view of such circumstances, the directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. Certain measures have been taken to mitigate the liquidity pressure and to improve the Group's financial position which include, but are not limited to, the following:

- (i) The Group has been actively negotiating with a number of commercial banks and other financial institutions for renewal and extension of bank and other borrowings and credit facilities. Specifically, the Group is in active negotiations with the lenders to extend the repayment dates of the overdue borrowings, and to obtain waivers from complying with certain restrictive covenants contained in the loan agreements of certain borrowings;
- (ii) In addition, the Group is identifying various options for financing the Group's working capital and commitments in the foreseeable future by obtaining facilities from shareholders, issuance of shares and debt instruments. In April 2017, a facility of HK\$800 million which is available until and repayable by 31 March 2018 has been successfully obtained from a related company of a substantial shareholder of the Company;
- (iii) The Group has accelerated its disposal plan of its properties, plant and equipment and leasehold land, investment properties, properties under development and completed properties held for sale ("Group Properties"). Subsequent to 31 December 2016 and up to the date of approval of these consolidated financial statements, the Group has successfully entered into certain uncommitted memorandums of understandings to dispose of certain Group Properties. Apart from selling the Group Properties, the Group expects to launch its outlet mall in Foshan in the first half of 2017, followed by pre-sales of certain residential units in Foshan, which are expected to improve the Group's operating cash inflow in 2017; and
- (iv) The Group will continue to take active measures to control administrative costs through various channels including human resources optimisation and management remuneration adjustment and containment of capital expenditures.

The directors have reviewed the Group's cash flow projections prepared by management. The cash flow projections cover a period of not less than twelve months from 31 December 2016. They are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 December 2016. Accordingly, the directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

2. 主要會計政策概要 (續)

(a) 編製基準 (續)

(i) 持續經營基準 (續)

鑒於有關情況，本公司董事已審慎考慮本集團未來的流動資金及表現及其可用資金來源，以評估本集團是否擁有充足財務資源進行持續經營。本集團已採取措施降低流動資金壓力及提升本集團之財務狀況，包括但不限於以下各項：

- (i) 本集團已積極與若干商業銀行及其他金融機構進行磋商，以重續及延長銀行及其他借貸以及信貸融資。具體而言，本集團正積極與貸款人協商延長逾期貸款的還款期，以及豁免遵守若干借貸的貸款協議所載的若干限制性契諾；
- (ii) 此外，本集團正在透過從股東獲得融資、發行股份及債務工具物色各類本集團於可預見未來營運資金及承擔的融資選擇。於2017年4月，已從本公司一名主要股東的一間關聯公司成功獲得於2018年3月31日方須償還之港幣800,000,000元之融資；
- (iii) 本集團已加快其物業、機器及設備及租賃土地、投資物業、發展中物業及持作出售之物業（「本集團物業」）的出售計劃。於2016年12月31日後及直至批准該等綜合財務報表當日，本集團已成功訂立若干諒解備忘錄以出售本集團部分物業。除出售剩餘本集團物業外，本集團預期於2017年上半年在佛山推出其購物商場，於在佛山預售若干住宅單位後，預期本集團於2017年將改善其經營現金流入；及
- (iv) 本集團將繼續採取積極措施透過各種渠道（包括人力資源優化及管理層薪酬調整）控制行政成本及資本開支。

董事已審閱管理層編製之本集團現金流量預測。該現金流量預測涵蓋自2016年12月31日起計的不少於十二個月。彼等認為，經考慮上述計劃及措施，本集團於2016年12月31日起計十二個月內將擁有充足的營運資金為其經營業務撥資及於到期時滿足其財務承擔。因此，董事信納按持續經營基準編製綜合財務報表屬適當。

2. Summary of significant accounting policies (continued)**(a) Basis of preparation (continued)****(i) Going concern basis (continued)**

Notwithstanding the above, significant uncertainties exist as to whether management of the Company will be able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the Group's ability to generate adequate financing and operating cash flows through the following:

- (i) Successful negotiations with the lenders for the renewal of or extension for repayment of outstanding borrowings, including those with overdue principals and interests;
- (ii) Successful obtaining of additional new sources of financing as and when needed;
- (iii) Successful implementation and acceleration of its disposal plan of the Group Properties, including timely execution of definitive sales agreements and timely collection of the disposal proceeds, and the successful deferral of capital expenditures for the Group's unsold projects;
- (iv) Successful launch of its outlet mall and pre-sales of certain residential units in Foshan so as to general operating cash inflows;
- (v) Successful negotiation with the Group's existing lenders such that no action will be taken by the relevant lenders to demand immediate repayment of the borrowings in any breach of loan covenants or default, including those with cross-default terms; and
- (vi) Successful maintenance of relationship with the suppliers of the Group, in particular those in relation to the Group's construction business and the property development projects such that no actions will be taken by those suppliers against the Group should the Group not be able to meet all the payment obligations on a timely basis.

Should the Group fail to achieve the above-mentioned plans and measures, it might not be able to continue operate as a going concern, and adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

2. 主要會計政策概要 (續)**(a) 編製基準 (續)****(i) 持續經營基準 (續)**

儘管有以上所述，惟本公司管理層能否實現上述計劃及措施仍存有重大不確定性。本集團是否能持續經營將視乎本集團透過以下方式產生充足融資及經營現金流量的能力而定：

- (i) 與貸款人成功進行磋商，將未償還借貸（包括逾期本金及利息）重續或延長還款期；
- (ii) 於需要時成功獲得新的資金來源；
- (iii) 成功實施及加快本集團物業的上述出售計劃，包括及時簽訂最終銷售協議並及時取得出售所得款項，以及成功遞延本集團未出售項目之資本開支；
- (iv) 成功推出購物商場及預售佛山的部分住宅單位，以產生充足的經營現金流入；
- (v) 成功與本集團之現有貸款人磋商，使相關貸款人將不會採取行動要求即時償還任何違反貸款契諾或違約的借貸，包括附帶交叉違約條款者；及
- (vi) 成功與本集團的供應商維持關係，尤其是該等與本集團之建造業務及物業發展項目有關者，使該等供應商在本集團未能按時履行付款義務的情況下將不會針對本集團採取行動。

倘若本集團未能實現上述計劃及措施，則未必能繼續按持續經營業務基準經營，並將會作出調整以將本集團資產的賬面值撇減至其可收回金額，以就可能產生的任何進一步負債作出撥備，及將非流動資產及非流動負債分別重新分類為流動資產及流動負債。該等調整的影響尚未在該等綜合財務報表內反映。

2. Summary of significant accounting policies (continued)**(a) Basis of preparation (continued)****(ii) New and amended standards adopted by the Group**

The following amendments and improvements are mandatory for the first time for the financial year beginning 1 January 2016.

HKFRS 14	Regulatory deferral accounts
HKFRS 11 Amendment	Accounting for acquisitions of interests in joint operations
HKAS 16 and HKAS 38 Amendment	Clarification of acceptable methods of depreciation and amortisation
HKAS 16 and HKAS 41 Amendment	Agriculture: bearer plants
HKAS 27 Amendment	Equity method in separate financial statements
HKFRS 10, HKFRS 12 and HKAS 28 Amendment	Investment entities: applying the consolidation exception
HKAS 1 Amendment	Disclosure initiative
Annual Improvements Project	Annual Improvements to HKFRSs 2012 – 2014 Cycle

The application of the above amendments and improvements in the current year has had no material effect on the Group's reported financial performance and position for the current and prior year and/or disclosures set out in these consolidated financial statements.

2. 主要會計政策概要 (續)**(a) 編製基準 (續)****(ii) 本集團採納之新訂及經修訂準則**

以下修訂本及改進須於2016年1月1日開始之財政年度首次採納。

香港財務報告準則第14號	監管遞延賬目
香港財務報告準則第11號(修訂本)	收購共同經營權益的會計法
香港會計準則第16號及香港會計準則第38號(修訂本)	澄清折舊及攤銷之可接受方法
香港會計準則第16號及香港會計準則第41號(修訂本)	農業：生產性植物
香港會計準則第27號(修訂本)	獨立財務報表之權益法
香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號(修訂本)	投資實體：應用綜合入賬豁免
香港會計準則第1號(修訂本)	披露計劃
年度改進項目	香港財務報告準則2012年-2014年週期的年度改進

於本年度應用上述修訂及改進對所呈報之本集團現行及過往年度之財務表現及狀況及／或該等綜合財務報表所載之披露資料並無重大影響。

2. Summary of significant accounting policies (continued)

(a) Basis of preparation (continued)

- (iii) New and amended standards have been issued and are relevant to the Group but are not effective for the financial year beginning 1 January 2016 and have not been early adopted in preparing these consolidated financial statements

HKAS 12 Amendment	Recognition of deferred tax assets for unrealised losses ¹
HKAS 7 Amendment	Disclosure initiative ¹
HKFRS 15	Revenue from contracts with customers ²
HKFRS 15 Amendment	Classifications to HKFRS 15 ²
HKFRS 9	Financial instruments ²
HKFRS 2 Amendment	Classification and measurement of share-based payment transactions ²
HKFRS 16	Leases ³
HKFRS 10 and HKAS 28 Amendment	Sale or contribution of assets between an investor and its associate or joint venture ⁴

¹ Effective for annual periods beginning on 1 January 2017

² Effective for annual periods beginning on 1 January 2018

³ Effective for annual periods beginning on 1 January 2019

⁴ Effective date to be determined

The Group will adopt the above standards and amendments to existing standards as and when they become effective. None of the above is expected to have a significant effect on the consolidated financial statements of the Group, except the following set out below:

HKFRS 15, "Revenue from contracts with customers"

The application of HKFRS 15 may result in the identification of separate performance obligations which could affect the timing of the recognition of revenue. At this stage, the Group is in the process of assessing the impact of HKFRS 15 on the Group's consolidated financial statements.

HKFRS 16, "Leases"

HKFRS 16 will affect primarily the accounting for Group's operating leases. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised in the consolidated balance sheet. The Group is in the process of assessing to what extent the operating lease commitments will result in the recognition of an asset and a liability for future payments and how this will affect the Group's profit or loss and classification of cash flows.

2. 主要會計政策概要 (續)

(a) 編製基準 (續)

- (iii) 於編製該等綜合財務報表時並無提早採納於2016年1月1日開始之財政年度已頒佈且與本集團有關但尚未生效之新訂及經修訂準則

香港會計準則第12號(修訂本)	為未變現虧損確認遞延稅項資產 ¹
香港會計準則第7號(修訂本)	披露計劃 ¹
香港財務報告準則第15號	與客戶之合約收益 ²
香港財務報告準則第15號(修訂本)	澄清香港財務報告準則第15號 ²
香港財務報告準則第9號	財務工具 ²
香港財務報告準則第2號(修訂本)	股權支付交易的分類及計算 ²
香港財務報告準則第16號	租賃 ³
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營或合營企業之間的資產出售或注資 ⁴

¹ 於2017年1月1日開始之年度期間生效

² 於2018年1月1日開始之年度期間生效

³ 於2019年1月1日開始之年度期間生效

⁴ 生效日期待定

本集團將於彼等生效時採納上述準則及現有準則之修訂。以上各項預期將不對本集團之綜合財務報表產生重大影響，惟以下所述者除外：

香港財務報告準則第15號「與客戶之合約收益」

應用香港財務報告準則第15號或會導致識別單獨的履約責任而或會影響確認收入之時間。於現階段，本集團正在評估香港財務報告準則第15號對本集團綜合財務報表之影響。

香港財務報告準則第16號「租賃」

香港財務報告準則第16號主要影響本集團之經營租賃賬目。根據該新準則，資產(租賃項目之使用權)及其支付租金之財務責任須於綜合資產負債表內確認。本集團正在評估該等經營租賃承擔對確認未來付款的資產及負債之影響程度，以及會如何影響本集團的損益及現金流量的分類。

2. Summary of significant accounting policies (continued)

(b) Consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiaries made up to 31 December 2016.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, 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. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

(i) Business Combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Indemnification assets are recognised as an asset of the acquirer at the same time and on the same basis as the indemnified item is recognised as a liability of the acquiree. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of the acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with HKAS 39 in consolidated income statement. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the consolidated income statement as a gain.

2. 主要會計政策概要 (續)

(b) 綜合賬

綜合財務報表包括本公司及其所有附屬公司截至2016年12月31日止之財務報表。

附屬公司指本集團對其有控制權之所有實體(包括結構性實體)。當本集團因參與實體而面臨或有權享有可變回報,且能夠透過其對實體的控制權影響相關回報時,本集團控制著有關實體。附屬公司於其控制權轉移至本集團當日綜合入賬。附屬公司在控制權終止之日起停止綜合入賬。

(i) 業務合併

本集團應用收購會計法將業務合併入賬。收購附屬公司之收購轉讓代價為所轉讓之資產、被收購方前擁有人所產生之負債及本集團所發行之股本權益之公允值。轉讓代價包括或然代價安排所產生之任何資產或負債之公允值。在業務合併過程中所收購之可辨別資產,所承擔之負債及或然負債,均於收購當日按其公允值作出初步計量。於彌償項目確認為被收購方之負債的同時及按相同基準,彌償資產確認為收購方之資產。本集團可就個別收購基準按公允值或依據非控股權益應佔被收購方之已確認可辨別資產淨值之比例,確認任何於被收購方之非控股權益。

收購相關成本於產生時列支。

本集團所轉讓的任何或然代價按收購當日的公允值確認。被視為一項資產或負債的或然代價公允值後續變動,將按照香港會計準則第39號於綜合收益表確認。分類為權益的或然代價毋須重新計量,而其後結算於權益入賬。

所轉讓代價,於被收購方的任何非控股權益金額及任何先前於被收購方的股本權益於收購日期的公允值高於所收購可辨別資產淨值的公允值時,其差額以商譽列賬。就議價購買而言,如轉讓代價、已確認非控股權益及先前持有的權益總額低於所收購附屬公司資產淨值的公允值,其差額將直接在綜合收益表中確認為收益。

2. Summary of significant accounting policies (continued)**(b) Consolidation (continued)****(i) Business Combinations (continued)**

For purchase of subsidiaries which constitutes a purchase of assets rather than a business combination, the assets and liabilities acquired are accounted for in accordance with the relevant accounting policies for the assets and liabilities rather than the acquisition method of accounting.

Inter-company transactions, balances and unrealised gains and losses on transactions between group companies are eliminated unless the transaction provides evidence of an impairment of transferred asset. Where necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

(ii) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in a loss of control are accounted for as equity transactions – that is, as transactions with the owners of the subsidiary in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(iii) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value at the date when control is lost, with the change in carrying amount recognised in consolidated income statement. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to consolidated income statement.

2. 主要會計政策概要 (續)**(b) 綜合賬 (續)****(i) 業務合併 (續)**

倘收購附屬公司構成收購資產而非業務合併，則所取得的資產及負債根據處理資產及負債的相關會計政策，而非收購會計法入賬。

公司間交易、集團公司間交易之結餘及未變現盈虧已對銷，除非交易提供證據證明所轉讓的資產出現減值。於必要時，附屬公司所呈報之金額已經作出調整，以符合本集團之會計政策。

(ii) 在不改變控制權的情況下，附屬公司之擁有權益變動

不導致失去控制權之非控股權益交易入賬列作權益交易—即以彼等為擁有人之身份與附屬公司擁有人進行交易。任何已付代價公允值與所收購相關應佔附屬公司資產淨值賬面值之差額列作權益。向非控股權益出售之盈虧亦列作權益。

(iii) 出售附屬公司

本集團失去控制權時，於實體的任何保留權益按失去控制權當日的公允值重新計量，有關賬面值變動在綜合收益表確認。就其後入賬列作聯營公司、合資公司或財務資產的保留權益，其公允值為初始賬面值。此外，先前於其他全面收益確認與該實體有關的任何金額按猶如本集團已直接出售有關資產或負債的方式入賬。此可能意味著先前在其他全面收益確認的金額重新分類至綜合收益表。

2. Summary of significant accounting policies (continued)

(c) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures; depending on the contractual rights and obligations each investor has rather than the legal structure of the joint arrangement. For the joint arrangements that specify that the parties to the joint arrangements have rights to the assets and obligations to the liabilities relating to the joint arrangements, they are classified as joint operations. For the remaining joint arrangements, they are classified as joint ventures.

(d) Associates

An associate is an entity over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investments in associates include goodwill identified on acquisition. Upon the acquisition of the ownership interest in an associate, any difference between the cost of the associate and the Group's share of the net fair value of the associate's identifiable assets and liabilities is accounted for as goodwill.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to consolidated income statement where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the consolidated income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit of investments accounted for using equity method' in the consolidated income statement.

2. 主要會計政策概要 (續)

(c) 共同安排

於共同安排之投資分類為共同經營業務或合營企業，乃根據各投資方之合約權利及責任（而非共同安排之法定架構）進行分類。就闡明共同安排訂約方對有關共同安排的資產擁有權利而對有關共同安排的負債負有義務的共同安排而言，其被分類為共同經營業務。就剩餘的共同安排而言，其被分類為合營企業。

(d) 聯營公司

聯營公司指本集團對其有重大影響力而無控制權的實體，通常附帶有20%-50%投票權的股權。聯營公司投資以權益會計法入賬。根據權益法，投資初步以成本確認，而賬面值會進行增加或調減以確認投資者應佔的被投資方在收購日期後的損益。本集團於聯營公司的投資包括收購時已識別的商譽。在收購聯營公司擁有權時，聯營公司成本與本集團應佔聯營公司可識別資產及負債的公允值淨額的差額確認為商譽。

如聯營公司的擁有權減少但仍保留重大影響力，則僅按比例將之前在其他全面收益中確認的數額重新分類至綜合收益表（如適當）。

本集團應佔的收購後損益於綜合收益表確認，而其應佔收購後的其他全面收益變動則於其他全面收益內確認，並相應調整投資賬面值。如本集團應佔一家聯營公司的虧損等於或超過其在該聯營公司的權益（包括任何其他無抵押應收款項），本集團不會確認進一步虧損，除非本集團已產生法律或推定責任或已代聯營公司作出付款。

本集團在每個報告日期釐定是否有客觀證據證明聯營公司投資已減值。如投資已減值，本集團會計算減值，數額為聯營公司可收回數額與其賬面值的差額，並在綜合收益表中於「使用權益法入賬的應佔投資溢利」旁確認。

2. Summary of significant accounting policies (continued)**(d) Associates (continued)**

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Gain or losses on dilution of equity interest in associates are recognised in the consolidated income statement.

(e) Foreign currency translation**(i) Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Hong Kong dollars ("HK dollars"), which is the Company's functional and the Group's presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement.

Translation differences on non-monetary financial assets such as equities classified as available-for-sale are included in other comprehensive income.

2. 主要會計政策概要 (續)**(d) 聯營公司 (續)**

本集團與其聯營公司之間的上下游交易產生的溢利及虧損於本集團財務報表確認，惟以非相關投資者於聯營公司的權益為限。除非交易能證明所轉讓資產已減值，否則未變現虧損將予對銷。聯營公司的會計政策已於必要時作出變動以確保與本集團採納之政策一致。

於聯營公司的股權攤薄產生的損益於綜合收益表確認。

(e) 外幣換算**(i) 功能及呈報貨幣**

本集團各實體之財務報表所包括之項目，乃按該實體經營所在之主要經濟環境之貨幣（「功能貨幣」）計量。綜合財務報表以本公司之功能貨幣及本集團之呈報貨幣港幣（「港幣」）呈列。

(ii) 交易及結餘

外幣交易均按交易當日之通行匯率換算為功能貨幣。因上述交易結算及以外幣計值之貨幣資產及負債按結算日之匯率兌換而產生之匯兌盈虧，均於綜合收益表確認。

非貨幣性財務資產（例如分類為可供出售之權益）之換算差額計入其他全面收益內。

2. Summary of significant accounting policies (continued)**(e) Foreign currency translation (continued)****(iii) Group companies**

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each consolidated income statement are translated at average exchange rates; and
- all resulting currency translation differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Currency translation differences arising are recognised in other comprehensive income.

On consolidation, currency translation differences arising from the translation of the net investment in foreign entities, are taken to shareholders' equity. When a foreign operation is sold, such exchange differences are recognised in the consolidated income statement as part of the gain or loss on sale.

(f) Intangible assets**(i) Goodwill**

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose identified according to operating segment.

2. 主要會計政策概要 (續)**(e) 外幣換算 (續)****(iii) 集團公司**

集團旗下所有實體如持有與呈報貨幣不一致之功能貨幣，當中並無任何公司持有嚴重通脹之經濟體系貨幣，其業績和財務狀況均按以下方法換算為呈報貨幣：

- 每項資產負債表之資產及負債均按照該資產負債表結算日之收市匯率換算為呈報貨幣；
- 每項綜合收益表之收入和開支均按照平均匯率換算為呈報貨幣；及
- 所有產生之匯兌差額均於其他全面收益確認。

因收購海外實體而產生之商譽及公允值調整，均作為海外實體之資產與負債處理，並按收市匯率換算。所產生之匯兌差額乃於其他全面收益確認。

在綜合入賬時，換算海外實體投資淨額而產生之匯兌差額，均列入股東權益內。當出售海外業務時，此等匯兌差額將於綜合收益表內確認為出售收益或虧損之一部份。

(f) 無形資產**(i) 商譽**

商譽指收購成本高出收購日本集團所佔收購附屬公司之可辨認淨資產公允值之金額。商譽每年進行減值測試，並按成本減累積減值虧損列賬。商譽之減值虧損不會撥回。計算出售實體之盈虧包括與該已出售實體相關之商譽賬面值。

就減值測試而言，商譽會被分配至現金產生單位，分配乃根據按營業分類所識別、預期可從有關業務合併中得益之現金產生單位或現金產生單位組別。

2. Summary of significant accounting policies (continued)**(f) Intangible assets (continued)****(ii) Trademarks and trade names**

Separately acquired trademarks and trade names are shown at historical cost. Trademarks and trade names acquired in a business combination are recognised at fair value at the acquisition date.

Trademarks and trade names that have a finite useful life are carried at cost less accumulated amortisation.

Trademarks that have indefinite useful lives are not amortised. They are subject to impairment testing annually and whenever there is an indication that it may be impaired.

(iii) Secured contracts

Secured contracts acquired in a business combination are recognised at fair value at the acquisition date. The secured contracts have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected life of the contracts of 5 years.

(iv) Client relationships

Client relationships acquired in a business combination are recognised at fair value at the acquisition date. The client relationships have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected life of the client relationships of 9 years.

(v) Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use;
- Management intends to complete the software product and to use or sell it;
- There is an ability to use or sell the software product;
- It can be demonstrated how the software product will generate probable future economic benefits;

2. 主要會計政策概要 (續)**(f) 無形資產 (續)****(ii) 商標及商號名稱**

獨立購入之商標及商號名稱按歷史成本列賬。在業務合併中購入之商標及商號名稱按收購日之公允值確認。

具有有限可使用年期之商標及商號名稱具按成本減累積攤銷列賬。

沒有指定可使用年期之商標不作攤銷。但每年或當有跡象顯示其可能減值時會進行減值測試。

(iii) 取得合約

在業務合併中購入之取得合約按收購日之公允值確認。取得合約具有有限可使用年期，並按成本減累積攤銷列賬。攤銷乃根據預計5年可使用合約期以直線法計算。

(iv) 客戶關係

在業務合併中購入之客戶關係按收購日之公允值確認。客戶關係具有有限可使用年期，並按成本減累積攤銷列賬。攤銷乃根據客戶關係之預計9年可使用年期以直線法計算。

(v) 電腦軟件

與維修電腦軟件程式相關的成本已於產生時確認為開支。設計及測試由集團控制的可識別及獨有軟件產品直接應佔之開發成本於符合下列條件時確認為無形資產：

- 在技術上完成該軟件產品以使其可供使用是可行的；
- 管理層有意完成及使用或出售該軟件產品；
- 有能力使用或出售該軟件產品；
- 可證實該軟件產品如何產生很有可能出現的未來經濟利益；

2. Summary of significant accounting policies (continued)**(f) Intangible assets (continued)****(v) Computer software (continued)**

- Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which does not exceed three years.

(vi) Operating right

Operating right of a property in Foshan is initially recognised at cost. The operating right has a finite useful life and is carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected life of the operating right of 10 years.

(g) Investment properties

Investment property is held for long-term rental yields or for capital appreciation or both, and is not occupied by the companies in the Group. Land held under operating leases are accounted for as investment properties when the rest of the definition of an investment property is met. In such cases, the operating leases concerned are accounted for as if they were finance leases. A property interest that is held by a lessee under an operating lease may be classified and accounted for as investment property if the property would otherwise meet the definition of an investment property and the lessee uses the fair value model for the asset recognised.

Investment property is measured initially at its cost, including related transaction costs. After initial recognition, investment properties are carried at fair value, representing open market value determined at the end of the reporting period by independent professional qualified valuers.

Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific assets. If this information is not available, the Group uses alternative valuation methods such as recent prices in less active markets or discounted cash flow projections.

2. 主要會計政策概要 (續)**(f) 無形資產 (續)****(v) 電腦軟件 (續)**

- 有足夠的技術、財務和其他資源完成開發及使用或出售該軟件產品；及
- 該軟件產品在開發期內應佔的開支能可靠地計量。

可資本化成為軟件產品一部份的直接應佔成本包括軟件開發的員工成本和適當比例的相關經常開支。

不符合以上條件的其他開發成本在產生時確認為開支。過往確認為開支的開發成本不會在往後期間確認為資產。

確認為資產的電腦軟件開發成本乃按估計不超過三年之可使用年期攤銷。

(vi) 經營權

一項於佛山之物業的經營權乃初步按成本確認。該經營權的使用年期有限，並按成本減累計攤銷列賬。攤銷乃使用直線法以經營權預期10年的年限計算。

(g) 投資物業

投資物業是指持有作為長期收取租金或／及為資本增值，而並非由本集團內企業所佔用之物業。當投資物業之餘下定義均獲符合時，持作營運租約之土地入賬為投資物業。於此情況下，有關營運租約則被視為猶如融資租約入賬。倘有關物業能符合投資物業之其他定義及承租人以公允值模式作資產確認，則根據營運租約承租人所持之物業權益可能分類及入賬為投資物業。

投資物業初步按成本列賬，並包括相關之交易費用。於初步確認後，投資物業按獨立專業合資格估值師於報告期末根據公開市價釐定之公允值列賬。

公允值按活躍市價釐定，倘有需要，會就指定資產於性質、地點或狀況三方面之任何差異作出調整。倘並無有關資料，本集團將會採用其他估值方法，例如活躍程度稍遜市場之最近期價格或貼現現金流量預測。

2. Summary of significant accounting policies (continued)**(g) Investment properties (continued)**

Subsequent expenditure is recognised in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the consolidated income statement during the financial year in which they are incurred.

Changes in fair values are charged in the consolidated income statement.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment and leasehold land. Its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

(h) Property, plant and equipment and leasehold land

(i) Property comprises leasehold land and building held for own use in Hong Kong and is stated at fair value less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluation is performed with sufficient regularity by independent professional qualified valuers. Changes arising on the revaluation are dealt with in other comprehensive income and are accumulated in the revaluation reserve, except that, when a deficit arises on revaluation, it will be charged to the consolidated income statement to the extent that it exceeds the amount held in the reserve in respect of that same asset immediately prior to revaluation.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

When a revalued asset is sold, the amount included in the revaluation reserve is transferred to retained earnings.

Leasehold land in the PRC comprises prepaid operating lease payments. Leasehold land classified as operating lease commences amortisation from the time when land interest becomes available for its intended use. Amortisation on leasehold land classified as operating lease is calculated using straight-line method to allocated their cost to their residual value over their unexpired period of the lease.

2. 主要會計政策概要 (續)**(g) 投資物業 (續)**

其後開支只有在與有關項目相關之未來經濟利益有可能流入本集團，而相關項目之成本亦能可靠地衡量時，才確認於資產賬面值中。所有其他維修及保養成本在產生之財政年度內於綜合收益表支銷。

公允值之變動計入綜合收益表。

若投資物業變成業主自用，會被重新分類為物業、機器及設備及租賃土地。其於重新分類日期的公允值，就期後會計目的而言變為其成本。

(h) 物業、機器及設備及租賃土地

(i) 物業包括於香港自用之租賃土地及樓宇，並以公允值減其後任何累積折舊及其後累積減值虧損列賬，並由獨立專業合資格估值師定期進行物業重估。重估產生之變動於其他全面收益中處理，其累積變動反映於重估儲備中。若重估出現虧損時，就緊接重估前之同一項資產而言，超出計入儲備之金額，其超出部份於綜合收益表列支。

於物業重估日，任何累積折舊與該資產賬面總值對銷，該資產之賬面淨值因而重列至該資產之重估金額。

當出售一項已被重估之資產，其於重估儲備內之金額將轉撥至保留盈利。

於中國之租賃土地包括預付營運租賃付款。分類為營運租賃的租賃土地於土地權益能夠用於擬定用途時開始進行攤銷。分類為營運租賃的租賃土地攤銷乃使用直線法於其租約尚餘期間將其成本分配予其剩餘價值。

2. Summary of significant accounting policies (continued)**(h) Property, plant and equipment and leasehold land***(continued)*

(i) (continued)

Construction in progress is stated at cost less impairment losses. Cost comprises direct costs of construction as well as interest expense and exchange differences capitalised during the periods of construction. Capitalisation of these costs ceases and the construction in progress is transferred to respective category in property, plant and equipment and leasehold land when substantially all the activities necessary to prepare the assets for their intended use are completed. No depreciation is provided for in respect of construction in progress until it is completed and ready for its intended use.

(ii) All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Property, plant and equipment and leasehold land are depreciated at rates sufficient to write off their cost less accumulated impairment over their estimated useful lives on a straight-line basis. The principal annual rates are as follows:

Leasehold land classified as finance lease	over the unexpired period of the lease
Building	5%
Leasehold land classified as operating lease	over the unexpired period of the lease
Leasehold improvements	over the unexpired period of the lease
Plant and machinery	10%-50%
Furniture, fixtures and equipment	10%-50%
Motor vehicles	25%-30%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount.

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

2. 主要會計政策概要 (續)**(h) 物業、機器及設備及租賃土地 (續)**

(i) (續)

在建工程以成本扣除減值虧損列賬。成本包括直接建築成本，以及建造期間所資本化之利息開支及匯兌差異。當所有將資產可作擬定用途之活動大致地完成時，此成本之資本化便會終止，以及在建工程便會轉撥至相關組別之物業、機器及設備及租賃土地。在建工程不需要計提折舊，直至完成及可作擬定用途。

(ii) 所有其他物業、機器及設備以歷史成本減累積折舊及累積減值虧損列賬。歷史成本包括直接歸屬於購置該等項目之開支。

僅當與有關項目相關之未來經濟利益可流入本集團，而項目之成本又能可靠計算時，其後之成本方計入該資產賬面值或確認為獨立資產（倘適用）。所有其他維修及保養費用於產生之財政年度於綜合收益表中支銷。

物業、機器及設備及租賃土地按資產預計可使用年期以直線法平均攤銷資產之成本減累積減值。主要折舊年率如下：

分類為融資租約之租賃土地	按租約尚餘期間折舊
樓宇	5%
分類為營運租約之租賃土地	按租約尚餘期間折舊
租賃物業裝修	按租約尚餘期間折舊
機器及設備	10%-50%
傢俬、固定裝置及設備	10%-50%
汽車	25%-30%

於每個結算日均會檢討及調整（如適用）資產之餘值及其可使用年期。

倘資產之賬面值高於其估計可收回金額，則資產賬面值即時撇減至其可收回金額。

物業、機器及設備及租賃土地之出售盈虧乃銷售所得款淨額與相關資產之賬面值差額，並於綜合收益表中確認入賬。

2. Summary of significant accounting policies (continued)**(i) Properties under development**

Properties under development are stated at the lower of cost and net realisable value. Net realisable value is estimated taking into account the price ultimately expected to be realised, less applicable variable selling expenses and the anticipated costs to completion.

The costs of properties under development comprises costs of land use rights, construction costs, borrowing costs capitalised for qualifying assets and professional fees incurred during the development period.

If a property under development becomes an investment property under development when there is a change in use, any difference resulting between the fair value of the property at that date and its previous carrying amount is recognised in the consolidated income statement.

If a property under development becomes owner-occupied, it is reclassified as property, plant and equipment and leasehold land. Its carrying amount at the date of reclassification becomes its cost for subsequent accounting purposes.

(j) Stocks and contracting work-in-progress

Stocks are stated at the lower of the cost and net realisable value. Net realisable value is determined on the basis of anticipated sales proceeds less estimated selling expenses.

Contracting work-in-progress is valued at cost incurred plus an appropriate proportion of profits after deducting progress payments and allowances for foreseeable losses. Cost comprises direct materials, labour and overheads expenses incurred in bringing the work-in-progress to its present condition.

