

## 1. CORPORATE INFORMATION

Shenzhen Investment Limited is a limited liability company incorporated in Hong Kong. The registered office of the Company is located at 8th Floor, New East Ocean Centre, 9 Science Museum Road, Kowloon, Hong Kong.

During the year, the Group was involved in the following principal activities:

- Property development
- Property investment
- Property management
- Provision of transportation services
- Manufacture and sale of industrial and commercial products
- Infrastructure investment

In the opinion of the directors, the parent and the ultimate holding company of the Group is Shum Yip Holdings Company Limited ("Shum Yip Holdings"), which is a private company incorporated in Hong Kong.

### 2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which also include Hong Kong Accounting Standards ("HKASs") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, certain buildings and equity investments, which have been measured at fair value. Interests in an associate classified as held for sale are stated at the lower of their carrying amounts and fair values less costs to sell as further explained in note 2.4. These financial statements are presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousand except when otherwise indicated.

#### Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2006. The results of subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. All significant intercompany transactions and balances within the Group are eliminated on consolidation.

## 1. 公司資料

深圳控股有限公司乃一家香港成立之有限責任公司。本公司之註冊辦事處位於香港九龍科學館道9號新東海商業中心八樓。

年內，本集團主要從事下列業務：

- 物業發展
- 物業投資
- 物業管理
- 提供運輸服務
- 工業及商業產品之製造及銷售
- 基建投資

董事認為，本集團之母公司及最終控股公司為香港註冊成立之私人公司 — 深業（集團）有限公司（「深業集團」）。

### 2.1 編製之基準

此等財務報表乃按照香港會計師公會頒布之香港財務報告準則（「香港財務報告準則」）（亦包括香港會計準則（「香港會計準則」）及詮釋）、香港公認會計原則及香港公司條例而編製。除投資物業、若干樓宇及權益性投資乃按公允值計量外，其他部分均根據慣用之歷史成本法編製。分類為持作待售之聯營公司權益乃以其賬面值與公允值減銷售成本之較低者列賬，詳見附註2.4。此等財務報表乃以港元列示，所有金額均四捨五入至千位數之最接近值，惟另作說明者則除外。

#### 綜合賬目之基準

綜合財務報表收納本公司及其附屬公司截至二零零六年十二月三十一日止年度之財務報表。附屬公司之業績乃由收購之日（即自本集團取得控制權之日）起綜合入賬，直至控制權終止為止。所有本集團內公司間之重大交易及結餘乃於綜合賬目時對銷。

**2.1 BASIS OF PREPARATION (Continued)****Basis of consolidation (Continued)**

The acquisition of subsidiaries during the year has been accounted for using the purchase method of accounting. This method involves allocating the cost of the business combinations to the fair value of the identifiable assets acquired, and liabilities and contingent liabilities assumed at the date of acquisition. The cost of the acquisition is measured at the aggregate of the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

Minority interests represent the interests of outside shareholders not held by the Group in the results and net assets of the Company's subsidiaries.

**2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS**

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements. Except for in certain cases, giving rise to new and revised accounting policies and additional disclosures, the adoption of these new and revised standards and interpretation has had no material effect on these financial statements.

HKAS 21 Amendment	Net Investment in a Foreign Operation
HKAS 27 Amendment	Consolidated and Separate Financial Statements: Amendments as a consequence of the Companies (Amendment) Ordinance 2005
HKAS 39 & HKFRS 4 Amendments	Financial Guarantee Contracts
HKAS 39 Amendment	Cash Flow Hedge Accounting of Forecast Intragroup Transactions
HKAS 39 Amendment	The Fair Value Option
HK(IFRIC)-Int 4	Determining whether an Arrangement contains a Lease

**2.1 編製之基準 (續)****綜合賬目之基準 (續)**

年內收購附屬公司以會計購買法列賬。此方法涉及將企業合併之成本分配至於收購日期所收購資產以及所承擔負債及或然負債之公允值。收購成本按為換取所收購公司控制權而於交換日期給予有關資產、所發行股本工具及所產生或承擔負債之公允值總和，加上收購直接應佔之成本計算。

少數股東權益指並非由本集團持有的外界股東佔本公司附屬公司之業績及淨資產之權益。

**2.2 新訂及經修訂香港財務報告準則之影響**

本集團於本年度之財務報表首次採納下列新訂及經修訂香港財務報告準則。除若干情況引致需採用新訂及經修訂會計政策以及作出額外披露外，採納此等新訂及經修訂準則及詮釋對此等財務報表並無重大影響。

香港會計準則第21號修訂	對海外業務的淨投資
香港會計準則第27號修訂	綜合及獨立財務報表：根據二零零五年公司（修訂）條例而修訂
香港會計準則第39號及香港財務報告準則第4號修訂	財務擔保合約
香港會計準則第39號修訂	預測集團內公司間交易之現金流量套期會計處理
香港會計準則第39號修訂	公允值選擇權
香港（國際財務報告詮釋委員會）— 詮釋第4號	釐定安排是否包括租賃

## 2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

The principal changes in accounting policies are as follows:

### (a) HKAS 21 The Effects of Changes in Foreign Exchange Rates

Upon the adoption of the HKAS 21 Amendment regarding a net investment in a foreign operation, all exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation are recognised in a separate component of equity in the consolidated financial statements irrespective of the currency in which the monetary item is denominated. This change has had no impact on these financial statements as at 31 December 2006 or 31 December 2005.

### (b) HKAS 27 Consolidated and Separate Financial Statements

The adoption of the revised HKAS 27 has resulted in a change in accounting policy relating to the definition of a subsidiary for the purpose of the consolidated financial statements as described in note 2.4 "Summary of significant accounting policies" below.

### (c) HKAS 39 Financial Instruments: Recognition and Measurement

#### (i) Amendment for financial guarantee contracts

This amendment has revised the scope of HKAS 39 to require financial guarantee contracts issued that are not considered insurance contracts, to be recognised initially at fair value and to be remeasured at the higher of the amount determined in accordance with HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 *Revenue*. The adoption of this amendment has had no material impact on these financial statements.

## 2.2 新訂及經修訂香港財務報告準則之影響 (續)

會計政策的主要變動如下：

### (a) 香港會計準則第21號匯率變動之影響

採納香港會計準則第21號(經修訂)有關海外業務淨投資後，所有屬本集團海外業務投資淨額的貨幣項目產生的匯兌差異均在綜合財務報表確認為個別權益項目，而不論以何種貨幣計值。該變動對二零零六年十二月三十一日及二零零五年十二月三十一日的財務報表並無重大影響。

### (b) 香港會計準則第27號綜合及獨立財務報表

採納經修訂的香港會計準則第27號後須更改有關綜合財務報表中附屬公司定義的會計政策，詳情載於下文附註2.4「主要會計政策之概要」。

### (c) 香港會計準則第39號金融工具：確認及計量

#### (i) 財務擔保合約的修訂

該修訂修改香港會計準則第39號的範圍，規定發出並不視為保險合約的財務擔保合約初步按公允值確認，其後以根據香港會計準則第37號撥備、或然負債及或然資產釐定之數額或初步確認數額減(如適用)根據香港會計準則第18號收益確認的累計攤銷兩者的較高者重新計量。採納該修訂對該等財務報表並無重大影響。

## 2.2 IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

### (c) HKAS 39 Financial Instruments: Recognition and Measurement (Continued)

#### (ii) Amendment for the fair value option

This amendment has changed the definition of a financial instrument classified as fair value through profit or loss and has restricted the use of the option to designate any financial asset or any financial liability to be measured at fair value through the income statement. The adoption of this amendment has had no material impact on the financial statements.

#### (iii) Amendment for cash flow hedge accounting of forecast intragroup transactions

This amendment has revised HKAS 39 to permit the foreign currency risk of a highly probable intragroup forecast transaction to qualify as a hedged item in a cash flow hedge, provided that the transaction is denominated in a currency other than the functional currency of the entity entering into that transaction and that the foreign currency risk will affect the consolidated income statement. As the Group currently has no such transactions, the amendment has had no effect on these financial statements.

### (d) HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease

The Group has determined based on this interpretation that certain arrangements of the Group contained leases and accordingly, the Group has treated them in accordance with HKAS 17 *Leases*. However, the adoption of this interpretation has had no material impact on these financial statements.

## 2.2 新訂及經修訂香港財務報告準則之影響 (續)

### (c) 香港會計準則第39號金融工具：確認及計量 (續)

#### (ii) 公允值選擇權的修訂

該修訂改變分類為透過損益按公允值計算的金融工具定義，並限制使用選擇權界定透過收益表按公允值計算的任何金融資產或金融負債。該修訂對財務報表並無重大影響。

#### (iii) 預測集團內公司間交易之現金流量套期會計處理的修訂

該修訂修改香港會計準則第39號，以容許將極可能進行的集團內公司間交易的外匯風險列為現金流量套期的被套期項目，惟該項交易須以進行交易的公司的功能貨幣以外的貨幣計值，且外匯風險將影響綜合收益表。由於本集團現時並無該等交易，故此修訂對該等財務報表並無影響。

### (d) 香港（國際財務報告詮釋委員會）－詮釋第4號釐定安排是否包含租賃

根據該詮釋，本集團確定本集團若干安排包含租賃，故此本集團根據香港會計準則第17號 *租賃* 的規定處理該等安排。然而，採用該詮釋對該等財務報表並無重大影響。

### 2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

HKAS 1 Amendment	Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HK(IFRIC)-Int 7	Applying the Restatement Approach under HKAS 29 <i>Financial Reporting in Hyperinflationary Economies</i>
HK(IFRIC)-Int 8	Scope of HKFRS 2
HK(IFRIC)-Int 9	Reassessment of Embedded Derivatives
HK(IFRIC)-Int 10	Interim Financial Reporting and Impairment
HKFRS 8	Operating Segments
HK(IFRIC)-Int 11	Group and Treasury Share Transactions
HK(IFRIC)-Int 12	Service Concession Arrangements

The HKAS 1 Amendment shall be applied for annual periods beginning on or after 1 January 2007. The revised standard will affect the disclosures about qualitative information about the Group's objective, policies and processes for managing capital; quantitative data about what the Company regards as capital; and compliance with any capital requirements and the consequences of any non-compliance.

HKFRS 7 shall be applied for annual periods beginning on or after 1 January 2007. The standard requires disclosures that enable users of the financial statements to evaluate the significance of the Group's financial instruments and the nature and extent of risks arising from those financial instruments.

### 2.3 已頒佈但未生效的香港財務報告準則之影響

本集團並無於該等財務報表採用下列已頒佈但未生效的新訂及經修訂的香港財務報告準則。

香港會計準則 第1號(經修訂)	資本披露
香港財務報告準則 第7號	金融工具:披露
香港(國際財務報告 詮釋委員會) — 詮釋第7號	根據香港會計準則第 29號嚴重通脹經濟 下的財務報告採用 重列法
香港(國際財務報告 詮釋委員會) — 詮釋第8號	香港財務報告準則 第2號範圍
香港(國際財務報告 詮釋委員會) — 詮釋第9號	重新評估嵌入式 衍生工具
香港(國際財務報告 詮釋委員會) — 詮釋第10號	中期財務報告及減值
香港財務報告準則 第8號	經營分部
香港(國際財務報告 詮釋委員會) — 詮釋第11號	集團及庫存股份交易
香港(國際財務報告 詮釋委員會) — 詮釋第12號	服務經營權安排

香港會計準則第1號(經修訂)應適用於二零零七年一月一日或之後開始之年度期間。經修訂準則將對本集團管理資本之目標、政策及程序等非量化資料;有關本公司視為資本之量化數據;及對任何資本要求之遵行情形,以及任何不合規情況之披露產生影響。

香港財務報告準則第7號應適用於二零零七年一月一日或之後開始的年度期間。該準則要求作出披露,以使財務報表使用者可評估本集團金融工具的重要性及該等金融工具的風險的性質及範圍。

### 2.3 IMPACT OF ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

HK(IFRIC)-Int 7, HK(IFRIC)-Int 8, HK(IFRIC)-Int 9, HK(IFRIC)-Int 10, HKFRS 8, HK(IFRIC)-Int 11 and HK(IFRIC)-Int 12 shall be applied for annual periods beginning on or after 1 March 2006, 1 May 2006, 1 June 2006, 1 November 2006, 1 January 2009, 1 March 2007 and 1 January 2008, respectively.

The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, except for HKFRS 8, HK(IFRIC)-Int 11 and HK(IFRIC)-Int 12 which were recently issued by HKICPA and the impact on the financial statements is still under consideration, it has concluded that while the adoption of the HKAS 1 Amendment and HKFRS 7 may result in new or amended disclosures, the other new and revised HKFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

### 2.3 已頒佈但未生效的香港財務報告準則之影響 (續)

香港(國際財務報告詮釋委員會)－詮釋第7號、香港(國際財務報告詮釋委員會)－詮釋第8號、香港(國際財務報告詮釋委員會)－詮釋第9號、香港(國際財務報告詮釋委員會)－詮釋第10號、香港財務報告準則第8號、香港(國際財務報告詮釋委員會)－詮釋第11號及香港(國際財務報告詮釋委員會)－詮釋第12號分別適用於二零零六年三月一日、二零零六年五月一日、二零零六年六月一日、二零零六年十一月一日、二零零九年一月一日、二零零七年三月一日及二零零八年一月一日或之後開始的年度期間。

本集團正在評估首次採用該等新訂及經修訂香港財務報告準則的影響。截至目前止為，除香港會計師公會近期頒佈的香港財務報告準則第8號、香港(國際財務報告詮釋委員會)－詮釋第11號及香港(國際財務報告詮釋委員會)－詮釋第12號現正評估其對財務報表之影響外，本集團認為採用香港會計準則第1號(經修訂)及香港財務報告準則第7號可能導致新增或經修訂披露，而其他新訂及經修訂香港財務報告準則不大可能對本集團的經營業績及財務狀況有重大影響。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Subsidiaries

A subsidiary is an entity in which the Company, directly or indirectly, controls more than half of its voting power or issued share capital or controls the composition of its board of directors; or over which the Company has a contractual right to exercise a dominant influence with respect to that entity's financial and operating policies.

The results of subsidiaries are included in the Company's income statement to the extent of dividends received and receivable. The Company's interests in subsidiaries are stated at cost less any impairment losses.

### Associates

An associate is an entity, not being a subsidiary or jointly-controlled entity, in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence.

The Group's share of the post-acquisition results and reserves of associates is included in the consolidated income statement and consolidated reserves, respectively. The Group's interests in associates are stated in the consolidated balance sheet at the Group's share of net assets under the equity method of accounting, less any impairment losses.

The results of associates are included in the Company's income statement to the extent of dividends received and receivable. The Company's interests in associates are treated as non-current assets and are stated at cost less any impairment losses.

When an investment in an associate is classified as held for sale, it is accounted for in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

### Goodwill

Goodwill arising on the acquisition of subsidiaries represents the excess of the cost of the business combination over the Group's interest in the net fair value of the acquirees' identifiable assets acquired, and liabilities and contingent liabilities assumed as at the date of acquisition.

*Goodwill on acquisitions for which the agreement date is on or after 1 January 2005*

Goodwill arising on acquisition is recognised in the consolidated balance sheet as an asset, initially measured at cost and subsequently at cost less any accumulated impairment losses.

## 2.4 主要會計政策之概要

### 附屬公司

附屬公司乃一家由本公司直接或間接控制其過半數投票權或已發行股本或控制其董事會組成之實體，或本公司有合約上之權力，為該實體之財務及運作政策帶來主導性之影響。

計入本公司收益表之附屬公司業績只限於已收及應收股息。本公司於附屬公司之權益乃以成本值減去任何減損後列賬。

### 聯營公司

聯營公司為除附屬公司及共同控制實體以外本集團持有一般不少於20%投票權之長期權益，並可對其行使重大影響力之實體。

綜合收益表及綜合儲備分別包括本集團分佔其聯營公司於收購後之業績及儲備。本集團於聯營公司之權益乃根據會計權益法按本集團所佔資產淨值扣除任何減損後在綜合資產負債表上列賬。

本公司之收益表包括聯營公司之業績，僅限於已收及應收股息。本公司於聯營公司之權益被視為非流動資產，並按成本扣除任何減損列賬。

當對聯營公司之投資分類為持作待售時，將根據香港財務報告準則第5號持作待售非流動資產及非持續業務進行會計處理。

### 商譽

收購附屬公司所產生之商譽，乃指商業合併成本超逾本集團於收購當日應佔被收購者之已購入可辨別資產、負債及或然負債公允淨值之數額。

*協議日期為二零零五年一月一日或之後之購入商譽*

因收購所產生之商譽乃作為資產於綜合資產負債表內確認，初始以成本計算，之後以成本減任何累計減值虧損計算。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Goodwill (Continued)

The carrying amount of goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- is not larger than a segment based on either the Group's primary or the Group's secondary reporting format determined in accordance with HKAS 14 *Segment Reporting*.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised.

Where goodwill forms part of a cash-generating unit (group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

An impairment loss recognised for goodwill is not reversed in a subsequent period.

### *Goodwill previously eliminated against consolidated retained profits*

Prior to the adoption of HKICPA's Statement of Standard Accounting Practice 30 *Business Combinations* ("SSAP 30") in 2001, goodwill arising on acquisition of subsidiaries and associates was eliminated against consolidated retained profits in the year of acquisition. On the adoption of HKFRS 3, such goodwill remains eliminated against consolidated retained profits and is not recognised in the income statement when all or part of the business to which the goodwill relates is disposed of or when a cash-generating unit to which the goodwill relates becomes impaired.

## 2.4 主要會計政策之概要 (續)

### 商譽 (續)

每年均會檢討商譽之賬面值有否出現減值，倘出現任何事件或情況變動顯示賬面值有可能出現減值，則會作更頻繁之檢討。

用作測試減值時，商業合併所取得之商譽由收購日起分配予本集團每個現金產生單位，或預期會因合併協同作用受惠之現金產生單位組，而不論本集團是否分配其他資產及負債至該些單位或該些單位組。每單位或單位組之商譽分配方法如下：

- 本集團為內部管理目的監察商譽的最低層次；及
- 不大於本集團按照香港會計準則第14號分部報告劃分的本集團主要或次要報告之分部。

減值乃根據估計與商譽有關之現金產生單位（現金產生單位組合）之可收回數額釐訂。倘現金產生單位（現金產生單位組合）之可收回數額少於其賬面值，則會確認減值虧損。

倘商譽組成部分現金產生單位（現金產生單位組合），而該單位之業務部分經已出售，則在釐訂出售業務之盈虧時，與所出售業務有關之商譽將計入業務之賬面值。在此情況下，所出售之商譽將按所出售業務之相關價值及所保留之現金產生單位部分計算。

就商譽確認之減值虧損不會於其後期間撥回。

### *先前與綜合保留溢利對銷之商譽*

於二零零一年採納香港會計師公會會計實務準則第30號企業合併（「會計實務準則第30號」）之前，在收購附屬公司及聯營公司產生之商譽與收購當年綜合保留溢利對銷。於採納香港財務報告準則第3號時，即使所有或部分與商譽有關的業務出售或與商譽有關的現金產生單位減值時，相關商譽繼續與綜合保留溢利對銷，而不會於收益表中確認。



## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Excess over the cost of business combinations

Any excess of the Group's interest in the net fair value of the acquirees' identifiable assets, liabilities and contingent liabilities over the cost of acquisition of subsidiaries and associates (previously referred to as negative goodwill), after reassessment, is recognised immediately in the income statement.

The excess for associates is included in the Group's share of the associates' profits or losses in the period in which the investments are acquired.

### Impairment of non-financial assets other than goodwill

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than inventories, deferred tax assets, financial assets, investment properties, goodwill and disposal associates classified as held for sale), the asset's recoverable amount is estimated. An asset's recoverable amount is calculated as the higher of the asset's or cash-generating unit's value in use and its fair value less costs to sell, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to the income statement in the period in which it arises in those expense categories consistent with the function of the impaired asset, unless the asset is carried at a revalued amount, in which case the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill and certain financial assets is reversed only if there has been a change in the estimates used to determine the recoverable amount of an asset, however not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation), had no impairment loss been recognised for the asset in prior years. A reversal of such impairment loss is credited to the income statement in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

## 2.4 主要會計政策之概要 (續)

### 超出商業合併成本的部分

任何本集團於所收購可辨別資產、負債及或然負債公允淨值之權益超出收購附屬公司及聯營公司成本之數額(過往稱為負商譽)，經重新評估後，即時於收益表內確認。

聯營公司之超出額列入投資獲收購期間本集團應佔聯營公司溢利或虧損中。

### 非金融資產(不包括商譽)減值

倘有跡象顯示出現減值或須就資產進行年度減值測試(存貨、遞延稅項資產、金融資產、投資物業、商譽及分類為持作待售之聯營公司除外)，則會估計資產之可收回數額。資產之可收回數額按資產或現金產生單位之使用價值或公允值減銷售成本(以較高者為準)而計算，並就個別資產而確定，除非有關資產不能在頗大程度上獨立於其他資產或資產類別產生現金流入，在此情況下，可收回數額就資產所屬之產生現金單位而確定。

只有當資產之賬面值超出其可收回數額時，減值虧損才予以確認。在評估使用價值時，估計之未來現金流量乃按稅前折現率折現至彼等的現值，而稅前折現率乃反映現時市場就金錢時間價值及資產特定風險之評估。除非資產以重估價值來計算價值(即減值虧損根據該重估資產之相關會計政策列賬)，否則減值虧損將自其產生期間之收益表與減值資產相應的費用類別中扣除。

在每個報告日會評估有否於任何過往已確認之資產減值虧損可能不再存在或可能減少之跡象。倘出現任何該等跡象，則會估計可收回數額。只有當用以確定資產可收回數額之估計出現更改時，才可將以往確認之資產減值虧損(除商譽及部分金融資產外)撥回，但有關價值並不可高於假設過往年度並無就該資產確認任何減值虧損之情況下，該資產本來確定之賬面值(經扣除任何折舊/攤銷)。除非資產正以重估價值來計算價值(即減值虧損撥回根據該重估資產之相關會計政策列賬)，否則減值虧損撥回將計入其產生期間之收益表中。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Property, plant and equipment and depreciation

Property, plant and equipment, other than construction in progress, are stated at cost or valuation less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the income statement in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property, plant and equipment, and where the cost of the item can be measured reliably, the expenditure is capitalised as an additional cost of that asset or as a replacement.

Valuations are performed frequently enough to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Changes in the values of property, plant and equipment are dealt with as movements in the asset revaluation reserve. If the total of this reserve is insufficient to cover a deficit, on an individual asset basis, the excess of the deficit is charged to the income statement. Any subsequent revaluation surplus is credited to the income statement to the extent of the deficit previously charged. On disposal of a revalued asset, the relevant portion of the asset revaluation reserve realized in respect of previous valuations is transferred to retained profits as a movement in reserves.

Depreciation of toll roads is calculated to write off their valuation on a unit-of-usage basis whereby depreciation is provided based on the share of traffic volume for a particular period over the total projected traffic volume through out the periods for which the Group is granted the rights to operate the roads.

Depreciation of each item of property, plant and equipment other than toll roads is calculated on the straight-line basis to write off the cost or valuation to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

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

## 2.4 主要會計政策之概要 (續)

### 物業、廠房及設備以及折舊

除在建工程外，物業、廠房及設備乃按成本值或估值減累計折舊及任何減值虧損列賬。物業、廠房及設備項目之成本值包括其購買價及任何令該資產達至現時營運狀況及地點以作原定用途之直接應佔成本。物業、廠房及設備項目投入運作後產生之開支（如修理及維修）一般按其產生之期間在收益表內扣除。倘能清楚顯示費用令物業、廠房及設備項目用途取得之預期未來經濟效益有所增加，而該項目之成本能可靠地計量，則該筆費用將撥充資本作為資產之額外成本或作為替換。

經常進行估值以確保重估資產公允值與其賬面值並無重大差異。物業、廠房及設備價值之變動乃於資產重估儲備變動中處理。倘儲備總額不足以彌補虧絀，則虧絀數額之多出部分將按個別資產於收益表中扣除。其後任何重估盈餘會按過往扣除之虧絀計入收益表。於出售重估資產時，就過往估值而變現之資產重估儲備之有關部分會轉撥至保留溢利作為儲備變動。

計算收費道路折舊以車流量法攤銷其價值，即折舊乃根據特定期間交通流量佔本集團獲授權經營該道路整段期間總預計交通流量之份額計算。

折舊乃按各項物業、廠房及設備項目（不包括收費道路）之估計可使用年期以直線法撇銷其成本或估值至其殘值計算。折舊之主要年率如下：

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

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Property, plant and equipment and depreciation (Continued)

Where parts of an item of property, plant and equipment have different useful lives, the cost or valuation of that item is allocated on a reasonable basis among the parts and each part is depreciated separately.

Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at each balance sheet date.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the income statement in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress represent buildings under construction, which are stated at cost less any impairment losses, and are not depreciated. Cost comprises direct costs of construction and capitalised borrowing costs on related borrowed funds during the period of construction. Construction in progress are reclassified to the appropriate category of property, plant and equipment or investment properties when completed and ready for use.

### Investment properties

Investment properties are interests in land and buildings (including the leasehold interest under an operating lease for property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date.

Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

## 2.4 主要會計政策之概要 (續)

### 物業、廠房及設備以及折舊 (續)

倘一項物業、廠房及設備項目之部分之使用年期不同，則該項目之成本或估值乃於有關部分按合理基準分配，而各部分均獨立折舊。

殘值、使用年期及折舊方法乃於各結算日審核及調整（如適用）。

物業、廠房及設備項目乃於出售或預期將來其使用或出售並無經濟利益時終止確認。於資產終止確認之年度內，於收益表中確認之出售或報廢之任何收益或虧損乃出售所得款項淨額與相關資產賬面值之差額。

在建工程指興建中之樓宇，乃以成本值減任何減值虧損列賬，並不予折舊。成本包括直接建築成本及於建築期內有關借貸資金之資本化借貸成本。在建工程於竣工且可供使用時將重新分類至適當之物業、廠房及設備或投資物業之類別。

### 投資物業

投資物業乃指持作賺取租金收入及／或持作資本增值之土地及樓宇權益（包括物業經營租約項下之租賃權益，而該物業符合投資物業之定義），並非作生產或供應產品或服務或作行政目的；或作日常業務中的銷售。該等物業按成本（包括交易成本）初步計量。於初始確認後，投資物業乃按公允價值列賬，反映於結算日之市場環境。

投資物業之公允價值變動產生之收益或虧損乃於其產生之年度收益表內列賬。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Investment properties (Continued)

Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of the retirement or disposal.

If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment and depreciation" up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is accounted for as a revaluation in accordance with the policy stated under "Property, plant and equipment and depreciation" above. For a transfer from inventories to investment properties, any difference between the fair value of the property at that date and its previous carrying amount is recognised in the income statement. When the Group completes the construction or development of a self-constructed investment property, any difference between the fair value of the property at the completion date and its previous carrying amount is recognised in the income statement.

### Properties under development

Properties under development are stated at cost less any impairment losses. Cost includes all costs attributable to such development, including financing charges. Impairment is assessed by the directors based on prevailing market prices, on an individual property basis.

Properties under development which have been pre-sold are classified as properties under development for sale under current assets.

### Non-current assets and interests in associates held for sale

Non-current assets and interests in associates are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. For this to be the case, the asset or the interests in associate must be available for immediate sale in its present condition subject only to terms that are usual and customary for the sale of such assets or interests in associates and its sale must be highly probable.

Non-current assets and interests in associates (other than investment properties, deferred tax assets and financial assets) classified as held for sale are measured at the lower of their carrying amounts and fair values less costs to sell.

## 2.4 主要會計政策之概要 (續)

### 投資物業 (續)

任何報廢或出售投資物業之收益或虧損乃於報廢或出售年度內於收益表內確認。

倘物業由本集團佔用作業主佔用物業成為投資物業，則本集團根據截至該物業用途變更當日「物業、廠房及設備以及折舊」所載政策將該物業列賬，而於當日任何該物業之賬面值及公允值之差額則根據上文「物業、廠房及設備以及折舊」所載政策按重估列賬。倘物業由存貨轉撥至投資物業，則任何該物業在轉撥當日之公允值與其之前賬面值之任何差額於收益表內確認。當本集團完成自建投資物業之建築或開發時，該物業於落成日期之公允值與其之前賬面值之任何差額於收益表內確認。

### 發展中物業

發展中物業以成本減任何減值虧損列賬。成本包括應佔該等發展（包括融資費用）之所有成本。減值乃由董事按個別物業以現行之市場價格為基準評估。

預售之發展中物業歸類為流動資產項下之發展中待售物業。

### 非流動資產及持作待售之聯營公司權益

倘非流動資產及聯營公司權益之賬面值主要透過出售交易而非持續使用撥回時分類為持作待售。在此情況下，資產或聯營公司權益須於現時狀況下即時可供出售，惟須遵守出售該等資產或聯營公司權益之一般及慣用條款及出售須極有可能達成。

分類為持作待售之非流動資產及聯營公司權益（投資物業、遞延稅項資產及金融資產除外）按其賬面值與公平值減銷售成本之較低者計量。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Completed properties for sale

Completed properties for sale are stated at the lower of cost and net realisable value. Cost is determined by apportioning of the total land and development cost attributable to the unsold properties. Net realisable value is estimated by the directors based on prevailing market prices, on an individual property basis.

### Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and, in the case of work in progress and finished goods, comprises direct materials, direct labour and an appropriate proportion of overheads. Net realisable value is based on estimated selling prices less any estimated costs to be incurred to completion and disposal.

### Leases

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Where the Group is the lessor, assets leased by the Group under operating leases are included in non-current assets, and rentals receivable under the operating leases are credited to the income statement on the straight-line basis over the lease terms. Where the Group is the lessee, rentals payable under the operating leases are charged to the income statement on the straight-line basis over the lease terms.

Prepaid land lease payment under operating leases is initially stated at cost and subsequently recognised on the straight-line basis over the lease terms. When the lease payments cannot be allocated reliably between the land and buildings elements, the entire lease payments are included in the cost of the land and buildings as a finance lease in property, plant and equipment.

### Intangible assets (other than goodwill)

Vehicle licences acquired by the Group is stated at cost less any impairment losses and are amortised on the straight-line basis over their estimated useful lives of 15 to 20 years.

## 2.4 主要會計政策之概要 (續)

### 已落成之待售物業

已落成之待售物業以成本值及可變現淨值兩者之較低者列賬。成本乃按未出售物業應佔之土地及發展成本總額分攤計算。可變現淨值乃由董事按個別物業當時之現行市場價格估計。

### 存貨

存貨以成本值及可變現淨值兩者之較低者列賬。成本按加權平均法釐定，而對於在產品及產成品而言，則包括直接材料、直接工資及經常性費用之適當部分。可變現淨值按估計售價減完成及出售產生之任何估計成本而定。

### 租約

凡資產擁有權帶來之絕大部分回報及風險仍歸出租人所有的租賃，均列為經營租約。倘本集團為出租人，則本集團根據經營租約出租之資產乃計入為非流動資產，而經營租約之應收租金則按租期以直線法計入收益表。倘本集團為承租人，則經營租約之應付租金將按租期以直線法於收益表扣除。

根據經營租約預付之土地租金首次乃成本列賬，而隨後則按租期以直線法確認。租金不可於土地及樓宇部分可靠地分配時，全部租金作為物業、廠房及設備之融資租約於土地及樓宇之成本中列賬。

### 無形資產 (不包括商譽)

本集團購入之車輛執照乃按成本減任何減值虧損列賬，並按其估計可使用年期15至20年以直線法攤銷。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Investments and other financial assets

Financial assets in the scope of HKAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Group considers whether a contract contains an embedded derivative when the Group first becomes a party to it. The embedded derivatives are separated from the host contract which is not measured at fair value through profit or loss when the analysis shows that the economic characteristics and risks of embedded derivatives are not closely related to those of the host contract.

The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at the balance sheet date.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

#### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on investments held for trading or these financial assets are recognised in the income statement.

Where a contract contains one or more embedded derivatives, the entire hybrid contract may be designated as a financial asset at fair value through profit or loss, except where the embedded derivative does not significantly modify the cash flows or it is clear that separation of the embedded derivative is prohibited.

Financial assets may be designated upon initial recognition as at fair value through profit or loss if the following criteria are met: (i) the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or recognising gains or losses on them on a different basis; (ii) the assets are part of a group of financial assets which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management strategy; or (iii) the financial asset contains an embedded derivative that would need to be separately recorded.

## 2.4 主要會計政策之概要 (續)

### 投資及其他金融資產

根據香港會計準則第39號所界定之金融資產分類為透過損益按公允值計算之金融資產、貸款及應收賬款及可供出售之金融資產(視情況而定)。金融資產於首次確認時以公允值計算,並且對並非透過損益按公允值計算的投資,則應加上直接應佔的交易成本。當本集團首次成為訂約方時,本集團會考慮合約是否包含嵌入式衍生工具。當分析顯示嵌入式衍生工具之經濟特徵及風險並非與該等主合約緊密相關時,嵌入式衍生工具與非透過損益按公允值計算之主合約分開處理。

本集團於首次確認後釐定其金融資產分類,並在容許及適當之情況下於結算日重新評估有關分類。

所有常規買賣之金融資產概於交易日(即本集團承諾買賣該資產之日期)予以確認。常規買賣乃指按照一般市場規定或慣例在一定期間交付資產之金融資產買賣。

#### 透過損益按公允值計算之金融資產

透過損益按公允值計算之金融資產包括持作買賣資產及初步確認為透過損益按公允值計算之金融資產。倘金融資產以短期出售為目的而購入,則分類為持作買賣。衍生工具(包括獨立的嵌入式衍生工具)亦被分類為持作買賣,除非它們被指定為有效的套期工具。持作買賣之投資或該等金融資產之收益或虧損於收益表內確認。

倘合約包含一項或多項嵌入式衍生工具,則整份合約將列作透過損益按公允值計算之金融資產,除非此嵌入式衍生工具不會對現金流產生重大影響或明確禁止將此嵌入式衍生工具分開處理。

滿足以下條件之金融資產會在初始確認時為透過損益按公允值計算:(i)此分類將抵消或明顯減少由不同基準所產生的資產衡量或損益確認所導致之不一致處理;(ii)此金融資產為一系列被有效管理且其業績根據風險管理戰略以公允值衡量的資產之一;或(iii)此金融資產包含須單獨入賬的嵌入式衍生工具。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Investments and other financial assets (Continued)

#### Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are subsequently carried at amortised cost using the effective interest method. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

#### Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets in listed and unlisted equity securities that are designated as available for sale or are not classified in any of the other two categories. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement.

When the fair value of unlisted equity securities cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such securities are stated at cost less any impairment losses.

#### Fair value

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business at the balance sheet date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; a discounted cash flow analysis; and option pricing models.

## 2.4 主要會計政策之概要 (續)

### 投資及其他金融資產 (續)

#### 貸款及應收賬款

貸款及應收賬款為具有固定或可確定現金付款，但在活躍市場中無報價的非衍生金融資產。該等資產用實際利率方法計算攤銷成本。攤銷成本已計入任何收購折讓或溢價，並包括屬於實際利率及交易成本一部分的費用。該等貸款及應收賬款遭終止確認、出現減值或進行攤銷時產生的盈虧計入收益表。

#### 可供出售之金融資產

可供出售金融資產包括可供出售之上市及非上市股本證券，或是不能分到其他任何兩類別之非衍生金融資產。初始確認後，可供出售金融資產按公允值計量，其損益在權益中單獨確認，當該資產被停止確認或產生減值虧損時，將其以前在權益中確認之累計收益或虧損轉入收益表中。

當(a)合理之公允值之估計存在重大可變性；或(b)在一定範圍內各種估計之可能性不能合理評估並用於估算公允值，使非上市股本證券之公允值不能可靠計量時，則有關證券以成本減任何減值虧損列賬。

#### 公允值

就於有秩序之金融市場上交易活躍之投資而言，其公允值乃參考結算日辦公時間結束時於證券交易所之市場買入報價而釐定。至於沒有活躍市場之投資，其公允值則以估值方法釐定。該等方法包括以最近按公平原則進行之市場交易，以另外大致相同之工具之現行市值作參考，以現金流量折現分析及期權定價模型。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Impairment of financial assets

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

#### Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through the use of an allowance account. The amount of the impairment loss is recognised in the income statement.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the income statement, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

In relation to trade receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Group will not be able to collect all of the amounts due under the original terms of an invoice. The carrying amount of the receivables is reduced through the use of an allowance account. Impaired debts are derecognised when they are assessed as uncollectible.

## 2.4 主要會計政策之概要 (續)

### 金融資產減值

本集團於各結算日評估是否有客觀跡象表明一項金融資產或一組金融資產的價值出現減值。

#### 以攤銷成本計價的資產

倘有客觀證據顯示按攤銷成本列賬之貸款及應收款項出現減值虧損，虧損數額按該資產之賬面值與估計未來現金流量（不包括尚未出現之未來信貸虧損）之現值（按金融資產之原來實際利率（即初步確認時所計之實際利率）折現）之差額計算。資產之賬面值可直接或透過使用備抵項目減少。減值虧損數額於收益表確認。

本集團首先評估有否客觀證據顯示減值單獨地存在於獨立具有重要性之金融資產，還是單獨或整體地存在於不獨立具有重要性之金融資產。倘確定並無客觀證據顯示減值存在於單獨評估之金融資產，無論重要與否，該資產將包括於具類似信貸風險特徵之一組金融資產，並整體進行減值評估。單獨進行減值評估且其減值虧損已確認或將持續確認之資產並不包括於整體減值評估。

倘於隨後期間內，減值虧損數額減少，且減少客觀上與確認減值後發生之事項相關，則過往確認之減值虧損可予撥回。隨後任何減值虧損之撥回於收益表確認，惟資產之賬面值不得超過其於撥回日期之攤銷成本。

當有客觀跡象（例如債務人可能無力償還或面臨重大經濟困難）表明本集團將無法根據發票原有條款收回所有款項時，即就應收賬款作出減值撥備。應收賬款之賬面值可通過備抵賬目作出抵減。減值債務於被評估為不可收回時終止確認。



## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Impairment of financial assets (Continued)

#### Assets carried at cost

If there is objective evidence that an impairment loss on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment losses on these assets are not reversed.

#### Available-for-sale financial assets

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the income statement, is transferred from equity to the income statement. Impairment losses on equity instruments classified as available for sale are not reversed through the income statement.

### Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the rights to receive cash flows from the asset have expired;
- the Group retains the rights to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

## 2.4 主要會計政策之概要 (續)

### 金融資產減值 (續)

#### 按成本列值之資產

倘有客觀證據顯示，因未能可靠計量公允值而未按公允值列值之非上市股本工具出現減值虧損，則虧損金額按該資產之賬面值與預期未來現金流量之現值（按類似金融資產之現行市場回報率折現）之差額入賬。該等資產之減值虧損不予撥回。

#### 可供出售之金融資產

倘一項可供出售資產出現減值，其成本值（扣除任何本金付款及攤銷）與其現行公允值之差額，在扣減以往在收益表中確認之任何減值虧損後會由權益轉撥至收益表。分類作可供出售之股本工具之減值虧損不會透過收益表撥回。

### 終止確認金融資產

在下列情況下，將終止確認金融資產，或（如適當）一項金融資產之一部分或一組類似金融資產之一部分：

- 可獲取資產所得現金流量之權利期滿；
- 本集團保留可獲取資產所得現金流量之權利，但根據交付協議須無重大延誤地向第三方清償；或
- 本集團已轉讓其可獲取資產所得現金流量之權利，並(a)轉讓資產之一切回報及風險絕大部分，或(b)既無轉讓亦無保留資產之一切回報及風險絕大部分，但已轉讓資產之控制權。

倘本集團已轉讓其可獲取資產所得現金流量之權利，但既無轉讓亦無保留資產之一切回報及風險絕大部分，亦無轉讓資產之控制權，則本集團將根據其對該資產的持續相關部分確認該資產。以轉讓資產擔保形式發生之持續相關乃按該資產之原賬面值及本集團須支付之最高代價額（以較低者為準）計算。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Derecognition of financial assets (Continued)

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, where the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

### Financial liabilities at amortised cost (including interest-bearing loans and borrowings)

Financial liabilities including trade and other payables and interest-bearing loans and borrowings are initially stated at fair value less directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

### Financial guarantee contracts

Financial guarantee contracts in the scope of HKAS 39 are accounted for as financial liabilities. A financial guarantee contract is recognised initially at its fair value plus transaction costs that are directly attributable to the acquisition or issue of the financial guarantee contract, except when such contract is recognised at fair value through profit or loss. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount determined in accordance with HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets*; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 *Revenue*.

### Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the income statement.

## 2.4 主要會計政策之概要 (續)

### 終止確認金融資產 (續)

倘持續相關以轉讓資產書面及／或購買期權(包括現金結算期權或類似條文)形式發生，則本集團之持續相關部分為本集團購回之轉讓資產的金額。倘資產之書面認沽期權(包括現金結算期權或類似條文)按公允值計算，則本集團之持續相關部分僅限於轉讓資產之公允值及期權行使價兩者之較低者。

### 以攤銷成本計價的金融負債(包括計息銀行及借貸)

金融負債包括應付賬款及其他款項以及計息銀行及借貸，按公允值減直接應佔交易成本初步列賬，其後用實際利率方法按攤銷成本計算，惟倘折現影響屬重大，則金融負債按成本列賬。

當負債終止確認或進行攤銷時，收益及虧損在收益表中確認。

### 財務保證合同

香港會計準則第39號範疇下的財務保證合同被分類為金融負債。一份財務保證合同將在初始時以其公允值加上可直接歸於收購或發行財務保證合同的交易成本進行確認，除非此合同是以公允值計量且變動計入損益。初始確認後，本集團將以下列兩者之較高者計算此財務保證合同：(i)根據香港會計準則第37號撥備、或然負債及或然資產所確定的金額；及(ii)初始確認金額減去根據香港會計準則第18號收益所確認的累計攤銷額(如適用)。

### 終止確認金融負債

債務被解除或取消或到期時，終止確認財務負債。

倘現有財務負債由同一貸方授予條款迥異之其他債項取代，或現有負債之條款經重大修訂，則該等變更或修訂視作終止確認原負債及確認新負債，各賬面值之差額於損益表確認。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the balance sheet date of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the income statement.