The Group presents as an asset the gross amount due from customers for contract work for all contracts in progress for which costs incurred plus recognised profits (less recognised losses) exceed progress billings. Progress billings not yet paid by customers and retention are included within trade and retention receivables. The Group presents as a liability the gross amount due to customers for contract work for all contracts in progress for which progress billings exceed costs incurred plus recognised profits (less recognised losses).

(k) Financial assets

The Group classifies its investment as available-for-sale financial asset.

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the reporting period.

2. 主要會計政策概要 (續)**(i) 發展中物業**

發展中物業以成本及可變現淨值之較低者列賬。可變現淨值經考慮最終預計可變現價格，減去適用可變動銷售開支及預期竣工成本予以估計。

發展中物業的成本包括土地使用權費用、合資格資產撥充資本之建築成本、借貸成本及在建期間產生的專業費用。

倘發展中物業於用途發生變動時成為發展中投資物業，該物業於該日期之公允值與其過往賬面值之所產生之任何差額乃於綜合收益表中確認。

若發展中物業變成業主自用，會被重新分類為物業、機器及設備及租賃土地。其於重新分類日期的賬面值，就期後會計目的而言變為其成本。

(j) 存貨及興建中工程

存貨是按其成本及可變現淨值兩者中之較低者列值。可變現淨值乃按預計銷售所得款項扣除估計營銷開支計算。

興建中工程則按成本加適當比例之應佔利潤減已收工程賬款及可預見虧損撥備列值。成本包括使興建中工程達致現況所需支付之直接物料、勞工及間接開支。

倘進行中合約所產生成本加上已確認溢利或減已確認虧損超出進度發票額，本集團按資產呈列為應收客戶之工程款項毛額。客戶尚未支付之進度發票額及保固金，計入貿易及保固金應收賬款。倘進行中合約之進度發票額超出所產生成本加上已確認溢利或減已確認虧損，本集團按負債呈列為應付客戶之工程款項毛額。

(k) 財務資產

本集團分類其投資為可供出售之財務資產。

可供出售之財務資產即指定為這一類別或不屬於其他類別之非衍生財務資產。除非管理層有意於報告期起計十二個月內出售該等投資，否則該等項目入賬列為非流動資產。

2. Summary of significant accounting policies (continued)

(k) Financial assets (continued)

Regular way purchases and sales of financial assets are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Available-for-sale financial assets are subsequently carried at fair value. Changes in carrying amount are recognised in other comprehensive income.

The fair values of quoted financial assets are based on current bid prices. For financial assets that are not traded in an active market (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in the consolidated income statement – is removed from equity and recognised in the consolidated income statement. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement.

(l) Operating leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessors are classified as operating leases.

(i) The Group is the lessee

Payments made under operating leases net of any incentives received from the lessors are charged to the consolidated income statement on a straight-line basis over the lease periods.

(ii) The Group is the lessor

When assets are leased out under an operating lease, the asset is included in the balance sheet based on the nature of the asset. Lease income from an operating lease is recognised over the term of the lease on a straight-line basis.

2. 主要會計政策概要 (續)

(k) 財務資產 (續)

一般之財務資產買賣於本集團承諾購買或出售該資產之交易日確認。所有非按照公允值計入損益之財務資產初步按公允值加交易成本確認。財務資產於收取現金流量之權利已屆滿或已轉讓，及本集團已將擁有權所涉之大部份風險與回報轉移時取消確認。

可供出售之財務資產其後按公允值入賬。賬面值之變動則計入其他全面收益內。

有報價之財務資產以其現時競價為公允值。倘財務資產並非於活躍市場作買賣（及就非上市證券而言），本集團會利用估值技術釐定公允值。有關技術包括參考近期之公平交易，參考其他大致上相同之投資工具，貼現現金流量分析及股權定價模式，並盡最大程度使用市場數據及在可能情況下越少依據實體之個別數據。

本集團將於每個報告期末評估財務資產或一組財務資產有否出現減值之客觀證據。若股票證券被劃分為可供出售之財務資產，在判斷該證券有否減值時，須考慮其公允值是否大幅或長期低於其成本。如可供出售之財務資產出現此等跡象，其累積虧損（收購成本與現時公允值之差額，減去該財務資產以前已計入綜合收益表之任何減值虧損）將從權益賬扣除，並計入於綜合收益表。已計入綜合收益表之股權工具減值虧損不會透過綜合收益表撥回。

(l) 營運租約

資產擁有權之重大部份風險及回報由出租人保留之租約皆以營運租約方式入賬。

(i) 本集團為承租人

營運租約支出在扣除自出租人收取之任何獎勵金後，按租賃期於綜合收益表中以直線法平均支銷。

(ii) 本集團為出租人

根據營運租約出租之資產按其性質計入資產負債表內。來自營運租約之租賃收入以直線法，在租賃期內確認。

2. Summary of significant accounting policies (continued)**(m) Receivables**

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the consolidated income statement. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited to the consolidated income statement.

(n) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturity of three months or less, and bank overdrafts.

(o) Impairment of investments in subsidiaries, and non-financial assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Impairment testing of the investments in subsidiaries is required upon receiving dividends from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2. 主要會計政策概要 (續)**(m) 應收賬款**

應收賬款初步按公允值確認，其後以實際利率法按攤銷成本扣除減值撥備計量。應收賬款之減值撥備於出現客觀證據表明本集團無法按應收賬款之原有條款收回所有金額時確立。債務人遇到重大之財務困難使其有可能面臨破產或財務重組及有可能違約或拖欠付款，均顯示應收賬款已出現減值。撥備金額為資產賬面值與估計未來現金流量現值（按實際利率貼現計算）之差額。撥備金額於綜合收益表內確認。當一項應收賬款被認為不可收回，其數額將從應收賬款撥備撇銷。其後收回已撇銷之應收賬款於綜合收益表中內抵免。

(n) 現金及等同現金項目

現金及等同現金項目包括庫存現金、銀行通知存款、其他原到期日為三個月或以下之短期高流通性投資以及銀行透支。

(o) 附屬公司及非財務資產投資之減值

沒有確定使用年期之資產（例如商譽）無需攤銷，但每年須進行減值測試。各項資產於有事件出現或情況改變顯示賬面值可能無法收回時，須就減值進行檢討。減值虧損按資產之賬面值超出其可收回金額之差額確認。可收回金額以資產之公允值扣除銷售成本或使用價值兩者之間較高者為準。資產按可分開識別現金流量（現金產生單位）之最低層次組合作分類進行減值評估。除商譽外，已蒙受減值之非財務資產在每個報告日均就減值是否可以撥回進行檢討。

當收到附屬公司投資之股息時，而股息超過附屬公司在股息宣派期間之全面收益總額，或在單獨財務報表中之投資賬面值超出被投資方資產淨值於綜合財務報表中之賬面值（包括商譽），則必須對有關投資進行減值測試。

2. Summary of significant accounting policies (continued)

(p) Borrowings

Borrowings, including senior notes, are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the consolidated income statement over the period of the borrowings using the effective interest method.

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

(q) Trade payable

Trade payable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(r) Current and deferred tax

The tax expense for the year comprises current and deferred tax.

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Company and its subsidiaries and joint operations operate and generate taxable income. Management periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred taxation liability is settled.

Tax is recognised in the consolidated income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries and joint operations, except where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

2. 主要會計政策概要 (續)

(p) 借款

借款(包括優先票據)初期以公允值扣除交易成本後確認。借款其後按攤銷成本列賬,所得款項(扣除交易成本)與贖回價值之任何差額則於借款期內以實際利率法於綜合收益表內確認。

除非本集團有權無條件於結算日期後將負債之結算遞延至少十二個月,否則借款分類為流動負債。

(q) 應付賬款

應付賬款初步按公允值確認,其後以實際利率法按攤銷成本計量。

(r) 當期及遞延稅項

本年度稅項開支包括當期及遞延稅項。

當期稅項支出以本公司及其附屬公司及共同經營業務營運及產生應課稅收入之國家於結算日已頒佈或實質頒佈之稅務法例計算。管理層就適用稅務法例詮釋所規限之情況定期評估報稅表之狀況,並在適用情況下根據預期須向稅務機關支付之稅款設定撥備。

遞延稅項採用負債法就資產及負債之稅基與它們在綜合財務報表之賬面值兩者之暫時差異作全數確認。然而,於非業務合併之交易中初次確認資產或負債而產生遞延稅項,而交易當時並無影響會計處理及應課稅溢利或虧損,則不會將遞延稅項入賬。遞延稅項按結算日前已頒佈或實際頒佈,並在變現有關遞延稅項資產或清償遞延稅項負債時預期將會適用之稅率(及法例)而釐定。

稅項於綜合收益表中確認,但與在其他全面收益或直接在權益中確認之項目之相關稅項除外。在該情況下,有關稅項分別在其他全面收益或直接在權益中確認。

遞延稅項資產乃就有可能將未來應課稅溢利與可動用之暫時差異抵銷而確認。

遞延稅項乃就附屬公司及共同經營業務投資之暫時差異而撥備,但假若可以控制暫時差異撥回之時間,並有可能在可預見未來不會撥回則除外。

2. Summary of significant accounting policies (continued)**(r) Current and deferred tax (continued)**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(s) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

(t) Contingent liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the Notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, it will then be recognised as a provision.

(u) Employee benefits**(i) Retirement benefits**

The Group participates in mandatory provident fund schemes in Hong Kong which are defined contribution plan generally funded through payments to trustee-administered funds. The assets of the scheme are held separately from those of the Group in independently administered funds.

2. 主要會計政策概要 (續)**(r) 當期及遞延稅項 (續)**

當有法定可執行權力將當期稅項資產與當期稅務負債抵銷，且遞延稅項資產和負債涉及由同一稅務機關對應同一應課稅實體或對應不同應課稅實體，並有意向以淨額基準結算稅項結餘時，則可將遞延稅項資產與負債互相抵銷。

(s) 撥備

當本集團因已發生之事件而產生現有之法律或推定責任，並很有可能需要資源流出以償付責任及金額已能可靠地估計時，即會確認撥備。未來經營虧損不確認撥備。

如有多項類似責任會根據責任之類別整體考慮是否需要在償付中流出資源。即使在同一責任類別所包含之任何一個項目之相關資源流出之可能性極低，仍需確認撥備。

撥備採用稅前率按照預期需償付有關責任之開支現值計量，該稅前率反映當時市場對金錢時間值和有關責任固有風險之評估。隨著時間過去而增加之撥備確認為利息開支。

(t) 或然負債

或然負債乃因過去事件而可能出現之責任，而僅視乎日後會否出現一項或多項非本集團可完全控制之事件而確認。或然負債也可能是因過去事件而產生之現有責任，但由於未必需要流出經濟資源或不能就該責任之數額作可靠估計而未有確認有關責任。

雖然或然負債不予確認，但須於綜合財務報表附註中披露。倘情況有變可能導致資源流出時，或然負債則確認為撥備。

(u) 僱員福利**(i) 退休福利**

本集團參與香港強制性公積金計劃，該計劃為一項透過向信託人管理基金付款之界定供款計劃。該計劃之資產由獨立管理之基金持有，與本集團之資產分隔。

2. Summary of significant accounting policies (continued)**(u) Employee benefits (continued)****(i) Retirement benefits (continued)**

Pursuant to the relevant regulations of the government in the People's Republic of China ("PRC"), the subsidiaries in the PRC participate in the municipal government contribution scheme whereby the subsidiaries are required to contribute to the scheme for the retirement benefit of eligible employees. The municipal government of the PRC is responsible for the entire benefit obligations payable to the retired employees. The only obligation of the Group with respect to the scheme is to pay the ongoing contributions required by the scheme. The Group's contributions to the scheme are expensed as incurred.

(ii) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the balance sheet date. It is the Group's policy to forfeit any untaken annual leave within a specific time period. Subject to regular assessment of staff turnover rate, a provision will be made or reversed. Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

(iii) Share-based compensation

The Group operates two equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted, excluding the impact of any non-market service and performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At each balance sheet date, the Company revises its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision of original estimates, if any, in the consolidated income statement with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares and the proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

2. 主要會計政策概要 (續)**(u) 僱員福利 (續)****(i) 退休福利 (續)**

根據中華人民共和國(「中國」)政府之有關規例，中國國內之附屬公司須參與市政府之供款計劃，據此，附屬公司須就該計劃為合資格僱員提供退休福利供款。中國市政府負責支付予退休僱員所有福利承擔，本集團就該項計劃所承擔之唯一責任是根據該計劃規定持續作出供款。本集團對該計劃之供款於產生時列作開支。

(ii) 僱員應享假期

僱員應享之年假及長期服務假權利在僱員應該享有時確認。本集團截至結算日止已就僱員提供之服務就估計年假責任作出撥備。根據本集團政策，於指定時間內未曾動用之年假將被註銷。本集團定期評估員工的流失率，將計提或撥回撥備。僱員之病假及產假在僱員正式休假時確認。

(iii) 以股份為基礎之補償

本集團設有兩項以股份為基礎之股權結算補償計劃，根據該等計劃，實體收取僱員之服務作為本集團權益工具(認股權)之代價。僱員以獲取授予認股權而提供服務之公允值確認為開支。開支總金額乃參考授予之認股權公允值而釐定，但不包括任何非市場服務及表現歸屬條件(例如盈利能力、銷售增長目標和僱員在特定時期內留任實體)之影響。非市場歸屬條件包括在有關預期將予歸屬之認股權數目之假設中。開支總金額在歸屬期間內確認，歸屬期間指等待所有特定歸屬條件符合之期間。在每個結算日，本公司依據非市場歸屬條件修訂其對預期將予歸屬認股權數目的估計。對原估計修訂之影響(如有)在綜合收益表確認，並對權益作出相應調整。

當認股權獲行使時，本公司發行新股，而收取之所得款經扣除任何直接應計交易成本後，計入股本(面值)及股份溢價。

2. Summary of significant accounting policies (continued)**(u) Employee benefits (continued)****(iv) Termination benefits**

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to a termination when the entity has a detailed formal plan to terminate the employment of current employees without possibility of withdrawal. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(v) Long service payment liabilities

The Group's net obligation in respect of long service accounts payable on cessation of employment in certain circumstances under the Hong Kong Employment Ordinance is the amount of future benefit that employees have earned in return for their services in the current and prior periods. That benefit is discounted to determine the present value and reduced by entitlements accrued under the Group's retirement plans. The obligation is calculated using the projected unit credit method by a qualified actuary. Actuarial gains or losses was credited/charged to other comprehensive income in the period in which they arise.

(vi) Bonus plans

Provisions for bonus are recognised when the Group has a present legal or constructive obligation as a result of services rendered by employees and a reliable estimate of the obligation can be made.

(v) Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in consolidated income statement in the period in which they are incurred.

2. 主要會計政策概要 (續)**(u) 僱員福利 (續)****(iv) 終止服務費用**

終止服務費用於僱員在正常退休日期前被本集團終止聘用或僱員接受自願遣散以換取此等福利時支付。本集團在能證明以下承諾時確認終止服務費用：根據一項詳細之正式計劃終止現有僱員之僱用而並無撤回之可能。在提出要約以鼓勵自願離職之情況下，終止服務費用乃根據預期接受受約之僱員人數計量。於報告期末之後超過12個月到期支付之福利應貼現為現值。

(v) 長期服務金負債

本集團根據香港《僱傭條例》須在若干情況下於終止僱用時支付之長期服務賬款負債淨額，為僱員於本期間及以往期間因提供服務所賺取之未來利益金額，在釐定現值時，該項利益須予以貼現計算，並扣減根據本集團之退休計劃累計之權益。有關責任由合資格精算師採用預計單位信貸法計算。精算收益或虧損於產生期間在其他全面收益計入／扣除。

(vi) 花紅計劃

當本集團因僱員已提供之服務而產生現有法律或推定性責任，而責任金額能可靠估算時，花紅撥備即予以確認。

(v) 借貸費用

因收購、興建或生產合資格資產（即須相當長之時間方可作擬定用途或出售的資產）而直接產生之一般及特定借貸成本，乃資本化為該等資產之部份成本，直至當資產大體上可作擬定用途或出售時為止。

所有其他借貸成本在產生期間的綜合收益表中確認。

2. Summary of significant accounting policies (continued)

(w) Revenue recognition

Contract costs are recognised when incurred. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that are likely to be recoverable. When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognised over the period of the contract. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Variations in contract work, claims and incentive payments are included in contract revenue to the extent that they have been agreed with the customer and are capable of being reliably measured.

Revenue from contracting work is recognised based on the stage of completion of the contracts, provided that the stage of contract completion and the gross billing value of contracting work can be measured reliably. The stage of completion of a contract is established by reference to the gross billing value of contracting work to date as compared to the total contract sum receivable under the contracts.

Income from sale of stock of property 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 collectibility of related receivables is reasonably assured. Deposits and instalments received on properties sold prior to the date of revenue recognition are included in the consolidated balance sheet as advanced proceeds received from customers under current liabilities.

Operating lease rental income is recognised on a straight-line basis over the term of the lease.

Property and facility management fees are recognised when the services are rendered in accordance with the terms of agreements. There are two types of property and facility management agreements, namely management remuneration contracts ("MR Contracts") and lump sum contracts ("LS Contracts"). Under a MR Contract, the Group is remunerated based on a fixed percentage of the costs involved in the management of the property or facility as management remuneration and only such fee is recognised as revenue for the Group. Under a LS Contract, the Group is paid a lump sum fee which normally covers the costs involved in the management of the property or facility, thus the whole of the lump sum fee is recognised as revenue for the Group.

Revenue from provision of other supporting services for the management of the property or facility is recognised when the services are rendered.

2. 主要會計政策概要 (續)

(w) 收益確認

合約成本於產生時記賬。當工程合約之結果未能可靠估算，合約收益只按照有可能收回之已發生合約成本記賬。當建造合約之結果能可靠估算，且合約很大可能會產生利潤，合約收益將按合約期記賬為收入。當總合約成本有可能超過總合約收益，預期之虧損即時列為開支。

合約變更項目、索償和獎勵金計入合約收益內，以已與客戶協定且能可靠計量者為限。

合約工程收益是根據工程完工階段入賬，惟有關工程完工階段及已開單之合約工程總額必須能作出可靠之測算。工程完工階段是依據至現今已開單之合約工程總額及應收之合約總價兩者作比較而確定。

出售物業存貨所產生之收入於物業之風險及回報轉移到買家，即當有關物業之興建已完工及該等物業已交付予買家及相關應收款項可合理保證收回時確認。就於收益確認日期前出售之物業所收到之按金及分期付款項乃計入綜合資產負債表作為流動負債項下之已收客戶之預付所得款項。

營運租約之租金收入於租賃期以直線法確認。

物業及設施管理服務費於根據協議條款提供服務時確認。物業及設施管理協議分為經理人酬金合約（「經理人酬金合約」）及全包賬式合約（「全包賬式合約」）兩種。根據經理人酬金合約，本集團將收取管理物業或設施所涉成本之固定百分比計算之收費作為經理人酬金，只有該等收費會確認為本集團之收益。根據全包賬式合約，本集團獲付一筆款項，該等款項一般足以支付管理物業或設施所涉成本，故此整筆款項會確認為本集團之收益。

為管理物業或設施而提供其他支援服務之收益，於提供服務時確認。

2. Summary of significant accounting policies (continued)**(w) Revenue recognition (continued)**

Plant and plant staff hire income, secondment fee income, consultancy fee income, services centre charges, building management fee and copying service income are recognised when the services are rendered.

Interest income on bank deposits is recognised on a time proportion basis, taking into account the principal amounts outstanding and the interest rates applicable.

Dividend income is recognised when the right to receive payment is established.

(x) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments and making strategic decisions.

(y) Financial guarantee contracts

Financial guarantee contracts are contracts that require the issuer (i.e. the guarantor) to make specified payments to reimburse the beneficial holder of the guarantee (i.e. 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.

The Group does not recognise liabilities for financial guarantees at inception, but performs a liability adequacy test at each reporting date by comparing its carrying amount of the net liability from the financial guarantee with its present legal or constructive obligation amount. If the carrying amount of the net liability is less than its present legal or constructive obligation amount, the entire difference is recognised in the consolidated income statement immediately.

(z) Dividend distribution

Dividend distribution to the Company's equity holders is recognised as a liability in the financial statements in the year in which the dividend is approved by the Company's shareholders.

(aa) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2. 主要會計政策概要 (續)**(w) 收益確認 (續)**

機械設備租賃及機械技術員工之聘用收入、僱員借調服務收入、顧問費收入、服務中心收費、物業管理費及複印服務費均於服務提供時確認。

銀行存款利息收入依據未償還本金額及適用利率按時間比例確認。

股息收入在收取股息之權利確定後確認。

(x) 分類報告

營運分類報告方式與提供給主要營運決策者之內部報告方式一致。主要營運決策者負責營運分類之資源分配與業績評估，並作出策略性決定。

(y) 財務擔保合約

財務擔保合約指發行人（即保證人）就擔保之受益人（即持有人）因指定之債務人未能根據債務工具的條款支付到期款項而蒙受損失時，向持有人償付指定款項的合約。

本集團未就財務擔保之負債作初始確認，但於每個報告日就其財務擔保之負債淨額賬面值與其現行法定或推定責任之數額進行負債撥備恰當測試。假若其負債淨額賬面值是低於其現行法定或推定責任之數額時，相差之數額將即時全數直接於綜合收益表中確認。

(z) 分派股息

向本公司權益持有人分派之股息在股息獲本公司股東批准之年度於財務報表中確認為負債。

(aa) 股本

普通股分類為權益。直接歸屬於發行新股份或認股權之新增成本於權益中列為所得款項之扣減項目（扣除稅項）。

2. Summary of significant accounting policies (continued)

(ab) Convertible bonds, coupon bonds and warrants

Convertible bonds that can be converted to share capital at the option of the holders, where the conversion price is at a stipulated price that will be adjusted, subject to terms and formulae provided for in the agreement of the convertible bonds, to adjust for the dilutive effects of share split or consolidation, capital distribution, capitalisation of profit or reserves, issuance of new shares or share options or warrants, and etc, are accounted for as compound financial instruments which contain both a liability component and an embedded derivative component.

The liability component of convertible bonds is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component and embedded derivative component are recognised initially at the difference between the fair value of the convertible bonds as a whole and the fair value of the liability component.

Any directly attributable transaction costs of issuing convertible bonds are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of convertible bonds and is measured at amortised cost using the effective interest method. The derivative component of convertible bond is re-measured using fair value model.

If the bonds are converted, the convertible bonds equity reserve, together with the carrying amounts of the liability and derivative components at the time of conversion, is transferred to share capital and share premium as consideration for the shares issued. If the bonds are redeemed, the convertible bonds equity reserve is released directly to retained profits, and any difference between the amount paid relating to the liability component and the fair value of the liability and derivative components is recognised in consolidated income statement.

2. 主要會計政策概要 (續)

(ab) 可換股債券、票息債券及認股權證

倘於轉換價列明價格可予調整 (須根據可換股債券協議的條款及方案的規定，就股份分拆或合併、資本分派、溢利或儲備資本化、發行新股份、認股權或認股權證等的可攤薄影響而作出調整)，則可供持有人選擇轉為股本之可換股債券作為附有負債成份及嵌入衍生工具成份之複合金融工具列賬。

可換股債券的負債部份初步按並無權益轉換選擇權的類似負債的公允值確認。權益部份及嵌入衍生工具部份初步按可換股債券的整體公允值與負債部份的公允值之間的差額確認。

發行可換股債券的任何直接歸屬交易成本，按其初始賬面值的比例分配至負債及權益部份。

於初步確認後，可換股債券的負債部份採用實際利率法按攤銷成本計量。可換股債券之衍生工具部分乃使用公允值模式重新計量。

倘債券被轉換，可換股債券權益儲備連同負債部份及衍生部份於轉換時之賬面值將轉撥至股本及股份溢價，作為已發行股份之代價。倘債券獲贖回，可換股債券權益儲備將直接撥回至保留溢利，而與債務部份相關的已付款額與負債部份及衍生部份公允值之差額將於綜合收益表中確認。

3. Financial risk management

(a) Financial risk factors

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(i) Market risk

(1) Foreign exchange risk

Foreign exchange risk exposure arising from the Group's operation in Macau and the Chinese Mainland are monitored by proper synchronisation of receipts and payments in different operating currencies, hedging of risk is not considered because of insignificant exposure to the Group's working capital. The Group has no outstanding forward exchange contract as at 31 December 2015 and 2016, but will consider hedging the foreign currency exposure by using forward exchange contracts if needed.

As at 31 December 2016, if RMB had strengthened/weakened by 5% (2015: 5%) against Hong Kong dollars with all other variables held constant, the Group's loss for the year would have been approximately HK\$23,000 higher/(lower) (2015: HK\$5,500,000 higher/(lower), mainly as a result of net foreign exchange gains/(losses) on translation of foreign currency denominated trade and other receivables, deposit, cash and bank balances and trade and other payables.

(2) Interest rate risk

Financial instruments at fixed and variable rates expose the Group to fair value interest rate risk and cash flow interest rate risk respectively. The Group's interest rate risk arises mainly from bank borrowings, other borrowings, senior notes and convertible bonds. Borrowings issued at variable rates expose the Group to cash flow interest rate risk due to fluctuation of HIBOR arising from the Group's Hong Kong dollar denominated borrowings.

At 31 December 2016, if interest rates on bank borrowings, which carried at floating interest rate, had been 50 basis points (2015: 50 basis points) higher or lower with all other variables held constant, the Group's profit for the year would have decreased/increased by approximately HK\$9.1 million (2015: HK\$6.0 million) as a result of higher or lower interest expenses on floating rate bank borrowings.

(3) Price risk

The Group is exposed to equity securities price risk through financial asset held by the Group classified as available-for-sale financial asset. The Group considers the price risk exposure is not material.

3. 財務風險管理

(a) 財務風險因素

本集團之整體風險管理計劃專注於財務市場之難預測性，並尋求儘量減低對本集團財務表現之潛在不利影響。

(i) 市場風險

(1) 外匯風險

就本集團在澳門及中國內地之業務產生之外匯風險而言，本集團將各種營運貨幣之收款及付款，透過適當地配合作出監察。對沖風險不予考慮，因為本集團營運資金面對之風險不重大。於2015年及2016年12月31日，本集團並無未償還遠期外匯合約，惟在有需要時，將考慮採用遠期外匯合約，對沖外匯風險。

於2016年12月31日，倘所有其他變動因素維持不變，若人民幣兌港幣之匯價升值／貶值5%（2015年：5%），本集團本年度虧損將增加／（減少）約港幣23,000元（2015年：增加／（減少）港幣5,500,000元）。主要由於換算以外幣計值之貿易及其他應收賬款、存款、現金及銀行結存及貿易及其他應付賬款所產生之外幣兌換淨收益／（虧損）所致。

(2) 利率風險

按固定利率及浮動利率計息之金融工具分別令本集團面對公允值利率風險及現金流量利率風險。本集團利率風險主要源自銀行借貸、其他借貸、優先票據及可換股債券。按浮動利率授出之本集團借貸，由於以港幣為單位，故受香港銀行同業拆息波動影響，致使本集團承受現金流量利率風險。

於2016年12月31日，假若浮動利率銀行借貸之利率上升或下跌50基點（2015年：50基點）而所有其他變動因素維持不變，本集團本年度溢利將會由以浮動利率計息之銀行借貸利息開支增加或減少而減少／增加約港幣9,100,000元（2015年：港幣6,000,000元）。

(3) 價格風險

本集團持有之財務資產被分類為可供出售之財務資產，使其承擔股本證券價格風險。惟本集團認為其價格風險承擔並不重大。

3. Financial risk management (continued)**(a) Financial risk factors** (continued)**(ii) Credit risk**

Credit risk of the Group mainly arises from deposits, cash and bank balances and receivables. The Group has no significant concentration of credit risk.

The credit risk associated with deposits and cash and bank balances is limited because the counterparties are banks with high credit rating.

Before entering into construction contracts, assessment on the potential customers is carried out as part of the acceptance procedures for the new contracts.

To manage the credit risk associated with receivables, the Group adopts risk control to assess the credit quality of the customers and debtors, taking into account of their financial position, past experience and other factors. Aging analysis is performed and reviewed regularly by management of each operating segment and follow up action will be taken, as appropriate.

(iii) Liquidity risk

The Group adopts prudent liquidity risk management which includes maintaining sufficient bank balances and cash, and having available funding through an adequate amount of committed credit facilities. Relevant details are also set out in Note 2(a)(i).

Cash flow forecast is performed in the operating segments of the Group and aggregated by corporate finance team. Corporate finance team monitors forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. For bank loans containing a repayment on demand clause, after taking into account the Group's financial position, the directors do not consider that the bank will exercise its discretion to demand immediate repayment, and believe that the bank loans will be repaid in accordance with the scheduled repayment dates set out in Note 30. The amounts disclosed in the table are the contractual undiscounted cash flows, including interest payment.

However, for bank loans containing a repayment on demand clause, if the lenders were to invoke their unconditional rights to call the loans with immediate effect, including short term revolving loans of HK\$1.2 billion which is subject to annual review by lenders and bank loans of HK\$1.1 billion with scheduled repayment dates will be on demand for repayment immediately, excluding interest payments.

3. 財務風險管理 (續)**(a) 財務風險因素** (續)**(ii) 信貸風險**

本集團之信貸風險主要來自存款、現金及銀行結存及應收賬款。本集團並無重大集中信貸風險。

存款以及現金及銀行結存的相關信貸風險有限，此乃由於交易對方為具高信貸評級之銀行。

於訂立建造合約前，本集團會對準客戶作出評估，作為接納新合約程序之一部份。

為管理應收賬款之相關信貸風險，本集團已採納風險控制，評估客戶及債務人之信貸質素，並考慮其財務狀況、過往經驗、以及其他因素。各營運分類之管理層定期進行及審閱賬齡分析，並於適當時候採取跟進行動。

(iii) 流動資金風險

本集團採用審慎之流動資金風險管理，包括維持充足銀行結存及現金，並透過取得充裕之承諾信貸融資獲得可動用資金。有關詳情請參閱附註2(a)(i)。

現金流量預測乃於本集團各營運分類內進行，並由企業財務團隊彙集。企業財務團隊監察本集團的預測流動資金需求，確保本集團有充足現金應付營運所需。

下表顯示本集團之財務負債，按照相關之到期組別，根據由結算日至合約到期日之剩餘期間進行分析。就包含按要求償還條文之銀行貸款而言，各董事已經考慮本集團之財務狀況，認為銀行不會行使其權利要求即時償還款項，並相信本集團將根據載列於附註30中之還款時間表償還銀行貸款。在表內披露之金額為合約性未貼現之現金流量及包括利息付款。

然而，就附帶按要求還款條款之銀行貸款而言，倘貸款人動用其無條件即時追償貸款之權利，則須由貸款人按年進行檢討之港幣12億元之短期循環貸款及具有預設還款日期之港幣11億元之銀行貸款將須於要求時即時償還，惟不包括利息付款。

3. Financial risk management (continued)

(a) Financial risk factors (continued)

(iii) Liquidity risk (continued)

3. 財務風險管理 (續)

(a) 財務風險因素 (續)

(iii) 流動資金風險 (續)

		Less than 1 year 少於一年 HK\$'000 港幣千元	Between 1 and 2 years 一年至兩年 HK\$'000 港幣千元	Between 2 and 5 years 兩年至五年 HK\$'000 港幣千元	Over 5 years 五年以上 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 31 December 2016	於2016年12月31日					
Bank overdrafts	銀行透支	25,216	–	–	–	25,216
Bank loans	銀行貸款					
– short term revolving	– 短期循環銀行貸款	1,240,319	–	–	–	1,240,319
– with repayment on demand clause	– 包含按要求償還條文之銀行貸款	943,146	78,121	129,841	–	1,151,108
Convertible bonds	可換股債券	55,359	–	–	–	55,359
Other borrowings	其他借貸	4,388,123	1,787,533	–	–	6,175,656
Payables	應付賬款	4,957,368	157,572	51,676	90	5,166,706
Amounts due to other partners of joint operations	應付共同經營其他夥伴款項	22,847	–	–	–	22,847
Senior notes	優先票據	302,251	2,525,532	1,211,906	–	4,039,689
Total	總計	11,934,629	4,548,758	1,393,423	90	17,876,900
At 31 December 2015	於2015年12月31日					
Bank loans	銀行貸款					
– short term revolving	– 短期循環銀行貸款	1,941,097	–	–	–	1,941,097
– with repayment on demand clause	– 包含按要求償還條文之銀行貸款	369,565	238,469	209,954	–	817,988
– without repayment on demand clause	– 未包含按要求償還條文之銀行貸款	450,398	264,653	453,864	–	1,168,915
Convertible bonds	可換股債券	821,500	–	–	–	821,500
Other borrowings	其他借貸	2,484,962	–	–	–	2,484,962
Payables	應付賬款	4,873,605	313,673	165,040	–	5,352,318
Amounts due to other partners of joint operations	應付共同經營其他夥伴款項	16,153	–	–	–	16,153
Senior notes	優先票據	203,438	203,438	2,426,719	–	2,833,595
Total	總計	11,160,718	1,020,233	3,255,577	–	15,436,528

3. Financial risk management (continued)

(b) Capital risk management

In managing capital, the Group's objectives are to safeguard its ability to continue operation as a going concern and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debts.