### Income tax

Income tax comprises current and deferred tax. Income tax is recognised in the income statement, or in equity if it relates to items that are recognised in the same or a different period directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

Deferred tax is provided, using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liabilities arises from goodwill or the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

## 2.4 主要會計政策之概要 (續)

### 撥備

倘因過往事宜產生目前債務(法定或推定)及將來可能需要有資源流出,以償還債務,則撥備予以確認,惟該債務之金額可可靠估計。

倘折現之影響屬重大者,就撥備之已確認金額即為於結算日償還債務預期所需費用之現值。折現現值金額隨著時間流逝之增幅於收益表計入財務成本。

### 所得稅

所得稅包括即期及遞延稅項。所得稅乃於損益賬中確認,或倘其與同期或不同期間所確認之權益項目有關,則於權益中確認。

即期及前期之即期稅項資產及負債乃按預期從稅務機關收回或向其支付之金額計量。

遞延稅項乃以負債法按於結算日就財務申報而言資產及負債之稅基與彼等賬面值兩者間之所有暫時差異作出撥備。

遞延稅項負債乃就所有應課稅暫時差異而確認:

- 惟倘遞延稅項負債乃因商譽或因並非商業合併交易之資產或負債之初步確認而產生,且於交易時並不影響會計溢利及應課稅溢利或虧損者則除外;及
- 就與在附屬公司及聯營公司投資有關之應課稅暫時差異而言,則倘暫時差異撥回之時間可被控制及暫時差異於可預見將來或不能撥回者除外。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Income tax (Continued)

Deferred tax assets are recognised for all deductible temporary differences, carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Conversely, previously unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

## 2.4 主要會計政策之概要 (續)

### 所得稅 (續)

遞延稅項資產乃就所有可扣減暫時差異、未動用稅項資產及未動用稅項虧損之轉結而確認，惟以可扣減暫時差異、未動用稅項資產及未動用稅項虧損之轉結可獲動用作抵銷應課稅溢利為限：

- 惟倘可扣減暫時差異之遞延稅項資產乃因並非商業合併交易之資產或負債之初步確認而產生，且於交易時並不影響會計溢利及應課稅溢利或虧損者則除外；及
- 就與在附屬公司及聯營公司投資有關之可扣減暫時差異而言，遞延稅項資產之確認僅以暫時差異於可預見將來可撥回及暫時差異可獲動用作抵銷應課稅溢利為限。

遞延稅項資產之賬面值於每個結算日作出檢討，並扣減至應課稅溢利不再足以供所有或部分遞延資產可被動用之程度。相反，以往未被確認之遞延稅項資產乃於各結算日重新評估，並於應課稅溢利足以供所有或部分遞延稅項資產可被動用時確認。

遞延稅項資產及負債乃按預期適用於變現資產或償還負債期間之稅率，按照於結算日已制定或實質制定之稅率（及稅務法）計算。

倘存在法律上可強制執行之權利，令即期稅項資產及即期稅項負債可互相抵銷，而遞延稅項關於同一應課稅實體及同一稅務機關，則遞延稅項資產及遞延稅項負債將會抵銷。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions are initially recorded using the functional currency rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rates of exchange ruling at the balance sheet date. All differences are taken to the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currencies of certain overseas subsidiaries and associates are currencies other than the Hong Kong dollar. As at the balance sheet date, the assets and liabilities of these entities are translated into the presentation currency of the Company at the exchange rates ruling at the balance sheet date and, their income statements are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are included in the exchange fluctuation reserve. On disposal of a foreign entity, the deferred cumulative amount recognised in equity relating to that particular foreign operation is recognised in the income statement.

For the purpose of the consolidated cash flow statement, the cash flows of overseas subsidiaries are translated into Hong Kong dollars at the exchange rates ruling at the dates of the cash flows. Frequently recurring cash flows of overseas subsidiaries which arise throughout the year are translated into Hong Kong dollars at the weighted average exchange rates for the year.

### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., 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. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised.

## 2.4 主要會計政策之概要 (續)

### 外幣

該等財務報表乃以本公司之功能及呈報貨幣港元呈列。本集團之每個實體釐定其本身之功能貨幣，而載於各實體之財務報表之項目乃以功能貨幣計量。外幣交易按交易日之功能貨幣之匯率初步列賬。於結算日以外幣訂值之貨幣資產及負債乃按結算日之功能貨幣匯率重新換算。所有差額均計入收益表。按外幣之歷史成本計量之非貨幣項目乃按首次交易日期之匯率換算。按外幣之公允值計量之非貨幣項目乃按公允值釐定當日之匯率換算。

若干海外附屬公司及聯營公司之功能貨幣乃香港貨幣以外之貨幣。於結算日，該等實體之資產及負債乃按結算日之匯率換算為本公司之呈報貨幣，而其收益表乃按年內之加權平均匯率換算為港元。於綜合時產生之匯兌差額均計入匯兌變動儲備。出售一家外國實體時，於有關該指定外國業務之權益確認之遞延累計金額乃於收益表確認。

就綜合現金流量表而言，海外附屬公司之現金流量按現金流量當日之匯率換算為港元。海外附屬公司在年內經常產生之現金流按年度之加權平均匯率換算為港元。

### 借貸成本

因收購、興建或生產未完成資產（即需一段長時間籌備作原定用途或銷售者）所直接產生之借貸成本乃撥作該等資產之部分成本，直至該等資產已大致準備作原定用途或銷售為止。將未用於未完成資產開支之特定借貸撥作臨時投資所賺取之投資收入從已撥充資本之借貸成本中扣除。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (a) income from the sale of properties and industrial and commercial products, when the significant risk and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods and properties sold;
- (b) rental income, on a time proportion basis over the lease terms;
- (c) toll fee income from the operation of toll roads is recognised when the tolls are received and receivable;
- (d) income from the provision of transportation services, when the transportation services have been rendered;
- (e) services income, when the relevant services have been rendered;
- (f) interest income, on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts through the expected life of the financial instrument to the net carrying amount of the financial asset; and
- (g) dividend income, when the shareholder's right to receive payment has been established.

### Dividends

Final dividends proposed by the directors are classified as a separate allocation of retained profits within the equity section of the balance sheet, until they have been approved by the shareholders in a general meeting. When these dividends have been approved by the shareholders and declared, they are recognised as a liability.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognised immediately as a liability when they are proposed and declared.

## 2.4 主要會計政策之概要 (續)

### 收入確認

在經濟利益將可能流入本集團且在收入可作出可靠計算之情況下，收入乃按下列基準確認：

- (a) 出售物業、工業及商業產品之收入在擁有權之重大風險及報酬已轉讓給買家時確認，惟前提是本集團不再參與一般與擁有權相聯繫之管理，對已出售之貨品及物業亦無實際控制權；
- (b) 物業出租期間之租金收入按租賃時間確認；
- (c) 經營收費道路之總收費收入於費用已收及應收時確認；
- (d) 運輸服務收入於已提供運輸服務時確認；
- (e) 服務收入乃於已提供該服務時確認；
- (f) 利息收入以應計方式按金融工具的估計年期用實際利率法將未來估計的現金收入折扣計算金融資產的賬面淨值；及
- (g) 股息收入於確定股東有權收取款項時確認。

### 股息

董事建議之末期股息歸類為資產負債表中權益部分項下獨立分配之保留溢利，直至股東在股東週年大會上批准。當股東批准及宣派該等股息時，該等股息會確認為負債。

因本公司章程大綱及細則授權董事宣派中期股息，故中期股息可同時建議派付並宣派。因此，中期股息在建議派付及宣派時，隨即確認為負債。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Related parties

A party is considered to be related to the Group if:

- (a) the party, directly or indirectly through one or more intermediaries, (i) controls, is controlled by, or is under common control with, the Group; (ii) has an interest in the Group that gives it significant influence over the Group; or (iii) has joint control over the Group;
- (b) the party is an associate;
- (c) the party is a member of the key management personnel of the Group or its parent;
- (d) the party is a close member of the family of any individual referred to in (a) or (c);
- (e) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (c) or (d); or
- (f) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

### Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments which are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a maturity of generally within three months when acquired, less banks overdrafts which are repayable on demand and from an integral part of the Group's cash management.

For the purpose of the balance sheets, cash and cash equivalents comprise cash on hand and at banks, including term deposits, which are not restricted as to use.

## 2.4 主要會計政策之概要 (續)

### 關連人士

在下列情況下，有關方將被視為本集團的關連人士：

- (a) 有關方直接或透過一名或多名中介人間接：(i)控制本集團，或受到本集團控制或共同控制；(ii)擁有本公司的權益，並可對本集團實施重大影響力；或(iii)與他人共同擁有本集團的控制權；
- (b) 有關方為聯營方；
- (c) 有關方為本集團或其母公司的主要管理人員；
- (d) 有關方為(a)或(c)項所述人士的直系親屬；
- (e) 有關方乃(c)或(d)項所述人士直接或間接控制、與他人共同控制或發揮重大影響力，或擁有重大投票權之實體；或
- (f) 有關方為本集團或其關聯方的僱員終止受僱後的福利計劃的受益人。

### 現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括手頭現金、活期存款、可隨時轉換為已確定數額現金、價值變動風險極微及自收購起三個月內到期之短期高流動性投資，經扣減須按要求償還之銀行透支額（構成本集團現金管理之一部分）。

就資產負債表而言，現金及現金等價物指手頭現金及銀行存款，包括定期存款，並無限定用途。

## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Employee benefits

#### Share-based payment transactions

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Employees (including directors) of the Group receive remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. The fair value is determined by the management using the Black-Scholes model, further details of which are given in note 34. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of the Company ("market conditions"), if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the "vesting date"). The cumulative expense recognised for equity-settled transactions at each balance sheet date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the income statement for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period. If the share options granted vested immediately, the Group recognised the fair value in the period in which the options are granted.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification, which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

## 2.4 主要會計政策之概要 (續)

### 僱員福利

#### 以股份支付的交易

本公司實施購股權計劃，為對本集團業務成功作出貢獻之合資格參與者，提供激勵與獎勵。本集團僱員（包括董事）以股本支付之交易方式收取報酬，僱員提供服務作為收取股本工具之代價（「以股本支付之交易」）。

與僱員進行以股本支付之交易之成本，乃參照授出日期之公允值而計量。公允值由管理層根據柏力克－舒爾斯模式確定，詳情載於附註34。評定以股本支付交易之價值時，除了對本公司股份價格有影響之條件（「市場條件」）（如適用）外，並無將任何績效條件計算在內。

以股本支付之交易之成本，連同權益相應增加部分，在績效及／或服務條件獲得履行期間（於有關僱員完全有權獲得授予之日（「歸屬日期」）結束）內確認。在歸屬日期前，每屆結算日確認之以股本支付之交易之累計開支，反映歸屬期已到期部分及本集團對最終將會歸屬之股本工具數目之最佳估計。在某一期間內在收益表內扣除或進賬，乃反映累計開支於期初與期終確認時的變動。倘授出之購股權即時歸屬，則本集團於購股權授出期間確認購股權之公允值。

對於已授出但尚未歸屬之購股權，不會確認任何開支，但視乎市場條件而決定歸屬與否的已授出購股權則除外，對於該類購股權而言，只要所有其他績效條件已經達成，不論市場條件是否達成，均會被視為已歸屬。

倘若以股本支付之購股權之條款有所變更，則所確認之開支最少須達到猶如條款並無任何變更之水平。此外，倘若按變更日期之計量，任何變更導致以股份支付之安排的總公允值有所增加，或對僱員帶來其他利益，則應就該等變更確認開支。



## 2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### Employee benefits (Continued)

#### Share-based payment transactions (Continued)

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share.

The Group has adopted the transitional provisions of HKFRS 2 in respect of equity-settled awards before 7 November 2002 and has applied HKFRS 2 only to equity-settled awards granted on or after 1 January 2005.

### Pension schemes

The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries and are charged to the income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group's employer contributions vest fully with the employees when contributed into the MPF Scheme except for the Group's employer voluntary contributions, which are refunded to the Group when the employee leaves employment prior to the contributions vesting fully, in accordance with the rules of the MPF Scheme.

Each of the subsidiaries operating in Mainland China participates in the central pension scheme (the "CPS") operated by the local municipal government for all of its staff. These subsidiaries are required to contribute 8% to 20% of their payroll costs to the CPS. The contributions are charged to the income statement as they become payable in accordance with the rules of the CPS.

## 2.4 主要會計政策之概要 (續)

### 僱員福利 (續)

#### 以股份支付的交易 (續)

倘若以股本支付之購股權被註銷，則應被視為已於註銷日期歸屬，任何尚未確認之授予購股權之開支，均應立刻確認，然而，若授予新購股權代替已註銷之購股權，並於授出日期指定為替代購股權，則已註銷之購股權及新購股權，均應被視為原購股權的變更，一如前段所述。

計算每股盈利時，未行使購股權之攤薄效應反映為額外股份攤薄。

本集團已採納香港財務報告準則第2號有關以股本支付購股權之過渡性條文，其應用於二零零二年十一月七日之前授出之購股權，並僅應用香港財務報告準則第2號於二零零五年一月一日或之後授出之購股權。

### 退休福利計劃

本集團根據強制性公積金計劃條例為合資格參與強積金計劃之僱員實施一項界定供款強積金退休計劃（「強積金計劃」）。所有作出之供款乃按僱員基本薪金之某一百分比計算，並依照強積金計劃之規定在須支付供款時在收益表中扣除。強積金計劃之資產乃與本集團之資產分開由獨立管理之基金持有。根據強積金計劃之規則，若僱員於可全數收取供款前離職，則僱主之自願供款將歸本集團所有，惟本集團就強積金計劃作出之僱主供款全數歸僱員所有。

所有於中國內地經營之附屬公司參與中央退休金計劃（「中央退休金計劃」），此計劃由地方市政府為該等公司所有僱員制訂。此等附屬公司必須按其薪金之8%到20%就中央退休金計劃作出供款。根據中央退休金計劃作出之供款會根據中央退休金計劃之規則在須付供款時自收益表中扣減。

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

#### Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

#### Impairment of assets

In determining whether an asset is impaired or the event previously causing the impairment no longer exists, the Group has to exercise judgement in the area of asset impairment, particularly in assessing: (1) whether an event has occurred that may affect the asset value or such event affecting the asset value has not been in existence; (2) whether the carrying value of an asset can be supported by the net present value of future cash flows which are estimated based upon the continued use of the asset or derecognition; and (3) the appropriate key assumptions to be applied in preparing cash flow projections including whether these cash flow projections are discounted using an appropriate rate. Changing the assumptions selected by management to determine the level of impairment, including the discount rates or the growth rate assumptions in the cash flow projections, could material affect the net present value used in the impairment test.

#### Income tax

Deferred tax is provided using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets are recognised for unused tax losses carried forward to the extent that it is probable (i.e., more likely than not) that future taxable profits will be available against which the unused tax losses can be utilised, based on all available evidence. Recognition primarily involves judgement regarding the future performance of the particular legal entity or tax group in which the deferred tax asset has been recognised. A variety of other factors are also evaluated in considering whether there is convincing evidence that it is probable that some portion or all of the deferred tax assets will ultimately be realised, such as the existence of taxable temporary differences, tax planning strategies and the periods in which estimated tax losses can be utilised. The carrying amount of deferred tax assets and related financial models and budgets are reviewed at each balance sheet date and to the extent that there is insufficient convincing evidence that sufficient taxable profits will be available within the utilisation periods to allow utilisation of the carry forward tax losses, and that the asset balance will be reduced and charged to the income statement.

### 3 重大會計判斷及估計

#### 判斷

於應用本集團會計政策過程中，管理層已作出以下判斷，惟涉及估計者除外，因估計對財務報表中確認之金額影響最大。

#### 資產減值

本集團在釐定是否出現資產減值或曾經造成減值但不復存在之事項時，需要就資產減值作出判斷，特別是評估：(1)是否發生可能影響資產價值之事件，或該影響資產價值之事件是否已不復存在；(2)資產賬面值與其未來現金流量（基於資產的持續使用或終止確認而估計）之折現淨值是否相符；及(3)編製現金流量預測時應用之適當重要假設，包括現金流量是否按適當折現率折現。管理層用以釐定任何減值程度之假設（包括作出現金流量預測時假設的折現率和增長率）如有改變，即可能大幅影響減值測試中之折現淨值。

#### 所得稅

遞延稅項採用負債法，就資產負債之稅基與在財務報告賬面值兩者之於結算日之短暫差異作全數撥備。遞延稅項資產被確認為未被動用之稅務虧損之結轉，惟只限於（基於所有證據）有可能出現的未來應計稅利潤用以抵消未被動用之稅項虧損。確認主要涉及有關特定法律實體或稅務組織之判斷。其他不同因素亦在評估之列，以考慮是否有具說服力之證據，證明部分或所有遞延稅項資產有可能最終被確認，例如可課稅暫時性差異、稅務計劃策略及估計稅務虧損可被動用之期間。遞延稅項資產之賬面值及相關財務模型及財務預算於每個結算日作出檢討，惟只限於沒有足夠具說服力之證據，證明動用期間內有足夠可課稅溢利，讓結轉稅務虧損得以被動用，資產結餘將會減少並在收益表中扣減。

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

#### Judgements (Continued)

##### Land appreciation tax

Under the Provisional Regulations on land appreciation tax ("LAT") implemented upon the issuance of the Provisional Regulations of the PRC on 27 January 1995, all gains arising from the transfer of real estate property in the Mainland China effective from 1 January 1994 are subject to LAT at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including amortisation of land use rights, borrowing costs and all property development expenditures.

The subsidiaries of the Group engaging in property development business in the Mainland China are subject to land appreciation taxes, which have been included in the income tax. However, the implementation of these taxes varies amongst various Mainland China cities and the Group has not finalised its land appreciation tax returns with various tax authorities. Accordingly, significant judgement is required in determining the amount of land appreciation and its related taxes. The ultimate tax determination is uncertain during the ordinary course of business. The Group recognises these liabilities based on management's best estimates. When the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and provisions of land appreciation taxes in the period in which such determination is made.

##### Operating lease commitments – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

##### Classification between investment properties and owner-occupied properties

The Group determines whether a property qualifies as an investment property, and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group.

### 3 重大會計判斷及估計 (續)

#### 判斷 (續)

##### 土地增值稅

根據於一九九五年一月二十七日頒佈實施的中華人民共和國土地增值稅暫行條例實施細則，於中國內地轉讓房地產物業產生的所有收益自一九九四年一月一日起須按介乎土地增值30%至60%之累進利率繳納土地增值稅。土地增值指出售物業所得款項減應課稅開支，包括土地使用權攤銷、借貸成本及所有物業發展開支。

本集團附屬公司於中國內地從事物業發展業務，須繳納土地增值稅（計入所得稅）。然而，中國內地不同城市對土地增值稅的實施不盡相同，故本集團並未完成向不同稅務機關申報土地增值稅。因此，有關釐定土地增值及相關稅項須作出重大判斷。於日常業務中釐定的最終稅項金額並不確定。本集團基於管理層之最佳估計確認該等負債。當該等事宜之最終稅項支出與初步列賬之數額出現差異時，該等差額將影響釐定稅項期間之所得稅及土地增值稅撥備。

##### 經營租約承擔 – 本集團作為出租人

本集團已就其投資物業組合訂立商用物業租約。本集團已確定其保留所有以經營租約方式出租之此等物業帶來之重大風險及回報。

##### 投資物業及業主物業之歸類

本集團確定一幢物業是否可列作投資物業，並已制定判斷之準則。投資物業乃持有作賺取租金或資金增值或兩者兼有之用途。因此，本集團考慮一幢物業在產出現金流量時，是否大都獨立於本集團持有之其他資產。

### 3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

#### Judgements (Continued)

Classification between investment properties and owner-occupied properties (Continued)

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

#### Estimation uncertainty

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

#### Estimation of fair value of investment properties

The best evidence of fair value is current prices in an active market for similar lease terms and other contracts. In the absence of such information, management determines the amount within a range of reasonable fair value estimates. In making its judgement, management considers information from (i) current prices in an active market for properties of different nature, conditions or locations by reference to available market information; (ii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of transactions that occurred at those prices; and (iii) discounted cash flow projections, based on reliable estimates of future cash flows, derived from the terms of any existing lease and other contracts, and (where possible) from external evidence such as current market rates for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of cash flows.

The principal assumptions for the Group's estimation of the fair value include those related to current market rents for similar properties in the same location and condition, appropriate discount rates, expected future market rents and future maintenance costs.

The carrying amount of investment properties at 31 December 2006 was HK\$3,083,941,000 (2005: HK\$2,653,801,000).