The Group monitors capital on the basis of net debt-to-tangible-net-assets ratio. Net debt is the sum of deposits, cash and cash equivalents less bank loans, interest-bearing notes, convertible bonds, senior notes, financial derivative liability and other borrowings. Tangible net assets include total net assets of the Group and exclude goodwill and intangible assets. The ratio is 102% at 31 December 2016 (2015: 54%). As a result of long-term funding raising activity to cope with rapid expansion of property development in the Chinese Mainland, the Group has a net debt position of HK\$11.1 billion as at 31 December 2016 (2015: net debt HK\$7.8 billion).

(c) Fair value estimation

HKFRS 7 (Amendment) 'Financial Instruments – Disclosures' requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. These instruments are included in level 1. As at 31 December 2016 and 2015, the Group did not have financial instruments under this category.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. As at 31 December 2016 and 2015, the Group did not have financial instruments under this category.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. As at 31 December 2016 and 2015, the Group had available-for-sale financial asset and financial derivative liability under this category.

3. 財務風險管理 (續)

(b) 資本風險管理

對於資本管理，本集團之目標為按持續經營之基準保障本集團有繼續營運之能力，並維持最佳之資本結構以減低資本成本。為保持或調整資本結構，本集團或會調整派發予股東之股息金額、退還股本予股東、發行新股份或出售資產以減低債務。

本集團按債務淨額對有形資產淨值比率監察資本。債務淨額乃指存款、現金及等同現金項目減銀行貸款、計息票據、可換股債券、優先票據、金融衍生工具負債及其他借貸的總和。有形資產淨值包括本集團總資產淨值，但不包括商譽及無形資產。於2016年12月31日，比率為102%（2015年：54%）。由於為配合中國內地物業發展迅速增長而進行長期集資活動，本集團於2016年12月31日有債務淨額港幣111億元（2015年：債務淨額港幣78億元）。

(c) 公允值估計

香港財務報告準則第7號（修改）「金融工具－披露」規定按下列公允值計量層級披露公允值計量：

- 相同資產或負債在活躍市場之報價（未經調整）（第一層）。
- 除第一層所包括之報價外，可就資產或負債直接（即例如價格）或間接（即源自價格）觀察之輸入（第二層）。
- 資產或負債並非依據可觀察市場數據之輸入（即非可觀察輸入）（第三層）。

在活躍市場買賣之金融工具公允值根據結算日之市場報價列賬，該等金融工具列入第一層。於2016年及2015年12月31日，本集團無任何此類別之金融工具。

沒有在活躍市場買賣之金融工具（例如場外衍生工具）之公允值利用估值技術釐定。該等估值技術儘量利用可觀察市場數據（如有），儘量少依賴主體之特定估計。如計算一金融工具之公允值所需之所有重大輸入皆為可觀察數據，則該金融工具列入第二層。於2016年及2015年12月31日，本集團並無擁有此類別之金融工具。

如一項或多項重大輸入並非根據可觀察市場數據得出，則該金融工具列入第三層。於2016年及2015年12月31日，本集團有列入此類別之可供出售之財務資產及金融衍生工具負債。

3. Financial risk management (continued)**(c) Fair value estimation** (continued)

There was no transfer of financial instruments between level 1, 2 and 3 during the year.

Movement of financial asset under level 3 measurements is as follows:

Available-for-sale financial asset	可供出售財務資產	2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
At 1 January	於1月1日	31,662	27,798
Fair value (loss)/gain	公允值(虧損)/收益	(1,877)	3,864
At 31 December	於12月31日	29,785	31,662

Movement of financial liabilities under level 3 measurements is as follows:

Financial derivative liability	金融衍生工具負債	2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
At 1 January	於1月1日	206,412	–
Issue of convertible bonds	發行可換股債券	–	199,425
Fair value (gain)/loss	公允值(收益)/虧損	(194,168)	6,987
Conversion to ordinary shares	轉換至普通股	(5,573)	–
Early redemption	提早贖回	(6,488)	–
At 31 December	於12月31日	183	206,412

3. 財務風險管理 (續)**(c) 公允值估計** (續)

於本年度，並無金融工具於第一層、第二層及第三層之間進行轉撥。

按第三層計量的財務資產變動如下：

按第三層計量的財務負債變動如下：

4. Critical accounting estimates and assumptions

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 having a significant effect on the carrying amounts of assets and liabilities are discussed below:

(a) Going concern consideration

In the process of applying the Group's accounting policies, apart from those involving estimations, management has prepared the consolidated financial statements on the assumption that the Group will be able to operate as a going concern in the coming year, which is a critical judgement that has the most significant effect on the amounts recognised in the consolidated financial statements. The assessment of the going concern assumption involves making a judgement by the directors, at a particular point of time, about the future outcome of events or conditions which are inherently uncertain. The directors consider that the Group has the capability to continue as a going concern and the major events or conditions, which may give rise to business risks, that individually or collectively may cast significant doubt upon the going concern assumption are set out in Note 2(a)(i) to the consolidated financial statements.

(b) Business combination

The Group completed several acquisitions during the year ended 31 December 2015. Please refer to Notes 41 for details of the acquisitions.

The Group assessed the acquisition in accordance with HKFRS and concluded that the acquisition constitutes a business combination. To account for the assets and liabilities acquired, significant judgement was required in determining the fair value of the identifiable assets and liabilities.

(c) Fair value measurement of convertible bonds

On initial recognition and redemption, the fair values of convertible bonds that are not traded in an active market is determined by using valuation techniques. The Group uses its judgement to select methods and make assumptions, including those based on market conditions on valuation date for valuation. The assessment of the fair value of the bonds and the liability component of the convertible bonds involved key management assumptions, among other things, the expected volatility, dividend yield, etc.

4. 重大會計估計及假設

本集團對未來作出估計及假設。按照定義，所得出之會計估計甚少與有關之實際結果相同。對資產及負債賬面值有重大影響之估計及假設在下文論述：

(a) 持續經營考慮

於應用本集團的會計政策時，除涉及作出估計外，管理層已按本集團將能夠於來年持續經營之假設編製綜合財務報表，此乃對綜合財務報表所確認金額會產生最重大影響的重大判斷。持續經營假設的評估涉及董事於特定時間點作出有關具固有不确定性的事件或條件的未來結果的判斷。董事認為本集團有能力持續經營，而可能帶來業務風險並個別或共同可能對持續經營假設造成重大影響的主要事件或條件載於綜合財務報表附註2(a)(i)。

(b) 業務合併

截至2015年12月31日止年度，本集團已完成若干收購事項。收購事項之詳情請參閱附註41。

本集團已根據香港財務報告準則評估收購事項並認定該收購事項構成業務合併。為將已收購資產與負債入賬，於釐定可識別資產及負債之公允值時須作出重大判斷。

(c) 可換股債券的公允值計量

於初步確認及贖回時，並非於在活躍市場買賣之可換股債券之公允值時乃利用估值技術釐定。本集團須判斷所選取的方法及作出假設，包括該等就計算估值以估值日期的市況為基準的方法及假設。債券及可換股債券的負債部分公允值的評估牽涉到主要管理層假設，其中包括預期波動及股息率等。

4 Critical accounting estimates and assumptions

(continued)

(d) Construction contracts

As explained in Note 2(w), revenue recognition on a project is dependent on management's estimation of the total outcome of the construction contract, as well as the work done to date. The Group reviews and revises the estimates of contract revenue, contract costs, variation orders and contract claims prepared for each construction contract as the contract progresses. Budgeted construction income is determined in accordance with the terms set out in the relevant contracts. Budgeted construction costs are prepared by the management on the basis of quotations from time to time provided by the major contractors, suppliers or vendors involved and the experience of the management. In order to keep the budget accurate and up-to-date, the management conducts periodic reviews of the management budgets by comparing the budgeted amounts to the actual amounts incurred.

A considerable amount of judgement is required in estimating the total contract revenue, contract costs, variation orders and contract claims which may have an impact in terms of percentage of completion and job profit taken.

As at 31 December 2016, among the arbitrations over the Group have been dealing with, a significant arbitration claim of approximately RMB205 million was against a subcontractor in the PRC (the "PRC Subcontractor") in respect of disputes between the Group and the PRC Subcontractor in a building construction contract in the PRC. The PRC Subcontractor raised a counterclaim against the Group in the sum of approximately RMB221 million. The case is under examination by the arbitrator and the directors are of the view that no provision for the arbitration is required as at 31 December 2016. The determination of the provision involved significant management estimation.

Subsequent to year-end, another significant claim of approximately HK\$208 million was against the Group in relation to dispute between the Group and a shareholder (the "Claimant") of a subcontractor (the "HK Subcontractor") in respect of a civil engineering contract in Hong Kong. The Group detained certain equipment of the HK Subcontractor and yet to return them to the Claimant due to insufficient proof of ownership. Management assessed the evidence and concluded that the amount claimed by the Claimant is significantly over-assessed and sufficient provision has been made by the Group as at 31 December 2016.

(e) Allowances for bad and doubtful debts

The allowances for bad and doubtful debts of the Group are based on the evaluation of collectability and aging analysis of account receivables and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the creditworthiness and the past collection history of each customer.

4. 重大會計估計及假設 (續)

(d) 建造合約

如在附註2(w)中說明，工程收益確認取決於管理層就建造合約最終結果之估計，以及至現今已完成之工程額。隨著合約工程進度，本集團審查及修訂每一份建造合約之合約收益、合約成本、合約變更項目及合約索償之估計。建造收益預算是根據相關合約所載條款決定。建造成本預算由管理層根據所涉及主要承包商、供應商及售賣方不時提供之報價單加上管理層之經驗而釐定。為確保預算準確及更新，管理層透過比較預算金額及實際產生金額之差別，對管理預算進行定期審查。

由於估計總合約收益、合約成本、合約變更項目及合約索償需運用相當程度的判斷，因而可能會影響完工百分比及工程溢利之計算。

於2016年12月31日，於本集團正在處理之仲裁中，本集團有一項針對一名中國分包商（「中國分包商」）與本集團在中國的一份樓宇建設合約糾紛的重大仲裁申索，涉及金額約為人民幣205,000,000元。中國分包商已提出針對本集團的涉及金額合共約人民幣221,000,000元的反申索。該案件正處於仲裁審查中，董事認為於2016年12月31日毋須就仲裁作出撥備。有關撥備之釐定涉及管理層之重大估計。

於年結日後，另一項約港幣208,000,000元的重大索償乃針對本集團提出，內容有關本集團與一名分包商（「香港分包商」）的股東（「索償人」）就香港土木工程合約的糾紛。本集團留置香港分包商的若干設備並因無法充分證明擁有權而沒有歸還索償人。管理層評估有關證據並認為索償人索償的金額明顯過高估計，本集團亦已於2016年12月31日作出充分撥備。

(e) 呆壞賬撥備

本集團呆壞賬撥備以應收賬款可收回程度及其賬齡分析之評估，以及管理層判斷為基準作出。在評估該等應收賬款之最終變現值，均須作出相當程度的判斷，包括各客戶之信貸狀況及過往收款記錄。

4 Critical accounting estimates and assumptions

(continued)

(f) Impairment of non-financial assets other than properties under development

The Group tests annually whether goodwill and trademark have suffered any impairment in accordance with the accounting policy stated in Note 2(f). The recoverable amounts of goodwill and trademark are the higher of the assets' fair values less costs to sell and value in use.

A considerable amount of judgement and assumptions are required in estimating the recoverable amount of goodwill and trademark, including growth rate, gross margin and weighted average discount rate applied to the discounted cashflows.

The Group also assesses annually for intangible assets that are not being amortised, to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. For the trademarks held by the Group, management carries out the assessment by performing an analysis of all of the relevant factors, including the ability to hold and use the trademarks and the market environment of relevant industry, to consider whether there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Group.

Other assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets exceeds its recoverable amount. The recoverable amounts of cash-generating units have been determined based on the higher of fair value less cost to sell or value-in-use calculations. These value-in-use calculations require the use of estimates.

(g) Provision for impairment of properties under development

The Group assesses the carrying amounts of properties under development according to their recoverable amounts based on the realisability of these properties, taking into account estimated costs to completion based on past experience and committed contracts and estimated net sales/rental value based on prevailing market conditions. 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.

During the year, provision amounting to HK\$1,924 million has been made in light of the delayed progress of development. Management assessed the net realisable value of its properties under development based on the latest market condition and latest Group's development plan. In view of the liquidity position of the Group, the Group has also been actively considering different potential development plans. Taking into consideration all these factors, the Group considered a decrease in net realisable value and accordingly concluded the provision of impairment as at 31 December 2016.

4. 重大會計估計及假設 (續)

(f) 發展中物業以外之非金融資產之減值

根據附註2(f)所述的會計政策，本集團每年測試商譽和商標是否出現任何減值。商譽和商標之可收回金額以資產公允值扣除銷售成本及使用價值兩者之較高者為準。

在估計商譽和商標的可收回金額，均須作出相當程度的判斷及假設，包括增長率、毛利率及應用於貼現現金流量之加權平均貼現率。

本集團亦每年評估未有攤銷之無形資產，釐定是否有任何事件及情況繼續支持評核資產具無指定可使用之期限。就本集團持有之商標而言，管理層透過分析所有相關因素（包括持有及使用商標之能力及有關行業之市場環境）而作出評估，以考慮該資產預期產生現金流入淨額至本集團是否不存在可預見的期限。

其他資產之減值檢討於有事件或情況改變顯示有關資產之賬面值高於其可收回金額時進行。現金產生單位之可收回金額以公允值減銷售成本或使用價值計算方法兩者之較高者釐定。該等使用價值計算方法需要使用估計數據。

(g) 就發展中物業之減值撥備

本集團根據發展中物業之可回收金額按該等物業之可變現程度評估其賬面值，當中計及根據過往經驗及已訂立合約計算之預期竣工成本以及根據現行市場條件計算之預期銷售／租賃淨值。倘有事件或情況變動表明該等賬面值可能無法變現，則會作出撥備。有關評估須採用判斷及估計。

於本年度，鑒於延遲發展進度，已計提撥備港幣19.24億元。管理層根據最新市場狀況及本集團最新發展計劃評估發展中物業之可變現淨值。鑒於本集團之流動資金狀況，本集團亦一直積極考慮不同發展計劃。經考慮所有該等因素，本集團認為可變現淨值減少並決定於2016年12月31日將相應計提若干撥備。

4 Critical accounting estimates and assumptions

(continued)

(h) Estimate of fair value of properties

The valuation of properties is performed in accordance with the 'The HKIS Valuation Standards (2012 Edition)' published by the Hong Kong Institute of Surveyors.

Details of the judgement and assumptions have been disclosed in Note 17 and Note 18.

If information on current or recent prices of properties is not available, the fair values of properties are mainly determined using income capitalisation valuation techniques.

The Group uses assumptions that are mainly based on market conditions existing at balance sheet date.

The principal assumptions underlying management's estimation of fair value are those related to: the receipt of contractual rentals; expected future market rentals; void periods; maintenance requirements; and appropriate discount rates. These valuations are regularly compared to actual market yield data, and actual transactions by the Group and those reported by the market.

The expected future market rentals are determined on the basis of current market rentals for similar properties in the same location and condition.

(i) Income taxes

The Group is subject to income taxes mainly in Hong Kong, Macau and the PRC. Significant judgement is required in determining the provision for PRC income taxes. There are a number of transactions and calculations for which ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for potential tax exposures based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will affect the income tax and deferred tax provision in the period in which such determination is made.

(j) PRC land appreciation taxes

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

4. 重大會計估計及假設 (續)

(h) 物業公允值之估計

物業估值乃根據香港測量師學會刊發之「香港測量師學會估值準則(2012年版)」進行。

有關判斷及假設之詳情已披露於附註17及附註18。

如未能取得當時或近期物業價格之資料，物業之公允值主要利用收益資本化估值技術釐定。

本集團利用之假設主要根據結算日當時之市場情況釐定。

有關管理層對公允值估計之主要假設涉及：合約租金之收取、預期未來市場租金、無效期、維修規定及適當之貼現率。此等估值定期與實際之市場收益數據以及本集團之實際交易及該等市場報告作出比較。

預期未來市場租金按照相類似物業在同一地點和狀況之當時市場租金釐定。

(i) 所得稅

本集團須繳納主要香港、澳門及中國之所得稅。於釐定中國所得稅撥備時須作出重大判斷。在日常業務過程中存在大量導致最終稅項無法明確釐定之交易及計算。本集團根據是否須繳納附加稅項之估計而確認潛在稅項風險之負債。倘若該等事項之最終評稅結果與初步列賬之數額不同，則有關差額會影響釐定期間所得稅及遞延稅項之撥備。

(j) 中國土地增值稅

本集團須支付中國之土地增值稅。然而，有關稅項之執行及結算在中國各城市不同稅務司法權區有異，而本集團尚未與任何中國地方稅務機關落實其土地增值稅之計算及付款方法。因此，於釐定土地增值稅之金額時須作出重大判斷。本集團根據管理層按其對稅務規則之理解作出之最佳估計，確認有關土地增值稅。最終稅務結果可能與初步記錄的金額有別，而有關差異將影響地方稅務機關落實有關稅項期間之所得稅開支及稅項撥備。

5. Segment information

(a) Operating segments

Revenue comprises gross billing value of contracting work to third parties, sales proceeds from stocks of properties, rental income from stocks of properties and investment properties and rental related income.

In accordance with the Group's internal financial reporting provided to the chief operating decision-maker, identified as the Executive Committee, who are responsible for allocating resources, assessing performance of the operating segments and making strategic decisions, the reportable operating segments are (1) building construction; (2) civil engineering; (3) electrical and mechanical engineering; and (4) property development and investment.

5. 分類資料

(a) 營運分類

收益包括已開單予第三方之合約工程總額、物業存貨之銷售所得款、物業存貨及投資物業之租金收入及與租賃相關之收入。

根據本集團提交予主要營運決策者（即執行委員會，由其負責分配資源、評估營運分類表現及作出策略性決定）之內部財務報告表，須予呈報之營運分類為(1)樓宇建造；(2)土木工程；(3)機電工程；以及(4)物業發展及投資。

Year ended 31 December 2016 截至2016年12月31日止年度		Continuing operations 持續經營業務					Total 總額 HK\$'000 港幣千元	Discontinued operation 已終止 經營業務 HK\$'000 港幣千元
		Building construction 樓宇建造 HK\$'000 港幣千元	Civil engineering 土木工程 HK\$'000 港幣千元	Electrical and mechanical 機電工程 HK\$'000 港幣千元	Property development and investment 物業發展及投資 HK\$'000 港幣千元	Corporate and others (Note 1) 行政及其他 (附註1) HK\$'000 港幣千元		
Revenue (excluding NSC (Note 2))	收益(不包括NSC(附註2))	6,718,426	1,705,406	890,011	64,814	-	9,378,657	2,162,961
Gross profit	毛利	311,645	7,038	117,472	20,294	-	456,449	148,516
Other (losses)/gains, net	其他(虧損)/收益淨額	1,380	-	38	(1,173,375)	65,798	(1,106,159)	4,193
Fair value loss on investment properties	投資物業公允價值虧損	-	-	-	(883,925)	-	(883,925)	-
Provision for impairment of properties under development	發展中物業減值撥備	-	-	-	(1,924,025)	-	(1,924,025)	-
Net exchange (loss)/gain	匯兌(虧損)/收益淨額	(1,068)	-	16	(74,011)	(26,836)	(101,899)	(94)
Selling and marketing expenses	銷售及市場推廣開支	-	-	-	(14,620)	(132)	(14,752)	-
General and administrative expenses	一般行政開支	(74,725)	(30,194)	(26,484)	(192,921)	(168,106)	(492,430)	(110,223)
Operating profit/(loss)	經營溢利/(虧損)	237,232	(23,156)	91,042	(4,242,583)	(129,276)	(4,066,741)	42,392
Amortisation of intangible assets	無形資產攤銷	-	-	-	(10,111)	(2,229)	(12,340)	(7,238)
Interest income	利息收入	-	-	-	3,591	8,510	12,101	105
Interest expenses	利息開支	-	-	-	(94,300)	(60,165)	(154,465)	(2,874)
		237,232	(23,156)	91,042	(4,343,403)	(183,160)	(4,221,445)	32,385
Share of loss of an associated company	應佔一間聯營公司虧損	-	-	-	(52,015)	-	(52,015)	-
Profit/(loss) before taxation	除稅前溢利/(虧損)	237,232	(23,156)	91,042	(4,395,418)	(183,160)	(4,273,460)	32,385
Taxation	稅項						1,350,866	(7,892)
(Loss)/profit for the year	本年度(虧損)/溢利						(2,922,594)	24,493
Gain on disposal of a subsidiary	出售一間附屬公司之收益							185,915
								210,408
Capital expenditure	資本性開支	(5,792)	-	(233)	(822,365)	(16,874)	(845,264)	(12,279)
Depreciation	折舊	(9,462)	(145)	(282)	(57,846)	(12,269)	(80,004)	(5,281)
As at 31 December 2016	於2016年12月31日							
Deposits, cash and cash equivalents	存款、現金及等同現金項目	-	-	-	40,258	370,889	411,147	
Bank overdrafts	銀行透支	-	-	-	-	(25,216)	(25,216)	
Bank loans	銀行貸款	-	-	-	(1,762,518)	(567,217)	(2,329,735)	
Convertible bonds	可換股債券	-	-	-	-	(44,696)	(44,696)	
Other borrowings	其他借貸	-	-	-	(4,494,073)	(1,267,928)	(5,762,001)	
Financial derivative liability	金融衍生工具負債	-	-	-	-	(183)	(183)	
Senior notes	優先票據	-	-	-	-	(3,417,715)	(3,417,715)	

5. Segment information (continued)

(a) Operating segments (continued)

5. 分類資料 (續)

(a) 營運分類 (續)

		Continuing operations						Total	Discontinued operation
		Building construction	Civil engineering	Electrical and mechanical	Property and facility management services	Property development and investment	Corporate and others (Note 1)		
Year ended 31 December 2015		樓宇建造	土木工程	機電工程	設施管理服務	物業及投資	行政及其他 (附註1)	總額	已終止經營業務
截至2015年12月31日止年度		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue (excluding NSC (Note 2))	收益 (不包括NSC (附註2))	6,513,467	1,868,967	1,170,173	-	70,575	-	9,623,182	2,433,617
Gross profit	毛利	259,899	83,499	75,571	-	16,501	-	435,470	185,614
Other gains/(losses), net	其他收益/(虧損)淨額	1,717	9	(1)	-	117,611	(6,733)	112,603	4,679
Gains on bargain purchase	議價收購收益	-	-	-	-	2,320,579	-	2,320,579	-
Fair value gain on investment properties	投資物業公允價值收益	-	-	-	-	191,225	-	191,225	240
Net exchange (loss)/gain	匯兌(虧損)/收益淨額	(146)	-	(776)	-	292	(17,038)	(17,668)	130
Selling and marketing expenses	銷售及市場推廣開支	-	-	-	-	(32,408)	-	(32,408)	-
General and administrative expenses	一般行政開支	(83,773)	(45,059)	(25,143)	-	(74,089)	(143,906)	(371,970)	(111,225)
Operating profit/(loss)	經營溢利/(虧損)	177,697	38,449	49,651	-	2,539,711	(167,677)	2,637,831	79,438
Amortisation of intangible assets	無形資產攤銷	(768)	(105)	(104)	-	(1)	(3,112)	(4,090)	(8,105)
Interest income	利息收入	-	-	-	-	1,165	1,857	3,022	101
Interest expenses	利息開支	-	-	-	-	(18,137)	(100,810)	(118,947)	(3,640)
Profit/(loss) before taxation	除稅前溢利/(虧損)	176,929	38,344	49,547	-	2,522,738	(269,742)	2,517,816	67,794
Taxation	稅項	-	-	-	-	-	-	(99,213)	(12,307)
Profit for the year	本年度溢利	-	-	-	-	-	-	2,418,603	55,487
Capital expenditure	資本性開支	(3,587)	-	(195)	-	(579,054)	(7,913)	(590,749)	(2,702)
Depreciation	折舊	(8,854)	(149)	(234)	-	(52,517)	(6,373)	(68,127)	(4,425)
As at 31 December 2015	於2015年12月31日								
Deposits, cash and cash equivalents	存款、現金及等同現金項目	-	-	-	129,877	552,323	787,263	1,469,463	-
Bank loans	銀行貸款	-	-	-	(293,536)	(2,480,437)	(1,023,630)	(3,797,603)	-
Convertible bonds	可換股債券	-	-	-	-	-	(544,199)	(544,199)	-
Other borrowings	其他借貸	-	-	-	-	(2,400,736)	-	(2,400,736)	-
Financial derivative liability	金融衍生工具負債	-	-	-	-	-	(206,412)	(206,412)	-
Senior notes	優先票據	-	-	-	-	-	(2,275,504)	(2,275,504)	-

Notes:

- Corporate mainly represents corporate and administrative activities, and shared services; others represent international infrastructure business and international real estate and hospitality business.
- Nominated subcontractors' works of Macau Galaxy Resort Phase 2 project ("NSC").

附註:

- 行政主要為公司及行政活動，以及共享服務；其他指國際基建業務及國際房地產及旅遊發展業務。
- 澳門銀河娛樂渡假村第二期項目的指定分判商工程 ("NSC")。

5. Segment information (continued)

(d) Reconciliation of reportable segment revenue

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Continuing operations	持續經營業務		
Reportable segment revenue	須予呈報分類收益	9,378,657	9,623,182
Revenue – NSC	收益 – NSC	444,559	2,962,074
		9,823,216	12,585,256
Discontinued operation	已終止經營業務		
Reportable segment revenue	須予呈報分類收益	2,162,961	2,433,617
		11,986,177	15,018,873

5. 分類資料 (續)

(d) 須予呈報分類收益之對賬

6. Discontinued operation

The discontinued operation represented interiors & special projects and property & facility management business upon the disposal of Synergis Holdings Limited, which ceased to be a subsidiary on 21 November 2016. The results of Synergis Holdings Limited for the period from 1 January 2016 to 20 November 2016 was presented as discontinued operation accordingly.

6. 已終止經營業務

已終止經營業務是指室內裝飾及特殊項目以及物業及設施管理業務，由於新昌管理集團有限公司已出售，該公司於2016年11月21日不再是本集團的附屬公司。因此，新昌管理集團有限公司由2016年1月1日至2016年11月20日止期間之業績呈列為已終止經營業務。

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Revenue	收益	2,162,961	2,433,617
Cost of sales and operating expenses	銷售成本及營運費用	(2,130,576)	(2,365,823)
Profit before taxation	除稅前溢利	32,385	67,794
Taxation	稅項	(7,892)	(12,307)
Profit for the year	本年度溢利	24,493	55,487
Gain on disposal of a subsidiary	出售一間附屬公司之收益	185,915	–
		210,408	55,487
Profit attributable to:	應佔溢利：		
Equity holders of the Company	本公司權益持有人	202,629	35,178
Non-controlling interests	非控股權益	7,779	20,309
		210,408	55,487
Operating cash flows	經營業務之現金流量	61,398	20,940
Investing cash flows	投資業務之現金流量	(31,121)	(11,500)
Financing cash flows	融資業務之現金流量	(71,195)	29,207
Net (decrease)/increase in cash and cash equivalents	現金及等同現金項目 (減少)/增加淨額	(40,918)	38,647

6. Discontinued operation (continued)

6. 已終止經營業務 (續)

		2016 HK\$'000 港幣千元
Net assets disposed of:	已出售資產淨值：	
Intangible assets	無形資產	64,400
Stocks and contracting work-in-progress	存貨及興建中工程	414,942
Receivables and prepayments	應收賬款及預付金	479,015
Cash and cash equivalents	現金及等同現金項目	88,923
Other assets	其他資產	100,148
Bank loans	銀行貸款	(239,048)
Payables and accruals	應付賬款及應計費用	(734,623)
Other liabilities	其他負債	(45,563)
Non-controlling interests	非控股權益	(53,843)
Goodwill	商譽	18,753
Release of reserves upon disposal	於出售後變現儲備	(8)
Gain on disposal of a subsidiary	出售一間附屬公司之收益	185,915
Total consideration	總代價	279,011
Net cash inflow in respect of the disposal:	有關出售的現金流入淨額：	
Cash and bank deposits disposed	已出售現金及銀行存款	(88,923)
Cash consideration received	已收現金代價	279,011
		190,088

7. Other (losses)/gains, net

7. 其他(虧損)/收益淨額

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Continuing operations	持續經營業務		
Net gain/(loss) on disposal of property, plant and equipment and leasehold land	出售物業、機器及設備及租賃土地之收益/(虧損)淨額	31	(683)
Adjustment for tax indemnification asset (Note 42(1))	調整稅項彌償資產(附註42(1))	(983,861)	-
Gain on reversal of provision for impairment of receivables	撥回應收款項減值撥備之收益	-	455
Provision for impairment of amount due from a shareholder of an associate ¹	應收一間聯營公司股東款項之減值撥備 ¹	(156,044)	-
Provision for impairment of amount due from an associate	應收一間聯營公司款項之減值撥備	(11,179)	-
Provision for impairment of goodwill ²	商譽減值撥備 ²	(23,249)	-
Change in fair value in financial derivatives (Note 34)	衍生金融工具公允價值變動(附註34)	194,168	(6,987)
Loss on redemption of convertible bonds	贖回可換股債券之虧損	(129,976)	-
Gain on debt extinguishment ³	債務抵銷所產生之收益 ³	-	117,557
Miscellaneous	其他	3,951	2,261
		(1,106,159)	112,603
Discontinued operation	已終止經營業務		
Net gain/(loss) on disposal of property, plant and equipment and leasehold land	出售物業、機器及設備及租賃土地之收益/(虧損)淨額	138	(134)
Loss on disposal of a subsidiary	出售一間附屬公司之虧損	-	(2,257)
Provision for impairment of receivables	應收賬款減值撥備	(16)	-
Gain on reversal of provision for impairment of receivables	撥回應收賬款減值撥備之收益	-	317
Miscellaneous	其他	4,071	6,753
		4,193	4,679

Notes:

- The amount represents the registered capital injection paid by the Company on behalf of another shareholder of an associate. The amount of registered capital was used for a potential acquisition of property projects through an associate. As at 31 December 2016, the transaction was expired and the deposit paid was non-refundable pursuant to the sales and purchase agreement. Due to the absence of progress after repeated requests for settlement, management considered the recoverability of the balance from the shareholder of the associate was highly uncertain in the near future and therefore full provision of impairment has been made accordingly.
- The goodwill arose from Hsin Chong Property Development Limited in 2011 allocated to the "Property development and investment segment". Management carried out impairment assessment of the goodwill and concluded a full provision is required as at 31 December 2016.
- The gain in 2015 represents the discounts offered by the financial institution upon the early settlement of certain other borrowings.

附註:

- 此金額指本公司代表一間聯營公司之另一名股東支付的註冊資本。該註冊資本金額乃用於透過一間聯營公司潛在收購一處物業項目。於2016年12月31日，此交易已屆滿，及已支付按金根據買賣合同不予退還。由於重覆要求還款而沒有進展，管理層考慮及從聯營公司股東中收回餘額的高度不確定性，因此管理層考慮全數計提減值撥備。
- 於2011年，商譽是來自新昌地產發展有限公司，分配至「物業發展及投資分類」。於2016年12月31日，管理層對商譽進行減值評估，決定需要全數計提減值撥備。
- 2015年之收益指金融機構就提前結付若干其他借貸提供的折讓。

8. Provision for impairment of properties under development

Management carried out impairment assessment with reference to valuation performed by independent external valuer, B.I. Appraisals Limited. Following the delays of the development certain property projects, potential changes in management's development plans and decrease in expected selling price, management considered a decrease in net realisable value of its properties under development. As at 31 December 2016, provision of HK\$1,924 million has been provided in light of such delayed development status and latest market condition on certain property projects in the PRC.

9. Interest expenses

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Interest on bank loans and overdrafts	銀行貸款及透支之利息	99,426	122,197
Interest expense on notes	票據利息開支	-	2,087
Interest expense on convertible bonds (Note 34)	可換股債券之利息開支 (附註34)	136,092	14,911
Interest expense on other borrowings	其他借貸之利息開支	695,039	33,553
Interest expense on senior notes	優先票據之利息開支	335,649	138,546
Others	其他	-	117
		1,266,206	311,411
Less: amounts capitalised on qualifying assets	減：於合資格資產資本化之款項	(1,108,867)	(188,824)
		157,339	122,587
Representing:	代表：		
Continuing operations	持續經營業務	154,465	118,947
Discontinued operation	已終止經營業務	2,874	3,640
		157,339	122,587

The annual weighted average interest rates of bank loans and other borrowings are 3.2% (2015: 3.2%) and 19.1% (2015: 8.8%) respectively, of which the capitalised annual weighted average interest rates are 3.9% (2015: 3.8%) and 20.3% (2015: 8.8%) respectively. The imputed effective capitalised weighted average interest rates of senior notes and convertible bonds are 10.0% and 26.9% respectively (2015: 9.7% for senior notes and 28.1% for convertible bonds).

8. 發展中物業減值撥備

管理層參考獨立外聘估值師保柏國際評估有限公司之估值進行減值評估。由於部分物業項目之延遲發展、管理層發展計劃的潛在變動及預期售價減少，管理層認為發展中物業之變現淨值會減少。於2016年12月31日，鑒於此延遲發展狀況及最新市場狀況，為於中國國內之部分物業項目作出港幣19.24億元之減值撥備。

9. 利息開支

銀行貸款及其他借貸的加權平均年利率分別為3.2% (2015年：3.2%)及19.1% (2015年：8.8%)，其中資本化加權平均年利率分別為3.9% (2015年：3.8%)及20.3% (2015年：8.8%)。優先票據及可換股債券的估算實際資本化之加權平均利率分別為10.0%及26.9% (2015年：優先票據為9.7%及可換股債券為28.1%)。

10. (Loss)/profit before taxation

10. 除稅前(虧損)/溢利

		2016		2015	
		Continuing operations	Discontinued operation	Continuing operations	Discontinued operation
		持續經營業務	已終止經營業務	持續經營業務	已終止經營業務
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Cost of sales	銷售成本				
Cost of construction	建造成本				
– Staff costs	– 員工成本	1,052,581	122,375	1,185,448	120,660
– Other construction costs	– 其他建造成本	8,269,666	1,331,128	10,910,264	1,588,571
		9,322,247	1,453,503	12,095,712	1,709,231
Cost of property and facility management services	物業及設施管理服務成本				
– Staff costs	– 員工成本	–	442,367	–	503,192
– Others	– 其他	–	118,575	–	35,580
		–	560,942	–	538,772
Cost of property development and investment	物業發展及投資成本				
– Staff costs	– 員工成本	3,758	–	1,305	–
– Stock of properties sold	– 已售物業存貨成本	12,906	–	15,344	–
– Others	– 其他	27,856	–	37,425	–
		44,520	–	54,074	–
		9,366,767	2,014,445	12,149,786	2,248,003
Depreciation on property, plant and equipment and leasehold land	物業、機器及設備及租賃土地之折舊	80,004	5,281	68,127	4,425
Auditor's remuneration	核數師酬金	7,269	1,547	4,736	1,330
Operating lease rentals for land and buildings	土地及樓宇經營租賃租金	33,791	8,061	15,253	6,110
Outgoings in respect of	以下各項之費用				
– Investment properties	– 投資物業	19,995	–	23,621	–
– Owner occupied property	– 自用之物業	4,534	–	4,792	–
Staff costs, included in general and administrative expenses	計入一般行政開支之員工成本	273,990	66,193	233,501	68,675

11. Directors' and chief executive's emoluments

The remuneration of the directors and chief executive officer for the year ended 31 December 2016 is set out below:

11. 董事及行政總裁酬金

董事及行政總裁於截至2016年12月31日止年度之酬金如下：

Names	姓名	2016				2015	
		Fees 袍金 HK\$'000 港幣千元	Salaries, allowances and benefits in kind ² 薪酬、津貼及 實物收益 ² HK\$'000 港幣千元	Bonus ² 花紅 ² HK\$'000 港幣千元	Contributions to retirement scheme ² 退休計劃 供款 ² HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Joseph CHOI Kin Hung ¹	蔡健鴻 ¹	387	11,663	9,011	-	21,061	10,188
LUI Chun Pong (Note i)	呂振邦 (附註i)	362	2,372	780	111	3,625	2,279
Wilfred WU Shek Chun	鄔頌晉	210	2,227	319	18	2,774	2,197
ZHOU Wei	周焯	200	1,879	-	-	2,079	946
LIN Zhuo Yan	林卓延	750	-	-	-	750	421
YAN Jie	閻傑	250	-	-	-	250	250
CHENG Sui Sang	鄭瑞生	340	-	-	-	340	250
GAO Jingyuan	高景遠	137	1,123	-	6	1,266	250
LEE Jai Ying	李嘉音	275	-	-	-	275	250
KWOK, Shiu Keung Ernest	郭少強	280	-	-	-	280	30
Joseph CHOW Ming Kuen (Note ii)	周明權 (附註ii)	-	-	-	-	-	188
CHEN Lei	陳磊	250	-	-	-	250	153
CHUI Kwong Kau	崔光球	280	-	-	-	280	153
Wilfred WONG Ying Wai (Note iii)	王英偉 (附註iii)	-	-	-	-	-	32,100
Clifford King CHIU (Note iv)	邱令智 (附註iv)	-	-	-	-	-	124
ZHANG Xiaoying (Note v)	張小英 (附註v)	-	-	-	-	-	76
YUEN Kam Ho George	袁金浩	142	-	-	-	142	-
		3,863	19,264	10,110	135	33,372	49,855

¹ Co-Chief Executive Officer

² The amounts represented emoluments in respect of services provided in connection with management of the affairs of the Company or its subsidiaries undertaking.

¹ 聯席行政總裁

² 該金額指就提供有關管理本公司或其附屬公司之事務之服務收取之酬金。

11. Directors' and chief executive's emoluments (continued)

Notes:

- (i) Mr. LUI Chun Pong was redesignated as a Non-executive Director with effect from 1 January 2017.
- (ii) Dr. Joseph Chow Ming Kuen resigned as an Independent Non-executive Director, a member of the Audit Committee and the Chairman of the Remuneration Committee with effect from 1 October 2015.
- (iii) Dr. Wilfred WONG Ying Wai resigned as an Executive Director, the Executive Chairman, the Chief Executive Officer, members of each of the Executive, Nomination and Remuneration Committees with effect from 1 November 2015.

Pursuant to announcements of the Company of 18 January 2016 and 29 March 2016, the Company entered into a subscription deed with Dr. Wong, pursuant to which the Company has conditionally agreed to issue to Dr. Wong convertible bonds in the aggregate principal amount of HK\$34,000,000, as payment of part of the performance bonus due to Dr. Wong. The maturity date of the convertible bonds falls on the 18th month of the date of issue.
- (iv) Mr. Clifford King CHIU resigned as a Non-executive Director, a member of Audit Committee and Remuneration Committee with effect from 30 June 2015.
- (v) Mr. ZHANG Xiaoying resigned as a Non-executive Director with effect from 21 April 2015.
- (vi) Share-based compensation represents the fair value of share options granted by the Group recognised during the year.

No benefit arose on shares issued and allotted to directors of the Company under the employee share subscription scheme of the Company adopted on 23 August 2002 for both years as no such share allotment was made for both years. None of the directors have waived their rights to receive emoluments for both years.

There is no loans, quasi-loans or other dealings in favour of directors, their controlled bodies corporate and connected entities (2015: Nil).

Except for the other receivables from related companies owned by a director of the Company and/or close members of his family as set out in Note 26, these were no significant transactions, arrangements and contracts in relation to the Group's business to which the Group was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

11. 董事及行政總裁酬金 (續)

附註:

- (i) 呂振邦先生已調任為非執行董事，由2017年1月1日起生效。
- (ii) 周明權博士已辭任獨立非執行董事、審核委員會成員及薪酬委員會主席，均自2015年10月1日起生效。
- (iii) 王英偉博士已辭任執行董事、執行主席、行政總裁、執行委員會成員、提名委員會成員及薪酬委員會成員，由2015年11月1日起生效。

根據本公司日期為2016年1月18日及2016年3月29日之公告，本公司與王博士訂立認購契據，據此，本公司已有條件同意向王博士發行本金總額為港幣34,000,000元之可換股債券，作為應付王博士之表現花紅之部分付款。可換股債券之到期日為發行日期後第18個月當日。
- (iv) 邱令智先生已辭任非執行董事、審核委員會成員及薪酬委員會成員，由2015年6月30日起生效。
- (v) 張小英先生已辭任非執行董事，由2015年4月21日起生效。
- (vi) 以股份為基礎之補償代表本集團授出認股權於年內確認之公允值。

兩個年度內並無根據本公司於2002年8月23日採納之僱員認購股份計劃發行及配發股份予本公司董事，因此於兩個年度內並無就股份配發產生任何利益。兩個年度內，概無董事放棄彼等收取酬金之權利。

並無貸款、準貸款或其他以董事、該等董事的受控制的法人團體及該等董事的有關連實體為受益人之交易(2015年：無)。

除了於附註26所披露之由本公司一名董事及／或其近親擁有之關連公司之其他應收賬款外，於本年度末或於本年度任何時間，本集團並無存續就本集團業務而言屬重大，而本公司之董事於其中直接或間接擁有重大權益之交易、安排及合約。

12. Five highest paid employees

There was one director (2015: two) whose emolument was among the five highest paid employees in the Group and included in the analysis set out in Note 11.

Details of the emoluments paid to the other four (2015: three) individuals, who are not directors of the Company but whose emoluments were among the five highest paid employees in the Group are as follows:

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Salaries and other allowances	薪酬及其他津貼	14,222	9,929
Bonus	花紅	7,062	3,724
Contributions to retirement scheme	退休計劃供款	216	278
Share-based compensation	以股份為基礎之補償	-	-
Others	其他	-	-
		21,500	13,931

12. 五位最高薪酬僱員

本集團五位最高薪酬僱員中包括一位董事（2015年：兩位），其酬金已載於附註11之分析內。

其餘四位（2015年：三位）最高薪酬人士，其職位並非本公司董事但屬於本集團五位最高薪酬僱員，其酬金詳列如下：

Emolument bands	酬金範圍	Number of Individuals in each band 各範圍之僱員人數	
		2016	2015
HK\$3,500,001 – HK\$4,000,000	港幣3,500,001元–港幣4,000,000元	-	1
HK\$4,000,001 – HK\$4,500,000	港幣4,000,001元–港幣4,500,000元	1	-
HK\$4,500,001 – HK\$5,000,000	港幣4,500,001元–港幣5,000,000元	1	-
HK\$5,000,001 – HK\$5,500,000	港幣5,000,001元–港幣5,500,000元	-	2
HK\$5,500,001 – HK\$6,000,000	港幣5,500,001元–港幣6,000,000元	1	-
HK\$6,000,001 – HK\$6,500,000	港幣6,000,001元–港幣6,500,000元	-	-
HK\$6,500,001 – HK\$7,000,000	港幣6,500,001元–港幣7,000,000元	1	-
		4	3

13. Staff costs

13. 員工成本

		2016		2015	
		Continuing operations 持續經營業務 HK\$'000 港幣千元	Discontinued operation 已終止經營業務 HK\$'000 港幣千元	Continuing operations 持續經營業務 HK\$'000 港幣千元	Discontinued operation 已終止經營業務 HK\$'000 港幣千元
Wages, salaries and allowances (including directors' emoluments)	工資、薪酬及津貼 (包括董事酬金)	1,299,991	608,231	1,395,243	666,531
Provision for annual leave, net	年假撥備·淨額	–	(190)	–	(156)
Termination benefits	終止服務費用	520	–	533	–
Long service payment	長期服務金費用	273	1,085	132	126
Contributions to defined contribution retirement schemes	界定供款退休計劃之供款	29,545	21,804	24,346	25,068
Share-based compensation	以股份為基礎之補償	–	5	–	958
		1,330,329	630,935	1,420,254	692,527
Charged to cost of sales (Note 10)	已列支在銷售成本中 (附註10)	(1,056,339)	(564,742)	(1,186,753)	(623,852)
		273,990	66,193	233,501	68,675

14. Taxation

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits for the year after application of available tax losses brought forward for both years. Taxation on overseas profits has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the countries in which the Group operates.

The amount of tax (credited)/charged to the consolidated income statement represents:

14. 稅項

兩個年度的香港利得稅乃按有關年度之估計應課稅溢利扣除往年認可之稅損後依稅率16.5%撥備。本集團之海外溢利稅項是按本年度估計應課稅溢利以其經營國家之現行稅率計算。

在綜合收益表(計入)/扣除之稅項如下:

		2016		2015	
		Continuing operations 持續經營業務 HK\$'000 港幣千元	Discontinued operation 已終止經營業務 HK\$'000 港幣千元	Continuing operations 持續經營業務 HK\$'000 港幣千元	Discontinued operation 已終止經營業務 HK\$'000 港幣千元
Provision for the year	本年度撥備				
– Hong Kong profits tax	– 香港利得稅	34,136	9,067	17,456	13,868
– PRC and Macau profits tax	– 中國及澳門利得稅	15,508	–	25,725	(35)
– Overseas profits tax	– 海外利得稅	2,851	–	–	–
Under/(over) provision in respect of prior years	過往年度少/(多)撥備	12,999	–	(3,924)	–
Deferred tax (credit)/charge (Note 29)	遞延稅項(計入)/扣除 (附註29)	(1,416,360)	(1,175)	59,956	(1,526)
		(1,350,866)	7,892	99,213	12,307

14. Taxation (continued)

Taxation on the Group's profit before taxation differs from the theoretical amount that would arise using the tax rate of the home country of the Company as follows:

14. 稅項 (續)

本集團除稅前溢利之稅項與假若採用本公司本土國家之稅率而計算之理論稅項之差額如下：

		Continuing operations 持續經營業務	Discontinued operation 已終止經營業務	Continuing operations 持續經營業務	Discontinued operation 已終止經營業務
		2016		2015	
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
(Loss)/profit before taxation (excluding share of loss of an associated company)	除稅前(虧損)/溢利(不包括應佔一間聯營公司虧損)	(4,221,445)	218,300	2,517,816	67,794
Taxation at Hong Kong profits tax rate at 16.5%	按香港利得稅率16.5%計算之稅項	(696,538)	36,020	415,440	11,186
Effect of different taxation rates in other tax jurisdictions	其他稅務司法權區不同稅率之影響	(321,728)	511	19,447	277
Under/(over) provision in respect of prior years	過往年度少/(多)撥備	12,999	–	(3,924)	–
Income not subject to taxation	無須課稅收入	(37,582)	(30,691)	(413,492)	(41)
Expenses not deductible for taxation purpose	不可抵扣稅項之開支	304,887	1,331	33,545	1,165
Temporary differences not recognised	未有確認之暫時差異	6,032	91	11,687	(556)
Tax losses not recognised	未有確認之稅損	231,034	(884)	33,415	574
Utilisation of previously unrecognised tax losses	使用早前未有確認之稅損	(12,372)	1,514	(1,344)	(298)
Land appreciation tax	土地增值稅	(837,598)	–	4,439	–
		(1,350,866)	7,892	99,213	12,307

15. (Loss)/earnings per share

- (a) Basic (loss)/earnings per share is calculated by dividing the Group's (loss)/profit attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

15. 每股(虧損)/盈利

- (a) 每股基本(虧損)/盈利乃按本公司權益持有人應佔本集團(虧損)/溢利除以年內已發行普通股加權平均股數計算。

		Continuing operations 持續經營業務		Discontinued operation 已終止經營業務	
		2016	2015	2016	2015
(Loss)/profit attributable to equity holders (HK\$'000)	權益持有人應佔(虧損)/溢利(港幣千元)	(2,936,129)	2,410,659	202,629	35,178
Less: dividends to convertible preference shareholders (HK\$'000) (Note)	減: 可轉換優先股股東之股息(港幣千元)(附註)	-	(56,548)	-	-
(Loss)/profit attributable to ordinary shareholders (HK\$'000)	普通股股東應佔(虧損)/溢利(港幣千元)	(2,936,129)	2,354,111	202,629	35,178
Weighted average number of ordinary shares issued ('000)	已發行之普通股加權平均股數(千股)	5,586,379	5,143,884	5,586,379	5,143,884
Basic (loss)/earnings per share (HK cents)	每股基本(虧損)/盈利(港幣仙)	(52.6)	45.8	3.6	0.7

Note: Pursuant to the terms of the convertible preference shares, the holders are at all times entitled to dividends or other distributions of the same amount with respect to the Company's ordinary shares. Accordingly, the holders of the convertible preference shares were entitled to dividend of 1.0 HK cent per share for the year ended 31 December 2015 and a total amount of HK\$56,548,000 was adjusted in the profit attributable to ordinary shareholders. There was no dividend declared by the board for the year ended 31 December 2016 and accordingly no adjustment has been made in the calculation of the basic earnings/(loss) per share for the year.

附註: 根據可轉換優先股之細則, 持有人於任何時候均可享有與本公司之普通股同等權利獲得股息及其他分派。因此, 截至2015年12月31日止年度, 可轉換優先股之持有人獲得每股港幣1.0仙之股息, 總金額為港幣56,548,000元於普通股持有人應佔溢利中調整。董事會已議決不派發截至2016年12月31日止年度之股息, 因此, 本年之每股基本盈利/(虧損)之計算沒有作出調整。

15. (Loss)/earnings per share (continued)

- (b) The diluted loss per share for continuing operations for the year ended 31 December 2016 is the same as the basic loss per share because the exercise of the Group's share options, convertible preference shares and convertible bonds would result in a decrease in loss per share for the year. The basis for diluted earnings per share for discontinued operation is the same as the basis used in continuing operations. Diluted earnings per share in 2015 is calculated by dividing the Group's profit attributable to the equity holders by the weighted average number of ordinary shares outstanding after adjustment for the potential dilutive effect in respective of outstanding share options and potential ordinary shares to be issued on convertible bonds outstanding and convertible preference shares during the year.

15. 每股(虧損)/盈利(續)

- (b) 截至2016年12月31日止年度持續經營業務之每股攤薄虧損與每股基本虧損相同，原因為行使本集團購股權、可轉換優先股及可換股債券將導致年內每股虧損減少。已終止經營業務之每股攤薄虧損之基準，與持續經營業務所採用之基準相同。2015年之每股攤薄盈利乃按本集團之權益持有人應佔溢利除以就年內之未行使購股權及因尚未兌換可換股債券及可轉換優先股將予發行之潛在普通股之潛在攤薄影響作出調整後之已發行普通股加權平均股數計算。

		Continuing operations 持續經營業務		Discontinued operation 已終止經營業務	
		2016	2015	2016	2015
(Loss)/profit attributable to equity holders (HK\$'000)	權益持有人應佔(虧損)/溢利(港幣千元)	(2,936,129)	2,410,659	202,629	35,178
Add: Change in fair value in financial derivatives (HK\$'000)	加：金融衍生工具公允價值變動(港幣千元)	-	6,987	-	-
Add: Interest expense on convertible bonds (HK\$'000)	加：可換股債券之利息開支(港幣千元)	-	14,911	-	-
		(2,936,129)	2,432,557	202,629	35,178
Weighted average number of ordinary shares issued ('000)	已發行之普通股加權平均股數(千股)	5,586,379	5,143,884	5,586,379	5,143,884
Adjustment for convertible preference shares issued ('000)	已發行之可轉換優先股調整(千股)	-	5,800,615	-	5,800,615
Adjustment for convertible bonds issued ('000)	已發行之可換股債券調整(千股)	-	127,401	-	127,401
Weighted average number of ordinary shares for calculating diluted (loss)/earnings per share ('000)	計算每股攤薄(虧損)/盈利之普通股加權平均股數(千股)	5,586,379	11,071,900	5,586,379	11,071,900
Diluted (loss)/earnings per share (HK cents)	每股攤薄(虧損)/盈利(港幣仙)	(52.6)	22.0	3.6	0.3

16. Dividends

Dividends recognised as distribution during the year:

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
2016 Interim dividend – Nil (2015 Interim dividend: 1.0 HK cent) per share	2016年中期股息—無(2015年中期股息: 每股港幣1.0仙)	–	108,433
2015 Final dividend – Nil (2014 Final dividend: 2.2 HK cents) per share	2015年末期股息—無(2014年末期股息: 每股港幣2.2仙)	–	214,463
		–	322,896

The Group did not propose any final dividend for the year ended 31 December 2016 (2015: nil).

16. 股息

於年內確認分派之股息：

本集團不擬就截至2016年12月31日止年度派發任何末期股息(2015年: 無)。

17. Property, plant and equipment and leasehold land

		Leasehold land in the PRC	Building in the PRC	Leasehold land and building in Hong Kong	Leasehold improvements	Construction in progress	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Total
		於中國之租賃土地	於中國之樓宇	於香港之租賃土地及樓宇	租賃物業裝修	在建工程	機械及設備	傢俬、固定裝置及設備	汽車	總額
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Cost or valuation	成本或估值									
At 1 January 2015	於2015年1月1日	–	–	506,000	80,751	–	69,528	85,954	16,381	758,614
Exchange difference	匯兌差額	–	–	–	(899)	–	–	(1,235)	(557)	(2,691)
Additions	添置	–	–	–	2,669	–	2,993	10,047	3,339	19,048
Acquisition of subsidiaries (Note 41)	收購附屬公司(附註41)	–	–	–	–	–	–	5,321	515	5,836
Disposal	出售	–	–	–	(6,515)	–	(3,363)	(1,442)	(2,644)	(13,964)
Disposal of a subsidiary	出售一間附屬公司	–	–	–	(186)	–	(294)	(465)	–	(945)
At 31 December 2015	於2015年12月31日	–	–	506,000	75,820	–	68,864	98,180	17,034	765,898
Exchange difference	匯兌差額	–	–	–	(302)	–	–	(1,768)	(684)	(2,754)
Additions	添置	–	–	–	17,481	–	4,880	17,504	3,787	43,652
Fair value gain on revaluation	公允價值重估收益	–	–	64,000	–	–	–	–	–	64,000
Transfer from investment properties (Note 18)	來自投資物業之轉撥(附註18)	180,431	191,129	–	–	–	–	–	–	371,560
Transfer from properties under development (Note 24)	來自發展中物業之轉撥(附註24)	1,177,482	–	–	–	837,210	–	–	–	2,014,692
Disposal	出售	–	–	–	(2,205)	–	(248)	(1,581)	(244)	(4,278)
Disposal of a subsidiary	出售一間附屬公司	–	–	–	(12,359)	–	(4,133)	(34,265)	(4,655)	(55,412)
At 31 December 2016	於2016年12月31日	1,357,913	191,129	570,000	78,435	837,210	69,363	78,070	15,238	3,197,358

17. 物業、機器及設備及租賃土地

Upon the finalisation of development plan of certain property projects, a certain portion of its properties under development and investment properties were determined to be for self-use by the Group and have been transferred to property, plant and equipment and leasehold land accordingly. During the year ended 31 December 2016, HK\$2,015 million from properties under development and HK\$372 million from investment properties under development have been transferred to property, plant and equipment and leasehold land.

當部分物業項目的發展計劃經落實後，由於本集團決定將部分發展中物業及投資物業作自用，因此轉撥至物業、機器及設備及租賃土地。截至2016年12月31日止年度，發展中物業已轉撥港幣20.15億元及發展中投資物業已轉撥港幣3.72億元至物業、機器及設備及租賃土地。

17. Property, plant and equipment and leasehold land (continued) 17. 物業、機器及設備及租賃土地 (續)

		Leasehold land in the PRC	Building in the PRC	Leasehold land and building in Hong Kong	Leasehold improvements	Construction in progress	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Total
		於中國之租賃土地	於中國之樓宇	於香港之租賃土地及樓宇	租賃物業裝修	在建工程	機械及設備	傢俬、固定裝置及設備	汽車	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Accumulated depreciation	累積折舊									
At 1 January 2015	於2015年1月1日	-	-	-	(64,155)	-	(41,630)	(65,309)	(8,999)	(180,093)
Exchange difference	匯兌差額	-	-	-	709	-	-	524	236	1,469
Depreciation for the year (Note)	本年度折舊 (附註)	-	-	(43,951)	(11,089)	-	(7,633)	(10,746)	(2,812)	(76,231)
Elimination of fair value gain on revaluation	對銷公允價值重估收益	-	-	43,951	-	-	-	-	-	43,951
Disposal	出售	-	-	-	5,490	-	3,299	1,140	2,290	12,219
Disposal of a subsidiary	出售一間附屬公司	-	-	-	186	-	292	446	-	924
At 31 December 2015	於2015年12月31日	-	-	-	(68,859)	-	(45,672)	(73,945)	(9,285)	(197,761)
Exchange difference	匯兌差額	-	-	-	222	-	-	972	367	1,561
Depreciation for the year (Note)	本年度折舊 (附註)	-	-	(53,548)	(11,392)	-	(8,127)	(13,209)	(2,515)	(88,791)
Elimination of fair value gain on revaluation	對銷公允價值重估收益	-	-	53,548	-	-	-	-	-	53,548
Disposal	出售	-	-	-	2,171	-	251	1,462	244	4,128
Disposal of a subsidiary	出售一間附屬公司	-	-	-	5,955	-	2,121	29,640	3,057	40,773
At 31 December 2016	於2016年12月31日	-	-	-	(71,903)	-	(51,427)	(55,080)	(8,132)	(186,542)
Net book value or valuation	賬面淨值或估值									
At 31 December 2016	於2016年12月31日	1,357,913	191,129	570,000	6,532	837,210	17,936	22,990	7,106	3,010,816
At 31 December 2015	於2015年12月31日	-	-	506,000	6,961	-	23,192	24,235	7,749	568,137

Note: During the year, depreciation of HK\$3,506,000 (2015: HK\$3,679,000) was capitalised in properties under development.

附註：年內，港幣3,506,000元（2015年：港幣3,679,000元）之折舊已於發展中物業予以資本化。

The leasehold land and building was revalued at fair value by an independent valuer, B.I. Appraisals Limited.

租賃土地及樓宇由獨立估值師保柏國際評估有限公司按公允價值重估。

Fair value measurements using significant unobservable inputs (Level 3)

Fair value of leasehold land and building in Hong Kong is derived using the direct comparison method. This valuation method compares the property to be valued directly with other comparable properties, which have recently transacted. However, given the heterogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative differences that may affect the price likely to be achieved by the property under consideration.

採用重大不可觀察輸入數據之公允價值計量 (第三層)

於香港之租賃土地及樓宇之公允價值乃採用直接比較法得出。此估值法乃將直接估值之物業與其他近期交易之可比較物業進行比較。然而，鑒於房地產物業之性質互不相同，通常須作出適當之調整以納入任何質量上之差異，該等差異或會影響所考慮物業之價格。

There was no transfer between level 1, 2 and 3 during the year.

於本年度，第一層、第二層及第三層之間並無進行轉撥。

17. Property, plant and equipment and leasehold land

(continued)

Fair value measurements using significant unobservable inputs (Level 3) (continued)

Significant inputs used to determine fair value of leasehold land and building at 31 December 2016

17. 物業、機器及設備及租賃土地 (續)**採用重大不可觀察輸入數據之公允值計量 (第三層) (續)**

用於釐定於2016年12月31日之租賃土地及樓宇公允值之重大輸入數據

	Valuation method 估值方法	Unobservable input 不可觀察輸入數據	Relationship of unobservable inputs to fair value 不可觀察輸入數據與公允值之關係
31 December 2016 2016年12月31日			
Leasehold land and building – Hong Kong 租賃土地及樓宇—香港	Direct comparison method 直接比較法	Average price per square feet: HK\$6,915 (2015: HK\$6,138) 每平方米平均價格: 港幣6,915元 (2015年: 港幣6,138元)	The higher the average price, the higher the fair value 平均價格越高, 公允值越高

If leasehold land and building in Hong Kong had not been revalued, it would have been included in these consolidated financial statements at historical cost less accumulated depreciation of HK\$78,291,000 (2015: HK\$86,528,000).

The leasehold land and building in Hong Kong is with a medium-term lease.

The leasehold land in the PRC is with a medium-term lease.

As at 31 December 2016, the Group's leasehold land and building of approximately HK\$2,265,166,000 (2015: HK\$506,000,000) was pledged as collateral for the Group's banking facilities.

倘於香港之租賃土地及樓宇並無進行重估, 則會按歷史成本減累積折舊港幣78,291,000元 (2015年: 港幣86,528,000元) 計入該等綜合財務報表。

位於香港之租賃土地及樓宇附帶中期租賃。

位於中國之租賃土地附帶中期租賃。

於2016年12月31日, 本集團的租賃土地及樓宇約港幣2,265,166,000元 (2015年: 港幣506,000,000元) 已抵押作本集團銀行融資之抵押品。

18. Investment properties

18. 投資物業

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
At fair value:	按公允值：		
As at 1 January	於1月1日	10,721,129	2,806,731
Addition	添置	813,891	574,403
Acquisition of subsidiaries (Note 41)	收購附屬公司(附註41)	–	7,689,453
Disposal of a subsidiary	出售一間附屬公司	(3,040)	–
Transfer to property, plant and equipment and leasehold land (Note 17)	轉撥至物業、機器及設備及租賃土地(附註17)	(371,560)	–
Fair value (loss)/gain	公允值(虧損)/收益	(883,925)	191,465
Exchange difference	匯兌差額	(679,473)	(540,923)
At 31 December	於12月31日	9,597,022	10,721,129
The Group's interests in investment properties are analysed as follows:	本集團投資之物業權益分析如下：		
Properties in Hong Kong held under – Medium-term lease (more than ten years but less than fifty years)	根據以下租賃持有之香港物業 – 中期租賃 (超過10年但少於50年)	–	3,040
Properties outside Hong Kong held under – Medium-term lease (more than ten years but less than fifty years)	根據以下租賃持有之香港境外物業 – 中期租賃 (超過10年但少於50年)	9,597,022	10,718,089
		9,597,022	10,721,129

As at 31 December 2016, the Group's investment properties of approximately HK\$7,310,374,000 (2015: HK\$8,951,043,000) were pledged as collaterals for the Group's banking facilities and other borrowings.

於2016年12月31日，本集團約港幣7,310,374,000元(2015年：港幣8,951,043,000元)之投資物業已抵押作本集團銀行融資及其他借貸之抵押品。

18. Investment properties (continued)

18. 投資物業 (續)

		Carparks 車位 Hong Kong 香港 HK\$'000 港幣千元	Completed commercial properties 已竣工商業物業 PRC 中國 HK\$'000 港幣千元	Commercial properties under development 發展中商業物業 PRC 中國 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 January 2015	於2015年1月1日	2,800	1,606,049	1,197,882	2,806,731
Additions	添置	–	3,932	570,471	574,403
Acquisition of subsidiaries (Note 41)	收購附屬公司(附註41)	–	3,695,915	3,993,538	7,689,453
Fair value gain	公允值收益	240	48,270	142,955	191,465
Exchange difference	匯兌差額	–	(301,370)	(239,553)	(540,923)
At 31 December 2015	於2015年12月31日	3,040	5,052,796	5,665,293	10,721,129
Additions	添置	–	477,172	336,719	813,891
Transfer to property, plant and equipment and leasehold land (Note 17)	轉撥至物業、機器及設備及 租賃土地(附註17)	–	(371,560)	–	(371,560)
Disposal of a subsidiary	出售一間附屬公司	(3,040)	–	–	(3,040)
Fair value (loss)/gain	公允值(虧損)/收益	–	(585,724)	(298,201)	(883,925)
Exchange difference	匯兌差額	–	(317,131)	(362,342)	(679,473)
At 31 December 2016	於2016年12月31日	–	4,255,553	5,341,469	9,597,022

The investment properties were revalued at their fair value by an independent valuer, B.I. Appraisals Limited. The Group's finance department would review the valuations performed by the independent valuers for financial reporting purposes. Discussions of valuation processes and results are held between the finance department and valuers at least once every six months, in line with the Group's interim and annual reporting dates.

投資物業由獨立估值師保柏國際評估有限公司按公允值重估。本集團之財務部門將審閱獨立估值師為財務申報目的進行之估值。財務部門及估值師至少每六個月(與本集團之中期及年度申報日期一致)對估值程序及結果進行討論。

18. Investment properties (continued)

18. 投資物業 (續)

Description	說明	Fair value measurements as at 31 December 2016 using 使用下列估值方法作出之 於2016年12月31日之公允值計量		
		Quoted prices in active markets for identical assets 相同資產 於活躍市場 之報價 (Level 1) (第一層) HK\$'000 港幣千元	Significant other observable inputs 其他重大 可觀察 輸入數據 (Level 2) (第二層) HK\$'000 港幣千元	Significant unobservable inputs 重大不可 觀察 輸入數據 (Level 3) (第三層) HK\$'000 港幣千元
Recurring fair value measurements Investments properties:	經常性公允值計量 投資物業:			
Shopping mall in the PRC	位於中國之購物商場	—	—	4,153,821
Carparks in the PRC	位於中國之車位	—	—	101,732
Commercial properties under development in the PRC	位於中國之發展中商業物業	—	—	5,341,469

There was no transfer between level 1, 2 and 3 during the year.