### 3 重大會計判斷及估計 (續)

#### 判斷 (續)

投資物業及業主物業之歸類 (續)

部分物業被持有作賺取租金或資金增值用途，另一部分則被持有作生產、貨物及服務供應或行政用途。倘若此等部分可分別出售（或按一項融資租約分別出租），則本集團就將此等部分分別列賬。倘若此等部分不能分別出售，則只能於一小部分作生產、貨物及服務供應或行政用途時，一幢物業方列為投資物業。

按個別物業判斷以決定配套服務之重大程度是否足以使一幢物業不再列為投資物業。

#### 估計之不確定因素

有關未來之主要假設以及其他於結算日會為下個財政年度資產與負債賬面值帶來重大調整風險之主要估計不明朗因素如下。

#### 投資物業公允值估計

公允值之最佳證明為同類租約及其他合約於活躍市場之現行價格。倘欠缺有關資料，管理層會根據合理公允值估計範圍釐定有關數額。在作出有關判斷時，管理層會考慮到下述資料：(i) 參考可取得的市場資料不同性質、情況或地區物業於活躍市場之現行價格；(ii) 同類物業於較不活躍市場之現行價格（已就發生交易以來經濟狀況之變化作出調整）；及(iii) 根據任何現有租約及其他合約之條款以及（如可行）外在證據（如同區狀況相同之同類物業當時之市場租值），基於對未來現金流量之可靠估計以及反映當前對現金流量金額及時間之不確定性之市場評估貼現率計算之現金流量預測。

本集團估計公允值之主要假設包括於相同地點及狀況下同類物業現時之市場租值、適用貼現率、預期日後市場租金及日後維修成本。

投資物業於二零零六年十二月三十一日之賬面值為3,083,941,000港元（二零零五年：2,653,801,000港元）。

#### 4. SEGMENT INFORMATION

Segment information is presented by way of the Group's primary segment reporting basis, by business segment. In determining the Group's geographical segments, revenues are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets. No further geographical segment information is presented as over 90% of the Group's revenue is derived from customers based in Mainland China, and over 90% of the Group's assets are located in Mainland China.

The Group's operating businesses are structured and managed separately, according to the nature of their operations and the products and services they provide. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of the other business segments. Summary details of the business segments are as follows:

- (a) the property development segment engages in development of residential, industrial and commercial properties;
- (b) the property investment segment invests in residential, industrial and commercial properties for their rental income potential;
- (c) the property management segment engages in the management of both Group developed properties and non-Group developed properties;
- (d) the transportation services segment consists of the provision of passenger and freight transportation services, automobile maintenance and other related services;
- (e) the manufacturing segment engages in the manufacture and sale of industrial and commercial products;
- (f) the infrastructure investment segment invests in infrastructure projects of power generation and toll roads;
- (g) the information technology segment engages in the cable television transmission network and the provision of information technology services; and
- (h) the "others" segment comprises, principally, building construction and other businesses.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

#### 4. 分類資料

分類資料以業務類別為本集團之主要呈報基準。在釐定本集團地區類別時，收入乃按照客戶所在之地區分類，而資產則按照資產所在之地區分類。由於本集團超過90%之收入乃來自中國大陸之客戶，且本集團超過90%之資產均位於中國大陸，因此並無呈報進一步地區分類資料。

本集團經營業務按照其業務性質及所提供之產品及服務，以不同的架構及管理模式運作。每個集團業務分類指提供不同產品及服務之策略性業務單位，其個別所受之風險及回報均有別於其他業務分類。業務分類之摘要如下：

- (a) 物業發展業務專責發展住宅、工業及商業樓宇；
- (b) 物業投資業務投資至具租務前景之住宅、工業及商業樓宇；
- (c) 物業管理業務專責管理由集團發展及非由集團發展之樓宇；
- (d) 交通運輸服務業務包括提供客運及貨運服務、汽車維修及其他相關服務；
- (e) 製造業務專責製造及銷售工業及商業產品；
- (f) 基建投資業務投資至發電基建項目及收費公路；
- (g) 資訊科技業務指提供有線電視網絡傳輸及提供科技服務；及
- (h) 「其他」分類主要包括樓宇建築工程及提供其他業務。

分類間之銷售及轉撥乃按照當時普遍之市場價格參考銷售予第三方之售價進行交易。

## 4. SEGMENT INFORMATION (Continued)

## Business segments

The following tables present revenue, profit/(loss) and certain asset, liability and expenditure information for the Group's business segments for the years ended 31 December 2006 and 2005.

## 4. 分類資料 (續)

## 業務分類

下表呈列本集團於截至二零零六年及二零零五年十二月三十一日止年度業務分類之收入、溢利(虧損)及若干資產、負債及開支資料:

Year ended 31 December 2006	截至二零零六年 十二月三十一日止年度	Continuing operations 持續業務							Discontinued operations 非持續業務				Total Consolidated 總額 綜合 千港元
		Property development 物業發展 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Property management 物業管理 HK\$'000 千港元	Transportation services 運輸服務 HK\$'000 千港元	Manufacturing 製造 HK\$'000 千港元	Infrastructure investment 基建投資 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總額 HK\$'000 千港元	Infrastructure investment 基建投資 HK\$'000 千港元	Information technology 資訊科技 HK\$'000 千港元	Total 總額 HK\$'000 千港元	
<b>Segment revenue:</b>	<b>分類收益:</b>												
Sales to customers	銷售予客戶	1,007,376	335,993	358,877	154,475	316,278	18,504	110,351	2,301,854	-	-	-	2,301,854
Segment results before increase in fair value of investment properties	投資物業公允價值增加前之分類業績	417,641	246,851	9,011	25,193	(20,974)	8,361	1,751	687,834	-	-	-	687,834
Increase in fair value of investment properties	投資物業公允價值增加	-	257,739	-	-	-	-	-	257,739	-	-	-	257,739
Segment results after increase in fair value of investment properties	投資物業公允價值增加後之分類業績	417,641	504,590	9,011	25,193	(20,974)	8,361	1,751	945,573	-	-	-	945,573
Interest income, dividend income and unallocated gains, net	利息收入、股息收入及未分配收益淨額								185,578				185,578
Unallocated expenses	未分配費用								(122,584)				(122,584)
Finance costs	融資成本								(216,774)				(216,774)
Share of profits and losses of associates	應佔聯營公司溢利及虧損	37,458	6,506	1,262	2,763	(132,461)	-	-	(84,472)	-	-	-	(84,472)
Unallocated share of profits of associates	未分配之應佔聯營公司溢利								154,706				154,706
Profit/(loss) for the year from discontinued operations	年內非持續業務之溢利/(虧損)								-	497,241	(23,707)	473,534	473,534
Profit before tax	除稅前溢利								862,027			473,534	1,335,561
Tax	稅項								(197,185)			-	(197,185)
Profit for the year	年內溢利								664,842			473,534	1,138,376

## 4. SEGMENT INFORMATION (Continued)

## 4. 分類資料 (續)

## Business segments (Continued)

## 業務分類 (續)

Year ended 31 December 2006	截至二零零六年 十二月三十一日止年度	Continuing operations 持續業務								Discontinued operations 非持續業務		
		Property development	Property investment	Property management	Transportation services	Manufacturing	Infrastructure investment	Information technology	Others	Total	Information technology	Consolidated
		物業發展	物業投資	物業管理	運輸服務	製造	基建投資	資訊科技	其他	總額	資訊科技	綜合
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
Assets and liabilities	資產及負債											
Segment assets	分類資產	3,180,691	3,261,280	75,806	202,447	258,533	3,170,852	-	55,835	10,205,444	-	10,205,444
Interests in associates	聯營公司權益	328,131	169,633	8,666	51,321	96,684	-	178	(1,456)	653,157	-	653,157
Unallocated interests in associates	未分配聯營 公司權益									1,798,471	-	1,798,471
Interests in an associate classified as held for sale	分類為持作待售之 聯營公司權益									-	125,845	125,845
Unallocated assets	未分配資產									5,351,025	-	5,351,025
Total assets	資產總額									18,008,097	125,845	18,133,942
Segment liabilities	分類負債	1,081,638	186,943	190,715	103,337	85,319	142,367	-	16,720	1,807,039	-	1,807,039
Unallocated liabilities	未分配負債									8,530,127	-	8,530,127
Total liabilities	負債總額									10,337,166	-	10,337,166
<b>Other segment information:</b>	<b>其他分類資料:</b>											
Depreciation	折舊	4,393	6,947	5,961	28,642	15,601	10,731	-	5,255	77,530	-	77,530
Amortisation of vehicle licences	汽車牌照攤銷	-	-	-	1,807	-	-	-	-	1,807	-	1,807
Write-back impairment of items of property, plant and equipment recognised in the income statement	於收益表確認之 物業、廠房及 設備項目 減值撥回	-	-	-	(1,517)	-	-	-	-	(1,517)	-	(1,517)
Increase in fair value of investment properties	投資物業 公允價值增加	-	(257,739)	-	-	-	-	-	-	(257,739)	-	(257,739)
Capital expenditure	資本支出	2,116,206	61,711	10,406	15,532	7,422	226	-	6,680	2,218,183	-	2,218,183

## 4. SEGMENT INFORMATION (Continued)

## 4. 分類資料 (續)

## Business segments (Continued)

## 業務分類 (續)

Year ended 31 December 2005	截至二零零五年 十二月三十一日止年度	Continuing operations 持續業務								Discontinued operations 非持續業務				Total 總額	Consolidated 綜合
		Property development	Property investment	Property management	Transportation services	Manufacturing	Infrastructure investment	Information technology	Others	Infrastructure investment	Information technology	Total			
		物業發展 HK\$'000 千港元	物業投資 HK\$'000 千港元	物業管理 HK\$'000 千港元	運輸服務 HK\$'000 千港元	製造 HK\$'000 千港元	基建投資 HK\$'000 千港元	資訊科技 HK\$'000 千港元	其他 HK\$'000 千港元	基建投資 HK\$'000 千港元	資訊科技 HK\$'000 千港元	總額 HK\$'000 千港元			
<b>Segment revenue:</b>	<b>分類收益:</b>														
Sales to customers	銷售予客戶	1,798,568	299,643	295,594	148,540	387,085	-	-	74,005	3,003,435	-	-	-	-	3,003,435
Segment results before increase in fair value of investment properties	投資物業公允價值 增加前之 分類業績	565,024	213,176	9,000	21,471	(2,260)	-	-	4,967	811,378	-	-	-	-	811,378
Increase in fair value of investment properties	投資物業 公允價值增加	-	128,111	-	-	-	-	-	-	128,111	-	-	-	-	128,111
Segment results after increase in fair value of investment properties	投資物業公允價值 增加後 之分類業績	<u>565,024</u>	<u>341,287</u>	<u>9,000</u>	<u>21,471</u>	<u>(2,260)</u>	<u>-</u>	<u>-</u>	<u>4,967</u>	<u>939,489</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>939,489</u>
Interest income, dividend income and unallocated gains, net	利息收入、股息收入及 未分配收益淨額									90,187					90,187
Unallocated expenses	未分配費用									(97,514)					(97,514)
Finance costs	融資成本									(178,535)					(178,535)
Share of profits and losses of associates	應佔聯營公司 溢利及虧損	79,595	20,283	1,044	2,847	(67,589)	105,876	(11,346)	-	130,710	-	-	-	130,710	
Profit/(loss) for the year from discontinued operations	年內非持續業務 之溢利/(虧損)									-	154,659	(41,467)	113,192	113,192	
Profit before tax	除稅前溢利									884,337			113,192	997,529	
Tax	稅項									(152,479)			-	(152,479)	
Profit for the year	年內溢利									<u>731,858</u>			<u>113,192</u>	<u>845,050</u>	



## 4. SEGMENT INFORMATION (Continued)

## 4. 分類資料 (續)

## Business segments (Continued)

## 業務分類 (續)

Year ended 31 December 2005	截至二零零五年 十二月三十一日止年度	Property development 物業發展 HK\$'000 千港元	Property investment 物業投資 HK\$'000 千港元	Property management 物業管理 HK\$'000 千港元	Transportation services 運輸服務 HK\$'000 千港元	Manufacturing 製造 HK\$'000 千港元	Infrastructure investment 基建投資 HK\$'000 千港元	Information technology 資訊科技 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總額 HK\$'000 千港元
<b>Assets and liabilities</b>	<b>資產及負債</b>									
Segment assets	分類資產	1,813,331	2,857,774	59,712	210,092	354,641	18,272	-	52,076	5,365,898
Interests in associates	聯營公司權益	293,954	84,759	7,855	52,300	222,010	2,236,603	147,444	1,695	3,046,620
Unallocated assets	未分配資產									3,656,857
Total assets	資產總額									12,069,375
Segment liabilities	分類負債	671,135	164,505	153,302	102,784	178,703	1,931	-	21,772	1,294,132
Unallocated liabilities	未分配負債									4,473,345
Total liabilities	負債總額									5,767,477
<b>Other segment information:</b>	<b>其他分類資料:</b>									
Depreciation	折舊	6,328	7,160	5,843	31,883	13,170	-	-	4,920	69,304
Amortisation of vehicle licences	汽車牌照攤銷	-	-	-	2,347	-	-	-	-	2,347
Impairment losses of items of property, plant and equipment recognised in the income statement	於收益表確認之物業、廠房及設備項目之減值	-	-	-	2,631	1,952	-	-	-	4,583
Increase in fair value of investment properties	投資物業公允值增加	-	(128,111)	-	-	-	-	-	-	(128,111)
Capital expenditure	資本支出	823,745	71,464	3,867	38,318	40,717	-	-	19,794	997,905

## 5. REVENUE, OTHER INCOME AND GAINS

Revenue, which is also the Group's turnover, represents proceeds from the sale of properties, sale of commercial and industrial goods, toll road income, rental income, management fee income, income from the provision of transportation services and others.

An analysis of revenue, other income and gains is as follows:

## 5. 收益、其他收入及收益

收入即相等於本集團之營業額，指來自銷售物業、銷售商業及工業產品所得款項、收費公路收入、租金收入、管理費收入、提供運輸服務之收入及其他收入。

本集團之收益、其他收入及收益之分析如下：

		Group 本集團	
		2006 HK\$'000 千港元	2005 HK\$'000 千港元
<b>Revenue</b>	<b>收益</b>		
Sale of properties	銷售物業	<b>1,007,376</b>	1,798,568
Sale of commercial and industrial goods	銷售商業及工業產品	<b>316,278</b>	387,085
Gross management fee income	總管理費收入	<b>358,877</b>	295,594
Gross rental income from investment properties	投資物業租金收入總額	<b>335,993</b>	299,643
Income from transportation services	運輸服務收入	<b>154,475</b>	148,540
Income from toll roads	收費公路收入	<b>18,504</b>	-
Others	其他	<b>110,351</b>	74,005
		<b>2,301,854</b>	3,003,435
<b>Other income</b>	<b>其他收入</b>		
Gross rental income from property, plant and equipment	來自物業、廠房及設備之租金收入總額	<b>27,294</b>	23,318
Bank interest income	銀行利息收入	<b>77,283</b>	71,335
Dividend income from investments:	來自投資之股息收入：		
Listed investments	上市投資	<b>292</b>	132
Unlisted investments	非上市投資	<b>-</b>	2,115
Interest income from loans receivables	應收貸款利息收入	<b>5,087</b>	671
Others	其他	<b>63,283</b>	33,938
		<b>173,239</b>	131,509
<b>Gains</b>	<b>收益</b>		
Gain on disposal of items of property, plant and equipment	出售物業、廠房及設備之收益	<b>197</b>	-
Fair value gains, net:	公允值收益淨額：		
Financial assets at fair value through profit or loss	透過損益按公允值計算之金融資產	<b>132,603</b>	-
Gain on disposal of associates	出售聯營公司之收益	<b>2,127</b>	10,787
Exchange gains	匯兌收益	<b>9,138</b>	5,147
		<b>144,065</b>	15,934
Other income and gains	其他收入及收益	<b>317,304</b>	147,443

## 6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

## 6. 除稅前溢利

本集團之除稅前溢利已扣除／(計入)下列各項後達至：

	Notes 附註	2006 HK\$'000 千港元	2005 HK\$'000 千港元
Cost of inventories sold	銷售存貨成本	693,007	1,371,760
Cost of services provided	提供服務成本	284,631	236,631
Auditors' remuneration	核數師酬金	5,942	6,013
Depreciation	折舊	77,530	69,304
Impairment of trade receivables	應收賬款減值	6,174	10,752
Write-back impairment of trade receivables	應收賬款減值撥回	(11,987)	-
Write-down of inventories to net realisable value	存貨減值至 可變現淨值	-	9,353
Direct operating expenses (including repairs and maintenance) arising on rental-earning investment properties	收租投資物業之 直接經營支出 (包括維修及保養)	61,071	41,710
(Write-back impairment)/impairment of items of property, plant and equipment	物業、廠房及設備項目 之(減值撥回)/減值	(1,517)	4,583
Loss on disposal of investment properties	出售投資物業之虧損	-	3,239
(Gains)/losses on disposal of items of property, plant and equipment	出售物業、廠房及設備項目 之(收益)/虧損	(197)	4,856
Minimum lease payments under operating leases in respect of land and buildings	土地及樓宇之經營租約 最低租金	9,141	11,133
Amortisation of vehicle licences *	汽車牌照攤銷*	1,807	2,347
Fair value (gains)/losses, net: Financial assets at fair value through profit or loss	公允值淨(收益)/虧損: 透過損益按公允值計算 之金融資產	(132,603)	2,340
Employee benefits expense (excluding directors' remuneration – note 8): Wages and salaries	僱員福利開支 (不包括董事酬金 – 附註8): 工資及薪金	346,108	279,581
Equity-settled share option expenses	以股權支付的購股權開支	13,067	7,080
Pension scheme contributions	退休金計劃供款	33,812	27,727
Less: Forfeited contributions	減:沒收之供款	-	-
Net pension scheme contributions**	退休金計劃供款淨額**	33,812	27,727
		392,987	314,388
Foreign exchange differences, net	外匯差異淨額	(9,138)	(5,147)
Bank interest income	銀行利息收入	(77,283)	(71,335)
Dividend income from investments:	投資股息收入:		
Listed investments	上市投資	(292)	(132)
Unlisted investments	非上市投資	-	(2,115)
Interest income from loans receivables	應收貸款利息收入	(5,087)	(671)
Gain on disposal of associates	出售聯營公司溢利	(2,127)	(10,787)
Gross rental income from investment properties	投資物業租金 收入總額	(335,993)	(299,643)
Net rental income from land and buildings	土地及樓宇淨租金收入	(22,302)	(19,161)

\* The amortisation of vehicle licences for the year is included in "Cost of sales" on the face of the consolidated income statement.

\* 本年度攤銷汽車牌照已被納入綜合收益表之「銷售成本」項目之內。

\*\* At 31 December 2006, the Group had no forfeited contributions available to reduce its contributions to the pension schemes in future years (2005: Nil).

\*\* 於二零零六年十二月三十一日，本集團並無已沒收供款可供減少其於未來數年之退休金計劃供款(二零零五年:無)。

## 7. FINANCE COSTS

## 7. 融資成本

		Group 本集團	
		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Interest on:	利息支出:		
Bank loans wholly repayable within five years	須於五年內悉數償還之 銀行貸款利息	250,705	197,305
Bank loans wholly repayable over five years	於五年後悉數償還之 銀行貸款利息	28,724	–
Other loans	其他貸款利息	1,827	3,289
Total interest	利息總額	281,256	200,594
Less: Interest capitalised	減:資本化利息	(64,482)	(22,059)
		216,774	178,535

## 8. DIRECTORS' REMUNERATION

## 8. 董事酬金

Directors' remuneration for the year, disclosed pursuant to the Listing Rules and Section 161 of the Hong Kong Companies Ordinance, is as follows:

本年度根據上市規則及公司條例第161條之董事酬金披露如下:

		Group 本集團	
		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Fees	袍金:	1,716	1,645
Other emoluments:	其他酬金:		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	7,649	4,929
Employee share option benefits	僱員購股權利益	32,931	9,720
Pension scheme contributions	退休金計劃供款	376	175
		40,956	14,824
		42,672	16,469

During the year, certain directors were granted share options, in respect of their services rendered to the Group, under the share option scheme of the Company, further details of which are set out in note 34 to the financial statements. The fair value of such options, which has been recognised to the income statement, was determined as at the date of grant and the amount included in the financial statements for the current year is included in the above directors' remuneration disclosures.

於本年度,若干董事因對本集團之服務,按本公司購股權計劃獲授購股權,詳情載於財務報表附註34。已在收益表入賬的該等認購權之公允值乃在授予日期釐定,在本年度財務報表入賬的數額亦並已包括在上述董事酬金披露。

## 8. DIRECTORS' REMUNERATION (Continued)

## (a) Independent non-executive directors

The fees paid to independent non-executive directors during the year were as follows:

		<b>Fees</b>	<b>Employee share option benefits</b>	<b>Total</b>
		袍金	僱員 購股權利益	總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>2006</b>	<b>二零零六年</b>			
Wong Po Yan	黃保欣	330	286	616
Wu Wai Chung, Michael	吳偉聰	280	286	566
Li Wai Keung, Ricky	李偉強	330	286	616
		940	858	1,798
<b>2005</b>	<b>二零零五年</b>			
Wong Po Yan	黃保欣	250	180	430
Wu Wai Chung, Michael	吳偉聰	250	180	430
Li Wai Keung, Ricky	李偉強	250	180	430
		750	540	1,290

There were no other emoluments payable to the independent non-executive directors during the year (2005: Nil).