於本年度，第一層、第二層及第三層之間並無進行轉撥。

**Fair value measurements using significant unobservable inputs
(Level 3)**

Fair values of shopping mall, carparks and commercial properties under development in the PRC are derived using the direct comparison method (2015: combination of direct comparison method and investment method).

採用重大不可觀察輸入數據之公允值計量 (第三層)

位於中國之購物商場、車位及發展中商業物業之公允值採用直接比較法(2015年：直接比較法及投資法相結合)而得出。

Direct comparison method is by comparing the property to be valued directly with other comparable properties, which have recently transacted. However, given the heterogeneous nature of real estate properties, appropriate adjustments are usually required to allow for any qualitative differences that may affect the price likely to be achieved by the property under consideration.

直接比較法基於將擬進行估值之物業直接與其他近期交易之可比較物業作比較。然而，鑒於各房地產物業之性質互不相同，通常須作出適當之調整以納入任何質量上之差異，該等差異或會影響所考慮物業之價格。

18. Investment properties (continued)**Fair value measurements using significant unobservable inputs (Level 3) (continued)**

The investment method is based on the capitalisation of net income at an appropriate discount rate or by taking into account the current rents passing and the reversionary income potential of the property. For commercial properties under development, construction costs that will be incurred to complete the development to reflect the development potential of the property and the quality of the completed development are taken into account in the valuation.

Significant inputs used to determine fair value of investment properties at 31 December 2016**18. 投資物業** (續)**採用重大不可觀察輸入數據之公允值計量 (第三層) (續)**

投資法乃基於按適當的折現率將收入淨額予以資本化得出，或經考慮有關物業之現行租金及潛在復歸收入。就發展中商業物業而言，估值時會考慮將產生之發展完成所需之成本，以反映該物業的發展潛力及完成發展之質素。

用於釐定2016年12月31日之投資物業公允值之重大輸入數據

	Valuation method 估值方法	Unobservable input 不可觀察輸入數據	Relationship of unobservable inputs to fair value 不可觀察輸入數據與公允值之關係
31 December 2016 2016年12月31日			
Completed commercial properties – Retail, PRC 已竣工商業物業—零售·中國	Direct comparison method (2015: Investment method and Direct comparison method) 直接比較法 (2015年: 投資法及直接比較法)	Term yield: N/A (2015: 5.25% – 5.50%) 年期回報率: 不適用 (2015年: 5.25% – 5.50%)	The changes in the term yield would not materially affect the fair value. 年期回報率變動對公允值不會產生重大影響。
		Reversionary yield: N/A (2015: 5.50% – 6.00%) 復歸回報率: 不適用 (2015年: 5.50% – 6.00%)	The lower the reversionary yield, the higher the fair value. 復歸回報率越低, 公允值越高。
		Adjusted average market rent per sqm per month: N/A (2015: RMB260 – 410) 每月每平方米經調整平均市場租金: 不適用 (2015年: 人民幣260 – 410元)	The higher the adjusted average market rent, the higher the fair value. 經調整平均市場租金越高, 公允值越高。
		Adjusted average market transacted price per sqm RMB19,280 – 52,580 (2015: RMB21,900)* 經調整平均市場交易價: 每平方米人民幣19,280 – 52,580元 (2015年: 人民幣21,900元)*	The higher the adjusted average market transacted price, the higher the fair value. 經調整平均市場交易價越高, 公允值越高。
* Direct comparison method was applied to one project only in 2015		* 於2015年, 直接比較法只應用於一項目	

18. Investment properties (continued)
Fair value measurements using significant unobservable inputs
(Level 3) (continued)

18. 投資物業 (續)
採用重大不可觀察輸入數據之公允值計量(第三層) (續)

	Valuation method 估值方法	Unobservable input 不可觀察輸入數據	Relationship of unobservable inputs to fair value 不可觀察輸入數據與公允值之關係
Carparks – PRC 車位 – 中國	Direct comparison method (2015: Investment method and Direct comparison method)	Term yield: N/A (2015: 3.50%) 年期回報率: 不適用 (2015年: 3.50%)	The changes in the term yield would not materially affect the fair value. 年期回報率變動對公允值不會產生 重大影響。
	直接比較法(2015年: 投資法及直接比較法)	Reversionary yield: N/A (2015: 4.00%) 復歸回報率: 不適用 (2015年: 4.00%)	The lower the reversionary yield, the higher the fair value. 復歸回報率越低, 公允值越高。
		Adjusted average market rent per lot per month: N/A (2015: RMB1,750) 每個每月經調整平均市場交易價: 不適用 (2015年: 人民幣1,750元)	The higher the adjusted average market rent, the higher the fair value. 經調整平均市場租金越高, 公允值越高。
		Adjusted average market transacted price per lot RMB250,000 (2015: RMB259,000) 每個經調整平均市場交易價: 人民幣250,000元(2015年: 人民幣259,000元)	The higher the adjusted average market transacted price, the higher the fair value. 經調整平均市場交易價越高, 公允值越高。
Commercial properties under development – land, PRC 發展中商業物業 – 土地, 中國	Direct comparison method (2015: Direct comparison method) 直接比較法(2015年: 直接比較法)	Adjusted average market transacted price per sqm RMB2,500 – 5,280 (2015: RMB530 – 6,000) 經調整平均市場交易價: 每平方米人民幣2,500 – 5,280元 (2015年: 人民幣530 – 6,000元)	The higher the adjusted average market transacted price, the higher the fair value. 經調整平均市場交易價越高, 公允值越高。

18. Investment properties (continued)**Fair value measurements using significant unobservable inputs (Level 3)** (continued)**18. 投資物業** (續)**採用重大不可觀察輸入數據之公允值計量 (第三層)** (續)

	Valuation method 估值方法	Unobservable input 不可觀察輸入數據	Relationship of unobservable inputs to fair value 不可觀察輸入數據與公允值之關係
Commercial properties under development – retail, PRC 發展中商業物業 – 零售 · 中國	Direct comparison method (2015: Investment method and Direct comparison method) 直接比較法 (2015年: 投資法及直接比較法)	Term yield: N/A (2015: 3.00%) 年期回報率: 不適用 (2015年: 3.00%)	The changes in the term yield would not materially affect the fair value. 年期回報率變動對公允值不會產生重大影響。
		Reversionary yield: N/A (2015: 5.00%) 復歸回報率: 不適用 (2015年: 5.00%)	The lower the reversionary yield, the higher the fair value. 復歸回報率越低, 公允值越高。
		Adjusted average market rent per sqm per month: N/A (2015: RMB130) 每月每平方米經調整平均市場租金: 不適用 (2015年: 人民幣130元)	The higher the adjusted average market rent, the higher the fair value. 經調整平均市場租金越高, 公允值越高。
		Adjusted average market transacted price per sqm RMB15,000 – 19,000 (2015: RMB19,000 – 24,000) 經調整平均市場交易價: 每平方米人民幣15,000 – 19,000元 (2015年: 人民幣19,000 – 24,000元)	The higher the adjusted average market transacted price, the higher the fair value. 經調整平均市場交易價越高, 公允值越高。
Commercial properties under development – apartment, PRC 發展中商業物業 – 公寓 · 中國	Direct comparison method (2015: Direct comparison method) 直接比較法 (2015年: 直接比較法)	Adjusted average market transacted price per sqm RMB21,000 (2015: RMB16,000) 經調整平均市場交易價: 每平方米人民幣21,000元 (2015年: 人民幣16,000元)	The higher the adjusted average market transacted price, the higher the fair value. 經調整平均市場交易價越高, 公允值越高。
Commercial properties under development – car parks, PRC 發展中商業物業 – 車位 · 中國	Direct comparison method (2015: Direct comparison method) 直接比較法 (2015年: 直接比較法)	Adjusted average market transacted price per lot RMB110,000 – 150,000 (2015: RMB123,000 – 150,000) 每個經調整平均市場交易價: 人民幣110,000 – 150,000元 (2015年: 人民幣123,000 – 150,000元)	The higher the adjusted average market transacted price, the higher the fair value. 經調整平均市場交易價越高, 公允值越高。

19. Intangible assets

19. 無形資產

		Trademark (Note 1) 商標 (附註1) HK\$'000 港幣千元	Secured contracts (Note 1) 取得合約 (附註1) HK\$'000 港幣千元	Client relationships (Note 1) 客戶關係 (附註1) HK\$'000 港幣千元	Sub-total 小計 HK\$'000 港幣千元	Other trademarks and trade names 其他商標 及商號名稱 HK\$'000 港幣千元	Software cost (Note 2) 軟件成本 (附註2) HK\$'000 港幣千元	Operating right (Note 3) 經營權 (附註3) HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
Cost	成本								
At 1 January 2015	於2015年1月1日	58,469	30,497	71,073	160,039	1,600	12,807	-	174,446
Additions	添置	-	-	-	-	-	714	-	714
Exchange Realignment	匯兌調整	-	-	-	-	-	(19)	-	(19)
At 31 December 2015	於2015年12月31日	58,469	30,497	71,073	160,039	1,600	13,502	-	175,141
Additions	添置	-	-	-	-	-	544	210,101	210,645
Disposal of a subsidiary	出售一間附屬公司	(58,469)	(30,497)	(71,073)	(160,039)	-	-	-	(160,039)
Exchange Realignment	匯兌調整	-	-	-	-	-	(46)	(8,874)	(8,920)
At 31 December 2016	於2016年12月31日	-	-	-	-	1,600	14,000	201,227	216,827
Accumulated amortisation	累積攤銷								
At 1 January 2015	於2015年1月1日	-	(30,497)	(50,008)	(80,505)	-	(6,398)	-	(86,903)
Amortisation for the year	本年度攤銷	-	-	(7,896)	(7,896)	-	(4,299)	-	(12,195)
At 31 December 2015	於2015年12月31日	-	(30,497)	(57,904)	(88,401)	-	(10,697)	-	(99,098)
Amortisation for the year	本年度攤銷	-	-	(7,238)	(7,238)	-	(2,286)	(10,073)	(19,597)
Disposal of a subsidiary	出售一間附屬公司	-	30,497	65,142	95,639	-	-	-	95,639
Exchange Realignment	匯兌調整	-	-	-	-	-	3	426	429
At 31 December 2016	於2016年12月31日	-	-	-	-	-	(12,980)	(9,647)	(22,627)
Net book value	賬面淨值								
At 31 December 2016	於2016年12月31日	-	-	-	-	1,600	1,020	191,580	194,200
At 31 December 2015	於2015年12月31日	58,469	-	13,169	71,638	1,600	2,805	-	76,043

Notes:

- Intangible assets arising from the acquisition of Synergis included a trademark, secured contracts and client relationships. The trademark has an indefinite useful life as there is no foreseeable limit to the period over which the trademark is expected to generate economic benefits to the Group. During the year, these intangible assets were derecognised due to the disposal of Synergis.
- During the year, amortisation of HK\$19,000 (2015: nil) was capitalised in properties under development.
- Operating right acquired during the year was in connection with a golf course in Foshan, the PRC. The operating right has a ten years useful life.

附註:

- 收購新昌管理所產生之無形資產，包括商標、取得合約及客戶關係。商標並沒有指定可使用年期，此乃由於商標對本集團所產生的經濟效益並沒有可預見的期限。於年內，由於出售新昌管理，此無形資產已被剔除入賬。
- 於年內，港幣19,000元（2015年：無）之攤銷已於發展中物業予以資本化。
- 年內所獲得之經營權與位於中國佛山之高爾夫球場有關。此經營權之使用年期為10年。

20. Goodwill

The carrying amount of goodwill was allocated to groups of cash-generating units that are expected to benefit from the business combination as follows:

		Property and facility management (Note (i)) 物業及 設施管理 (附註(i)) HK\$'000 港幣千元	Property development and investment (Note (ii)) 物業發展及 投資 (附註(ii)) HK\$'000 港幣千元	Total 總額 HK\$'000 港幣千元
At 1 January 2015 and 31 December 2015	於2015年1月1日及 2015年12月31日	18,753	23,249	42,002
Disposal of a subsidiary	出售一間附屬公司	(18,753)	–	(18,753)
Provision for impairment	減值撥備	–	(23,249)	(23,249)
At 31 December 2016	於2016年12月31日	–	–	–

Notes:

- (i) Goodwill arising from Synergis, allocated to the "Property and facility management" segment, amounting to HK\$92,618,000, was previously reduced through recognition of an impairment loss of HK\$73,865,000.

At 31 December 2015, the management of the Group determined that there is no further impairment of goodwill. The recoverable amount of the "Property and facility management" segment has been determined based on the higher of its fair value less costs to sell and its value in use. Management has calculated the fair value based on observable market price and assessed that the fair value less costs to sell is higher than the carrying amount of "Property and facility management" segment and no impairment provision is considered necessary.

Upon disposal of Synergis on 21 November 2016, the entire amount of goodwill is derecognised and included in the determination of the gain on disposal of a subsidiary.

- (ii) The balance represents goodwill arising from Hsin Chong Property Development Limited ("HCPD"), allocated to the "Property development and investment" segment. The recoverable amount is considered taking reference to valuation prepared by external independent valuer for properties under development of related property project. Latest market condition and sales plan have been considered by external independent valuer and it is concluded that certain impairment is to be provided for its properties under development in the PRC. In view of this, management considered full provision on its goodwill over this segment is appropriate.

20. 商譽

商譽之賬面值按下列方式分配至預期從業務合併中獲得利益之現金產生單位組別：

附註：

- (i) 新昌管理產生之商譽，已分配至「物業及設施管理」分類，金額為港幣92,618,000元，惟先前已透過確認減值虧損港幣73,865,000元予以下調。

於2015年12月31日，本集團管理層確定商譽並無需進一步減值。「物業及設施管理」分類之可收回金額乃以其公允值減銷售成本或按使用價值兩者之間較高者為準而釐定。管理層以可觀察市場價格計算公允值，評定公允值減銷售成本較「物業及設施管理」分類之賬面值高，故無須計提減值撥備。

當新昌管理於2016年11月21日出售後，全部商譽被剔除入賬及用作釐定出售一附屬公司之收益。

- (ii) 該餘額指分配至「物業發展及投資」分類來自新昌地產發展有限公司（「新昌地產發展」）的商譽。可收回金額乃參考獨立外聘估值師就相關物業項目之發展中物業所作出之估值。外聘估值師已考慮最新市場狀況及銷售計劃，需為位於中國國內之發展中物業作出部分減值撥備。鑒此，管理層認為此分類之商譽作全數撥備是適當的。

21. Associate

21. 聯營公司

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Share of net assets	應佔資產淨值	–	–
Amount due from associate	應收聯營公司款項	–	11,940
At 31 December	於12月31日	–	11,940

The movement of the share of net assets is as follows:

應佔資產淨值之變動如下：

		HK\$'000 港幣千元
At 1 January 2015 and at 31 December 2015	於2015年1月1日及2015年12月31日	–
Investment in associate	聯營公司之投資	52,994
Share of loss of an associated company	應佔一間聯營公司虧損	(52,015)
Exchange difference	匯兌差異	(979)
At 31 December 2016	於2016年12月31日	–

The share of the aggregate amounts of the assets, liabilities and results of the associate, all of which are unlisted, attributable to the Group is as follows:

本集團應佔聯營公司資產、負債及業績（均為非上市）之份額如下：

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Assets	資產	13	–
Liabilities	負債	(11,179)	–
Net liabilities	淨負債	(11,166)	–
Loss after taxation and total comprehensive income	除稅後虧損及全面收益總額	(219,718)	–

21. Associate (continued)

Amount due from an associated company as at 31 December 2015 was unsecured, non-interest bearing and repayment on demand. As at 31 December 2016, the deposit paid by the associated company for a potential acquisition of property projects has been impaired due to the expiration of sales and purchase agreement. Therefore, management considered to make provision for impairment for the amount due from an associated company accordingly.

Details of the associated company of the Group is given in below:

Company 公司	Place of incorporation/ registration/ operation 成立/註冊/經營地點	The Group's effective percentage of interest held by		Issued and paid up capital 已發行及繳足股本	Principal activities 主要業務
		the Company 所持本集團實際權益百分比 本公司	Subsidiaries 附屬公司		
天津新昌企業管理有限公司	The People's Republic of China 中華人民共和國	–	25%	RMB178,250,000 人民幣178,250,000元	Consultancy Service 諮詢服務

There are no contingent liabilities relating to the Group's interest in the associate as at 31 December 2016.

The associated company is an unlisted company and there is no quoted market price available for its shares.

21. 聯營公司 (續)

於2015年12月31日，應收聯營公司款項為無抵押、免息及按要求償還。於2016年12月31日，由於買賣合同已屆滿，聯營公司為潛在收購之物業項目所支付之按金已減值。因此，管理層議決為應收聯營公司款項作出減值撥備。

有關本集團聯營公司之詳情如下：

於2016年12月31日並無有關本集團於聯營公司權益的或然負債。

該聯營公司為一間非上市公司，其股份於市場並無報價。

22. Joint operations

Details of major investment in joint operations as at 31 December 2016 and 2015 are as follows:

Name 名稱	Place of operation 經營地點	Principal activities 主要業務	Participating shares 參股	
			2016	2015
CRCC – HC – CR15G Joint Venture 中鐵建–新昌–中鐵建15局聯營公司	Unincorporated joint operation operating in Hong Kong 在香港經營之非屬法團共同經營業務	Civil engineering 土木工程	30%	30%
GAS Joint Venture 英昌龍聯營公司	Unincorporated joint operation operating in Hong Kong 在香港經營之非屬法團共同經營業務	Electrical and mechanical 機電工程	30%	30%
Hsin Chong Aster – China Comservice JV 新昌亞仕達–中國通信服務聯營公司	Unincorporated joint operation operating in Hong Kong 在香港經營之非屬法團共同經營業務	Electrical and mechanical 機電工程	70%	70%
Hsin Chong Aster – China Comservice JV 新昌亞仕達–中國通信服務聯營公司 (002)	Unincorporated joint operation operating in Hong Kong 在香港經營之非屬法團共同經營業務	Electrical and mechanical 機電工程	60%	60%
Hsin Chong Aster – China Comservice JV 新昌亞仕達–中國通信服務聯營公司 (003)	Unincorporated joint operation operating in Hong Kong 在香港經營之非屬法團共同經營業務	Electrical and mechanical 機電工程	60%	60%
Hsin Chong – Build King JV	Unincorporated joint operation operating in Hong Kong 在香港經營之非屬法團共同經營業務	Building construction 樓宇建造	65%	–
Hsin Chong – Maeda JV	Unincorporated joint operation operating in Hong Kong 在香港經營之非屬法團共同經營業務	Building construction 樓宇建造	60%	60%
Hsin Chong-Wah Cheong Joint Venture (01)	Unincorporated joint operation operating in Hong Kong 在香港經營之非屬法團共同經營業務	Interiors and special projects 室內裝飾及特殊項目	–	30.2%
Hsin Chong-Wah Cheong Joint Venture (02)	Unincorporated joint operation operating in Hong Kong 在香港經營之非屬法團共同經營業務	Interiors and special projects 室內裝飾及特殊項目	–	30.2%
Hsin Chong – Yau Lee Joint Venture	Unincorporated joint operation operating in Hong Kong 在香港經營之非屬法團共同經營業務	Building construction 樓宇建造	50%	50%
Hsin Chong Tsun Yip Joint Venture 新昌進業聯營	Unincorporated joint operation operating in Hong Kong 在香港經營之非屬法團共同經營業務	Civil engineering 土木工程	60%	60%
Hsin Chong Tsun Yip Joint Venture 新昌進業聯營(DC/2012/07)	Unincorporated joint operation operating in Hong Kong 在香港經營之非屬法團共同經營業務	Civil engineering 土木工程	57%	57%
Hsin Chong Tsun Yip Joint Venture 新昌進業聯營(DC/2012/08)	Unincorporated joint operation operating in Hong Kong 在香港經營之非屬法團共同經營業務	Civil engineering 土木工程	57%	57%

22. 共同經營業務

於2016年及2015年12月31日主要共同經營業務投資之詳情如下：

22. Joint operations (continued)

22. 共同經營業務 (續)

Name 名稱	Place of operation 經營地點	Principal activities 主要業務	Participating shares 參股	
			2016	2015
Hsin Chong Tsun Yip Joint Venture 新昌進業聯營(5/WSD/13)	Unincorporated joint operation operating in Hong Kong 在香港經營之非屬法團共同經營業務	Civil engineering 土木工程	83%	83%
Hsin Chong Tsun Yip Joint Venture 新昌進業聯營(CV/2015/03)	Unincorporated joint operation operating in Hong Kong 在香港經營之非屬法團共同經營業務	Civil engineering 土木工程	57%	57%
Laing O' Rourke – Hsin Chong – Paul Y. Joint Venture	Unincorporated joint operation operating in Hong Kong 在香港經營之非屬法團共同經營業務	Civil engineering 土木工程	22.5%	22.5%
Laing O' Rourke – Hsin Chong – Paul Y. (WKCD) Joint Venture	Unincorporated joint operation operating in Hong Kong 在香港經營之非屬法團共同經營業務	Civil engineering 土木工程	22.5%	22.5%
Maeda – Hitachi – Yokogawa – Hsin Chong Joint Venture	Unincorporated joint operation operating in Hong Kong 在香港經營之非屬法團共同經營業務	Civil engineering 土木工程	20%	20%
MBH Joint Venture	Unincorporated joint operation operating in Hong Kong 在香港經營之非屬法團共同經營業務	Civil engineering 土木工程	20%	20%
Samsung – Hsin Chong Joint Venture	Unincorporated joint operation operating in Hong Kong 在香港經營之非屬法團共同經營業務	Civil engineering 土木工程	40%	40%
Yau Lee – Hsin Chong Joint Venture 有利 – 新昌聯營	Unincorporated joint operation operating in Hong Kong 在香港經營之非屬法團共同經營業務	Building construction 樓宇建造	40%	40%
CESL – HCCG Joint Venture	Unincorporated joint operation operating in Macau 在澳門經營之非屬法團共同經營業務	Building construction 樓宇建造	–	45%

Note:

Pursuant to the terms of the joint arrangements, the profit sharing for each year of all joint operations listed herein above shall be distributed to the joint operators in proportion to their respective participating interests.

Amounts due from/to other partners of joint operations are unsecured, non-interest bearing, have no fixed terms of repayment and are denominated in Hong Kong dollars.

The above table lists the joint operations of the Group which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other joint operations would, in the opinion of the directors, result in particulars of excessive length.

附註:

根據共同安排之條款，上述所有共同經營業務每年溢利之分配將依照各共同經營者所佔之參與權益按比例分配。

應收/應付共同經營之其他合作夥伴之款項屬無抵押、不計息、無固定還款期及以港幣為單位。

上表列示董事認為主要影響本集團業績或資產之本集團共同經營業務。董事認為，提供有關其他共同經營業務的詳情將使資料過於冗長。

23. Available-for-sale financial asset

Available-for-sale financial asset comprises the following:

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Equity securities	股本證券		
Listed, at fair value	上市·按公允值		
At 1 January	於1月1日	31,662	27,798
Fair value (loss)/gain	公允值(虧損)/收益	(1,877)	3,864
At 31 December	於12月31日	29,785	31,662

The fair value of listed securities is determined by referencing to a valuation report by independent valuers and the latest net asset value of the unlisted securities.

23. 可供出售之財務資產

可供出售之財務資產包括以下各項目：

上市證券之公允值乃參考獨立估值師之估值報告及非上市證券之最近期資產淨值而釐定。

24. Properties under development

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
At 1 January	於1月1日	16,808,489	4,287,431
Additions during the year	年內添置	1,541,647	971,459
Provision for impairment (Note 8)	減值撥備(附註8)	(1,924,025)	-
Transfer to property, plant and equipment and leasehold land (Note 17)	轉撥至物業、機器及設備及租賃土地(附註17)	(2,014,692)	-
Acquisition of subsidiaries (Note 41)	收購附屬公司(附註41)	-	12,487,798
Exchange difference	匯兌差額	(981,901)	(938,199)
At 31 December	於12月31日	13,429,518	16,808,489

Properties under development comprise:

發展中物業包括：

Land use rights	土地使用權	11,863,829	14,076,708
Construction cost and capitalised expenditure	建造成本及資本化開支	1,644,898	2,377,886
Interest expense capitalised	資本化利息開支	1,329,992	353,895
Less: Provision for impairment	減：減值撥備	14,838,719 (1,409,201)	16,808,489 -
		13,429,518	16,808,489

As at 31 December 2016, the amount properties under development expected to be completed and available for sale within one year is approximately HK\$1,290,906,000 (31 December 2015: HK\$1,160,030,000). The remaining balance is expected to be recovered after one year.

於2016年12月31日，預期將於一年內竣工及可供出售之發展中物業金額約為港幣1,290,906,000元(2015年12月31日：港幣1,160,030,000元)。餘額預期將於一年後收回。

24. Properties under development (continued)

As at 31 December 2016, a portion of the Group's properties under development with carrying amount of approximately HK\$8,574,608,000 (2015: HK\$12,244,684,000) was pledged as collateral for the Group's banking facilities and other borrowings.

24. 發展中物業 (續)

於2016年12月31日，本集團之發展中物業部份賬面值約港幣8,574,608,000元(2015年：港幣12,244,684,000元)已抵押作為本集團銀行信貸及其他借貸之抵押品。

25. Stocks and contracting work-in-progress**25. 存貨及興建中工程**

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Gross amounts due from customers for contract work	應收客戶之工程款項毛額	1,826,631	1,918,127
Raw materials, at cost	原料·按成本	1,603	1,666
Stocks of properties, at cost	物業存貨·按成本	541,851	591,510
Stocks for retailing	供零售的存貨	25,849	25,955
		2,395,934	2,537,258
Note:	附註：		
Cost plus attributable profit less foreseeable losses	成本加應佔溢利減可預見虧損	40,297,427	31,896,206
Less: progress payments received and receivable	減：已收及應收工程賬款	(38,778,476)	(30,296,153)
Contracting work-in-progress	興建中工程	1,518,951	1,600,053
Representing:	代表：		
Gross amounts due from customers for contract work included in stocks and contracting work-in-progress	存貨及興建中工程項目中包括應收客戶之工程款項毛額	1,826,631	1,918,127
Gross amounts due to customers for contract work included in payables and accruals	應付賬款及應計費用項目中包括應付客戶之工程款項毛額	(307,680)	(318,074)
		1,518,951	1,600,053

As at 31 December 2016, the Group's stocks of properties of approximately HK\$527,161,000 (2015: HK\$580,944,000) was pledged as collateral for Group's banking facilities and other borrowings.

於2016年12月31日，本集團的物業存貨約港幣527,161,000元(2015年：港幣580,944,000元)已抵押作本集團銀行信貸及其他借貸之抵押品。

26. Receivables and prepayments

26. 應收賬款及預付金

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Trade receivables	貿易應收賬款		
– third parties	– 第三方	856,613	883,298
– provision for impairment	– 減值撥備	(423)	(423)
		856,190	882,875
Retention receivables	保固金應收賬款		
– third parties	– 第三方	1,213,917	1,268,742
– provision for impairment	– 減值撥備	(125)	(125)
		1,213,792	1,268,617
Other receivables	其他應收賬款	2,069,982	2,151,492
– third parties ¹	– 第三方 ¹	623,910	101,814
– related companies ²	– 關連公司 ²	285,307	–
		909,217	101,814
Deposits and prepayments	按金及預付金		
– third parties	– 第三方	745,234	635,109
		3,724,433	2,888,415
Less: non-current portion	減：非流動部分	(661,070)	(208,941)
		3,063,363	2,679,474

The carrying amounts of the Group's receivables and prepayments are denominated in the following currencies:

本集團之應收款項及預付款項賬面值乃按以下貨幣計值：

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Hong Kong dollar	港幣	1,999,746	2,174,534
Renminbi	人民幣	604,810	115,220
Macau pataca	澳門幣	458,807	389,720
		3,063,363	2,679,474

Notes:

- Balance includes deposits of HK\$512 million made to a third party as collateral to secure the other borrowings from the corresponding party.
- Related companies represented two companies incorporated in the PRC, which are owned by a director of the Company and/or close members of his family. Balances represent two borrowings granted to the two related companies which carry interest at 12% per annum and 0.91667% per month and is repayable by 21 August 2024 and 12 November 2018 respectively.

附註：

- 該結餘包括向第三方支付港幣512,000,000元的按金以作為擔保來自該方的其他借貸之抵押品。
- 關連公司指於中國註冊成立的兩間公司，由本公司一名董事及／或其近親擁有。該等結餘指授予兩間關連公司的兩項分別按年息12厘及月息0.91667厘計息的借貸及分別須於2024年8月21日及2018年11月12日前償還。

26. Receivables and prepayments (continued)**(a) Trade and retention receivables**

(i) The aging analysis of trade receivables by due date is as follows:

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Not yet due	未到期	758,437	801,692
1 to 30 days	1至30天	85,011	31,026
31 to 90 days	31至90天	2,586	34,923
91 to 180 days	91至180天	6,710	2,795
Over 180 days	180天以上	3,446	12,439
		856,190	882,875

(ii) As at 31 December 2016, for the receivables which are not yet due, there is no indication that they will be non-performing as there is no history of default of the customers.

(iii) The Group's credit terms for its contracting business and property rental are negotiated with and entered into under normal commercial terms with its trade customers. The credit period for the trade receivables for contracting business generally ranges from 30 to 60 days (2015: 30 to 60 days).

Retention receivables in respect of the contracting business are settled in accordance with the terms of the respective contracts. Rental income is billed in advance of the rental period. At 31 December 2016, retention receivables held by customers for contract works amounting to approximately HK\$462,011,000 (2015: HK\$603,906,000) are expected to be recovered or settled in more than twelve months from the end of the reporting period.

(iv) There is no concentration of credit risk with respect to trade and retention receivables, as the Group has a large number of customers.

26. 應收賬款及預付金 (續)**(a) 貿易及保固金應收賬款**

(i) 貿易應收賬款按到期日之賬齡分析如下：

(ii) 於2016年12月31日，尚未到期的應收賬款因並無客戶有拖欠還款之記錄，故沒有任何顯示有不獲履行之情況。

(iii) 本集團建造業務與物業租賃之信貸期乃按照一般商業條款與其貿易客戶商議及簽訂。建造業務的貿易應收賬款之信貸期一般介乎30至60天（2015年：30至60天）。

建造業務之保固金應收賬款按照個別合約之條款結算。租務收入則於租賃期前開發賬單預收。於2016年12月31日，客戶就建造合約工程持有之保固金應收賬款約港幣462,011,000元（2015年：港幣603,906,000元），預期將於報告期結束時起計超過十二個月後收回或結付。

(iv) 由於本集團客戶為數不少，故貿易及保固金應收賬款並無信貸集中之風險。

26. Receivables and prepayments (continued)**(a) Trade and retention receivables** (continued)

- (v) Depending on the credit history and financial position of each individual customer, trade receivables that are less than 180 days past due are not considered impaired. As at 31 December 2016, trade receivables of HK\$3,446,000 (2015: HK\$12,439,000), net of provision for impairment, were past due over 180 days but not impaired as there are no recent history of default of independent customers and no objective evidence of the receivables being not fully collectible.
- (vi) Movements in the provision for impairment of trade and retention receivables are as follows:

	2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
At the beginning and at the end of the year	548	548

The provision for impairment represents trade and retention receivables aged over 180 days in both years.

As at 31 December 2016 and 2015, the Group does not hold any collateral.

27. Amounts due from non-controlling interests

Amounts due from non-controlling interests are unsecured, non-interest bearing and have no fixed terms of repayment. The carrying amounts approximate their fair values, and are mainly denominated in Hong Kong dollars.