## 8. 董事酬金 (續)

## (a) 獨立非執行董事

本年度已付獨立非執行董事袍金如下：

		<b>Fees</b>	<b>Employee share option benefits</b>	<b>Total</b>
		袍金	僱員 購股權利益	總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>2006</b>	<b>二零零六年</b>			
Wong Po Yan	黃保欣	330	286	616
Wu Wai Chung, Michael	吳偉聰	280	286	566
Li Wai Keung, Ricky	李偉強	330	286	616
		940	858	1,798
<b>2005</b>	<b>二零零五年</b>			
Wong Po Yan	黃保欣	250	180	430
Wu Wai Chung, Michael	吳偉聰	250	180	430
Li Wai Keung, Ricky	李偉強	250	180	430
		750	540	1,290

本年並無應付其他獨立非執行董事之酬金(二零零五年：無)。

## 8. DIRECTORS' REMUNERATION (Continued)

## (b) Executive directors and non-executive directors

		Fees	Salaries, allowances and benefits in kind	Employee share option benefits	Pension scheme contributions	Total
		袍金	薪金、津貼及 實物利益	僱員 購股權利益	退休金 計劃供款	總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>2006</b>	<b>二零零六年</b>					
Executive directors:	執行董事:					
Hu Aimin	胡愛民	–	1,224	2,506	63	3,793
Zhang Yijun	張宜均	–	1,212	2,255	62	3,529
Zhao Gesheng*	趙革生*	–	358	1,432	15	1,805
Xiao Rihai*	肖日海*	–	483	1,432	19	1,934
Liang Kaiping	梁開平	–	879	1,432	43	2,354
Liu Weijin*	劉偉進*	–	446	1,432	23	1,901
Zhang Huaqiao*	張化橋*	–	1,458	8,591	73	10,122
Tam Pinglung*	談秉農*	–	508	1,432	45	1,985
Zhao Mingfeng***	趙明豐***	–	673	1,682	33	2,388
Xu Ruxin**	徐汝心**	108	200	1,181	–	1,489
Zhu Huoyang**	朱火養**	108	208	1,181	–	1,497
		216	7,649	24,556	376	32,797
Non-executive directors:	非執行董事:					
Wu Jiesi*	武捷思*	280	–	5,799	–	6,079
Lee Yip Wah, Peter	李業華	280	–	286	–	566
Hu Zuoyuan	胡作元	–	–	1,432	–	1,432
		776	7,649	32,073	376	40,874

\* New directors appointed on 11 May 2006

\*\* Resigned as directors on 11 May 2006

\*\*\* Resigned as a director on 7 September 2006

\* 於二零零六年五月十一日獲委任之新董事

\*\* 於二零零六年五月十一日辭任之董事

\*\*\* 於二零零六年九月七日辭任之董事

## 8. DIRECTORS' REMUNERATION (Continued)

(b) Executive directors and non-executive directors  
(Continued)

		Salaries, allowances and benefits	Employee share option benefits	Pension scheme contributions	Total	
		Fees in kind				
		薪金、津貼及 實物利益	僱員 購股權利益	退休金 計劃供款	總額	
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	
<b>2005</b>	<b>二零零五年</b>					
Executive directors:	執行董事:					
Hu Aimin	胡愛民	–	1,250	1,800	53	3,103
Zhang Yijun	張宜均	–	1,235	1,500	41	2,776
Liu Jianhua	劉建華	–	618	1,200	33	1,851
Zhao Mingfeng	趙明豐	–	628	1,200	24	1,852
Liang Kaiping	梁開平	–	619	1,200	24	1,843
Xu Ruxin	徐汝心	260	350	1,050	–	1,660
Zhu Huoyang	朱火養	260	229	1,050	–	1,539
		520	4,929	9,000	175	14,624
Non-executive directors:	非執行董事:					
Lee Yip Wah, Peter	李業華	250	–	180	–	430
Hu Zuoyuan	胡作元	125	–	–	–	125
		895	4,929	9,180	175	15,179

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

於本年度內，概無任何董事放棄或同意放棄任何酬金之安排。

## 9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included five (2005: five) directors, details of whose remuneration are set out in note 8 above.

## 9. 五名最高薪僱員

本年度之五名最高薪僱員包括五名(二零零五年: 五名)董事，該等董事之酬金詳情載列於上文附註8。

## 10. TAX

No provision for Hong Kong profits tax has been made as the Group had no assessable profits arising in Hong Kong during the year (2005: Nil). Taxes on profits assessable in Mainland China are calculated at the rates of tax prevailing in the locations in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

Major subsidiaries of the Group operate in Shenzhen, Mainland China, which are subject to the corporate income tax rate of 15%.

PRC land appreciation tax ("LAT") is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including amortisation of land use rights, borrowing costs and all property development expenditures. LAT of HK\$60,604,000 is charged to the consolidated income statements for the year ended 31 December 2006 (2005: Nil).

## 10 稅項

本集團並無在香港產生任何應課稅盈利，因此於年內並無計提香港利得稅撥備（二零零五年：無）。中國大陸應課稅溢利須納稅項根據本集團營運地點當時之稅率按現行有關法例、註釋及慣例計算。

本集團之主要附屬公司在中國大陸深圳營運，按15%繳納企業所得稅。

中國土地增值稅（「土地增值稅」）按土地增值之30%至60%累進稅率徵收，土地增值即出售物業所得款項減包括土地使用權攤銷、借貸成本及所有物業發展支出之可扣稅開支。截至二零零六年十二月三十一日止年度，已自綜合收益表中扣除土地增值稅60,604,000港元（二零零五年：零港元）。

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Group:	本集團：		
Current – Mainland China	即期 – 中國大陸	119,843	114,114
LAT in Mainland China	中國大陸土地增值稅	60,604	–
Deferred Mainland China corporate income tax (note 32)	遞延中國大陸企業所得稅 (附註32)	16,738	38,365
<b>Total tax charge for the year</b>	<b>本年度稅項支出總額</b>	<b>197,185</b>	<b>152,479</b>



## 10. TAX (Continued)

A reconciliation of the income tax expense applicable to profit before income tax at the statutory income tax rates to the income tax expense at the Group's effective income tax rates for the year, and a reconciliation of applicable rates (i.e., the statutory tax rates) to the effective tax rates, are as follows:

		2006 HK\$'000 千港元	%	2005 HK\$'000 千港元	%
Profit before tax (including profit from discontinued operations)	除稅前溢利 (包括非持續業務溢利)	1,335,561		997,529	
Tax at the domestic rates applicable to profits in the provinces concerned	按適用於有關省份溢利之當地稅率計算之稅項	218,433	16.4	154,092	15.4
Higher tax rate for specific provinces or local authority	特定省份及地方當局較高之稅率	(2,504)	(0.2)	(885)	(0.1)
Profits and losses attributable to associates	聯營公司之溢利及虧損	(35,830)	(2.7)	(37,097)	(3.7)
Incomes not subject to tax	毋須繳納稅款之收入	(95,425)	(7.1)	(23,159)	(2.3)
Tax losses not recognised	未確認之稅項虧損	23,465	1.8	39,808	4.0
Tax loss utilised	已動用之稅項虧損	(2,402)	(0.2)	(1,583)	(0.1)
Expenses not deductible for tax	不可就稅項扣減之開支	39,795	3.0	20,392	2.0
Adjustments in respect of current tax of previous periods	就前期即期稅項作出調整	-	-	911	0.1
LAT	土地增值稅	60,604	4.5	-	-
Tax effect of LAT	土地增值稅之稅項影響	(8,951)	(0.7)	-	-
Tax charge at the Group's effective rate	按本集團有效稅率扣除之稅項	197,185	14.8	152,479	15.3

The share of tax attributable to associates of approximately HK\$32,134,000 (2005: HK\$26,280,000) is included in "Share of profits and losses of associates" on the face of the consolidated income statement.

## 10 稅項 (續)

下文所載為以法定稅率計算之適用於除所得稅前溢利之所得稅稅項開支及按本集團本年度之適用所得稅稅率(如法定稅率)計算之所得稅稅項開支之對賬:

聯營公司應佔稅項約為32,134,000港元(二零零五年:26,280,000港元)·已列入綜合收益表中「應佔聯營公司溢利及虧損」內。

## 11. DISCONTINUED OPERATIONS

On 28 August 2006, the Company entered into a contract to dispose the entire 55.88% equity interest in a subsidiary, Newton Industrial Limited ("Newton"). Newton in turn through its subsidiaries holds a 34% equity interest in Shenzhen Mawan Power Co., Ltd. ("Mawan"), which operates two power plants in Shenzhen, the PRC. The state authorities have approved this transaction on 24 November 2006.

## 11. 非持續業務

二零零六年八月二十八日·本公司訂立合約出售附屬公司Newton Industrial Limited(「Newton」)所有55.88%股權。Newton透過其附屬公司擁有深圳媽灣電力有限公司(「媽灣」)34%股權·而媽灣在中國深圳經營兩座發電廠。國家有關當局已於二零零六年十一月二十四日批准以上交易。

## 11. DISCONTINUED OPERATIONS (Continued)

The Group has decided to dispose its entire 31.1% interest in Shenzhen Topway Video Communication Co., Ltd. ("Topway"), an associate of the Group established in the Mainland China. Topway engages in the provision of cable TV and other communication network technology services in Shenzhen. On 22 December 2006, the transaction has been published for public bidding in Shenzhen Enterprise Ownership Exchange Centre. As at 31 December 2006, the final negotiations for the disposal were in progress and the interests in Topway were classified as held for sale.

Mawan engages in power generation and is a separate business segment under infrastructure operation. Topway represents the major information technology operation of the Group, another separate business segment. The Group has decided to cease its power generation operation and information technology operation because it plans to focus its resources on the property development and other investment opportunities.

The results of Mawan and Topway for the year are presented below:

		Notes 附註	2006 HK\$'000 千港元	2005 HK\$'000 千港元
Share of profit of Mawan	應佔媽灣溢利		174,255	154,659
Share of loss of Topway	應佔天威虧損		(23,707)	(41,467)
Profit of the discontinued operations	非持續業務溢利		150,548	113,192
Gain on disposal of a subsidiary – Newton	出售附屬公司Newton之收益	37	322,986	–
Profit before tax from discontinued operations	非持續業務之除稅前溢利		473,534	113,192
Tax	稅項		–	–
Profit for the year from discontinued operations	非持續業務之年內溢利		473,534	113,192

## 11. 非持續業務 (續)

本集團決定出售所持深圳市天威視訊股份有限公司(「天威」)之全部31.1%權益。天威為本集團於中國大陸成立之聯營公司，於深圳市提供有線電視及其他通訊網絡科技服務。於二零零六年十二月二十二日，該交易通過深圳市產權交易中心公開掛牌競價。於二零零六年十二月三十一日，該等出售仍在最後洽商階段，故於天威之權益分類為持作待售。

媽灣經營發電業務，是基建業務部門獨立經營的企業。天威是本集團主要的資訊科技業務。由於計劃集中資源經營物業發展及其他投資機會，本集團已決定結束發電及資訊科技業務。

媽灣及天威的年內業績呈列如下：

## 11. DISCONTINUED OPERATIONS (Continued)

The interests in Topway were classified as held for sale as at 31 December 2006 as follows:

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
<b>Assets</b>	<b>資產</b>		
Interests in Topway	於天威之權益	125,845	-
Net assets directly associated	直接相關資產淨值	125,845	-

The net cash flows incurred from the discontinued operations are as follows:

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Investing activities	投資活動	706,641	223,808
Financing activities	融資活動	(87,012)	(98,739)
Net cash inflow	淨現金流量	619,629	125,069

## 11. 非持續業務 (續)

於二零零六年十二月三十一日，在天威之權益分類為持作待售，列示如下：

非持續業務所產生之淨現金流量如下：

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Earnings per share:	每股盈利：		
Basic, from the discontinued operations	基本，來自非持續業務	HK15.59 cents港仙	HK1.81 cents港仙
Diluted, from the discontinued operations	攤薄，來自非持續業務	HK15.12 cents港仙	HK1.81 cents港仙

The calculations of basic and diluted profit per share amounts from the discontinued operations are based on:

非持續業務之每股基本及攤薄盈利乃按下列各項計算：

		2006	2005
Profit for the year from discontinued operations	非持續業務年度溢利	HK\$473,534,000港元	HK\$113,192,000港元
Results attributable to minority interests	少數股東應佔業績	(HK\$76,874,000港元)	(HK\$68,229,000港元)
Profit attributable to ordinary equity holders of the parent from the discontinued operations	母公司普通權益持有人應佔非持續業務溢利	HK\$396,660,000港元	HK\$44,963,000港元
Weighted average number of ordinary shares in issue during the year used in the basic profit per share calculation	用以計算每股基本盈利之年內已發行普通股加權平均數	2,543,566,810	2,482,413,966
Weighted average number of ordinary shares used in the diluted profit per share calculation	用以計算每股攤薄盈利之普通股加權平均數	2,624,039,624	2,482,413,966

**12. PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT**

The consolidated profit attributable to equity holders of the parent for the year ended 31 December 2006 includes a profit of HK\$767,325,000 (2005: HK\$147,390,000) which has been dealt with in the financial statements of the Company (note 35(b)).

**12. 母公司權益持有人應佔日常業務**

截至二零零六年十二月三十一日止年度母公司權益持有人應佔綜合溢利包括767,325,000港元溢利(二零零五年:147,390,000港元)已於本公司之財務報表中處理(附註35(b))。

**13. DIVIDENDS****13. 股息**

	<b>2006</b>	2005
	<b>HK\$'000</b>	HK\$'000
	千港元	千港元
Interim – HK3.00 cents (2005: HK2.00 cents) per ordinary share	74,905	49,648
Adjustment to prior year's final dividend	2,534	–
Proposed final scrip dividend with a cash option of HK8.54 cents (2005: cash dividend HK11.00 cents) per ordinary share	240,952	273,066
Proposed special scrip dividend with a cash option of HK11.45 cents (2005: Nil) per ordinary share	323,056	–
	<b>641,447</b>	322,714

The Board of Directors recommended the payment of a final scrip dividend (with a cash option) of HK8.54 cents (2005: cash dividend HK11.00 cents) and a special scrip dividend (with a cash option) of HK11.45 cents (2005: Nil) per ordinary share in respect of the year ended 31 December 2006. The proposed dividends for the year are subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

董事會建議派付截至二零零六年十二月三十一日止年度的末期以股代息(亦可選擇收取現金股息)為每股8.54港仙(二零零五年:現金股息11.00港仙)以及特別以股代息(亦可選擇收取現金股息)為每股11.45港仙(二零零五年:零港仙)。本年度擬派股息有待本公司股東於應屆股東週年大會上批准。

**14. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT**

The calculation of basic earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares in issue during the year.

**14. 母公司普通權益持有人應佔每股盈利**

每股基本盈利乃按照母公司普通權益持有人應佔本年度溢利及年內已發行普通股股份加權平均數計算。

The calculation of the diluted earnings per share amounts is based on the profit for the year attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all dilutive potential ordinary shares into ordinary shares.

每股攤薄盈利乃按母公司普通權益持有人應佔年內溢利計算。用作此項計算之普通股加權平均數為年內已發行普通股數目(即用以計算每股基本盈利者)以及所有潛在攤薄普通股股份視作行使或轉換為普通股而假設已無代價發行普通股加權平均數。

**14. EARNINGS PER SHARE ATTRIBUTABLE TO  
ORDINARY EQUITY HOLDERS OF THE PARENT**  
(Continued)

The calculations of basic and diluted earnings per share amounts are based on:

**14. 母公司普通權益持有人應佔每股盈利  
(續)**

每股基本及攤薄盈利乃按下列各項計算：

	Notes 附註	2006 HK\$'000 千港元	2005 HK\$'000 千港元
<b>Earnings</b>			
Profit attributable to ordinary equity holders of the parent, used in the basic earnings per share calculation			
From continuing operations		<b>406,946</b>	489,376
From discontinued operations	11	<b>396,660</b>	44,963
		<b>803,606</b>	534,339
<b>Number of shares</b>			
		2006	2005
<b>Shares</b>			
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation			
		<b>2,543,566,810</b>	2,482,413,966
Effect of dilution – weighted average number of ordinary shares:			
Share options		<b>80,472,814</b>	–
		<b>2,624,039,624</b>	2,482,413,966

## 15. PROPERTY, PLANT AND EQUIPMENT

## 15. 物業、廠房及設備

## Group

## 本集團

		Toll roads	Land and buildings in Hong Kong under medium term leases	Land and buildings in Mainland China under medium term leases	Leasehold improvements	Furniture, fixtures and equipment	Motor vehicles	Plant and machinery	Construction in progress	Total
			以中期租約於香港持有 收費公路之土地及樓宇	以中期租約於中國大陸持有 之土地及樓宇	租賃物業裝修	傢俬、裝置及設備	汽車	廠房及設備	在建工程	總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>31 December 2006</b>	<b>二零零六年十二月三十一日</b>									
At 31 December 2005 and at 1 January 2006:	於二零零五年十二月三十一日及於二零零六年一月一日:									
Cost or valuation	成本或估值	-	2,086	410,479	4,109	54,647	222,845	154,058	8,180	856,404
Accumulated depreciation and impairment	累計折舊及減值	-	(30)	(28,379)	(713)	(42,763)	(136,473)	(37,190)	-	(245,548)
<b>Net carrying amount</b>	<b>賬面淨值</b>	<b>-</b>	<b>2,056</b>	<b>382,100</b>	<b>3,396</b>	<b>11,884</b>	<b>86,372</b>	<b>116,868</b>	<b>8,180</b>	<b>610,856</b>
At 1 January 2006, net of accumulated depreciation and impairment	於二零零六年一月一日，經扣除累計折舊及減值	-	2,056	382,100	3,396	11,884	86,372	116,868	8,180	610,856
Additions	添置	-	-	2,177	9,274	8,710	20,673	7,386	7,399	55,619
Acquisition of a subsidiary (note 36)	收購附屬公司(附註36)	2,863,516	-	-	-	3,063	8,998	9,228	-	2,884,805
Disposals	出售	-	-	(4,500)	-	(2,252)	(4,876)	(5,774)	-	(17,402)
Transfer to investment properties (note 20)	轉撥至投資物業(附註20)	-	-	(6,467)	-	-	-	-	-	(6,467)
Reclassified to properties under development (note 19)	重新分類為發展中物業(附註19)	-	-	(91,866)	-	-	-	-	-	(91,866)
Write-back impairment	減值撥回	-	-	(249)	-	-	1,766	-	-	1,517
Depreciation provided during the year	本年度折舊撥備	(5,488)	-	(10,628)	(1,087)	(10,120)	(31,884)	(18,323)	-	(77,530)
Exchange realignment	匯兌調整	55,054	87	12,072	104	774	3,357	4,295	48	75,791
At 31 December 2006, net of accumulated depreciation and impairment	於二零零六年十二月三十一日，經扣除累計折舊及減值	2,913,082	2,143	282,639	11,687	12,059	84,406	113,680	15,627	3,435,323
At 31 December 2006: Cost or valuation	於二零零六年十二月三十一日：成本或估值	2,918,570	2,176	299,109	13,514	58,083	218,986	161,261	15,627	3,687,326
Accumulated depreciation and impairment	累計折舊及減值	(5,488)	(33)	(16,470)	(1,827)	(46,024)	(134,580)	(47,581)	-	(252,003)
<b>Net carrying amount</b>	<b>賬面淨值</b>	<b>2,913,082</b>	<b>2,143</b>	<b>282,639</b>	<b>11,687</b>	<b>12,059</b>	<b>84,406</b>	<b>113,680</b>	<b>15,627</b>	<b>3,435,323</b>
Analysis of cost or valuation:	成本或估值分析：									
At cost	成本	2,918,570	-	-	13,514	58,083	218,986	161,261	15,627	3,386,041
At 2006 valuation	二零零六年估值	-	2,176	299,109	-	-	-	-	-	301,285
		2,918,570	2,176	299,109	13,514	58,083	218,986	161,261	15,627	3,687,326

## 15. PROPERTY, PLANT AND EQUIPMENT (Continued)

## 15. 物業、廠房及設備 (續)

## Group

## 本集團

		Land and buildings in Hong Kong under medium term leases 以中期租約於香港持有	Land and buildings in Mainland China under medium term leases 以中期租約於中國大陸持有	Leasehold improvements 租賃物業裝修	Furniture, fixtures and equipment 傢俬、裝置及設備	Motor vehicles 汽車	Plant and machinery 廠房及設備	Construction in progress 在建工程	Total 總額	
		收費公路 HK\$'000 千港元	之土地及樓宇 HK\$'000 千港元	之土地及樓宇 HK\$'000 千港元	千港元	千港元	千港元	千港元	千港元	
<b>31 December 2005</b>	<b>二零零五年十二月三十一日</b>									
At 31 December 2004 and at 1 January 2005:	於二零零四年十二月三十一日及於二零零五年一月一日:									
Cost or valuation	成本或估值	-	2,034	451,137	1,304	49,844	243,868	134,455	7,688	890,330
Accumulated depreciation and impairment	累計折舊及減值	-	(28)	(30,011)	(130)	(36,204)	(137,645)	(39,997)	-	(244,015)
Net carrying amount	賬面淨值	-	2,006	421,126	1,174	13,640	106,223	94,458	7,688	646,315
At 1 January 2005, net of accumulated depreciation and impairment	於二零零五年一月一日, 經扣除累計折舊及減值	-	2,006	421,126	1,174	13,640	106,223	94,458	7,688	646,315
Additions	添置	-	-	24,633	2,776	8,400	24,434	33,591	4,709	98,543
Disposals	出售	-	-	(16,538)	-	(755)	(10,014)	(1,205)	(4,328)	(32,840)
Transfer to investment properties (note 20)	轉撥至投資物業 (附註20)	-	-	(40,079)	-	-	-	-	-	(40,079)
Impairment	減值	-	-	-	-	-	(2,631)	(1,952)	-	(4,583)
Depreciation provided during the year	本年度折舊撥備	-	-	(14,956)	(580)	(9,859)	(33,945)	(9,964)	-	(69,304)
Exchange realignment	匯兌調整	-	50	7,914	26	458	2,305	1,940	111	12,804
At 31 December 2005, net of accumulated depreciation and impairment	於二零零五年十二月三十一日, 經扣除累計折舊及減值	-	2,056	382,100	3,396	11,884	86,372	116,868	8,180	610,856
At 31 December 2005: Cost or valuation	於二零零五年十二月三十一日: 成本或估值	-	2,086	410,479	4,109	54,647	222,845	154,058	8,180	856,404
Accumulated depreciation and impairment	累計折舊及減值	-	(30)	(28,379)	(713)	(42,763)	(136,473)	(37,190)	-	(245,548)
Net carrying amount	賬面淨值	-	2,056	382,100	3,396	11,884	86,372	116,868	8,180	610,856
Analysis of cost or valuation:	成本或估值分析:									
At cost	成本	-	52	246,177	4,109	54,647	222,845	154,058	8,180	690,068
At 1997 valuation	一九九七年估值	-	2,034	164,302	-	-	-	-	-	166,336
		-	2,086	410,479	4,109	54,647	222,845	154,058	8,180	856,404

## 15. PROPERTY, PLANT AND EQUIPMENT (Continued)

The Group's land and buildings were revalued at 31 December 2006 by Greater China Appraisal Ltd, an independent firm of professionally qualified property valuers. These land and buildings were revalued at their open market values based on their existing use.

Had these land and buildings been carried at historical cost less accumulated depreciation, their carrying amounts would have been approximately HK\$230,350,000 (2005: HK\$113,000,000). At 31 December 2006, certain of the Group's land and buildings with a net book value of approximately HK\$5,730,000 (2005: HK\$2,432,000) and the ownership of Jingdong Expressway (a toll road with the net book value of approximately HK\$2,913,082,000 (2005: Nil)), were pledged to secure bank loans (note 30).

## 15. 物業、廠房及設備 (續)

本集團之若干土地及樓宇已於二零零六年十二月三十一日由獨立專業合資格物業估值師漢華評估有限公司進行重估。該等土地及樓宇乃根據公開市值基準按其現時之用途進行重估。

假如該等土地及樓宇按歷史成本減累計折舊列賬，其賬面值會變為約230,350,000港元（二零零五年：113,000,000港元）。於二零零六年十二月三十一日，本集團已抵押賬面淨值約5,730,000港元（二零零五年：2,432,000港元）之若干土地及樓宇以及荊東高速公路所有權（荊東高速公路賬面淨值約為2,913,082,000港元（二零零五年：零港元））作為銀行貸款之擔保（附註30）。

Company 本公司	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Furniture and fixtures 傢俬及裝置 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總額 HK\$'000 千港元	
<b>31 December 2006</b>	<b>二零零六年十二月三十一日</b>				
At 1 January 2006, net of accumulated depreciation	於二零零六年一月一日， 經扣除累計折舊	593	513	1,105	2,211
Additions	添置	-	448	583	1,031
Cost of disposals	出售成本	-	(110)	(867)	(977)
Depreciation written back on disposal	出售撥回折舊	-	110	867	977
Depreciation provided during the year	本年度折舊 撥備	(118)	(197)	(426)	(741)
At 31 December 2006, net of accumulated depreciation	於二零零六年十二月三十一日， 經扣除累計折舊	475	764	1,262	2,501
At 31 December 2006:	於二零零六年十二月三十一日：				
Cost	成本	593	1,133	2,584	4,310
Accumulated depreciation	累計折舊	(118)	(369)	(1,322)	(1,809)
Net carrying amount	賬面淨值	475	764	1,262	2,501



## 15. PROPERTY, PLANT AND EQUIPMENT (Continued)

## 15. 物業、廠房及設備 (續)

Company 本公司		Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Furniture and fixtures 傢俬及裝置 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總額 HK\$'000 千港元
<b>31 December 2005</b>	<b>二零零五年十二月三十一日</b>				
At 1 January 2005:	於二零零五年一月一日				
Cost	成本	–	623	4,225	4,848
Accumulated depreciation	累計折舊	–	(178)	(2,449)	(2,627)
Net carrying amount	賬面淨值	–	445	1,776	2,221
At 1 January 2005, net of accumulated depreciation	於二零零五年一月一日， 經扣除累計折舊	–	445	1,776	2,221
Additions	添置	593	209	–	802
Cost of disposals	出售成本	–	(37)	(1,356)	(1,393)
Depreciation written back on disposal	出售撥回折舊	–	37	1,356	1,393
Depreciation provided during the year	本年度折舊 撥備	–	(141)	(671)	(812)
At 31 December 2005, net of accumulated depreciation	於二零零五年十二月三十一日， 經扣除累計折舊	593	513	1,105	2,211
At 31 December 2005 and at 1 January 2006:	於二零零五年十二月三十一日及 於二零零六年一月一日：				
Cost	成本	593	795	2,868	4,256
Accumulated depreciation	累計折舊	–	(282)	(1,763)	(2,045)
Net carrying amount	賬面淨值	593	513	1,105	2,211

## 16. INTANGIBLE ASSETS

## 16. 無形資產

Group	本集團	HK\$'000 千港元
Vehicle licences	汽車牌照	
<b>31 December 2006</b>	<b>二零零六年十二月三十一日</b>	
Cost at 1 January 2006, net of accumulated amortisation	於二零零六年一月一日之成本， 經扣除累計攤銷	37,583
Additions	添置	784
Amortisation provided during the year	本年度攤銷撥備	(1,807)
Exchange realignment	匯兌調整	1,404
<b>At 31 December 2006, net of accumulated amortisation</b>	<b>於二零零六年十二月三十一日， 經扣除累計攤銷</b>	<b>37,964</b>
<b>At 31 December 2006:</b>	<b>於二零零六年十二月三十一日：</b>	
Cost	成本	59,681
Accumulated amortisation	累計攤銷	(21,717)
Net carrying amount	賬面淨值	37,964
31 December 2005	二零零五年十二月三十一日	
At 1 January 2005:	於二零零五年一月一日：	
Cost	成本	45,160
Accumulated amortisation	累計攤銷	(16,481)
Net carrying amount	賬面淨值	28,679
Cost at 1 January 2005, net of accumulated amortisation	於二零零五年一月一日之成本， 經扣除累計攤銷	28,679
Additions	添置	10,617
Amortisation provided during the year	本年度攤銷撥備	(2,347)
Exchange realignment	匯兌調整	634
At 31 December 2005, net of accumulated amortisation	於二零零五年十二月三十一日， 經扣除累計攤銷	37,583
At 31 December 2005:	於二零零五年十二月三十一日：	
Cost	成本	56,776
Accumulated amortisation	累計攤銷	(19,193)
Net carrying amount	賬面淨值	37,583

## 17. PREPAID LAND LEASE PAYMENT

## 17. 已預付土地租金款項

		Group 本集團	
		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Carrying amount at 1 January	於一月一日之賬面值	3,747	-
Addition during the year	本年度添置	-	3,747
Exchange realignment	匯兌調整	141	-
Carrying amount at 31 December	於十二月三十一日之賬面值	3,888	3,747
Current portion included in other receivables	計入其他應收賬款之即期部分	(85)	-
Non-current portion	非即期部分	3,803	3,747

The leasehold land is held under a medium term lease and is situated in Mainland China.

租賃土地以中期租約持有，位於中國大陸。

## 18. GOODWILL

## 18. 商譽

Group		本集團	2006 HK\$'000 千港元
Cost at 1 January 2006, net of accumulated impairment	於二零零六年一月一日之成本，經扣除累計減值		-
Acquisition of a subsidiary (note 36)	收購附屬公司(附註36)		195,932
Impairment during the year	本年度減值		-
Cost and carrying amount at 31 December 2006	於二零零六年十二月三十一日之成本及賬面值		195,932

## Impairment testing of goodwill

Goodwill acquired through business combination has been allocated to the infrastructure (toll road) division, which is a separate segment, for impairment testing.

The recoverable amount of the infrastructure (toll road) division has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by senior management. The discount rate applied to the cash flow projections is 12%.

Management believes that any reasonably possible change in the key assumptions on which the recoverable amounts of goodwill is based would not cause the carrying amounts to exceed its recoverable amounts.

## 商譽減值測試

通過商業合併而取得之商譽已分配至獨立分類的基建(收費公路)業務進行減值測試。

基建(收費公路)分部之可收回數額已按根據高級管理人員批准之五年期間財務預算使用現金流量預測計算之使用價值釐定。現金流量預測適用之折現率為12%。

管理人員相信，即使商譽可收回數額所根據之主要假設出現合理可能變動，亦不會引致賬面值超過其可收回數額。

## 19. PROPERTIES UNDER DEVELOPMENT

## 19. 發展中物業

		Group 本集團	
		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Land in Mainland China held under medium term leases, at cost:	以中期租約於中國大陸持有之土地，按成本：		
At beginning of year	年初	925,806	648,689
Additions	添置	1,403,910	418,414
Transfer to properties under development for sale	轉撥至發展中待銷物業	(607,206)	(129,276)
Reclassified from property, plant and equipment (note 15)	自物業、廠房及設備重新分類(附註15)	91,866	-
Disposals	出售	-	(26,356)
Exchange realignment	匯兌調整	34,591	14,335
At 31 December	於十二月三十一日	<b>1,848,967</b>	925,806
Development expenditure, at cost:	開發支出，按成本：		
At beginning of year	年初	143,742	256,020
Additions	添置	605,438	398,554
Transfer to properties under development for sale	轉撥至發展中待銷物業	(320,868)	(516,489)
Exchange realignment	匯兌調整	11,106	5,657
At 31 December	於十二月三十一日	<b>439,418</b>	143,742
		<b>2,288,385</b>	1,069,548

At 31 December 2006, the Group's properties under development with a net book value of approximately HK\$122,737,000 (2005: HK\$68,310,000) were pledged to secure bank loans granted to the Group (note 30).

於二零零六年十二月三十一日，本集團賬面淨值約為122,737,000港元(二零零五年：68,310,000港元)之發展中物業已用作授予本集團之銀行貸款抵押(附註30)。

## 20. INVESTMENT PROPERTIES

## 20. 投資物業

		Group 本集團	
		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Carrying amount at 1 January	於一月一日之賬面值	2,653,801	2,357,094
Transfer from property, plant and equipment (note 15)	轉撥自物業、廠房及設備 (附註15)	6,467	40,079
Additions	添置	60,566	68,029
Net profit from a fair value adjustment	公允值調整之純利	257,739	128,111
Reclassified from completed properties for sale (note 25)	自落成之待售物業重新分類 (附註25)	6,391	45,005
Disposals	出售	-	(36,698)
Exchange realignment	匯兌調整	98,977	52,181
Carrying amount at 31 December	於十二月三十一日之賬面值	<b>3,083,941</b>	2,653,801

The Group's investment properties are situated in Mainland China and are held under a medium term lease.

本集團之投資物業位於中國大陸，並以中期租約持有。

The Group's investment properties were revalued on 31 December 2006 by Greater China Appraisal Ltd., an independent firm of professionally qualified property valuers, at approximately HK\$3,083,941,000 on an open market, existing use basis. The investment properties are leased to third parties under operating leases, further summary details of which are included in note 38(i) to the financial statements. The net surplus arising on revaluation was credited to the consolidated income statement.

本集團之投資物業已於二零零六年十二月三十一日由獨立專業物業估值師漢華評值有限公司按公開市場目前採用之基準重估為約3,083,941,000港元。投資物業以經營租約出租予第三方，有關摘要載於財務報表附註38(i)。重估盈餘淨額已計入綜合收益表中。

At 31 December 2006, none of the Group's investment properties was pledged to secure bank loans granted to the Group (2005: HK\$33,628,000) (note 30).

於二零零六年十二月三十一日，本集團並無抵押任何投資物業作為本集團所獲銀行貸款之擔保（二零零五年：33,628,000港元）（附註30）。

## 21. INTERESTS IN SUBSIDIARIES

## 21. 附屬公司權益

		Company 本公司	
		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Unlisted shares, at cost	非上市股份·按成本	1,667,351	1,746,719
Due from subsidiaries*	應收附屬公司款項*	1,210,735	1,039,960
		<b>2,878,086</b>	2,786,679

\* The amounts due from subsidiaries are unsecured and have no fixed repayment date. Except for the amounts due from subsidiaries of HK\$949,545,710 (2005: HK\$774,064,604) which are interest-free, the remaining balance of HK\$261,189,751 (2005: HK\$265,894,981) bears interest at rates ranging from 3% to 7.75% (2005: 3% to 7.75%) per annum.

\* 應收附屬公司之款項為無抵押，並無固定還款日期。除應收附屬公司之949,545,710港元（二零零五年：774,064,604港元）免息款項以外，餘額261,189,751港元（二零零五年：265,894,981港元）按每年3%至7.75%（二零零五年：3%至7.75%）計算年息。

## 21. INTERESTS IN SUBSIDIARIES (Continued)

The amounts due from/to subsidiaries classified under current assets/liabilities are unsecured, interest-free and are repayable on demand or within one year.

The carrying amounts due from subsidiaries approximate to their fair values.

Particulars of the principal subsidiaries are as follows:

Name of subsidiaries 附屬公司名稱	Place of incorporation/ registration and operations 成立/註冊成立 及經營地點	Nominal value of issued and fully paid-up capital/ registered capital 已發行及繳足股本/ 註冊資本面值	Percentage of equity interest attributable to the Company 本公司應佔之 股本權益百分比 2006	2005	Principal activities 主要業務
Shum Yip Holdings (Shenzhen) Co., Ltd. (Note c) 深業集團(深圳)有限公司(附註c)	Mainland China 中國大陸	HK\$430,320,000 430,320,000港元	100	100	Property development 物業發展
Shum Yip Centre Development (Shenzhen) Co., Ltd. (Notes a & d) 深業中心發展(深圳)有限公司(附註a及d)	Mainland China 中國大陸	HK\$40,000,000 40,000,000港元	100	100	Property development 物業發展
Shenzhen Shengkong Industrial (Group) Co., Ltd. (Note e) 深圳深港實業(集團)有限公司(附註e)	Mainland China 中國大陸	RMB95,500,000 人民幣95,500,000元	80	80	Provision of transportation services 提供運輸服務
Shenzhen Shengkong Taxi Co., Ltd. (Notes a & d) 深圳市深港汽車出租有限公司(附註a及d)	Mainland China 中國大陸	RMB13,780,000 人民幣13,780,000元	80	80	Vehicle rentals 汽車租賃
Shenzhen Ganglong Transportation Industrial Co., Ltd. (Notes a & d) 深圳市港龍運輸實業有限公司(附註a及d)	Mainland China 中國大陸	RMB10,000,000 人民幣10,000,000元	80	80	Provision of transportation services 提供運輸服務
Shenzhen Terra (Holdings) Co., Ltd. (Note e) 深圳泰然(集團)股份有限公司(附註e)	Mainland China 中國大陸	RMB200,000,000 人民幣200,000,000元	51	51	Property development 物業發展
Shenzhen Terra Aluminum Alloy Works Co., Ltd. (Notes a & d) 深圳市泰然鋁合金工程有限公司(附註a及d)	Mainland China 中國大陸	RMB10,000,000 人民幣10,000,000元	49	49	Aluminum alloy engineering 鋁合金工程
Shenzhen Terra Property Management Service Co., Ltd. (Notes a & d) 深圳市泰然物業管理服務有限公司(附註a及d)	Mainland China 中國大陸	RMB5,060,000 人民幣5,060,000元	51	51	Property management 物業管理
Shenzhen Shengkong Winglee Cross Border Bus Co., Ltd. (Notes a, b & e) 深圳深港榮利直通巴有限公司(附註a、b及e)	Mainland China 中國大陸	RMB20,000,000 人民幣20,000,000元	40	40	Provision of cross-border bus services and vehicle repairs 提供直通巴士服務及汽車維修
Shenzhen Shum Yip Logistics Group Holding Co., Ltd. (Notes e & h) 深圳深業物流集團股份有限公司(附註e及h)	Mainland China 中國大陸	RMB160,764,662 人民幣160,764,662元	51	51	Operation of warehouses and property development 經營貨倉及物業發展
Shenzhen Pengji (Holdings) Company Limited (Note c) 深圳鵬基(集團)有限公司(附註c)	Mainland China 中國大陸	RMB231,911,337 人民幣231,911,337元	100	100	Property investment and development 物業投資及發展
Shenzhen PJLD Securities Products Co., Ltd. (Notes a & d) 深圳龍電安防股份有限公司(附註a及d)	Mainland China 中國大陸	RMB75,000,000 人民幣75,000,000元	63.46	63.46	Manufacturing of security products 製造安防產品

## 21. 附屬公司權益(續)

應收/應付附屬公司款項分類為流動資產/負債,為無抵押、免息,並須於要求時或一年內償還。

該等應收附屬公司款項之賬面值與其公允值相若。

主要附屬公司詳情如下:

## 21. INTERESTS IN SUBSIDIARIES (Continued)

## 21. 附屬公司權益 (續)

Name of subsidiaries 附屬公司名稱	Place of incorporation/ registration and operations 成立/註冊成立 及經營地點	Nominal value of issued and fully paid-up capital/ registered capital 已發行及繳足股本/ 註冊資本面值	Percentage of equity interest attributable to the Company 本公司應佔之 股本權益百分比 2006	2005	Principal activities 主要業務
Shenzhen Pengji Property Management Services Limited (Notes a & d) 深圳市鵬基物業管理服務有限公司(附註a及d)	Mainland China 中國大陸	RMB20,000,000 人民幣20,000,000元	100	100	Property management 物業管理
Huizhou Dayawan Shengkong Sanwei Transportation Industrial Limited (Notes a & d) 惠州大亞灣深港三維交通實業有限公司(附註a及d)	Mainland China 中國大陸	RMB10,000,000 人民幣10,000,000元	64	64	Provision of transportation services 提供運輸服務
Shenzhen Shum Yip Steel Centre Limited (Notes a & e) 深圳深業五金有限公司(附註a及e)	Mainland China 中國大陸	RMB19,920,000 人民幣19,920,000元	100	100	Manufacturing of steel products 製造五金產品
Shenzhen Pengsheng Property Industrial Company Limited (Notes a, b & e) 深圳鵬盛地產實業有限公司(附註a、b及e)	Mainland China 中國大陸	RMB45,000,000 人民幣45,000,000元	50	50	Property investment and development 物業投資及發展
Shenzhen Wondershine Residence Company Limited (Notes a & d) 深圳萬廈居業有限公司(附註a及d)	Mainland China 中國大陸	RMB7,114,288 人民幣7,114,288元	100	100	Property management 物業管理
Shum Yip Investment (Shenzhen) Co., Ltd. (Note c) 深業控股(深圳)有限公司(附註c)	Mainland China 中國大陸	RMB222,438,074 人民幣222,438,074元	100	100	Investment holding 投資控股
Hubei Shumyip Huayin Traffic Development Co., Ltd. (Notes a, d & f) 湖北深業華銀交通開發有限公司(附註a、d及f)	Mainland China 中國大陸	RMB110,000,000 人民幣110,000,000元	100	-	Provision of investment and management services of toll roads 提供收費公路投資及管理服務
Newton Industrial Limited (Note g) Newton Industrial Limited (附註g)	BVI 英屬處女群島	US\$34 34美元	-	55.88	Investment holding 投資控股

None of the subsidiaries had any loan capital outstanding as at 31 December 2006.

於二零零六年十二月三十一日，各附屬公司概無任何未償還借貸資本。

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

以上為董事認為對本年度業績構成主要影響或組成本集團資產淨值之主要部分之本公司附屬公司名單。董事認為，列載其他附屬公司詳情將導致資料過於冗長。

## 21. INTERESTS IN SUBSIDIARIES (Continued)

## Notes:

- a. Indirectly held by the Company
- b. The Company has control of the boards of directors of these entities and therefore these entities are regarded as subsidiaries of the Company.
- c. Established in the Mainland China as a wholly foreign-owned enterprise
- d. Established in the Mainland China as a domestic enterprise with limited liability
- e. Established in the Mainland China as a co-operative joint venture enterprise
- f. During the year, the Group acquired Hubei Shumyip Huayin Traffic Development Co., Ltd. (previously named as Hubei Huayin Traffic Development Co., Ltd.), from Xiamen Dongfang Jinlong Investment Co., Ltd., an independent third party. Further details of this acquisition are included in note 36 to the financial statements.
- g. During the year, the Group disposed Newton Industrial Limited. Further details of this disposal are included in note 37 to the financial statements.
- h. On 11 December 2006, in view of the expiry of the term of business of Shenzhen Shum Yip Logistics Group Holdings Co., Ltd. ("Shum Yip Logistics"), the shareholders of Shum Yip Logistics have entered into a Split Agreement to divide and allocate all the assets and liabilities of Shum Yip Logistics among themselves. Shum Yip Logistics is currently 51%-owned by the Company, 2.4734% owned by its employees (the "Employees") and 46.5266%-owned by three other PRC entities. Pursuant to the Split Agreement, all assets and liabilities of Shum Yip Logistics will be divided among its shareholders in proportion to their shareholdings in Shum Yip Logistics. The Company and the Employees have agreed to form a new joint venture (to be 95.3745%-owned by the Company) to hold the assets of Shum Yip Logistics allocated to them. The Company will cease to have any interest in Shum Yip Logistics upon the completion of the Split Agreement. The transaction has been approved by the Company's extraordinary general meeting held on 9 February 2007.