26. 應收賬款及預付金 (續)**(a) 貿易及保固金應收賬款** (續)

- (v) 視乎各個別客戶之信貸記錄及財務狀況而定，貿易應收賬款逾期少於180天不被視為需要減值。於2016年12月31日，已扣除減值撥備之貿易應收賬款港幣3,446,000元(2015年：港幣12,439,000元)經已逾期超過180天，但並無作出減值，原因是個別客戶近期沒有拖欠還款記錄，亦無客觀證據顯示該等應收賬款無法全數收回。
- (vi) 貿易及保固金應收賬款之減值撥備變動如下：

減值撥備指兩個年度內賬齡超過180天之貿易及保固金應收賬款。

於2016年及2015年12月31日，本集團並無持有任何抵押品。

27. 應收非控股權益款項

應收非控股權益款項乃無抵押、免息及無固定還款期。賬面值與其公允值相近，並主要以港幣為單位。

28. Cash and bank balances**(a) Deposits, cash and cash equivalents**

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Cash at bank and in hand	銀行結存及手頭現金	400,210	1,199,583
Short term bank deposits (Note i)	短期銀行存款(附註i)	4,506	263,133
		404,716	1,462,716
Time deposit over three months (Note ii)	三個月以上定期存款(附註ii)	6,431	6,747
		411,147	1,469,463
Deposits, cash and cash equivalents	存款、現金及等同現金項目	411,147	1,469,463

Deposits, cash and cash equivalents are denominated in the following currencies:

28. 現金及銀行結存**(a) 結存、現金及等同現金項目**

存款、現金及等同現金項目以下列貨幣為單位：

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Hong Kong dollar	港幣	317,765	700,397
United States dollar	美元	16,640	130,750
Renminbi	人民幣	40,487	549,106
Macau pataca	澳門幣	36,060	88,797
Other	其他	195	413
		411,147	1,469,463

Notes:

- (i) The short term bank deposits of the Group have original maturities of three months or less.
- (ii) The time deposits of the Group carry an effective interest rate of 1.6% (2015: 2.0%) per annum and have an average maturity period of 183 days (2015: 184 days).

附註：

- (i) 本集團之短期銀行存款最初到期日為三個月或以下。
- (ii) 本集團之定期存款按實際年利率1.6% (2015年：2.0%) 計息，平均到期日為183天 (2015年：184天)。

(b) Restricted cash

As at 31 December 2016, restricted bank deposits of HK\$626,573,000 (2015: HK\$126,786,000) represent deposits placed in banks on which charges are created to secure banking facilities.

(b) 受限制現金

於2016年12月31日，受限制之銀行存款港幣626,573,000元 (2015年：港幣126,786,000元) 指抵押予銀行以取得銀行融資之銀行存款。

(c) Significant restrictions

Restricted and unrestricted cash, and short-term deposits of HK\$668,370,000 (2015: HK\$544,193,000) are held in the PRC and are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the country, other than through normal dividends.

(c) 重大限制

受限制及不受限制之現金及短期存款港幣668,370,000元 (2015年：港幣544,193,000元) 乃於中國境內持有並須遵守當地外匯管制規例。除一般股息外，境內輸出资本需受制於當地外匯管制規例。

29. Deferred tax

Deferred tax is calculated in full on temporary differences under the liability method using applicable tax rates prevailing in the countries in which the Group operates. The movement of the deferred tax is as follows:

		Deferred tax liabilities 遞延稅項負債				Deferred tax assets 遞延稅項資產			
		Accelerated tax depreciation 加速稅項折舊	Properties under development/ Properties held for sale 發展中物業/ 持作出售之物業	Fair value gains 公允價值收益	Intangible assets 無形資產	Total	Depreciation in excess of depreciation allowance 折舊免稅額	Tax losses 稅項虧損	Total
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
At 1 January 2015	於2015年1月1日	(17,988)	(206,409)	(405,661)	(13,124)	(643,182)	5,382	10,250	15,632
Exchange difference	匯兌差額	947	305,612	91,664	-	398,223	-	-	-
Acquisition of subsidiaries (Note 41)	收購附屬公司(附註41)	-	(4,525,180)	(1,543,978)	-	(6,069,158)	-	-	-
Disposal of a subsidiary	出售附屬公司	(16)	-	-	-	(16)	-	-	-
Charged to other comprehensive income (Charged)/credited to consolidated income statement (Note 14)	在其他全面收益內扣除 在綜合收益表內(扣除)/計入 (附註14)	-	-	(8,217)	-	(8,217)	-	-	-
		(19,360)	(17,435)	(49,280)	1,303	(84,772)	(1,051)	27,393	26,342
At 31 December 2015	於2015年12月31日	(36,417)	(4,443,412)	(1,915,472)	(11,821)	(6,407,122)	4,331	37,643	41,974
Exchange difference	匯兌差額	1,477	223,733	106,879	-	332,089	-	-	-
Disposal of a subsidiary	出售附屬公司	375	-	-	10,626	11,001	(80)	-	(80)
Charged to other comprehensive income (Charged)/credited to consolidated income statement (Note 14)	在其他全面收益內扣除 在綜合收益表內(扣除)/計入 (附註14)	-	-	(18,926)	-	(18,926)	-	-	-
		3,689	1,223,107	222,382	1,195	1,450,373	(358)	(32,480)	(32,838)
At 31 December 2016	於2016年12月31日	(30,876)	(2,996,572)	(1,605,137)	-	(4,632,585)	3,893	5,163	9,056

Deferred tax assets are recognised for tax losses carried forward to the extent that realisation of the related tax benefit through future taxable profits is probable. The Group has unrecognised deferred tax assets in respect of tax losses amounting to HK\$1,447,631,000 (2015: HK\$570,513,000) which can be carried forward against future taxable income. Tax losses amounting to HK\$660,013,000 are expiring from 2017 through 2021 (2015: HK\$433,470,000 expiring from 2016 through 2020). The remaining tax losses do not have expiry dates.

29. 遞延稅項

遞延稅項採用負債法就暫時差額按本集團營運所在國家的現行適用稅率作全數計算。遞延稅項之變動如下：

遞延稅項資產乃就結轉之稅項虧損而確認，以相關稅務利益在有可能透過未來應課稅溢利變現之數額為限。本集團有未確認遞延稅項資產，源自稅項虧損港幣1,447,631,000元（2015年：港幣570,513,000元），其可結轉以抵銷未來應課稅收入。為數港幣660,013,000元之稅項虧損將於2017年至2021年內屆滿（2015年：港幣433,470,000元之稅項虧損將於2016年至2020年內屆滿）。其餘稅項沒有屆滿時限。

30. Bank loans

30. 銀行貸款

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Bank loans, wholly payable within five years	須於五年內悉數償還之銀行貸款		
– secured	– 有抵押	1,982,508	2,554,158
– unsecured	– 無抵押	347,227	1,243,445
		2,329,735	3,797,603
The repayment schedule of bank loans is as follows:	銀行貸款之還款期如下：		
Short term revolving bank loans	短期循環銀行貸款	1,204,416	1,895,220
Portion of bank loans due for repayment within one year	須於一年內償還之銀行貸款部份	925,401	787,845
		2,129,817	2,683,065
Portion of bank loans due for repayment after one year but contain a repayment on demand clause	須於一年後償還但包含按要求償還條文之銀行貸款部份		
(i) in the second year	(i) 於第二年到期	75,100	231,421
(ii) in the third to fifth years, inclusive	(ii) 於第三至第五年到期 (首尾兩年包括在內)	124,818	203,301
Portion of bank loans due for repayment after one year but do not contain a repayment on demand clause	須於一年後償還但並無包含按要求償還條文之銀行貸款部份		
(i) in the second year	(i) 於第二年到期	–	254,595
(ii) in the third to fifth years, inclusive	(ii) 於第三至第五年到期(首尾兩年包括在內)	–	425,221
		199,918	1,114,538
		2,329,735	3,797,603
Less: Amounts due after one year shown under non-current liabilities	減：非流動負債項下一年後到期之金額	–	(679,816)
		2,329,735	3,117,787

30. Bank loans (continued)

The Group's bank loans are denominated in the following currencies:

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Hong Kong dollar	港幣	2,272,508	3,087,063
Renminbi	人民幣	–	517,843
Macau pataca	澳門幣	57,227	–
United States dollar	美元	–	192,697
		2,329,735	3,797,603

Notes:

- (a) The bank loans of the Group carried weighted average interest rates of 3.19% (2015: 3.22%) per annum.
- (b) As at 31 December 2016, the bank loans of the Group were secured by leasehold land and building of HK\$570,000,000 (2015: HK\$506,000,000) (Note 17); investment properties of HK\$840,683,000 (2015: HK\$2,496,549,000) (Note 18); properties under development of HK\$nil (2015: HK\$216,234,000) (Note 24); stocks of properties of HK\$nil (2015: HK\$580,944,000) (Note 25); restricted cash of HK\$626,573,000 (2015: HK\$126,786,000) (Note 28); and equity interests of the Group's subsidiary.
- (c) The carrying amounts of bank loans approximate their fair value.

附註:

- (a) 本集團之銀行貸款的加權平均年利率為3.19% (2015年: 3.22%)。
- (b) 於2016年12月31日, 本集團之銀行貸款以港幣570,000,000元 (2015年: 港幣506,000,000元) 之租賃土地及樓宇 (附註17); 港幣840,683,000元 (2015年: 港幣2,496,549,000元) 之投資物業 (附註18); 港幣零元 (2015年: 港幣216,234,000元) 之發展中物業 (附註24); 港幣零元 (2015年: 港幣580,944,000元) 之物業存貨 (附註25) 港幣626,573,000元 (2015年: 港幣126,786,000元) 之受限制現金 (附註28); 及本集團附屬公司之股權作抵押。
- (c) 銀行貸款之賬面值與其公允值相近。

31. Payables and accruals

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Trade payables	貿易應付賬款		
– third parties	– 第三方	1,311,707	1,073,392
Retention payables	保固金應付賬款		
– third parties	– 第三方	918,800	946,909
Accruals for builders' work	承建商工程應計費用	2,249,265	2,131,287
		4,479,772	4,151,588
Other payables, deposits and accruals	其他應付賬款、按金及應計費用		
– third parties	– 第三方	1,207,039	1,574,650
– accruals for tax liabilities on acquisition of land parcels in Tieling	– 就收購於鐵嶺地塊之應計稅項負債	325,187	347,300
		6,011,998	6,073,538

31. 應付賬款及應計費用

31. Payables and accruals (continued)

The carrying amounts of the Group's payables and accruals are denominated in the following currencies:

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Hong Kong dollar	港幣	3,775,259	3,429,259
Renminbi	人民幣	1,340,220	1,799,237
Macau pataca	澳門幣	890,794	845,042
United States dollar	美元	5,725	–
		6,011,998	6,073,538

The aging analysis of trade payables by due date is as follow:

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Not yet due	未到期	668,127	632,645
1 to 30 days	1至30天	307,600	257,457
31 to 90 days	31至90天	145,571	64,876
91 to 180 days	91至180天	77,539	24,508
Over 180 days	180天以上	112,870	93,906
		1,311,707	1,073,392

Note:

Retention payables in respect of the contracting business are settled in accordance with the terms of the respective contracts. At 31 December 2016, retention payables held by the Group amounting to approximately HK\$209,248,000 (2015: HK\$478,713,000) are expected to be settled in more than twelve months from the end of the reporting period.

32. Other borrowings

The other borrowings from financial institutions of HK\$4,494,073,000 bear weighted average interest rate of 19.3% per annum, in which HK\$2,883,684,000 (31 December 2015: HK\$2,400,736,000) will be repayable within one year. As at 31 December 2016, the other borrowings were secured by the Group's investment properties of HK\$6,469,690,000 (31 December 2015: HK\$6,454,493,000) (Note 18); properties under development of HK\$8,574,608,000 (31 December 2015: HK\$12,028,450,000) (Note 24); property, plant and equipment and leasehold land of HK\$1,695,166,000 (31 December 2015: nil) (Note 17); stock of properties of HK\$527,161,000 (31 December 2015: nil) (Note 25); and equity interests of the Group's certain subsidiaries (31 December 2015: nil).

31. 應付賬款及應計費用 (續)

本集團應付賬款及應計費用之賬面值以下列貨幣計值：

貿易應付賬款按到期日之賬齡分析如下：

附註：

建造業務之保固金應付賬款乃根據各自合約之條款結算。於2016年12月31日，本集團所持有之保固金應付賬款約港幣209,248,000元（2015年：港幣478,713,000元）預期將自報告期結束起計超過十二個月後結算。

32. 其他借貸

來自金融機構之其他借貸港幣4,494,073,000元加權平均年利率為19.3厘，而其中之港幣2,883,684,000元（2015年12月31日：港幣2,400,736,000元）將於一年內償還。於2016年12月31日，其他借貸由本集團港幣6,469,690,000元（2015年12月31日：港幣6,454,493,000元）之投資物業（附註18）；港幣8,574,608,000元（2015年12月31日：港幣12,028,450,000元）之發展中物業（附註24）；港幣1,695,166,000元（2015年12月31日：無）之物業、機器及設備及租賃土地（附註17）；港幣527,161,000元（2015年12月31日：無）之物業存貨（附註25）；及本集團若干附屬公司之股權（2015年12月31日：無）作抵押。

32. Other borrowings (continued)

The other borrowings from third parties amounting to HK\$1,267,928,000 (31 December 2015: Nil) will be repayable within one year, with a weighted average interest rate of 14.8%. As at 31 December 2016, these other borrowings are secured by receivables and prepayments of HK\$512,459,000 (note 26) and equity interests of the Group's certain subsidiaries.

The carrying amounts of other borrowings approximate to their fair value.

33. Senior notes

In May 2015, the Company issued senior notes with principal amount of United States Dollars ("USD") 300 million (the "USD300 million Senior Notes"). The USD300 million Senior Notes bear interest of 8.75% per annum, which are repayable semi-annually. The USD300 million Senior Notes will mature on 18 May 2018. The Company may at its option, at any time prior to 18 May 2018, redeem the USD300 million Senior Notes in whole but not in part, at a redemption price equal to 100% of the principal amount plus the applicable premium as of, and accrued and unpaid interest to the redemption date. The USD300 million Senior Notes are listed on the Stock Exchange and can be dealt with by way of debt issues for professional investors only.

In January 2016, the Company issued senior notes with principal amount of USD150 million (the "USD150 million Senior Notes"). The USD150 million Senior Notes bear interest of 8.5% per annum, which are repayable semi-annually. The USD150 million Senior Notes will mature on 22 January 2019. The Company may at its option, at any time prior to 22 January 2019, redeem the USD150 million Senior Notes in whole but not in part, at a redemption price equal to 100% of the principal amount plus the applicable premium as of, and accrued and unpaid interest to the redemption date. The USD150 million Senior Notes are listed on the Stock Exchange and can be dealt with by way of debt issues for professional investors only.

The fair value of the USD300 million Senior Notes and the USD150 million Senior Notes at 31 December 2016 amounted to USD249,187,500 and USD121,406,250 respectively. The fair value of the senior notes is calculated using the quoted price of the senior notes and is within level 1 of the fair value hierarchy.

34. Convertible bonds and financial derivative liability

On 20 November 2015, the Group issued 6.0% convertible bonds at a par value of USD100 million. The bonds mature two years from the issue date at their nominal value of USD100 million or can be converted into shares at the holder's option within the conversion period at the rate of HK\$1.00 per share. On 20 May 2016, the conversion price was adjusted downwards to HK\$0.78 per share. The values of the liability component and the embedded derivative component were determined at the issuance of the bonds. During the year, principal amount of HK\$734 million was early redeemed by the Company.

On 19 May 2016, the Group issued zero coupon convertible bonds at a par value of HK\$34 million. The bonds mature on the 18th month from the issue date at their nominal value of HK\$34 million or can be converted into shares at the holder's option from the date of issue up to the maturity date at the rate of HK\$1.00 per share. The values of the liability component and the equity component were determined at the issuance of the bonds.

32. 其他借貸 (續)

來自第三方之其他借貸為港幣1,267,928,000元(2015年12月31日:無),將於一年內償還,加權平均利率為14.8%。於2016年12月31日,此等其他借貸由本集團之應收賬款及預付金為港幣512,459,000元(附註26)及本集團若干附屬公司之股權作抵押。

其他借貸之賬面值與其公允值相近。

33. 優先票據

於2015年5月,本公司發行了本金額300,000,000美元(「美元」)的優先票據(「300,000,000美元優先票據」)。300,000,000美元優先票據以8.75%之年利率計息,每半年償還一次。300,000,000美元優先票據將於2018年5月18日到期。本公司可自行選擇於2018年5月18日之前任何時候按相當於本金額100%的贖回價加載至贖回日期的適用溢價及直至贖回日期的應計及未付利息,贖回全部而非部分300,000,000美元優先票據。300,000,000美元優先票據於聯交所上市且僅可以向專業投資者發行債務的方式處理。

於2016年1月,本公司發行了本金額150,000,000美元的優先票據(「150,000,000美元優先票據」)。150,000,000美元優先票據以8.5%之年利率計息,每半年償還一次。150,000,000美元優先票據將於2019年1月22日到期。本公司可自行選擇於2019年1月22日之前任何時候按相當於本金額100%的贖回價加載至贖回日期的適用溢價及直至贖回日期的應計及未付利息,贖回全部而非部分150,000,000美元優先票據。150,000,000美元優先票據於聯交所上市且僅可以向專業投資者發行債務的方式處理。

300,000,000美元優先票據及150,000,000美元優先票據於2016年12月31日的公允值分別為249,187,500美元及121,406,250美元。優先票據的公允值乃按優先票據的報價計算並屬於公允值層級的第1層內。

34. 可換股債券及金融衍生工具負債

於2015年11月20日,本集團發行面值100,000,000美元的6.0厘可換股債券。該等債券按其面值100,000,000美元自發行日期起計兩年到期,或可按持有人的選擇於轉換期間內按每股港幣1.00元的比率轉換為股份。於2016年5月20日,轉換價下調至每股港幣0.78元。負債部分及嵌入衍生工具部分的價值於發行債券時釐定。於本年度,本公司之債券持有人提早贖回本金為港幣734,000,000元。

於2016年5月19日,本集團發行面值港幣34,000,000元之零息可換股債券。該等債券按其面值港幣34,000,000元自發行日期起計十八個月到期,或可按持有人的選擇由發行日期至到期日期間按每股港幣1.00元的比率轉換為股份。負債部分及權益部分的價值於發行債券時釐定。

34. Convertible bonds and financial derivative liability

(continued)

The initial recognitions of the 6.0% convertible bonds and zero coupon convertible bonds are set out as below:

		6.0% convertible bonds 20 November 2015 6.0厘 可換股債券 2015年 11月20日 HK\$'000 港幣千元	Zero coupon convertible bonds 19 May 2016 零息 可換股債券 2016年 5月19日 HK\$'000 港幣千元
Fair value of convertible bonds at date of issue	於發行日期之可換股債券公允值	728,713	34,000
Embedded derivative component	嵌入衍生工具部份	(199,425)	–
Equity component	權益部份	–	(9,874)
Liability component on initial recognition at date of issue	於發行日期初步確認時的負債部份	529,288	24,126

The movements of the liability component of the 6.0% convertible bonds and zero coupon convertible bonds are set out below:

34. 可換股債券及金融衍生工具負債 (續)

6.0厘可換股債券及零息可換股債券之初步確認載列如下：

		6.0% convertible bonds 20 November 2015 6.0厘 可換股債券 2015年 11月20日 HK\$'000 港幣千元	Zero coupon convertible bonds 19 May 2016 零息 可換股債券 2016年 5月19日 HK\$'000 港幣千元	Total
At 1 January 2015	於2015年1月1日	–	–	–
Issue of convertible bonds	發行可換股債券	529,288	–	529,288
Interest expense (Note 9)	利息開支(附註9)	14,911	–	14,911
At 31 December 2015	於2015年12月31日	544,199	–	544,199
Issue of zero coupon convertible bonds	發行零息可換股債券	–	24,126	24,126
Interest expense (Note 9)	利息開支(附註9)	132,439	3,653	136,092
Conversion to ordinary shares of the Company (Note 36(a))	轉換為本公司普通股(附註36(a))	(15,764)	–	(15,764)
Coupon interest paid	已付票息	(46,478)	–	(46,478)
Early redemption	提早贖回	(597,479)	–	(597,479)
At 31 December 2016	於2016年12月31日	16,917	27,779	44,696

6.0厘可換股債券及零息可換股債券之負債部分之變動如下：

34. Convertible bonds and financial derivative liability

(continued)

The movements of the embedded derivative component of the 6.0% convertible bonds are set out below:

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
At 1 January	於1月1日	206,412	–
Issue of convertible bonds	發行可換股債券	–	199,425
Change in fair value in financial derivatives (Note 7)	金融衍生工具公允值變動(附註7)	(194,168)	6,987
Conversion to ordinary shares of the Company (Note 36(a))	轉換為本公司普通股(附註36(a))	(5,573)	–
Early redemption	提早贖回	(6,488)	–
At 31 December	於12月31日	183	206,412

The fair value of the liability component and embedded derivative component of the 6.0% convertible bonds at 31 December 2016 approximately amounted to USD2,400,000 (31 December 2015: USD73,300,000) and USD24,000 (31 December 2015: USD26,600,000) respectively. The fair value of liability component is calculated using cash flows discounted at effective interest rate at 28.10% (31 December 2015: 28.06%). The fair value of derivative component is calculated using Black-Scholes model and is within level 3 of the fair value hierarchy.

The carrying amounts of the zero coupon convertible bonds approximate to their fair value.

35. Long service payment liabilities

Under the Hong Kong Employment Ordinance, the Group is obliged to make lump sum payments on cessation of employment in certain circumstances to certain employees who have completed at least five years of service with the Group. The amount payable is dependent on the employee's final salary and years of service, and is reduced by entitlements accrued under the Group's defined contribution retirement scheme that is attributable to contributions made by the Group. The Group does not set aside any assets to fund any remaining obligations.

34. 可換股債券及金融衍生工具負債 (續)

6.0厘可換股債券之嵌入衍生工具部份變動載列如下:

於2016年12月31日，6.0厘可換股債券之債務部分及嵌入衍生工具部分之公允值約分別為2,400,000美元(2015年12月31日：73,300,000美元)及24,000美元(2015年12月31日：26,600,000美元)。負債部分之公允值乃使用折現現金流量按實際利率28.10% (2015年12月31日：28.06%)計算。衍生工具部分之公允值乃按柏力克-舒爾斯模型計算，並屬於公允值層級第3層內。

零息可換股債券之賬面值與其公允值相近。

35. 長期服務金負債

根據香港《僱傭條例》，本集團有責任向服務年資達五年或以上而在若干情況下停止受僱的僱員支付一筆過的金額。所支付的金額乃根據僱員的最終薪金及服務年數而釐定，並扣除僱員在本集團界定供款退休計劃下應計權益中本集團所供之款項。本集團並無撥出任何資產以為任何餘下的責任提供資金。

35. Long service payment liabilities (continued)

Movements of present value of defined benefit obligations are as follows:

35. 長期服務金負債 (續)

界定福利責任之現值之變動如下：

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
At 1 January	於1月1日	6,553	3,749
Amounts recognised in consolidated income statement:	於綜合收益表中確認之金額：		
Current service cost	即期服務成本	239	209
Interest cost on defined benefit obligation	界定福利責任之利息成本	34	49
		273	258
Amounts recognised in other comprehensive income	於其他全面收益中確認之金額		
Remeasurement:	重新計量：		
Actuarial loss/(gain) arising from:	自以下各項產生之精算虧損／(收益)：		
Experience adjustment	經驗調整	1,347	2,318
Financial assumptions	財務假設	(1,246)	962
		101	3,280
Others:	其他：		
Benefits paid	已付福利	(793)	(734)
Disposal of a subsidiary	出售一間附屬公司	(3,977)	-
		(4,770)	(734)
At 31 December	於12月31日	2,157	6,553

The principal actuarial assumptions used are as follows:

採用之主要精算假設如下：

		2016	2015
Discount rate	貼現率	2.0%	1.6%
Long term salary increase rate	長期薪金增長率	3.2%	3.2%
Long term average expected return on mandatory provident fund scheme assets	強制性公積金計劃資產之長期平均預期回報	2.0%	1.6%

35. Long service payment liabilities (continued)

The sensitivity analysis of the defined benefit obligation to changes in the significant principal assumptions is as follows:

		Impact on defined benefit obligation (HK\$'000) 對界定福利責任的影響(港幣千元)		
		Change in assumption 假設變動	Increase in assumption 假設增加	Decrease in assumption 假設減少
Discount rate	貼現率	0.50%	(592)	741
Long term salary increase rate	長期薪金增長率	0.50%	46	(70)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied.

The weighted average duration of the defined benefit obligation is 20.4 years as at 31 December 2016.

35. 長期服務金負債(續)

界定福利責任對重大主要假設變動的敏感度分析載列如下：

以上敏感度分析是基於一項假設變動，而所有其他假設不變。實際上，此不太可能發生，其中一些假設之變動可能是互相關聯的。當計算界定福利責任對重大精算假設的敏感度時，應用了相同方法（於報告期末以預計單位計入法計算界定福利責任的現值）。

於2016年12月31日界定福利責任的加權平均期限為20.4年。

36. Share capital and share options**(a) Share capital**

		2016		2015	
		Number of shares '000 股份數目 千股	HK\$'000 港幣千元	Number of shares '000 股份數目 千股	HK\$'000 港幣千元
Authorised, ordinary shares of HK\$0.1 each:	法定，每股面值港幣 0.1元之普通股：				
At 1 January Addition	於1月1日 增加	30,000,000 —	3,000,000 —	30,000,000 —	3,000,000 —
At 31 December	於12月31日	30,000,000	3,000,000	30,000,000	3,000,000
Authorised, preference shares of HK\$0.1 each:	法定，每股面值港幣 0.1元之優先股：				
At 1 January Addition	於1月1日 增加	15,000,000 —	1,500,000 —	15,000,000 —	1,500,000 —
At 31 December	於12月31日	15,000,000	1,500,000	15,000,000	1,500,000

36. 股本及購股權**(a) 股本**

36. Share capital and share options (continued)

(a) Share capital (continued)

36. 股本及購股權 (續)

(a) 股本 (續)

		2016		2015	
		Number of shares '000 股份數目 千股	HK\$'000 港幣千元	Number of shares '000 股份數目 千股	HK\$'000 港幣千元
Ordinary shares, issued and fully paid:	已發行及繳足之普通股:				
At 1 January	於1月1日	5,188,577	518,858	2,858,167	285,817
Issue of rights shares	發行供股股份	—	—	857,450	85,745
Issue of placing shares	發行配售股份	—	—	1,472,960	147,296
Issue of shares upon conversion of convertible preference shares ¹	就行使可轉換優先股之轉換權而發行股份 ¹	505,702	50,570	—	—
Issue of shares upon conversion of convertible bonds (Note 34) ²	就行使可換股債券之轉換權而發行股份 (附註34) ²	26,828	2,683	—	—
Cancellation on repurchase of shares ³	購回股份之註銷 ³	(14,436)	(1,444)	—	—
At 31 December	於12月31日	5,706,671	570,667	5,188,577	518,858
Preference shares, issued and fully paid:	已發行及繳足之優先股:				
At 1 January	於1月1日	5,654,772	565,477	—	—
Issue of shares for business combination	就業務合併而發行股份	—	—	5,654,772	565,477
Exercise of conversion right attached to convertible preference shares ¹	行使可轉換優先股所附帶之轉換權 ¹	(505,702)	(50,570)	—	—
Issue of consideration preference shares ⁴	發行代價優先股 ⁴	555,096	55,510	—	—
At 31 December	於12月31日	5,704,166	570,417	5,654,772	565,477
		11,410,837	1,141,084	10,843,349	1,084,335

Notes:

- During the year, ordinary shares were issued upon exercise of conversion rights attached to the convertible preference shares on a one for one basis.
- During the year, these shares were issued pursuant to the exercise of 6.0% convertible bonds issued on 20 November 2015. These shares rank pari passu in all respects with other shares in issue.
- In April 2016, the Company purchased a total of 14,436,000 shares of the Company, price ranged from HK\$0.51 to HK\$0.54, on the Stock Exchange for an aggregate consideration of HK\$7,556,020. All of the repurchased shares were cancelled, accordingly, the issued share capital of the Company was reduced by the nominal value of these shares.
- During the year, these shares were issued upon the issue of state-owned land use rights certificates for a land acquired on 8 January 2015.

附註:

- 於本年度，因行使可轉換優先股所附帶之轉換權而按一兌一基準發行普通股。
- 於本年度，該等股份乃因行使於2015年11月20日發行的6.0%可換股債券而發行。該等股份將於各方面與其他已發行股份享有同等地位。
- 於2016年4月，本公司在聯交所以每股港幣0.51元至港幣0.54元購回共14,436,000股本公司股份，總代價為港幣7,556,020元。所有購回之股份經已註銷，本公司之已發行股本已就回購之股本面值相應遞減。
- 於本年度，就2015年1月8日收購之一地塊已發出國有土地使用權證而發行該等股份。

36. Share capital and share options (continued)**(b) Share options****2008 Option Scheme**

The Company adopted a share option scheme on 22 May 2008 (the "2008 Option Scheme"). Pursuant to the 2008 Option Scheme, the directors of the Company may, at their absolute discretion, grant options to eligible persons (as defined in the rules of the 2008 Option Scheme) who might include, inter alia, any employee, executive director, non-executive director and independent non-executive director of the Company or its subsidiaries.

Movements in the options under the 2008 Option Scheme during the year and options outstanding as at the beginning and end of the year and their related average exercise prices are as follows:

		Average exercise price 平均行使價 (HK\$ per share) (每股港幣元)	Number of share options 認股權數目 '000 千份
At 1 January 2015	於2015年1月1日	1.87	25,504
Lapsed	已失效	1.02	(1,500)
At 31 December 2015	於2015年12月31日	1.92	24,004
Granted	已授出	0.70	3,000
Lapsed	已失效	1.57	(8,420)
At 31 December 2016	於2016年12月31日	1.89	18,584

Out of 18,584,000 outstanding options (2015: 24,004,000 options), 18,584,000 options (2015: 24,004,000 options) were exercisable with the average exercise price of HK\$1.89 (2015: HK\$1.92).

Share options outstanding have the following expiry date and exercise price:

Expiry date	到期日	Average exercise price 平均行使價 (HK\$ per share) (每股港幣元)	Number of share options ('000) 認股權數目 (千份)	
			2016	2015
22 May 2018	2018年5月22日	2.13	14,000	19,000
3 December 2019	2019年12月3日	1.02	2,334	2,754
31 August 2021	2021年8月31日	1.29	2,250	2,250

36. 股本及購股權 (續)**(b) 購股權****2008年認股權計劃**

本公司於2008年5月22日採納一項認股權計劃(「2008年認股權計劃」)。根據2008年認股權計劃，本公司董事可行使絕對酌情權向合資格人士(定義見2008年認股權計劃之規則)，應包括(當中包括)本公司或其附屬公司之任何僱員、執行董事、非執行董事及獨立非執行董事授出認股權。

於2008年認股權計劃下之認股權年內變動，及於年初及年末之未行使認股權及與彼等有關之平均行使價詳情如下：

於18,584,000份未行使之認股權(2015年：24,004,000份認股權)中，有18,584,000份認股權(2015年：24,004,000份認股權)為可予行使，平均行使價為港幣1.89元(2015年：港幣1.92元)。

尚未行使認股權之到期日及行使價如下：

37. Contingent liabilities

At 31 December 2016 and 2015, the Group is subject to various claims on liquidated damages of certain construction contracts during the normal course of business. The Directors are of the opinion that the Group has applied extension of time to mitigate the liquidated damages and any resulting liability would not materially affect the financial position of the Group.

38. Related party transactions

The following transactions were carried out with related parties:

- (a) In addition to the related party information disclosed elsewhere in the consolidated financial statements, the following is a summary of significant related party transactions entered into in the ordinary course of business between the Group and its related parties during the year.

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Interest income from related companies	來自關連公司之利息收入	6,064	-

Note:

Loans to related companies were concluded on terms and prices agreed by both parties. Please refer to Note 26 for details.

附註：

授予關連公司之貸款乃按雙方協定之條款及價格進行。詳情請參閱附註26。

(b) Key management compensation

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Salaries and other benefits	薪酬及其他福利	51,169	38,829
Bonus	花紅	14,263	10,047
Contributions to retirement scheme	退休計劃供款	1,754	1,470
		67,186	50,346

None of the related party transactions disclosed above constituted connected transactions or continuing connected transactions as defined in the Listing Rules.