## 21. 附屬公司權益 (續)

## 附註:

- a. 由本公司間接持有
- b. 本公司對該實體之董事會具控制權，故該實體被視為本公司之附屬公司。
- c. 於中國大陸成立為外商獨資企業
- d. 於中國大陸成立為國內有限責任企業
- e. 於中國大陸成立為合作經營企業
- f. 年內，本集團自獨立第三方廈門東方金龍投資有限公司收購湖北深業華銀交通開發有限公司（前稱湖北華銀交通開發有限公司）。有關該收購之詳情載於財務報表附註36。
- g. 年內，本集團出售Newton Industrial Limited。有關該出售之詳情載於財務報表附註37。
- h. 於二零零六年十二月十一日，由於深圳深業物流集團股份有限公司（「深業物流」）的營業期限屆滿，深業物流股東簽訂分立協議，於彼等之間分配深業物流所有資產及負債。深業物流現時由本公司、其僱員（「僱員」）及另外三家中國實體分別擁有51%、2.4734%及46.5266%權益。根據分立協議，深業物流所有資產及負債將按其股東所持深業物流股權比例分配予股東。本公司及僱員同意成立新合營企業（本公司擁有95.3745%權益）以持有彼等獲分配的深業物流資產。完成分立協議後，本公司不再擁有深業物流任何權益。該交易已於二零零七年二月九日舉行之本公司股東特別大會上獲批准。



## 22. INTERESTS IN ASSOCIATES

## 22. 聯營公司權益

		Group 本集團		Company 本公司	
		2006 HK\$'000 千港元	2005 HK\$'000 千港元	2006 HK\$'000 千港元	2005 HK\$'000 千港元
Unlisted shares, at cost	非上市股份·按成本	-	-	88,053	88,053
Share of net assets	應佔資產淨值	2,534,843	3,027,489	105,744	-
Goodwill on acquisition (note a)	收購產生之商譽 (附註a)	17,356	-	17,356	-
Loans from associates	聯營公司給予之貸款	(4,890)	(7,999)	-	-
Loans to associates	給予聯營公司之貸款	30,164	27,130	-	-
		2,577,473	3,046,620	211,153	88,053
Interests in an associate classified as held for sale (note 11)	分類為持作待售之 聯營公司權益 (附註11)	(125,845)	-	(50,221)	-
		2,451,628	3,046,620	160,932	88,053
Market value of listed shares	上市股份市值	2,115,535	1,431,478	-	-

The loans from/to associates are unsecured, interest-free and have no fixed repayment date. The carrying amounts of these loans approximate to their fair values.

聯營公司所給予／給予聯營公司之貸款為無抵押、免息、且無固定償還日期。該等貸款之賬面值與其公允值相若。

## (a) Goodwill on acquisition

On 19 October 2006, the Company entered into an agreement to purchase (i) the convertible bonds issued by Coastal Greenland Limited ("Coastal Greenland") at a consideration of HK\$511,024,000 (note 24(a)); (ii) the shares representing approximately 7.32% of the issued share capital of Coastal Greenland as at 19 October 2006 at a consideration of HK\$145,800,000. Upon completion and assuming that there is exercise in full of the conversion rights attached to the convertible bonds, the convertible bonds would be converted into 443,862,857 Coastal Greenland shares, representing approximately 16.7% of the enlarged issued share capital of Coastal Greenland, and together with the purchased shares, in the aggregate would represent approximately 22.80% of the enlarged share capital of Coastal Greenland, assuming there were no change to the issued share capital of Coastal Greenland between the date of the purchase agreement and the date of conversion of the convertible bonds other than such conversion.

Considering all the facts and circumstances that affect potential voting rights in convertible bonds, the Company has significant influence in Coastal Greenland and the investment in 7.32% of the shares of Coastal Greenland is accounted for as interests in an associate.

## (a) 收購產生之商譽

於二零零六年十月十九日，本公司訂立協議收購(i)沿海綠色家園有限公司(「沿海綠色家園」)發行之可換股債券，代價為511,024,000港元(附註24(a))；(ii)沿海綠色家園於二零零六年十月十九日已發行股本中約7.32%之股份，代價為145,800,000港元。完成時並假設全面行使可換股債券所附換股權，可換股債券將兌換為443,862,857股沿海綠色家園股份，佔沿海綠色家園經擴大已發行股本約16.7%，連同所收購股份將合共佔沿海綠色家園之經擴大已發行股本約22.80%(假設除有關兌換外，於收購協議日期及可換股債券兌換日期之間沿海綠色家園之發行股本並無變動)。

考慮可能影響可換股債券潛在投票權之所有事實及情況則本公司對沿海綠色家園有重大影響。故於沿海綠色家園7.32%股份之投資作為聯營公司權益列賬。

## 22. INTERESTS IN ASSOCIATES (Continued)

## 22. 聯營公司權益 (續)

## (a) Goodwill on acquisition (Continued)

## (a) 收購產生之商譽 (續)

		2006 HK\$'000 千港元
Cost at 1 January 2006, net of accumulated impairment	於二零零六年一月一日的成本，減累計減值	-
Acquisition of an associate	收購一家聯營公司	17,356
Impairment during the year	年內減值	-
Cost and carrying amount at 31 December 2006	於二零零六年十二月三十一日之成本及賬面值	17,356

Particulars of the principal associates are as follows:

主要聯營公司詳情如下：

Name of associates 聯營公司名稱	Business structure 業務架構	Place of establishment/ incorporation and operations 成立/註冊成立 及經營地點	Nominal value of issued and fully paid-up capital/registered capital 已發行及 繳足股本/ 註冊資本面值	Percentage of ownership interest attributable to the Group		Principal activities 主要業務
				本集團應佔之 股本權益百分比 2006	2005	
Road King Infrastructure Ltd. ("Road King") *	Corporate 公司	Bermuda 百慕達	HK\$69,008,000 69,008,000港元	24.07	24.72	Provision of investment and management of toll roads, and property development 提供收費公路投資及管理 及物業發展
Shenzhen Tianan Cyber Park Co., Ltd. 天安數碼城有限公司	Corporate 公司	Mainland China 中國大陸	US\$18,000,000 18,000,000美元	25.5	25.5	Property investment and development 物業投資及發展
Shenzhen Mawan Power Co., Ltd. ("Mawan") ** 深圳媽灣電力有限公司 ("媽灣") **	Corporate 公司	Mainland China 中國大陸	RMB560,000,000 人民幣560,000,000元	-	19	Power generation 發電
Shenzhen Topway Video Communication Co., Ltd. 深圳市天威視訊有限公司	Corporate 公司	Mainland China 中國大陸	RMB200,000,000 人民幣200,000,000元	31.1	31.1	Provision of cable TV and other communication network technology services 提供有線電視網絡及其他通訊網絡技術服務
Shenzhen SEG-CNEDC Color Display Device Corp. 深圳市賽格中電彩色顯示器有限公司	Corporate 公司	Mainland China 中國大陸	RMB300,000,000 人民幣300,000,000元	26.76	26.76	Investment holding 投資控股
Shenzhen Gaofa Investment Holding Ltd. 深圳高發投資有限公司	Corporate 公司	Mainland China 中國大陸	RMB309,200,000 人民幣309,200,000元	29	29	Property development and investment 物業發展及投資
Coastal Greenland Limited 沿海綠色家園有限公司	Corporate 公司	Bermuda 百慕達	HK\$221,290,000 221,290,000港元	7.32	-	Property development and investment 物業發展及投資

Except for Coastal Greenland Limited which is audited by Ernst & Young, Certified Public Accountants, Hong Kong, none of the other associates are audited by Ernst & Young, Certified Public Accountants, Hong Kong or other Ernst & Young International member firms.

除沿海綠色家園有限公司由香港執業會計師安永會計師事務所審核外，上述其他聯營公司均非經香港執業會計師安永會計師事務所或安永會計師事務所國際會員公司所審核。

## 22. INTERESTS IN ASSOCIATES (Continued)

- \* Road King is a limited liability company incorporated in Bermuda and the ordinary shares with a nominal value of HK\$0.10 each are listed on the Main Board of The Stock Exchange of Hong Kong Limited. The principal location of Road King's business is Mainland China.
- \*\* Mawan is indirectly held by Newton Industrial Limited, a 55.88% owned subsidiary of the Company, which was disposed during the year (note 11).

The above table lists the associates of the Group which, in the opinion of the directors, principally affected the results for the year or formed a substantial portion of the net assets of the Group. To give details of other associates would, in the opinion of the directors, result in particulars of excessive length.

All the above associates have been accounted for using the equity method in these financial statements, except for Topway, which was classified as interests in an associate held for sale during the year in accordance with HKFRS 5 (note 11).

The following is the summarised financial information of all associates:

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Assets	資產	<b>25,043,788</b>	15,373,423
Liabilities	負債	<b>14,651,122</b>	5,185,136
Revenue	收入	<b>3,174,731</b>	5,035,696
Profit	溢利	<b>255,710</b>	553,612

## 23. AMOUNTS DUE FROM MINORITY SHAREHOLDERS

The amounts due from minority shareholders as at 31 December 2006 are unsecured, interest-free and repayable within one year.

The carrying amounts of amounts due from minority shareholders approximate to their fair values.

## 24. AVAILABLE-FOR-SALE INVESTMENTS

		Group 本集團		Company 本公司	
		2006 HK\$'000 千港元	2005 HK\$'000 千港元	2006 HK\$'000 千港元	2005 HK\$'000 千港元
At fair value:	按公允值：				
Listed equity investments in Mainland China	在中國大陸之 上市權益性投資	<b>31,550</b>	23,072	-	-
Unlisted equity investments in Mainland China	在中國大陸之 非上市權益性投資	<b>18,329</b>	18,178	<b>1,720</b>	1,720
Investment in convertible bonds (note a)	可換股債券投資 (附註a)	<b>360,973</b>	-	<b>360,973</b>	-
		<b>410,852</b>	41,250	<b>362,693</b>	1,720

## 22. 聯營公司權益 (續)

- \* 路勁乃於百慕達註冊成立之有限公司，其每股面值0.10港元普通股在香港聯合交易所有限公司主板上市。路勁之主要營業地點為中國大陸。
- \*\* 媽灣由本公司擁有55.88%權益並於年內出售之附屬公司Newton Industrial Limited (附註11) 間接持有。

以上為董事認為對本年度業績構成主要影響或組成本集團資產淨值之重大部分之本集團主要聯營公司名單。董事認為，列載其他聯營公司詳情將導致資料過於冗長。

上述所有聯營公司在財務報表內均使用權益法進行會計核算，除天威按照香港財務報告準則第5號於年內分類為持作待售之聯營公司權益為外 (附註11)。

所有聯營公司之財務資料摘要如下：

## 23. 應收少數股東款項

於二零零六年十二月三十一日之應收少數股東款項為無抵押、免息及於一年內償還。

應收少數股東款項之賬面值與其公允值相若。

## 24. 可供出售投資

**24. AVAILABLE-FOR-SALE INVESTMENTS (Continued)**

During the year, the net gain of the Group's listed and unlisted equity investments recognised directly in equity amounted to HK\$8,758,000 (2005: HK\$2,280,000).

The fair values of listed equity investments are based on quoted market prices. The fair values of unlisted equity investments have been estimated using a valuation technique based on assumptions that are not supported by observable market prices or rates. The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated balance sheet, and the related changes in fair values, which are recorded in the consolidated equity, are reasonable, and that they were the most appropriate values at the balance sheet date.

Note:

**(a) Investment in convertible bonds**

On 19 October 2006, the Company purchased convertible bonds with a nominal value of US\$40,000,000 issued by Coastal Greenland on 7 June 2006 at a total consideration of US\$65,600,000 (equivalent to HK\$511,024,000). The bonds are convertible into ordinary shares of Coastal Greenland in whole or in part at any time from the issue date to the close of business on 30 December 2009 at the conversion price of HK\$0.70 per share, subject to adjustments upon certain events that has a dilutive or concentrative effect on the value of the Coastal Greenland's shares. The bonds are redeemable at a price equal to 145% of the principal amount on 30 December 2009, the maturity date. The bonds carry interest at a rate of 4.75% per annum, which is payable half-yearly in arrears on 30 June and 30 December. The effective interest rate of the convertible bonds is 10.90% per annum.

The investment in convertible bonds comprises a non-derivative host contract and an embedded derivative, i.e. the equity conversion option. An embedded derivative whose economic characteristics and risks are not closely related to the economic characteristics and risk of the host contract and which meets the definition of a derivative, is separated from the host contract and accounted for as a derivative.

In accordance with HKAS 39, the host contract of the Company's investment in the convertible bonds is classified as the available-for-sale investments amounted to HK\$360,973,000 as at 31 December 2006. The fair value of the host contract was estimated using an equivalent market interest rate for a similar bond without a conversion option at the year end. The embedded derivative of the Company's investment in the convertible bonds is classified as a financial asset at fair value through profit or loss, amounted to HK\$302,158,000 as at 31 December 2006 (note 28). The fair value of the embedded derivative was estimated by Greater China Appraisal Ltd., an independent firm of professional qualified valuers, using the Monte Carlo Simulation model, taking into account of the terms and conditions upon which the option was granted. The fair value gain of HK\$147,330,000 was recorded in the consolidated income statement.

**24. 可供出售投資 (續)**

年內，直接於權益中確認之本集團上市及非上市權益性投資之收益淨額達8,758,000港元(二零零五年：2,280,000港元)。

上市權益性投資之公允值按市價計算。非上市權益性投資之公允值已按照並非以可觀察市價或比率支持之假設採用估值技術估計。董事相信以估值技術估計之公允值(計入綜合資產負債表)及公允值相關變動(計入綜合權益)合理，且為於結算日之最適當估值。

附註：

**(a) 可換股債券投資**

於二零零六年十月十九日，本公司以總代價65,600,000美元(相等於511,024,000港元)收購Coastal Greenland於二零零六年六月七日所發行面值40,000,000美元之可換股債券。可換股債券可於發行日期至二零零九年十二月三十日營業時間結束期間隨時按換股價每股0.70港元全部或部分兌換為Coastal Greenland之普通股，惟換股價或會因導致Coastal Greenland股份價值攤薄或增加之若干事件而調整。債券可於到期日二零零九年十二月三十日按相等於本金額145%之價格贖回。債券以年率4.75%計息，利息須於六月三十日及十二月三十日每半年末支付一次。可換股債券的實際利率為每年10.90%。

可換股債券投資包括非衍生主合約及嵌入式衍生工具，即權益性換股期權。經濟特性及風險與主合約無密切關連且符合衍生工具定義之嵌入式衍生工具，與主合約分開並作為衍生工具單獨列賬。

根據香港會計準則第39號，本公司投資可換股債券之主合約分類為可供出售投資，於二零零六年十二月三十一日達360,973,000港元。主合約之公允值根據於年底無換股期權之同類債券之相等市場利率估算。本公司於可換股債券投資之嵌入式衍生工具分類為按公允值計入損益之金融資產，於二零零六年十二月三十一日達302,158,000港元(附註28)。嵌入式衍生工具之公允值由獨立專業合資格估值師公司漢華評值有限公司使用Monte Carlo Simulation模式計算，並會考慮授出期權之條款及條件。公允值收益147,330,000港元已計入綜合收益表。

## 25. INVENTORIES

## 25. 存貨

		Group 本集團		Company 本公司	
		2006	2005	2006	2005
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Raw materials	原材料	23,123	33,486	-	-
Work in progress	在產品	6,201	12,644	-	-
Finished goods	產成品	12,249	38,744	-	-
Completed properties for sale	已落成之待售物業	449,859	280,544	-	-
		<b>491,432</b>	<b>365,418</b>	<b>-</b>	<b>-</b>

At 31 December 2006, the Group's completed properties for sale with a net book value of approximately HK\$6,209,000 (2005: HK\$5,986,000) were pledged as security for the Group's bank loans (note 30).

於二零零六年十二月三十一日，賬面淨值約為6,209,000港元（二零零五年：5,986,000港元）之本集團已落成之待售物業已作為本集團銀行貸款之抵押（附註30）。

During the year, completed properties for sale that amounted to approximately HK\$6,391,000 (2005: HK\$45,005,000) were transferred to investment properties for the purposes of investment of the Group (note 20).

年內，已落成之待售物業約6,391,000港元（二零零五年：45,005,000港元）已轉撥至投資物業用作本集團之投資（附註20）。

## 26. PROPERTIES UNDER DEVELOPMENT FOR SALE

## 26. 發展中待售物業

The properties under development for sale are located in Mainland China and stated at cost less impairment losses as at 31 December 2006.

於二零零六年十二月三十一日，位於中國大陸的發展中待售物業按成本扣除減值虧損列賬。

## 27. TRADE RECEIVABLES

## 27. 應收賬款

Under normal circumstances, the Group does not grant any credit terms to its customers. The Group seeks to maintain strict control over its outstanding receivables and to minimize credit risk. Overdue balances are regularly reviewed by management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

在正常情況下，本集團不會向其客戶授出信貸期。本集團設法對其未收回之應收款項保持嚴格控制及減低信貸風險。逾期款項餘額由管理層作定期檢討。鑑於上文所述及本集團之應收賬款涉及多個行業之眾多客戶，故本集團並無過度集中之信貸風險。應收賬款為非附息款項。

## 27. TRADE RECEIVABLES (Continued)

An aged analysis of the trade receivables as at balance sheet date is as follows:

		Group 本集團	
		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Within one year	一年內	151,384	290,699
One to two years	一年至兩年內	14,106	18,932
Two to three years	兩年至三年內	6,195	12,355
Over three years	三年以上	1,138	379
		<b>172,823</b>	322,365
Less: Impairment for trade receivables	減: 應收賬款減值	<b>(12,891)</b>	(18,704)
		<b>159,932</b>	303,661

## 27. 應收賬款 (續)

於結算日，應收賬款之賬齡分析如下：

## 28. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

		Group 本集團		Company 本公司	
		2006 HK\$'000 千港元	2005 HK\$'000 千港元	2006 HK\$'000 千港元	2005 HK\$'000 千港元
At market value:	按市值：				
Listed equity investments in Hong Kong	在香港之上市權益性投資	670	560	670	560
Listed equity investments in Mainland China	在中國大陸之上市權益性投資	588	-	-	-
Listed equity investments in Overseas	在海外之上市權益性投資	4,369	-	-	-
At fair value:	按公允值：				
Investment in convertible bonds	可換股債券投資	302,158	-	302,158	-
		<b>307,785</b>	560	<b>302,828</b>	560

The above listed equity investments at 31 December 2005 and 2006 were classified as held for trading. For details of investment in convertible bonds, please refer to note 24(a).

## 28. 透過損益按公允值計算之金融資產

以上於二零零五年及二零零六年十二月三十一日之權益性投資分類為持作買賣用途。有關可換股債券投資之詳情，請參閱附註24(a)。

## 29. CASH AND CASH EQUIVALENTS

## 29. 現金及現金等價物

		Group 本集團		Company 本公司	
		2006 HK\$'000 千港元	2005 HK\$'000 千港元	2006 HK\$'000 千港元	2005 HK\$'000 千港元
Cash and bank balances	現金及銀行結存	<b>1,446,592</b>	2,213,165	<b>32,770</b>	78,541
Time deposits	定期存款	<b>2,765,076</b>	1,295,365	<b>2,153,294</b>	1,052,339
Cash and cash equivalents	現金及現金等價物	<b>4,211,668</b>	3,508,530	<b>2,186,064</b>	1,130,880

At the balance sheet date, the cash and bank balances of the Group denominated in Renminbi ("RMB") amounted to HK\$1,987,483,000 (2005: HK\$2,306,938,000). The RMB is not freely convertible into other currencies. However, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for the other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The carrying amounts of the cash and cash equivalents approximate to their fair values.