37. 或然負債

於2016及2015年12月31日，本集團於一般業務過程中面臨多項涉及若干建造合約之定額賠償索償。董事認為，本集團遞交延期申請以減低定額賠償金額，因此所產生之負債不會對本集團之財務狀況構成任何重大影響。

38. 關連方交易

與關連方之交易如下：

- (a) 除綜合財務報表內之披露關連方資料外，於年內本集團與其關連方在日常業務往來中進行之重大關連方交易概要如下。

(b) 主要管理人員之補償

概無以上所披露之關連方交易構成上市規則所界定之關連交易或持續關連交易。

39. Capital commitments

As at 31 December 2016, the Group had capital commitments as follows:

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Contracted but not provided for	已訂約但未撥備		
– Properties under development	– 發展中物業	2,709,931	1,805,461
– Other capital investment	– 其他資本投資	228,571	–
		2,938,502	1,805,461

40. Commitments under operating leases

At the balance sheet date, the Group had future aggregate minimum lease payable under noncancellable operating leases as follows:

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Land and buildings	土地及樓宇		
– not later than one year	– 第一年內	36,833	15,037
– later than one year but not later than five years	– 第二年至第五年內	46,393	9,618
– more than five years	– 五年以上	15,874	–
		99,100	24,655
Office equipment	辦公室設備		
– not later than one year	– 第一年內	–	525
– later than one year but not later than five years	– 第二年至第五年內	–	734
		–	1,259
		99,100	25,914

As at 31 December 2016, the Group had future aggregate minimum lease payments receivable under non-cancellable operating leases, which typically run for a period of one to five years, as follows:

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Land and buildings	土地及樓宇		
– not later than one year	– 第一年內	49,396	52,186
– later than one year but not later than five years	– 第二年至第五年內	75,283	95,783
– more than five years	– 五年以上	32,589	50,277
		157,268	198,246

39. 資本承擔

於2016年12月31日，本集團有下列資本承擔：

40. 營運租約承擔

於結算日，本集團根據不可撤銷之營運租約需於未來支付之最低租賃款項總額如下：

2016年12月31日，本集團根據不可撤銷之營運租約（一般租賃期為一至五年）於未來之最低租賃應收款項總額如下：

41. Business combinations

- (a) On 8 January 2015, the Group acquired the entire issued share capital of Goleman International Limited, which, through its wholly owned subsidiaries, is the legal and beneficial owner of 7 parcels of land in Foshan City, Guangdong Province, at a consideration of HK\$5,854,894,000.

41. 業務合併

- (a) 於2015年1月8日，本集團以代價港幣5,854,894,000元收購Goleman International Limited的全部已發行股本，該公司透過其全資附屬公司為廣東省佛山市的7幅土地之法定及實益擁有人。

Identifiable assets acquired and liabilities assumed	所收購之可辨別資產及所承擔之負債	Fair value 公允值 HK\$'000 港幣千元
Property, plant and equipment and leasehold land	物業、機器及設備及租賃土地	5,830
Investment properties	投資物業	2,681,731
Tax indemnification assets (Note 1)	稅項彌償資產(附註1)	1,114,670
Properties under development	發展中物業	12,487,798
Receivables and prepayments	應收賬款及預付金	24,231
Cash and bank deposits	現金及銀行存款	280
Other borrowings	其他借貸	(2,918,593)
Payables and accruals	應付賬款及應計費用	(318,785)
Deferred tax liabilities	遞延稅項負債	(5,239,750)
		7,837,412
Gain on bargain purchase	議價收購收益	(1,982,518)
Total consideration	代價總額	5,854,894
Satisfied by:	以下列方式支付：	
Issuance of convertible preference shares on:	於下列日期發行可轉換優先股：	
(Note 2)	(附註2)	
– 8 January 2015	– 2015年1月8日	4,514,132
– 8 July 2015	– 2015年7月8日	1,084,092
– 15 January 2016	– 2016年1月15日	256,670
		5,854,894
Net cash inflow in respect of business combination:	有關業務合併之現金流入淨額：	
Cash and bank deposits acquired	已取得現金及銀行存款	280

41. Business combinations (continued)

(a) (continued)

Notes:

- The tax indemnification assets of RMB843 million (approximate HK\$1,006 million) at the acquisition date represent the tax indemnity granted by the vendor in respect of estimated taxation charge arising from the sales of properties ("Property Sales Taxation") when the aggregate amount of Property Sales Taxation paid or accrued exceeds the first RMB2,500 million. A total of 2,604 million issued convertible preference shares are withheld and redeemable by the Group within a period of 10 years starting from the share issuance date to safeguard the Group's potential tax liabilities. As at 31 December 2015, the provisional tax indemnification asset was estimated to be HK\$1,976 million. In 2016, the provisional deferred tax liabilities relating to land appreciation tax has been finalised, resulting in a decrease of HK\$861 million.
- Convertible preference shares were issued at a fair value of HK\$0.99 per share.
- In accordance with the acquisition agreement, a total of 259,263,039 and 295,833,333 convertible preference shares were issued on 15 January and 26 April 2016 respectively in respect of any fines, fees or penalties for delays in commencement of construction works on the property and the certified work value.
- Acquisition-related costs of HK\$17,253,000 have been charged to administrative expenses in the consolidated income statement for the year ended 31 December 2015.
- The acquired business contributed no revenue and net profit of HK\$133,320,000 to the Group for the period from 8 January 2015 to 31 December 2015. If the acquisition had been completed on 1 January 2015, consolidated revenue and consolidated profit for the year ended 31 December 2015 would have no material difference since revenue and profit or loss of the Goleman Group for the period from 1 January 2015 to 7 January 2015 were immaterial.
- The fair value of receivables and prepayments is HK\$24,231,000 and there is no objective evidence that the receivables and prepayments are not fully collectible.
- The gain on bargain purchase was mainly attributable to the difference between the Company's share price set on the date of acquisition agreement of 14 May 2014 and the share price on completion date of 8 January 2015.

41. 業務合併 (續)

(a) (續)

附註:

- 於收購當日價值為人民幣843,000,000元(約港幣1,006,000,000元)之稅項彌償資產,指當已付或累計的物業銷售稅項總額超過首筆人民幣2,500,000,000元時,賣方就銷售物業所產生的估計稅項支出(「物業銷售稅項」)所授出的稅項彌償。合共2,604,000,000股已發行可轉換優先股自股份發行日期起計10年內由本集團保管且可由本集團贖回,以防止本集團承擔潛在稅項負債。於2015年12月31日,暫定稅項彌償資產估計為港幣1,976,000,000元。於2016年,有關之土地增值稅之遞延稅項負債已完成計算,導致減少港幣861,000,000元。
- 可轉換優先股發行的公允值為每股港幣0.99元。
- 根據收購協議,於2016年1月15日及4月26日,就延遲開始該物業之建設工程之任何罰款、費用或懲罰以及核證工程價值分別發行合共259,263,039及295,833,333股可轉換優先股。
- 於截至2015年12月31日止年度,收購相關成本港幣17,253,000元於綜合收益表之行政開支支列。
- 於2015年1月8日至2015年12月31日期間,所收購業務並無為本集團貢獻收益並產生溢利淨額港幣133,320,000元。倘收購事項於2015年1月1日完成,截至2015年12月31日止年度之綜合收益及綜合溢利將不會有重大差別,原因為2015年1月1日至2015年1月7日期間Goleman集團之收益及損益並不重大。
- 應收款項及預付金之公允值為港幣24,231,000元,無客觀證據證明應收賬款及預付金不能悉數收回。
- 議價收購收益主要乃由於本公司於收購協議日(2014年5月14日)之股份定價與完成收購日(2015年1月8日)之股價差額所致。

41. Business combinations (continued)

- (b) On 31 March 2015, the Group acquired the entire issued share capital of Pure Benefits Limited which indirectly owns 2 parcels of land situated at Tai'an City, Shandong Province, at a consideration of HK\$1,042,363,000.

41. 業務合併 (續)

- (b) 於2015年3月31日，本集團收購Pure Benefits Limited (其間接擁有位於山東省泰安市的兩幅地塊)之全部已發行股本，代價為港幣1,042,363,000元。

Identifiable assets acquired and liabilities assumed	所收購之可辨別資產及所承擔之負債	Fair value 公允值 HK\$'000 港幣千元
Property, plant and equipment and leasehold land	物業、機器及設備及租賃土地	6
Investment properties	投資物業	1,843,221
Receivables and prepayments	應收賬款及預付金	674
Cash and bank deposits	現金及銀行存款	4,181
Other borrowings	其他借貸	(252,496)
Payables and accruals	應付賬款及應計費用	(37,882)
Deferred tax liabilities	遞延稅項負債	(332,609)
		1,225,095
Gain on bargain purchase	議價收購收益	(182,732)
Total consideration	代價總額	1,042,363
Satisfied by:	以下列方式支付：	
Cash	現金	808,879
Repayment of former shareholder's loan	償還前股東貸款	233,484
		1,042,363
Net cash outflow in respect of business combination:	有關業務合併之現金流出淨額：	
Cash and bank deposits acquired	已取得現金及銀行存款	4,181
Cash consideration paid	已付現金代價	(808,879)
Repayment of former shareholder's loan	償還前股東貸款	(233,484)
		(1,038,182)

Notes:

- Acquisition-related costs of HK\$1,645,000 have been charged to administrative expenses in the consolidated income statement for the year ended 31 December 2015.
- The acquired business contributed no revenue and net loss of HK\$42,976,000 to the Group for the period from 31 March 2015 to 31 December 2015. If the acquisition had been completed on 1 January 2015, consolidated profit of the Group for the year ended 31 December 2015 would have been HK\$2,472,909,000 and there would have been no difference in the consolidated revenue for the year.
- The fair value of receivables and prepayments is HK\$674,000 and there is no objective evidence that the receivables and prepayments are not fully collectible.
- The gain on bargain purchase was the variance between the consideration and the net asset value acquired after commercial negotiation with the vendor.

附註：

- 於截至2015年12月31日止年度，收購相關成本港幣1,645,000元於綜合收益表之行政開支支。
- 於2015年3月31日至2015年12月31日期間，所收購業務並無為本集團貢獻收益並產生虧損淨額港幣42,976,000元。倘收購事項於2015年1月1日完成，截至2015年12月31日止年度之本集團綜合溢利將為港幣2,472,909,000元，而年內綜合收益將無變動。
- 應收賬款及預付金之公允值為港幣674,000元，無客觀證據證明應收賬款及預付金不能悉數收回。
- 議價收購收益為於與賣方進行商業磋商後，代價與所收購資產淨值之差額。

41. Business combinations (continued)

- (c) On 29 April 2015, the Group acquired the entire issued share capital of Wisdom Top International Limited which owns a commercial property in Guangzhou City, Guangdong Province, at a consideration of HK\$477,600,000.

41. 業務合併 (續)

- (c) 於2015年4月29日，本集團收購高慧國際有限公司（其於廣東省廣州市擁有一項商業物業）之全部已發行股本，代價為港幣477,600,000元。

Identifiable assets acquired and liabilities assumed	所收購之可辨別資產及所承擔之負債	Fair value 公允值 HK\$'000 港幣千元
Investment properties	投資物業	1,014,184
Cash and bank deposits	現金及銀行存款	165
Bank loan	銀行貸款	(370,386)
Payables and accruals	應付賬款及應計費用	(54,301)
Deferred tax liabilities	遞延稅項負債	(100,117)
		489,545
Gain on bargain purchase	議價收購收益	(11,945)
Total consideration	代價總額	477,600
Satisfied by:	以下列方式支付：	
Cash	現金	477,600
Net cash outflow in respect of business combination:	有關業務合併之現金流出淨額：	
Cash and bank deposits acquired	已取得現金及銀行存款	165
Cash consideration paid	已付現金代價	(477,600)
		(477,435)

Notes:

- Acquisition-related costs of HK\$4,474,000 have been charged to administrative expenses in the consolidated income statement for the year ended 31 December 2015.
- The acquired business contributed no revenue and net loss of HK\$8,236,000 to the Group for the period from 29 April 2015 to 31 December 2015. If the acquisition had been completed on 1 January 2015, consolidated revenue and consolidated profit of the Group for the year ended 31 December 2015 would have been HK\$15,040,115,000 and HK\$2,487,811,000 respectively.
- The gain on bargain purchase was the variance between the consideration and the net asset value acquired after commercial negotiation with the vendor.

附註：

- 於截至2015年12月31日止年度，收購相關成本港幣4,474,000元於綜合收益表之行政開支列支。
- 於2015年4月29日至2015年12月31日期間，所收購業務並無為本集團貢獻收益並產生虧損淨額港幣8,236,000元。倘收購事項於2015年1月1日完成，截至2015年12月31日止年度之本集團綜合收益及綜合溢利將分別為港幣15,040,115,000元及港幣2,487,811,000元。
- 議價收購收益為於與賣方進行商業磋商後，代價與所收購資產淨值之差額。

41. Business combinations (continued)

- (d) On 14 September 2015, the Group acquired 65% of the issued share capital of L&X Investment Industrial Limited ("L&X"). L&X indirectly holds 98.95% equity interest in a subsidiary, which owns a parcel of land in Tianjin City, at a consideration of HK\$900,000,000.

41. 業務合併 (續)

- (d) 於2015年9月14日，本集團收購L&X Investment Industrial Limited (「L&X」) 65%已發行股本。L&X間接擁有一間附屬公司98.95%之權益，而該附屬公司擁有一幅位於天津市的地塊，代價為港幣900,000,000元。

Identifiable assets acquired and liabilities assumed	所收購之可辨別資產及所承擔之負債	Fair value 公允值 HK\$'000 港幣千元
Investment properties	投資物業	2,150,317
Receivables and prepayments	應收賬款及預付金	1,282
Cash and bank deposits	現金及銀行存款	3,410
Payables and accruals	應付賬款及應計費用	(120,663)
Deferred tax liabilities	遞延稅項負債	(396,682)
Non-controlling interests	非控股權益	(594,280)
		1,043,384
Gain on bargain purchase	議價收購收益	(143,384)
		900,000
Total consideration	代價總額	900,000
Satisfied by:	以下列方式支付：	
Cash	現金	900,000
Net cash outflow in respect of business combination:	有關業務合併之現金流出淨額：	
Cash and bank deposits acquired	已取得現金及銀行存款	3,410
Cash consideration paid	已付現金代價	(900,000)
		(896,590)

Notes:

- Acquisition-related costs of HK\$1,474,000 have been charged to administrative expenses in the consolidated income statement for the year ended 31 December 2015.
- The acquired business contributed no revenue and net profit of HK\$24,970,000 to the Group for the period from 14 September 2015 to 31 December 2015. If the acquisition had been completed on 1 January 2015, consolidated profit of the Group for the year ended 31 December 2015 would have been HK\$2,474,062,000 and there would have been no difference in the consolidated revenue in the year.
- The fair value of receivables and prepayments is HK\$1,282,000 and there is no objective evidence that the receivables and prepayments are not fully collectible.
- The fair value of the non-controlling interest was estimated by using the purchase price paid for acquisition of 65% issued share capital in L&X Investment Industrial Limited. This purchase price was adjusted for the lack of control and lack of marketability that market participants would consider when estimating the fair value of the non-controlling interest in L&X Investment Industrial Limited.
- The gain on bargain purchase was the variance between the consideration and the net asset value acquired after commercial negotiation with the vendor.

附註：

- 港幣1,474,000元之收購相關成本於截至2015年12月31日止年度之綜合收益表內之行政開支列支。
- 於2015年9月14日至2015年12月31日期間，所收購之業務並無貢獻收益並產生溢利淨額港幣24,970,000元。倘該收購事項於2015年1月1日完成，截至2015年12月31日止年度之本集團綜合溢利將為港幣2,474,062,000元，而年內綜合收益將無變動。
- 應收賬款及預付金之公允值為港幣1,282,000元，亦無客觀證據表明應收賬款及預付金不能悉數收回。
- 非控股權益之公允值乃採用收購L&X Investment Industrial Limited之65%已發行股本之購買價格進行估計。購買價格將就缺乏控制權及缺乏流通性，市場參與者於估計L&X Investment Industrial Limited非控股權益公允值時將考慮該等因素進行調整。
- 議價收購收益為於與賣方進行商業磋商後，代價與所收購資產淨值之差額。

41. Business combinations (continued)

These business combinations were accounted for by acquisition method. The gains on bargain purchase are calculated based on the fair values of the identifiable assets acquired and liabilities assumed at the acquisition date and the fair value of the consideration of the respective acquisition.

42. Tax indemnification asset

In connection with acquisition of Goleman International Limited in 2015, therein the tax indemnification asset represents the tax indemnity granted by the vendor in respect of estimated taxation charge arising from the sales of properties ("Property Sales Taxation") when the aggregate amount of Property Sales Taxation paid or accrued exceeds the first RMB2,500 million. A total of 2,604 million issued convertible preference shares are withheld and redeemable by the Group within a period of 10 years starting from the share issuance date to safeguard the Group's potential tax liabilities.

The movement is as follows:

		HK\$'000 港幣千元
At 1 January 2015	於2015年1月1日	-
Granted due to business combination at a provisional amount	從業務合併授出之暫定金額	1,975,804
Re-measurement on the provisional amount	就暫定金額而重新計量	(861,134)
Exchange difference	匯兌差異	(108,286)
At 31 December 2015	於2015年12月31日	1,006,384
Adjustment ¹	調整 ¹	(983,861)
Exchange difference	匯兌差異	(22,523)
At 31 December 2016	於2016年12月31日	-

Note:

- During the year, provision for impairment of properties under development has been provided. Accordingly, the Group has reassessed its tax position of certain properties in the PRC as at 31 December 2016 which resulted a decrease in deferred tax liabilities and correspondingly, resulted an adjustment to the tax indemnification asset.

41. 業務合併 (續)

該等業務合併採用收購法入賬。議價收購收益乃根據收購當日所收購之可辨別資產及所承擔負債之公允值以及各收購事項代價之公允值進行計算。

42. 稅項彌償資產

有關於2015年收購Goleman International Limited，稅項彌償資產指當已付或累計的物業銷售稅項總額超過首筆人民幣2,500,000,000元時，賣方就銷售物業所產生的估計稅項支出（「物業銷售稅項」）所授出的稅項彌償。合共2,604,000,000股已發行可換股優先股自股份發行日期起計10年內由本集團保管且可由本集團贖回，以防止本集團承擔潛在稅項負債。

變動載列如下：

附註：

- 於本年，已計提發展中物業減值撥備。因此，本集團重新審視於中國國內之相關物業之稅務狀況。於2016年12月31日，遞延稅項負債因而減少，導致稅項彌償資產之調整。

43. Notes to the consolidated statement of cash flows

Reconciliation of profit before taxation to net cash outflow from operations is shown as below:

43. 綜合現金流量表附註

除稅前溢利與經營之現金流出淨額對賬如下：

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
(Loss)/profit before taxation from continuing operations	持續經營業務之稅前(虧損)/溢利	(4,273,460)	2,517,816
Profit before taxation from discontinued operation	已終止經營業務之稅前溢利	218,300	67,794
Less: Share of loss of an associated Company	減：應佔之聯營公司虧損	52,015	-
(Loss)/profit before taxation	除稅前(虧損)/溢利	(4,003,145)	2,585,610
Gains on bargain purchase	議價收購收益	-	(2,320,579)
Gain on debt extinguishment	債務抵銷所產生之收益	-	(117,557)
Loss on redemption of convertible bonds	贖回可換股債券之虧損	129,976	-
Amortisation of intangible assets	無形資產攤銷	19,578	12,195
Depreciation of property, plant and equipment and leasehold land	物業、機器及設備及租賃土地之折舊	85,285	72,552
Fair value loss/(gain) on investment properties	投資物業公允值虧損/(收益)	883,925	(191,465)
Fair value (gain)/loss on convertible bond derivative	可換股債券衍生部分之公允值(收益)/虧損	(194,168)	6,987
Net finance costs	融資成本淨額	145,133	119,464
Net (gain)/loss on disposal of property, plant and equipment and leasehold land	出售物業、機器及設備及租賃土地之(收益)/虧損淨額	(169)	817
(Gain)/loss on disposal of a subsidiary	出售附屬公司之(收益)/虧損	(185,915)	2,257
Provision for long service payment liabilities	長期服務金負債撥備	273	258
Share-based compensation	以股份為基礎之補償	69	957
Change in ownership interest in a subsidiary without loss of control	於一間未失去控制權之附屬公司之擁有權益變動	183	-
Adjustment for tax indemnification asset	調整稅項彌償資產	983,861	-
Provision for impairment of goodwill	商譽減值撥備	23,249	-
Provision for impairment of properties under development	發展中物業減值撥備	1,924,025	-
Provision for impairment of amount due from a shareholder of an associate	應收一間聯營公司股東款項之減值撥備	156,044	-
Provision for impairment of amount due from an associate	應收一間聯營公司款項之減值撥備	11,179	-
Operating (loss)/profit before working capital changes	營運資金變動前之經營(虧損)/溢利	(20,617)	171,496
Increase in properties under development	發展中物業增加	(96,003)	(661,536)
Increase in stocks and contracting work-in-progress	存貨及興建中工程增加	(310,088)	(493,525)
Increase in receivables and prepayments	應收賬款及預付金增加	(418,762)	(286,657)
Decrease in amounts due from non-controlling interests	應收非控股權益款項減少	1,873	2,867
Increase in payables and accruals	應付賬款及應計費用增加	532,797	1,133,853
Net cash outflow from operations	經營之現金流出淨額	(310,800)	(133,502)

44. Event after the reporting period

On 16 February 2017, the Group entered into a sale and purchase agreement with its 65%-owned subsidiary to dispose of 100% equity interests of certain subsidiaries of the Group at a consideration of HK\$150 million. Completion of the disposal has not been taken place as at the date of this announcement.

44. 報告期後事件

於2017年2月16日，本集團已與其擁有65%股權的一間附屬公司訂立買賣協議，以出售本集團若干附屬公司之100%股權，代價為港幣150,000,000元。該出售事項於本公告日期尚未完成。

45. Balance Sheet and Reserve Movement of the Company**(a) Balance Sheet****45. 本公司之資產負債表及儲備變動****(a) 資產負債表**

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Non-current assets	非流動資產		
Property, plant and equipment and leasehold land	物業、機器及設備及租賃土地	16,488	12,122
Intangible assets	無形資產	148	2,377
Investment in subsidiaries	附屬公司投資	772,007	2,177,149
Loans to subsidiaries	貸款予附屬公司	1,232,940	828,000
Deferred tax assets	遞延稅項資產	3,586	3,586
		2,025,169	3,023,234
Current assets	流動資產		
Loan to subsidiaries	貸款予附屬公司	–	321,940
Amounts due from subsidiaries	應收附屬公司款項	16,379,922	14,246,171
Receivables and prepayments	應收賬款及預付金	65,303	40,706
Cash and cash equivalents	現金及等同現金項目	745	257,212
		16,445,970	14,866,029
Current liabilities	流動負債		
Bank loans	銀行貸款	(1,010,000)	(915,000)
Other borrowings	其他借貸	(1,267,928)	–
Convertible bonds	可換股債券	(44,696)	(544,199)
Payables and accruals	應付賬款及應計費用	(105,800)	(74,585)
Loan from a subsidiary	來自一間附屬公司之貸款	(315,000)	(180,000)
Amounts due to subsidiaries	應付附屬公司款項	(2,659,783)	(2,193,207)
Financial derivative liability	金融衍生工具負債	(183)	(206,412)
		(5,403,390)	(4,113,403)
Net current assets	流動資產淨值	11,042,580	10,752,626
Total assets less current liabilities	總資產減流動負債	13,067,749	13,775,860

45. Balance Sheet and Reserve Movement of the Company (continued)

(a) Balance Sheet (continued)

		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元
Non-current liabilities	非流動負債		
Loan from a subsidiary	來自一間附屬公司之貸款	–	(196,000)
Senior notes	優先票據	(3,417,715)	(2,275,504)
Long service payment liabilities	長期服務金負債	(274)	(307)
Total non-current liabilities	非流動負債總計	(3,417,989)	(2,471,811)
Net assets	資產淨值	9,649,760	11,304,049
Equity	權益		
Capital and reserves attributable to the Company's equity holders	本公司權益持有人應佔資本及儲備		
Share capital	股本	1,141,084	1,084,335
Other reserves	其他儲備	10,264,952	10,048,945
Retained (losses)/profits	保留(虧損)/溢利	(1,756,276)	170,769
Proposed dividends	擬派股息	–	–
Total equity	權益總計	9,649,760	11,304,049

The balance sheet of the Company was approved by the Board of Directors on 18 April 2017 and was signed on its behalf.

董事會於2017年4月18日批准本公司之資產負債表並由下列董事代表簽署。

Joseph CHOI Kin Hung 蔡健鴻

Executive Director and Co-Chief Executive Officer 執行董事兼聯席行政總裁

Wilfred WU Shek Chun 鄔碩晉

Executive Director and Chief Risk Officer 執行董事兼首席風險官

45. Balance Sheet and Reserve Movement of the Company (continued)

(b) Reserve Movement

		Share premium	Capital redemption reserve	Share options reserve	Special reserve	Convertible bonds and warrants equity reserve	Retained profits	Total
		股份溢價	股本贖回儲備	認股權儲備	特別儲備	可換股債券及認股權儲備	保留溢利	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 January 2015	於2015年1月1日	2,383,224	4,420	17,669	332,046	11,683	708,130	3,457,172
Loss for the year	本年度虧損	-	-	-	-	-	(226,674)	(226,674)
Other comprehensive income	其他全面收益							
Actuarial loss on retirement benefit obligations	退休福利責任之精算虧損	-	-	-	-	-	(80)	(80)
Total comprehensive income	全面收益總額	-	-	-	-	-	(226,754)	(226,754)
Issue of new placing shares	發行新配售股份	1,266,746	-	-	-	-	-	1,266,746
Issue of rights shares	發行供股股份	756,029	-	-	-	-	-	756,029
Issue of convertible preference shares	發行可轉換優先股	5,032,747	-	-	-	-	-	5,032,747
Unissued consideration shares	未發行代價股份	-	-	-	256,670	-	-	256,670
Transfer upon warrants lapsing	於認股權證失效後轉撥	-	-	-	-	(11,683)	11,683	-
Transfer upon share options lapsing	於購股權失效後轉撥	-	-	(606)	-	-	606	-
Dividends paid	已付股息	-	-	-	-	-	(322,896)	(322,896)
		7,055,522	-	(606)	256,670	(11,683)	(310,607)	6,989,296
At 31 December 2015	於2015年12月31日	9,438,746	4,420	17,063	588,716	-	170,769	10,219,714
Loss for the year	本年度虧損	-	-	-	-	-	(1,923,566)	(1,923,566)
Other comprehensive income	其他全面收益							
Actuarial gain on retirement benefit obligations	退休福利責任之精算收益	-	-	-	-	-	43	43
Total comprehensive income	全面收益總額	-	-	-	-	-	(1,923,523)	(1,923,523)
Issue of new placing shares	發行新配售股份	-	-	-	-	-	-	-
Issue of rights shares	發行供股股份	-	-	-	-	-	-	-
Issue of consideration preference shares	發行代價優先股	446,702	-	-	(256,670)	-	-	190,032
Issue of shares upon conversion of convertible bonds	於轉換可換股債券後發行股份	18,654	-	-	-	-	-	18,654
Recognition of equity component upon issuance of convertible bonds	發行可換股債券後確認權益部份	-	-	-	-	9,874	-	9,874
Cancellation on repurchase of shares	贖回股份時註銷	-	1,444	-	-	-	(7,583)	(6,139)
Transfer upon warrants lapsing	於認股權證失效後轉撥	-	-	-	-	-	-	-
Transfer upon share options lapsing	於購股權失效後轉撥	-	-	(4,061)	-	-	4,061	-
Equity settled share-based transactions	以股份為基礎之股權結算交易	-	-	64	-	-	-	64
Dividends paid	已付股息	-	-	-	-	-	-	-
		465,356	1,444	(3,997)	(256,670)	9,874	(3,522)	212,485
At 31 December 2016	於2016年12月31日	9,904,102	5,864	13,066	332,046	9,874	(1,756,276)	8,508,676

45. Balance Sheet and Reserve Movement of the Company (continued)

(b) Reserve Movement (continued)

45. 本公司之資產負債表及儲備變動 (續)

(b) 儲備變動 (續)

		Share premium	Capital redemption reserve	Share options reserve	Special reserve	Convertible bonds and warrants equity reserve 可換股債券及認股權證權益儲備	Retained profits	Total
		股份溢價 HK\$'000 港幣千元	股本贖回儲備 HK\$'000 港幣千元	認股權儲備 HK\$'000 港幣千元	特別儲備 HK\$'000 港幣千元	權益儲備 HK\$'000 港幣千元	保留溢利 HK\$'000 港幣千元	總額 HK\$'000 港幣千元
Reserves	儲備	9,438,746	4,420	17,063	588,716	-	170,769	10,219,714
Final dividend proposed in respect of the year ended 31 December 2015	擬派截至2015年12月31日止年度之末期股息	-	-	-	-	-	-	-
At 31 December 2015	於2015年12月31日	9,438,746	4,420	17,063	588,716	-	170,769	10,219,714
Representing:	代表:							
Reserves	儲備	9,904,102	5,864	13,066	332,046	9,874	(1,756,276)	8,508,676
Final dividend proposed in respect of the year ended 31 December 2016	擬派截至2016年12月31日止年度之末期股息	-	-	-	-	-	-	-
At 31 December 2016	於2016年12月31日	9,904,102	5,864	13,066	332,046	9,874	(1,756,276)	8,508,676

46. Principal subsidiaries

46. 主要附屬公司

Company 公司	Place of incorporation/ registration/ operation 成立/註冊/經營地點	The Group's effective percentage of interest held by the Company Subsidiaries 本集團所持實際權益百分比 本公司 附屬公司		Issued and paid up capital 已發行及繳足股本	Principal activities 主要業務
Beijing Zhong Ji Xin He Real Estate Co., Ltd.* (Notes 2 & 4) 北京中基信和置業有限公司(附註2及4)	The People's Republic of China 中華人民共和國	-	100%	US\$40,000,000 40,000,000美元	Property investment 物業投資
Cogent Spring Limited (Note 5) (附註5)	Hong Kong 香港	-	100%	HK\$85,000,002 港幣85,000,002元	Property investment 物業投資
Datawin Trading Limited* (Note 4) 德勝貿易有限公司*(附註4)	British Virgin Islands 英屬處女群島	-	100%	US\$100,000 100,000美元	Investment holding 投資控股
Ever Apex Construction (Macau) Company Limited (Notes 1 & 5) 永發建築(澳門)有限公司(附註1及5)	Macau 澳門	-	100%	MOP25,000 澳門幣25,000元	Registered contractor services 註冊承建商服務
Far Capital Limited (Note 4) 遠京有限公司(附註4)	Hong Kong 香港	-	100%	HK\$1 港幣1元	Investment holding 投資控股
HCCG Building and Civil Engineering (Macau) Limited (Note 5) 新營房屋及土木工程(澳門)有限公司(附註5)	Macau 澳門	-	100%	MOP25,000 澳門幣25,000元	Building construction and civil engineering 樓宇建造及土木工程
Hsin Chong Aster Building Services Limited (Note 5) 新昌亞仕達屋宇設備有限公司(附註5)	Hong Kong 香港	-	100%	HK\$5,000,000 港幣5,000,000元	Mechanical, electrical and building services 機電工程及屋宇設備
Hsin Chong Construction (Asia) Limited (Note 5) 新昌營造廠(亞洲)有限公司(附註5)	Hong Kong 香港	-	100%	Ordinary: HK\$70,002,000 Non-voting deferred: HK\$10,000,000 普通股: 港幣70,002,000元 無投票權 遞延股份: 港幣10,000,000元	Building construction and civil engineering 樓宇建造及土木工程
Hsin Chong Construction (BVI) Ltd. (Note 5) (附註5)	British Virgin Islands 英屬處女群島	100%	-	HK\$150,000 港幣150,000元	Investment holding 投資控股

46. Principal subsidiaries (continued)

46. 主要附屬公司 (續)

Company 公司	Place of incorporation/ registration/ operation 成立/註冊/經營地點	The Group's effective percentage of interest held by the Company Subsidiaries 本集團所持實際權益百分比 本公司 附屬公司		Issued and paid up capital 已發行及繳足股本	Principal activities 主要業務
Hsin Chong Construction Company Limited (Note 5) 新昌營造廠有限公司(附註5)	Hong Kong 香港	–	100%	Ordinary: HK\$85,002,000 Non-voting deferred: HK\$20,000,000 普通股: 港幣85,002,000元 無投票權 遞延股份: 港幣20,000,000元	Building construction and civil engineering 樓宇建造及土木工程
Hsin Chong Construction Company Limited* (Notes 1, 2 & 5) 新昌營造建築有限公司(附註1、2及5)	The People's Republic of China 中華人民共和國	–	100%	RMB172,653,600 人民幣172,653,600元	Building construction and civil engineering 樓宇建造及土木工程
Hsin Chong Construction (Macau) Limited 新昌營造(澳門)有限公司	Hong Kong 香港	–	100%	HK\$2 港幣2元	Construction management services 建造管理服務
Hsin Chong Construction Management Services Limited (Note 5) 新昌營造管理服務有限公司(附註5)	Hong Kong 香港	–	100%	HK\$1,000,000 港幣1,000,000元	Construction management services 建造管理服務
Hsin Chong Engineering (Macau) Limited (Notes 1 & 5) 新昌工程(澳門)有限公司(附註1及5)	Macau 澳門	–	100%	MOP25,000 澳門幣25,000元	Construction management services 建造管理服務
Hsin Chong Holdings (China) Limited* 新昌控股(中國)有限公司	The People's Republic of China 中華人民共和國	–	100%	US\$139,468,979 139,468,979美元	Investment holding 投資控股
Hsin Chong Property Holdings Limited (Notes 4 & 5) 新昌地產控股有限公司(附註4及5)	British Virgin Islands 英屬處女群島	100%	–	US\$227,355,000 227,355,000美元	Investment holding 投資控股
Hsin Chong Property Development Limited 新昌地產發展有限公司	Hong Kong 香港	–	100%	US\$2,502,191 2,502,191美元	Provision of investment and asset management consultancy services 提供投資及資產管理顧問 服務
L&X Investment Industrial Limited (Notes 1 & 4) 隆興投資實業有限公司(附註1及4)	British Virgin Islands 英屬處女群島	65%	–	US\$32,500 32,500美元	Investment holding 投資控股
Liaoning Huisheng Property Investment Limited* (Notes 1 & 2) 遼寧匯盛置業有限公司(附註1及2)	The People's Republic of China 中華人民共和國	–	100%	US\$150,695,000 150,695,000美元	Real estate development 房地產發展

* For identification purpose only

* 僅供識別

46. Principal subsidiaries (continued)

46. 主要附屬公司 (續)

Company 公司	Place of incorporation/ registration/ operation 成立/註冊/經營地點	The Group's effective percentage of interest held by the Company Subsidiaries 本集團所持實際權益百分比 本公司 附屬公司		Issued and paid up capital 已發行及繳足股本	Principal activities 主要業務
Liaoning Tongji Property Investment Limited* (Notes 1 & 2) 遼寧同濟置業有限公司(附註1及2)	The People's Republic of China 中華人民共和國	-	100%	US\$211,149,960 211,149,960美元	Real estate development 房地產發展
Renowned Brand Outlet Store (China) Limited (Note 4) 奧特萊斯名牌折扣店(中國) 有限公司(附註4)	Hong Kong 香港	-	100%	HK\$47,700 港幣47,700元	Real estate development 房地產發展
Renowned Brand Outlet Store Investment Limited (Note 4) 奧特萊斯名牌折扣店投資有限公司(附註4)	Hong Kong 香港	-	100%	HK\$51,000 港幣51,000元	Real estate development 房地產發展
Renowned Brand Outlet Store Properties Limited (Note 4) 奧特萊斯名牌折扣店置業有限公司(附註4)	Hong Kong 香港	-	100%	HK\$51,000 港幣51,000元	Real estate development 房地產發展
Renowned Outlet Store Asia Limited (Note 4) 世界名牌折扣店亞洲有限公司(附註4)	Hong Kong 香港	-	100%	HK\$49,000 港幣49,000元	Real estate development 房地產發展
Rosy China Investments Limited (Notes 1 & 5) (附註1及5)	British Virgin Islands 英屬處女群島	-	100%	US\$1 1美元	Investment holding 投資控股
Rife Yard Limited (Note 5) (附註5)	Hong Kong 香港	-	100%	HK\$1,000 港幣1,000元	Real estate development 房地產發展
Sight Star Limited (Note 4) 星方有限公司(附註4)	Hong Kong 香港	-	100%	HK\$1 港幣1元	Investment holding 投資控股
Smart Lane Holdings Limited	British Virgin Islands 英屬處女群島	100%	-	US\$1 1美元	Investment holding 投資控股
Sorano Investments Limited (Notes 1 & 5) (附註1及5)	British Virgin Islands 英屬處女群島	-	100%	US\$1 1美元	Investment holding 投資控股
Wisdom Top International Limited 高慧國際有限公司	Hong Kong 香港	-	100%	HK\$1,000,000 港幣1,000,000元	Property Investment 物業投資
奧特萊斯置業廣東有限公司 (Notes 1, 2 & 4) (附註1、2及4)	The People's Republic of China 中華人民共和國	-	100%	US\$40,000,000 40,000,000美元	Real estate development 房地產發展
廣東冠昇置業有限公司 (Notes 1 & 2) (附註1及2)	The People's Republic of China 中華人民共和國	-	100%	US\$40,000,000 40,000,000美元	Real estate development 房地產發展

* For identification purpose only

* 僅供識別

46. Principal subsidiaries (continued)

46. 主要附屬公司 (續)

Company 公司	Place of incorporation/ registration/ operation 成立/註冊/經營地點	The Group's effective percentage of interest held by the Company 本集團所持實際權益百分比 本公司	Subsidiaries 附屬公司	Issued and paid up capital 已發行及繳足股本	Principal activities 主要業務
廣東榮信置業有限公司 (Notes 1 & 2) (附註1及2)	The People's Republic of China 中華人民共和國	–	100%	US\$30,000,000 30,000,000美元	Real estate development 房地產發展
廣東景盛置業有限公司 (Notes 1 & 2) (附註1及2)	The People's Republic of China 中華人民共和國	–	100%	US\$10,000,000 10,000,000美元	Real estate development 房地產發展
廣東奧特萊斯物業管理有限公司 (Notes 1 & 2) (附註1及2)	The People's Republic of China 中華人民共和國	–	100%	US\$61,039,300 61,039,300美元	Real estate development 房地產發展
嘉勵協盛(泰安)置業有限公司(Notes 1 & 2) (附註1及2)	The People's Republic of China 中華人民共和國	–	100%	US\$42,000,000 42,000,000美元	Real estate development 房地產發展
天津星月置業有限公司(Notes 1, 2 & 3) (附註1、2及3)	The People's Republic of China 中華人民共和國	–	64.3%	RMB390,317,009 人民幣390,317,009元	Real estate development 房地產發展

The above table lists the subsidiaries of the Group which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Notes:

- 1 Companies not audited by PricewaterhouseCoopers
- 2 A wholly foreign owned enterprise
- 3 A company controlled by the Group through a non-wholly owned subsidiary
- 4 Equity of these subsidiaries are pledged as collateral for the Group's banking facilities and other borrowings.
- 5 Equity of the intermediate holding companies of these subsidiaries are pledged as collateral for the Group's banking facilities and other borrowings.

上表列示之本集團附屬公司為董事認為主要影響本集團業績或資產之附屬公司。董事認為，提供有關其他附屬公司的詳情將使資料過於冗長。

附註:

- 1 並非由羅兵咸永道會計師事務所審核之公司
- 2 一間外資獨資企業
- 3 由本集團透過一間非全資附屬公司控制之公司
- 4 此等附屬公司之股權已抵押作本集團之銀行融資及其他借貸之抵押品。
- 5 此等附屬公司之中介控股公司之股權已抵押作本集團之銀行融資及其他借貸之抵押品。

Five-Year Financial Summary

五年財務摘要

		Year ended 31 December 截至12月31日止年度				
		2016 HK\$'000 港幣千元	2015 HK\$'000 港幣千元	2014 HK\$'000 港幣千元	2013 HK\$'000 港幣千元	2012 HK\$'000 港幣千元 (Restated) (經重列)
Operating Results	經營業績					
Revenue	收益	9,823,216	12,585,256	14,010,505	11,505,979	8,810,112
(Loss)/profit before taxation	除稅前(虧損)/溢利	(4,273,460)	2,517,816	553,492	225,542	210,633
Taxation	稅項	1,350,866	(99,213)	(150,617)	(32,127)	(30,543)
(Loss)/profit from continuing operations	持續經營業務之(虧損)/溢利	(2,922,594)	2,418,603	402,875	193,415	180,090
Profit from discontinued operation	已終止經營業務之溢利	24,493	55,487	–	–	–
Gain on disposal of a subsidiary	出售一間附屬公司之收益	185,915	–	–	–	–
Non-controlling interests	非控股權益	(21,314)	(28,253)	(15,317)	(8,013)	(82)
(Loss)/profit attributable to equity holders of the Company	本公司權益持有人應佔(虧損)/溢利	(2,733,500)	2,445,837	387,558	185,402	180,008
Assets and Liabilities	資產及負債					
Total assets	總資產	33,437,635	36,341,951	13,193,323	11,143,153	7,210,745
Total liabilities	總負債	(22,330,960)	(21,794,580)	(8,534,873)	(6,901,401)	(5,057,147)
		11,106,675	14,547,371	4,658,450	4,241,752	2,153,598

MAJOR PROJECTS IN-PROGRESS

現時進行之主要工程

Description 工程內容	Group's Interest 本集團 所佔權益	Commencement Date 開工日期	Anticipated Completion Date 預期竣工日期	Client/Ultimate Employer 客戶／最終僱主
BUILDING CONSTRUCTION 樓宇建造				
Construction of Public Rental Housing Development at Tung Chung Area 56 東涌第56區公屋發展計劃建築工程	100%	December 2013 2013年12月	August 2017 2017年8月	Hong Kong Housing Authority 香港房屋委員會
Proposed Residential Development at Kowloon Inland Lot No. 11227 J/O Sheung Lok Street and Sheung Shing Street, Ho Man Tin, Kowloon 九龍內地地段第11227號·何文田常樂街與常盛街交界擬建住宅發展項目	100%	January 2015 2015年1月	August 2017 2017年8月	Classic Gold Holdings Limited
M+ Main Works Contract Including RDE Building (P39B), Interfacing Car Parking and Sewage Pumping Station at West Kowloon Cultural District * 香港西九文化區之M+主要工程合約·包括零售·餐飲及消閒大樓(P39B)·停車場與污水泵站*	100%	September 2015 2015年9月	January 2019 2019年1月	West Kowloon Cultural District Authority 西九文化區管理局
Proposed Office Complex at Lam Lee Street, Kowloon Bay, N.K.I.L. No 6312, Hong Kong 香港新九龍內地地段第6312號·九龍灣臨利街擬建辦公綜合樓	100%	November 2015 2015年11月	July 2017 2017年7月	Star Wing International Limited
Main Contract for The Hong Kong Ocean Park Marriott Hotel at Ocean Park, Hong Kong 香港海洋公園萬豪酒店的主要合約工程	100%	May 2016 2016年5月	October 2017 2017年10月	Capital Court Limited 財閣有限公司
Design and Construction of Kowloon East Regional Headquarters and Operational Base cum Ngau Tau Kok Divisional Police Station at 105 Concorde Road, Kai Tak* 啟德協調道105號東九龍總區總部及行動基地暨牛頭角分區警署大樓設計及建築項目*	65%	May 2016 2016年5月	July 2019 2019年7月	Architectural Services Department 建築署
CDSJ and USJ Green Campus in Ilha Verde* 聖若瑟大學和中學上蓋建造工程*	100%	April 2013 2013年4月	March 2017 2017年3月	Fundacao Catolica de Ensino Superior Universitario 天主教會大學暨高等教育基金
Upgarde of Macao Peninsula Waste Water Treatment Plant* 澳門半島污水處理廠改善工程*	45%	February 2014 2014年2月	December 2016 2016年12月	CESL Asia – Investments & Services, Limited 盛世集團控股股份有限公司
Link Bridge of Galaxy Macau Lot 1 Phase 2 to Grand Waldo LB008 Main Contract for Link Bridge* 連接銀河渡假城地段1(第2期)與金都地段行人天橋之興建工程*	100%	August 2014 2014年8月	March 2015 2015年3月	Perfect Assets Real Estate Limited 西堤置業有限公司
Lisboa Palace, Macau COT/DSC 1012-4 Reinforced Concrete Works (Excluding Reinforced Concrete Works Below Tower) and General Builder's Works for Podium (G/F to Podium Roof) (West Portion) 上葡京·澳門群樓混凝土結構及裝修工程	100%	November 2015 2015年11月	July 2018 2018年7月	Cotai Magnific View-Property Development Company Limited 高嶺置業發展股份有限公司
Sportland, Hengqin 橫琴鉅星匯	100%	June 2015 2015年6月	December 2018 2018年12月	鉅聯國際投資有限公司

MAJOR PROJECTS IN-PROGRESS (continued)

現時進行之主要工程 (續)

Description 工程內容	Group's Interest 本集團 所佔權益	Commencement Date 開工日期	Anticipated Completion Date 預期竣工日期	Client/Ultimate Employer 客戶/最終僱主
CIVIL ENGINEERING WORKS 土木工程				
Elevated Road along LOHAS Park Road and the Pedestrian Footbridge FB1 康城路高架路橋及行人天橋工程	100%	August 2016 2016年8月	November 2018 2018年11月	MTR Corporation Limited 香港鐵路有限公司
Construction of MTR Express Rail Link Contract 810B, West Kowloon Terminus Station South 港鐵廣深港高速鐵路合約810B西九龍總站(南)建造工程	22.5%	January 2011 2011年1月	February 2018 2018年2月	MTR Corporation Limited 香港鐵路有限公司
Sewerage in Kau Lung Hang San Wai, Kau Lung Hang Lo Wai and Tai Hang 九龍坑新圍、九龍坑老圍及泰亨污水收集系統	60%	June 2012 2012年6月	May 2017 2017年5月	Drainage Services Department 渠務署
Shatin to Central Link, Sung Wong Toi and To Kwa Wan Stations and Tunnels, Contract 1109 沙田至中環線·九龍城段車站及隧道工程(合約編號1109)	40%	August 2012 2012年8月	September 2018 2018年9月	MTR Corporation Limited 香港鐵路有限公司
Lam Tsuen Valley Sewerage – Village Sewerage, Stage 2, Phase 2 林村谷污水收集系統 – 第二階段第二期鄉村污水收集系統	57%	October 2012 2012年10月	May 2017 2017年5月	Drainage Services Department 渠務署
ELS and Foundation Works for Office Development at 704 – 730 King's Road ⁺ 英皇道704–730號商業大廈重建項目地基工程 ⁺	100%	July 2015 2015年7月	December 2016 2016年12月	New World Construction Management Company Limited 新世界建築管理有限公司
Site Formation and Infrastructural Works near Tong Hang Road and Tsz Tin Road in Area 54 Tuen Mun 屯門第54區鄰近塘亨路及紫田路的土地平整及基建工程	57%	November 2015 2015年11月	May 2019 2019年5月	Civil Engineering and Development Department 土力工程拓展署
Pipe Pile Works and Temporary Site Access for The Residential Development at TMTL No.500 Kwun Chui Road, Tuen Mun 屯門管翠路的屯門市地段第500號住宅大廈管樁及 地盤臨時出入口工程	100%	August 2016 2016年8月	January 2017 [^] 2017年1月 [^]	Henderson Land Development Company Limited 恒基兆業地產有限公司
CONSTRUCTION MANAGEMENT SERVICE 建造項目管理				
Venetian Macau Capital Works (A&A) Projects – Sands ⁺ 威尼斯人澳門金沙·加建及改動工程 ⁺	100%	May 2011 2011年5月	December 2016 2016年12月	Venetian Macau Limited 威尼斯人澳門股份有限公司
Venetian Macau Capital Works (A&A) Projects – Parcel 1&2 ⁺ 威尼斯人路氹地塊一/二·加建及改動工程 ⁺	100%	April 2011 2011年4月	December 2016 2016年12月	Venetian Cotai Limited 威尼斯人路氹股份有限公司
Venetian Cotai Parcel 3 ⁺ 威尼斯人路氹地塊三 ⁺	100%	August 2012 2012年8月	September 2016 2016年9月	Venetian Cotai Limited 威尼斯人路氹股份有限公司
Sands Cotai Central Capital Works (A&A) Projects – Parcel 5&6 ⁺ 威尼斯人路氹地塊五/六金沙城中心·加建及改動工程 ⁺	100%	August 2012 2012年8月	December 2016 2016年12月	Venetian Orient Limited 東方威尼斯人有限公司
Venetian Cotai Parcel 5, Sands Cotai Central – Tower 5B (Resumption) ⁺ 威尼斯人路氹地塊五·5B酒店 ⁺	100%	October 2013 2013年10月	June 2016 2016年6月	Venetian Orient Limited 東方威尼斯人有限公司

MAJOR PROJECTS IN-PROGRESS (continued)

現時進行之主要工程 (續)

Description 工程內容	Group's Interest 本集團 所佔權益	Commencement Date 開工日期	Anticipated Completion Date 預期竣工日期	Client/Ultimate Employer 客戶／最終僱主
ELECTRICAL AND MECHANICAL 機電工程				
Sub-Contract for the Supply and Installation of the Electrical (inclusive of ELV) Air-Conditioning, Fire Services, Plumbing and Water Supply Systems, (inclusive of Town Gas Installation) for M+ Museum (Building Contract Number CC/2015/3A/022)# M+博物館(建築合約編號CC/2015/3A/022)之電氣(包括低壓電系統)·空調·消防水管裝置及供水系統(包括煤氣安裝)安裝#	100%	September 2015 2015年9月	January 2019 2019年1月	West Kowloon Cultural District Authority 西九文化區管理局
Infrastructure Main Contract Works for Commerical Development at 113-115 Argyle Street, Mongkok, Kowloon, Hong Kong* 旺角亞皆老街113-115號商業發展項目之基建總承包工程*	100%	May 2015 2015年5月	February 2017 2017年2月	Hang Seng Bank Limited 恆生銀行有限公司
Supply and Install of the Building Services and Electrical & Mechanical Installation for the Main Contract for Design & Construction of Kowloon East Regional Headquarters and Operational Base Cum Ngau Tau Kok Divisional Police Station at 105 Concorde Road, Kai Tak (Programme No. 237 LP)# 啟德協調道105號東九龍總區總部及行動基地暨牛頭角分區警署大樓設計及建築主要合約之樓宇服務供應及安裝及機電安裝(項目編號237 LP)#	100%	July 2016 2016年7月	June 2019 2019年6月	Architectural Services Department 建築署
New World Centre Remodeling and Palace Mall Remodeling Project (Package Code No. 10040B-1) Design, Supply and Installation of H2 and H2 Podium MVAC—Podium Portion Nominated Sub-Contract 新世界中心及購物中心重塑項目(合約編號10040B-1) —H2及H2平台通風空調之設計·供應及安裝指定分判合約	100%	June 2014 2014年6月	February 2018 2018年2月	NWS Holdings Limited 新創建集團有限公司
The Proposed Logistics Centre Development at Tsing Yi Lot No.181, New Territories — MVAC, Electrical and Fire Services Installation 新界青衣市地段181號擬建物流中心之通風空調·電氣及消防系統安裝	100%	December 2015 2015年12月	June 2017 2017年6月	Kongwell Logistics Limited 港瑞物流有限公司
Proposed Retail and Hotel Development at Tung Chung Town Lot 2 & Lot 11 – HVAC Installation Contract No. C1105/N04 東涌東薈城二區及十一區酒店及商業發展項目 —通風空調安裝分判合約	100%	December 2016 2016年12月	March 2019 2019年3月	Newfoundworld Project Management Limited
Central Police Station Conversion and Revitalisation Project Works Contract for Plumbing and Drainage (Package 601), MVAC (603) and FS (604) Installation 中環警署建築群保育及活化計劃—給排水(合約601), 通風空調(合約603)及消防系統(合約604)安裝	100%	December 2012 2012年12月	September 2017 2017年9月	The Jockey Club CPS Limited 賽馬會文物保育有限公司
Air-conditioning and Ventilation Systems Term Maintenance Contract (Contract No.20169030) (Kowloon East, Wong Tai Sin, Tsing Yi, Tsuen Wan, Islands, Kwai Chung, Tuen Mun and Yuen Long Regions) 2017/2020 for Hong Kong Housing Authority Estates, Areas and Buildings 2017/2020年度香港房屋委員會(九龍東·黃大仙·青衣·荃灣·離島·葵涌·屯門及元朗區)一屋邨·用地·及樓宇空氣調節及通風系統定期保養合約(合約編號20169030)	100%	January 2017 2017年1月	December 2019 2019年12月	The Hong Kong Housing Authority 香港房屋委員會

MAJOR PROJECTS IN-PROGRESS (continued)

現時進行之主要工程 (續)

Description 工程內容	Group's Interest 本集團 所佔權益	Commencement Date 開工日期	Anticipated Completion Date 預期竣工日期	Client/Ultimate Employer 客戶/最終僱主
ELECTRICAL AND MECHANICAL (continued) 機電工程 (續)				
Air-Conditioning and Ventilation Systems Term Maintenance Contract (Contract No. 20139012) (Kowloon West, Hong Kong, Tai Po, North, Shatin, and Sai Kung Regions) 2014/2017 for Hong Kong Housing Authority Estates, Areas and Buildings 2014/2017年度香港房屋委員會轄下屋邨地方及樓宇的空氣調節及通風系統定期保養合約(合約編號20139012)(九龍西、港島、大埔區、北區、沙田區及西貢區)	100%	July 2014 2014年7月	June 2017 2017年6月	The Hong Kong Housing Authority 香港房屋委員會
Proposed Office Development at No.14-30, King Wah Road, North Point, HK – ACMV Installation Nominated Sub-Contract 北角京華道14-30號擬建寫字樓發展項目 —空調通風指定分判合約	100%	September 2014 2014年9月	April 2017 2017年4月	Henderson Land Development Company Limited 恒基兆業地產有限公司
Electrical and ELV Installation Works Contract for the Proposed Hotel Development at Lot No. 1950 in DD221, Wai Man Road, Sai Kung, New Territories 西貢惠民路DD221地段第1950號擬建酒店發展項目 —電氣及低壓電系統安裝項目	100%	March 2016 2016年3月	January 2018 2018年1月	Cheer Regal Limited 智豪有限公司

- * Part of the contract has been sub-contracted to group companies
部份合約已分判予集團內公司
- # Sub-contract value being awarded by group companies or joint venture
集團內公司或合營企業授予之分判合約額
- + Awaiting PC certificate
待發完工紙
- ^ Actual Completion Date
實際竣工日期

Major Properties 主要物業

Description 物業詳述	Uses 用途	Approximate gross area 概約總面積	Status 狀況	Lease term 年期	Percentage of Group's interest 本集團所佔 權益百分比
Properties Held for Investment/Own Use/Sale as at 31 December 2016 於2016年12月31日之投資/自用/出售物業					
Hsin Chong Center 107-109 Wai Yip Street, Kwun Tong, Kowloon, Hong Kong 新昌中心 香港九龍觀塘偉業街107至109號	Office 商用	107,000 ⁽¹⁾	Head Office 總部	Medium 中期	100%
Carparks in Lung Mun Oasis 43 Lung Mun Road, Tuen Mun, New Territories, Hong Kong 龍門居之車位 香港新界屯門龍門路43號	Carpark 車位	47 carparks 47個車位	For Sale 出售	Medium 中期	100%
Basement Level 1 & Level 1 to 6 New Times Plaza No. 25 Maliandao Road, Xicheng District, Beijing, People's Republic of China 中國北京市西城區馬連道路25號 新年華購物中心 地庫一層及地上一層至六層	Commercial 商業	38,214 ⁽²⁾	Rental 租賃	Medium 中期	100%
Level 7 to 15 New Times Plaza No. 25 Maliandao Road, Xicheng District, Beijing, People's Republic of China 中國北京市西城區馬連道路25號 新年華購物中心 七層至十五層	Office/ Residential 商用/住宅	12,115 ⁽²⁾	For Sale 出售	Medium 中期	100%

Description	Uses	Approximate gross area	Status	Lease term	Percentage of Group's interest
物業詳述	用途	概約總面積	狀況	年期	本集團所佔權益百分比
Properties Held for Investment/Own Use/Sale as at 31 December 2016 (continued) 於2016年12月31日之投資／自用／出售物業(續)					
Basement Level 2 and 3 New Times Plaza No. 25 Maliandao Road, Xicheng District, Beijing, People's Republic of China 中國北京市西城區馬連道路25號 新年華購物中心 地庫二層及地庫三層	Carpark 車位	328 carparks 328個車位	Rental 租賃	Medium 中期	100%
No. 33 Lubao Avenue Lubao County, Shanshui District, Foshan, Guangdong Province, People's Republic of China 中國廣東省佛山市三水區蘆苞鎮 蘆苞大道33號	Commercial 商業	99,000 ⁽²⁾	Renovation planning work in progress 裝修規劃進行中	Medium 中期	100%
Commercial Podium Level 1 to 3 Tian Cheng Ming Yuan Nos. 111-119 Shipai Xi Road, Tianhe District, Guangzhou, Guangdong Province, People's Republic of China 中國廣東省廣州市天河區石牌西路111-119號 天晟明苑一層至三層	Commercial 商業	11,526 ⁽²⁾	For sale, in the meantime, looking at the possibility of generating revenue through short term lease 出售·同時正尋求 透過短期租賃產生 收益之可能性	Medium 中期	100%
Basement Level 1 and 2 Tian Cheng Ming Yuan Nos. 111-119 Shipai Xi Road, Tianhe District, Guangzhou, Guangdong Province, People's Republic of China 中國廣東省廣州市天河區石牌西路111-119號 天晟明苑地庫一層及地庫二層	Carpark 車位	325 carparks 325個車位	For sale, in the meantime, looking at the possibility of generating revenue through short term lease 出售·同時正尋求 透過短期租賃產生 收益之可能性	Medium 中期	100%

Description	Uses	Approximate gross area	Status	Lease term	Percentage of Group's interest	Estimated Year of Completion
物業詳述	用途	概約總面積	狀況	年期	本集團所佔權益百分比	預計落成年期
Properties Under Development as at 31 December 2016						
於2016年12月31日之發展中物業						
South of Ganjiang Road, west of National Highway 102, Dafanhe Village and Xintun Village, Fanhe Town, Tieling County, Liaoning Province, People's Republic of China	Residential 住宅	380,000 ⁽²⁾	Construction and Design in Progress 建造及 設計進行中	Medium and long 中期及長期	100%	2016 to 2017 2016年至2017年
中國遼寧省鐵嶺縣凡河鎮 大凡河村及新屯村102國道 以西贛江路以南附近土地	Ground Floor Retails 地面層 零售商舖	6,000 ⁽²⁾	Construction and Design in Progress 建造及 設計進行中	Medium and long 中期及長期	100%	2016 to 2017 2016年至2017年
	Commercial 商業	215,000 ⁽²⁾	Construction and Design in Progress 建造及 設計進行中	Medium and long 中期及長期	100%	2016 to 2017 2016年至2017年
	Residential/ Commercial 住宅/商業	1,417,000 ⁽³⁾	Master Plan in Progress 總體規劃 進行中	Medium and long 中期及長期	100%	N/A 不適用
Ninty-nine Gang Dushu Gang Villager Committee, Lubao County, Sanshui District, Foshan City, Guangdong Province, People's Republic of China	Residential 住宅	204,400 ⁽²⁾	Construction and Design in Progress 建造及 設計進行中	Long 長期	100%	2016 to 2017 2016年至2017年
中國廣東省佛山市三水區 蘆苞鎮獨樹崗村委會九十九崗	Residential/ Commercial 住宅/商業	1,602,000 ⁽²⁾	Master Plan in Progress 總體規劃 進行中	Medium and long 中期及長期	100%	N/A 不適用

Description	Uses	Approximate gross area	Status	Lease term	Percentage of Group's interest	Estimated Year of Completion
物業詳述	用途	概約總面積	狀況	年期	本集團所佔權益百分比	預計落成年期
Properties Under Development as at 31 December 2016 (continued) 於2016年12月31日之發展中物業 (續)						
Jiali Commercial Plaza South of the middle section of Yitianmen Street, Hi-Tech Industrial Development Zone, Tai'an City, Shandong Province, People's Republic of China 中國山東省泰安市高新技術產業開發區 一天門大街中段以南	Commercial 商業	274,977 ⁽²⁾	Construction and Design in Progress 建造及設計 進行中	Long 長期	100%	2017 to 2018 2017年至2018年
Southern side of Har River, Northern side of Binhe Road, Central Business District, Binhai New District, Tianjin, People's Republic of China 中國天津市濱海新區中心商務區 濱河路以北·海河以南	Commercial 商業	328,100 ⁽²⁾	Master Plan in Progress 總體規劃進行中	Medium 中期	64.3%	N/A 不適用

⁽¹⁾ Gross floor area of square feet 總樓面面積 (平方呎)

⁽²⁾ Gross floor area of square metres 總樓面面積 (平方米)

⁽³⁾ Gross site area of square metres 總地盤面積 (平方米)

Board of Directors 董事會

LIN Zhuo Yan* (*Non-executive Chairman and Non-Executive Director*)
林卓延* (非執行主席及非執行董事)
Joseph CHOI Kin Hung (*Executive Director and Co-Chief Executive Officer*)
蔡健鴻 (執行董事及聯席行政總裁)
ZHOU Wei (*Executive Director and Chief Strategic Officer*)
周煒 (執行董事及首席策略官)
Wilfred WU Shek Chun (*Executive Director and Chief Risk Officer*)
鄒碩晉 (執行董事及首席風險官)
Eric TODD
達振標
YAN Jie*
簡傑*
CHEN Lei*
陳磊*
CHUI Kwong Kau*
崔光球*
LUI Chun Pong*
呂振邦*
CHENG Sui Sang**
鄭瑞生**
LEE Jai Ying**
李嘉音**
KWOK, Shiu Keung Ernest**
郭少強**
George YUEN Kam Ho**
袁金浩**
* *Non-executive Director*
* 非執行董事
** *Independent Non-executive Director*
** 獨立非執行董事

Audit Committee 審核委員會

CHENG Sui Sang (*Chairman*)
鄭瑞生 (主席)
CHUI Kwong Kau
崔光球
KWOK, Shiu Keung Ernest
郭少強
George YUEN Kam Ho
袁金浩

Remuneration Committee 薪酬委員會

CHENG Sui Sang (*Chairman*)
鄭瑞生 (主席)
Joseph CHOI Kin Hung
蔡健鴻
Wilfred WU Shek Chun
鄒碩晉
LEE Jai Ying
李嘉音
George YUEN Kam Ho
袁金浩

Nomination Committee 提名委員會

LEE Jai Ying (*Chairman*)
李嘉音 (主席)
Joseph CHOI Kin Hung
蔡健鴻
LUI Chun Pong
呂振邦
CHENG Sui Sang
鄭瑞生
George YUEN Kam Ho
袁金浩

Executive Committee 執行委員會

Joseph CHOI Kin Hung
蔡健鴻
ZHOU Wei
周煒
Wilfred WU Shek Chun
鄒碩晉
Eric TODD
達振標

Company Secretary 公司秘書

CHAN Chi Fai David
陳志輝

Auditor 核數師

PricewaterhouseCoopers
羅兵咸永道會計師事務所

Principal Bankers* 主要往來銀行*

The Bank of East Asia, Limited
東亞銀行有限公司
The Hongkong and Shanghai
Banking Corporation Limited
香港上海滙豐銀行有限公司

Reference Banks* 往來銀行*

Banco Nacional Ultramarino, S.A.
大西洋銀行股份有限公司
Bank of China Limited Macau Branch
中國銀行股份有限公司澳門分行
Bank of Communications Co., Ltd.
Hong Kong Branch
交通銀行股份有限公司香港分行
China Everbright Bank Company Limited,
Hong Kong Branch
中國光大銀行股份有限公司香港分行
East West Bank
華美銀行
Hang Seng Bank, Limited
恒生銀行有限公司
Industrial and Commercial Bank of
China (Asia) Limited
中國工商銀行(亞洲)有限公司
Nanyang Commercial Bank, Limited
南洋商業銀行有限公司
NOVO BANCO Asia, S.A.
新銀行亞洲股份有限公司
Shanghai Pudong Development Bank Co., Ltd.
Hong Kong Branch
上海浦東發展銀行股份有限公司香港分行

* *In alphabetical order*
* 按字母順序

Registered Office 註冊辦事處

Clarendon House
2 Church Street
Hamilton, HM 11
Bermuda

Principal Place of Business in Hong Kong 香港主要營業地點

Hsin Chong Center
107-109 Wai Yip Street
Kwun Tong, Kowloon, Hong Kong
香港九龍觀塘
偉業街107-109號
新昌中心

Principal Share Registrar and Transfer Agent 主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

Hong Kong Branch Share Registrar and Transfer Office 香港股份過戶登記分處

Computershare Hong Kong
Investor Services Limited
Shops 1712-1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong
香港中央證券登記有限公司
香港灣仔
皇后大道東183號
合和中心17樓
1712-1716號舖

Stock Code 股份代號

00404

Board Lot 每手買賣單位

2,000 shares
2,000股

Share Price 股價

Year High HK\$0.87
全年最高 港幣0.87元
Year Low HK\$0.25
全年最低 港幣0.25元

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info@hcg.com.hk

Financial Calendar

Announcement of interim results 24 August 2016
Announcement of annual results 18 April 2017
Annual General Meeting of 2017 2 June 2017

財務日誌

公佈中期業績 2016年8月24日
公佈全年業績 2017年4月18日
2017年股東周年大會 2017年6月2日



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CHONG

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