於結算日，本集團以人民幣（「人民幣」）計值之現金及銀行結存共1,987,483,000港元（二零零五年：2,306,938,000港元）。人民幣並不可自由兌換為其他貨幣。然而，根據中國外匯管制條例及結匯、售匯及付匯管理規定，本集團獲准透過有權進行外匯業務之銀行將人民幣兌換為其他貨幣。

存放於銀行之現金根據日常銀行存款息率按浮動利率賺取利息。短期定期存款之存款期為一日至三個月不等，視乎本集團之即時現金需要而定，並按相關短期定期存款息率賺取利息。現金及現金等價物之賬面值與其公允值相若。

## 30. INTEREST-BEARING BANK LOANS

## 30. 帶息銀行貸款

Group 本集團		2006			2005		
		Effective interest rate (%) 實際利率(%)	Maturity 到期	HK\$'000 千港元	Effective interest rate (%) 實際利率(%)	Maturity 到期	HK\$'000 千港元
<b>Current</b>	<b>流動</b>						
Secured	有抵押	5.84-6.43	2007	17,941	6.70-6.75	2006	50,922
Unsecured	無抵押	4.86-6.73	2007	1,858,616	4.52-6.90, LIBOR+0.55	2006	1,998,582
					–		
					LIBOR+1.5, SIBOR+0.75		
				1,876,557			2,049,504
<b>Non-current</b>	<b>非流動</b>						
Secured	有抵押	5.75-6.84	2009-2020	1,610,667	–	–	–
Unsecured	無抵押	5.18-5.43 LIBOR+0.48	2008-2011	3,896,311	LIBOR+0.63 – LIBOR+0.85	2007-2009	2,132,653
				5,506,978			2,132,653
				7,383,535			4,182,157
Company 本公司		2006			2005		
		Effective interest rate (%) 實際利率(%)	Maturity 到期	HK\$'000 千港元	Effective interest rate (%) 實際利率(%)	Maturity 到期	HK\$'000 千港元
<b>Current</b>	<b>流動</b>						
Unsecured	無抵押	–	–	–	LIBOR+0.55 – LIBOR+0.85, SIBOR+0.75	2006	736,735
				–			736,735
<b>Non-current</b>	<b>非流動</b>						
Unsecured	無抵押	LIBOR+0.48	2011	3,617,235	LIBOR+0.63 – LIBOR+0.85	2007-2009	2,132,653
				3,617,235			2,869,388



## 30. INTEREST-BEARING BANK LOANS (Continued)

## 30. 帶息銀行貸款 (續)

		Group 本集團		Company 本公司	
		2006 HK\$'000 千港元	2005 HK\$'000 千港元	2006 HK\$'000 千港元	2005 HK\$'000 千港元
Analysed into:	分析:				
Bank loans repayable:	須償還之銀行貸款:				
Within one year	一年內	<b>1,876,557</b>	2,049,504	-	736,735
In the second year	兩年內	<b>279,076</b>	542,857	-	542,857
In the third to fifth years, inclusive	三年至五年內 (包括首尾兩年)	<b>3,637,169</b>	1,589,796	<b>3,617,235</b>	1,589,796
Beyond five years	五年以上	<b>1,590,733</b>	-	-	-
		<b>7,383,535</b>	4,182,157	<b>3,617,235</b>	2,869,388

(a) Bank loans amounting to HK\$1,628,608,000 (2005: HK\$50,922,000) were secured by:

- (i) certain of the Group's land and buildings which have an aggregate net book value of approximately HK\$5,730,000 (2005: HK\$2,432,000 and investment properties with an aggregate value of approximately HK\$33,628,000) (notes 15 and 20 respectively);
- (ii) certain of the Group's properties under development with a net book value of approximately HK\$ 122,737,000 (2005: HK\$68,310,000) (note 19);
- (iii) certain of the Group's completed properties for sale with a net book value of approximately HK\$6,209,000 (2005: HK\$ 5,986,000) (note 25); and
- (iv) the ownership of Jingdong Expressway. The net book value of Jingdong Expressway was approximately HK\$2,913,082,000 (2005: Nil) (note 15).

(b) Except for the bank loan equivalent to approximately HK\$3,617,235,000 which is denominated in United States dollars, all borrowings are in RMB.

(a) 銀行貸款金額為1,628,608,000港元(二零零五年: 50,922,000港元)·由以下資產作抵押:

- (i) 本集團賬面淨值合共約為5,730,000港元之若干土地及樓宇(二零零五年: 2,432,000港元及總值約為33,628,000港元之投資物業)(分別見附註15及20);
- (ii) 本集團賬面淨值約為122,737,000港元(二零零五年: 68,310,000港元)之若干發展中物業(附註19);
- (iii) 本集團賬面淨值約為6,209,000港元(二零零五年: 5,986,000港元)之若干已落成之待售物業(附註25);及
- (iv) 荊東高速公路所有權。荊東高速公路賬面淨值約為2,913,082,000港元(二零零五年: 零港元)(附註15)。

(b) 除了相當於約3,617,235,000港元之銀行貸款以美元計值外·其餘貸款均以人民幣計值。

## 30. INTEREST-BEARING BANK LOANS (Continued)

Other interest rate information:

		Group 本集團			
		2006		2005	
		Fixed rate 固定利率	Floating rate 浮動利率	Fixed rate 固定利率	Floating rate 浮動利率
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Bank loans – secured	銀行貸款－有抵押	37,875	1,590,733	50,922	–
Bank loans – unsecured	銀行貸款－無抵押	2,124,291	3,630,636	1,245,939	2,885,296

		Company 本公司			
		2006		2005	
		Fixed rate 固定利率	Floating rate 浮動利率	Fixed rate 固定利率	Floating rate 浮動利率
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Bank loans – unsecured	銀行貸款－無抵押	–	3,617,235	–	2,869,388

The carrying amounts of the Group's and the Company's current and non-current borrowings approximate to their fair values.

本集團及本公司之流動及非流動借貸之賬面值與其公允值相若。

## 31. TRADE AND NOTES PAYABLES

An aged analysis of the trade and notes payables as at the balance sheet date, based on the payment due date, is as follows:

## 31. 應付賬款及應付票據

於結算日按付款到期日計算之應付賬款及應付票據之賬齡分析如下：

		Group 本集團	
		2006	2005
		HK\$'000	HK\$'000
		千港元	千港元
Within one year	一年內	121,078	135,606
One to two years	一年至兩年內	6,642	12,501
Two to three years	兩年至三年內	3,069	5,448
Over three years	三年以上	47,312	41,904
		<b>178,101</b>	<b>195,459</b>

## 32. DEFERRED TAX

The movements in deferred tax liabilities and assets during the year are as follows:

## Group

Deferred tax liabilities:

	Timing differences on sales recognition	Revaluation of investment properties	Revaluation of assets	Fair value adjustment arising from acquisition of subsidiaries	Accelerated tax depreciation on investment properties	Total	
	銷售額 確認之時差 HK\$'000 千港元	投資 物業重估 HK\$'000 千港元	資產重估 HK\$'000 千港元	因收購一家 附屬公司產生 之公允價值調整 HK\$'000 千港元	投資物業 加速稅項折舊 HK\$'000 千港元	合計 HK\$'000 千港元	
At 1 January 2006	於二零零六年 一月一日	12,589	57,541	7,707	11,717	40,563	130,117
Deferred tax charged/(credited) to the income statements during the year (note 10)	本年度於收益表中 扣除/(計入收益表) 之遞延稅項 (附註10)	(6,230)	38,661	-	-	7,611	40,042
Acquisition of a subsidiary (note 36)	收購一家附屬公司 (附註36)	-	-	-	195,932	-	195,932
<b>At 31 December 2006</b>	於二零零六年 十二月三十一日	<b>6,359</b>	<b>96,202</b>	<b>7,707</b>	<b>207,649</b>	<b>48,174</b>	<b>366,091</b>

## 32. 遞延稅項

本年度遞延稅項負債及資產之變動如下:

## 本集團

遞延稅項負債:

Deferred tax assets:

遞延稅項資產:

	Timing differences on sales recognition	Losses available for offsetting against future taxable profit	Revaluation of investments	Tax effect of LAT	Others	Total	
	銷售額 確認之時差 HK\$'000 千港元	可用作抵銷 未來應課稅 溢利之虧損 HK\$'000 千港元	投資重估 HK\$'000 千港元	土地增值稅之 稅務影響 HK\$'000 千港元	其他 HK\$'000 千港元	合計 HK\$'000 千港元	
At 1 January 2006	於二零零六年 一月一日	-	-	723	-	326	1,049
Deferred tax credited to equity during the year	本年度計入權益之 遞延稅項	-	-	1,142	-	-	1,142
Deferred tax credited to the income statements during the year (note 10)	本年度計入收益表 之遞延稅項 (附註10)	9,410	2,276	-	8,951	2,667	23,304
<b>At 31 December 2006</b>	於二零零六年 十二月三十一日	<b>9,410</b>	<b>2,276</b>	<b>1,865</b>	<b>8,951</b>	<b>2,993</b>	<b>25,495</b>

## 32. DEFERRED TAX (Continued)

## Group

Deferred tax liabilities:

	Timing differences on sales recognition	Revaluation of investment properties	Revaluation of assets	Fair value adjustment arising from acquisition of a subsidiary	Accelerated tax depreciation on investment properties	Total	
	銷售額 確認之時差 HK\$'000 千港元	投資 物業重估 HK\$'000 千港元	資產重估 HK\$'000 千港元	因收購一家 附屬公司產生 之公允價值調整 HK\$'000 千港元	投資物業加速 稅項折舊 HK\$'000 千港元	合計 HK\$'000 千港元	
At 1 January 2005	於二零零五年一月一日	778	39,386	7,707	11,717	91,752	
Deferred tax charged to the income statements during the year (note 10)	本年度於收益表中扣除之遞延稅項(附註10)	11,811	18,155	-	-	8,399	38,365
At 31 December 2005	於二零零五年十二月三十一日	12,589	57,541	7,707	11,717	40,563	130,117

Deferred tax assets:

	Revaluation of investments	Others	Total	
	投資重估 HK\$'000 千港元	其他 HK\$'000 千港元	合計 HK\$'000 千港元	
At 1 January 2005	於二零零五年一月一日	1,145	326	1,471
Deferred tax debited to equity during the year	本年度於權益中扣除之遞延稅項	(422)	-	(422)
At 31 December 2005	於二零零五年十二月三十一日	723	326	1,049

The Group has tax losses arising in Hong Kong of HK\$569,179,000 (2005: HK\$405,838,000) and in Mainland China of HK\$179,486,000 (2005: HK\$160,245,000) that are available for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as they have arisen in subsidiaries that have been loss-making for years and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

At 31 December 2006, there was no significant unrecognised deferred tax liability (2005: Nil).

There are no income tax consequences attaching to the payment of dividends by the Company to its shareholders.

## 32. 遞延稅項 (續)

## 本集團

遞延稅項負債:

	Timing differences on sales recognition	Revaluation of investment properties	Revaluation of assets	Fair value adjustment arising from acquisition of a subsidiary	Accelerated tax depreciation on investment properties	Total	
	銷售額 確認之時差 HK\$'000 千港元	投資 物業重估 HK\$'000 千港元	資產重估 HK\$'000 千港元	因收購一家 附屬公司產生 之公允價值調整 HK\$'000 千港元	投資物業加速 稅項折舊 HK\$'000 千港元	合計 HK\$'000 千港元	
At 1 January 2005	於二零零五年一月一日	778	39,386	7,707	11,717	91,752	
Deferred tax charged to the income statements during the year (note 10)	本年度於收益表中扣除之遞延稅項(附註10)	11,811	18,155	-	-	8,399	38,365
At 31 December 2005	於二零零五年十二月三十一日	12,589	57,541	7,707	11,717	40,563	130,117

遞延稅項資產:

	Revaluation of investments	Others	Total	
	投資重估 HK\$'000 千港元	其他 HK\$'000 千港元	合計 HK\$'000 千港元	
At 1 January 2005	於二零零五年一月一日	1,145	326	1,471
Deferred tax debited to equity during the year	本年度於權益中扣除之遞延稅項	(422)	-	(422)
At 31 December 2005	於二零零五年十二月三十一日	723	326	1,049

本集團於香港及中國大陸之稅務虧損分別為 569,179,000 港元 (二零零五年: 405,838,000 港元) 及 179,486,000 港元 (二零零五年: 160,245,000 港元), 可用作抵銷產生虧損之公司之未來應課稅溢利。由於該等虧損乃來自虧損多年之附屬公司, 而稅務虧損未必可獲動用以抵銷應課稅溢利, 故並無就該等虧損確認遞延稅項資產。

於二零零六年十二月三十一日, 並無任何重大未確認遞延稅項負債 (二零零五年: 無)。

本公司支付股東的股利無稅項影響。

## 33. SHARE CAPITAL

## 33. 股本

		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Authorised:	法定:		
5,000,000,000 (2005: 3,000,000,000) ordinary shares of HK\$0.05 (2005: HK\$0.05) each	每股面值0.05港元(二零零五年:0.05港元) 之普通股5,000,000,000股 (二零零五年:3,000,000,000股)	<b>250,000</b>	150,000
Issued and fully paid:	已發行及繳足:		
2,821,449,966 (2005: 2,482,413,966) ordinary shares of HK\$0.05 (2005: HK\$0.05) each	每股面值0.05港元(二零零五年:0.05港元)之 普通股2,821,449,966股 (二零零五年:2,482,413,966股)	<b>141,073</b>	124,121

During the year, the movements in share capital were as follows:

年內·股本變動如下:

- (a) Pursuant to an ordinary resolution passed in the annual general meeting on 12 June 2006, the authorised share capital of the Company was increased from HK\$150,000,000 to HK\$250,000,000 by the creation of an additional 2,000,000,000 shares of HK\$0.05 each.
- (a) 根據於二零零六年六月十二日舉行的股東週年大會通過之一項普通決議案·本公司透過新增2,000,000,000股每股面值0.05港元的額外股份·將法定股本由150,000,000港元增至250,000,000港元。
- (b) Shum Yip Holdings Company Limited, the ultimate holding company of the Company, the Company and a placing agent entered into the Placing and Subscription Agreement on 26 October 2006 pursuant to which the placing agent agreed to place 300,000,000 shares at price of HK\$2.91 per share to independent investors. While Shum Yip Holdings Company Limited agreed to subscribe, and the Company agreed to allot and issue to the Shum Yip Holdings Company Limited, 300,000,000 shares (being the same number as the shares placed by the placing agent) at the price of HK\$2.91 per share.
- (b) 本公司最終控股公司深業(集團)有限公司·本公司及配售代理於二零零六年十月二十六日訂立配售及認購協議·據此·配售代理同意向獨立投資者按每股2.91港元之價格配售300,000,000股股份·深業(集團)有限公司同意認購·而本公司亦同意向深業(集團)有限公司按每股2.91港元之價格配發及發行300,000,000股股份(與由配售代理配售之股份數目相同)。
- (c) On 27 June 2006, a total of 5,864,000 shares of HK\$0.05 each were repurchased and cancelled by the Company during the year at prices ranging from HK\$1.86 to HK\$1.90 per share. The aggregate cash consideration and expenses paid by the Company for such repurchases, HK\$11,138,000, was charged to the retained profits, as disclosed in the consolidated statement of changes in equity and in note 35(b) to the financial statements.
- (c) 於二零零六年六月二十七日·本公司於年內按每股1.86港元至每股1.90港元之價格購回及註銷合共5,864,000股每股面值0.05港元之股份·本公司就購回支付的現金代價及開支合共11,138,000港元自保留溢利扣除·有關披露載於綜合權益變動表及財務報表附註35(b)。
- (d) The subscription rights attaching to 44,900,000 share options were exercised at the subscription price ranging from HK\$1.088 to HK\$1.330 per share (note 34), resulting in the issue of 44,900,000 shares of HK\$0.05 each for a total cash consideration, before expenses, of HK\$54,467,000.
- (d) 44,900,000份購股權所附認購權利按每股1.088港元至每股1.330港元之價格行使(附註34)·因此·發行44,900,000股每股面值0.05港元之股份未扣除開支之總現金收入為54,467,000港元。

**33. SHARE CAPITAL (Continued)**

A summary of the transactions during the year with reference to the above movements in the Company's issued share capital is as follows:

		Number of shares in issue 已發行 股份數目	Issued share capital 已發行股本 HK\$'000 千港元	Share premium account 股份溢價賬 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 January 2005 and 1 January 2006	於二零零五年 一月一日及 二零零六年 一月一日	2,482,413,966	124,121	1,495,348	1,619,469
Issue of shares (b)	發行股份(b)	300,000,000	15,000	858,000	873,000
Capital redemption (c)	贖回股本(c)	(5,864,000)	(293)	-	(293)
Share options exercised (d)	行使購股權(d)	44,900,000	2,245	63,476	65,721
		2,821,449,966	141,073	2,416,824	2,557,897
Share issue expenses	股份發行開支	-	-	(19,974)	(19,974)
<b>At 31 December 2006</b>	於二零零六年 十二月三十一日	<b>2,821,449,966</b>	<b>141,073</b>	<b>2,396,850</b>	<b>2,537,923</b>

**Share options**

Details of the Company's share option scheme and the share options issued under the scheme are included in note 34 to the financial statements.

**34. SHARE OPTION SCHEME**

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include any employee or director (including executive, non-executive and independent non-executive director) of any member of the Group, or any employee, partner or director of any business consultant, joint venture, financial adviser and legal adviser of any member of the Group, as absolutely determined by the board of directors. The Scheme became effective on 5 June 2002 and, unless otherwise cancelled or amended, shall be valid and effective for a period of 10 years from that date, after which period no further options will be issued but in all other respects the provisions of the Scheme shall remain in full force and effect. The remaining life of the Scheme as at 31 December 2006 was five and a half years.

**33. 股本 (續)**

參考上述本公司已發行股本變動之年內交易概述如下：

**購股權**

本公司購股權計劃及根據該計劃已發行之購股權詳情載於財務報表附註34。

**34. 購股權計劃**

本公司設有一項購股權計劃(「該計劃」)，為對本集團業務成功作出貢獻之合資格參與者提供鼓勵及獎勵。該計劃之合資格參與者包括本集團任何成員公司之僱員或董事(包括執行、非執行及獨立非執行董事)、或本集團任何成員公司之任何商業顧問、合營夥伴、財務顧問及法律顧問之僱員、夥伴或董事，均由董事會全權決定。該計劃於二零零二年六月五日生效，而除非被取消或經修訂，否則該計劃將於當日起計十年內有效。有效期屆滿後，則不會再授出任何購股權，但在所有其他方面，該計劃的條款仍然全面生效。於二零零六年十二月三十一日，該計劃餘下有效期為五年半。

**34. SHARE OPTION SCHEME (Continued)**

The maximum number of ordinary shares which may be issued upon exercise of all options to be granted under the Scheme and any other share option schemes of the Company shall not in aggregate exceed 10% of the total number of shares in issue as at the date of approval of the Scheme unless the Company obtains a fresh approval from its shareholders. Options lapsed in accordance with the terms of the Scheme will not be counted for the purpose of calculating such 10% limit. Notwithstanding the above, the maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other share option schemes of the Company shall not exceed 30% of the shares in issue from time to time. The 10% limit was refreshed by ordinary resolution passed by the shareholders at the annual general meeting held on 12 June 2006 which enabled the grant of further options to subscribed up to 250,271,396 shares, representing 10% of the shares in issue as at 12 June 2006. As at the date of this report, the total number of shares available for issue under the Scheme was 401,471,396 shares (including options for 171,200,000 shares that have been granted but not yet lapsed or exercised) which represented 14.23% of the issued share capital of the Company at 31 December 2006.

The maximum entitlement of each participant under the Scheme that is the total number of shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period, shall not exceed 1% of the total number of shares in issue.

The period under which an option may be exercised will be determined by the board of directors at their absolute discretion and notified by the directors to each grantee as being the period during which an option may be exercised, and shall expire no later than the 10th anniversary of the date upon which the option is granted and accepted in accordance with the Scheme. Unless otherwise determined by the board and specified in the offer letter at the time of offer, there is no minimum period for which an option must be held before the option can be exercised.

An option is open for acceptance for a period of 28 days from the date of offer. The amount payable on acceptance of an option is HK\$1. The full amount of exercise price for the subscription for shares has to be paid upon the exercise of an option.

The exercise price shall be a price determined by the board of directors and notified to a participant and shall be at least the highest of (i) the closing price of the shares as stated in The Stock Exchange of Hong Kong Limited's daily quotation sheet on the date of offer of grant, which must be a business day, (ii) a price being the average of the closing prices of the shares as stated in The Stock Exchange of Hong Kong Limited's daily quotation sheets for the five business days immediately preceding the date of offer of grant, and (iii) the nominal value of a share in the Company.

**34. 購股權計劃 (續)**

除非本公司獲股東另行批准，否則因悉數行使根據該計劃及本公司任何其他購股權計劃授出之購股權而可能發行之普通股數目上限不得超過於批准該計劃當日已發行股份總數之10%。根據該計劃條款失效之購股權將不會就此計入該10%限額。無論如何，因悉數行使根據該計劃及本公司任何其他購股權計劃授出而將行使之尚未行使購股權而可能發行之股份數目上限不得超過不時已發行股份總數之30%。該10%上限已按二零零六年六月十二日舉行的股東週年大會上股東通過的普通決議案重新授出，即可再授出不超過250,271,396股股份的購股權，相當於二零零六年六月十二日的已發行股份10%。於本報告日期，根據該計劃可予發行之股份總數為401,471,396股（包括已授出但尚未失效或行使之可認購171,200,000股股份之購股權），為本公司於二零零六年十二月三十一日已發行股本之14.23%。

每名參與者根據該計劃可獲得的股份上限，即因行使於任何12個月期間授予各參與者之購股權（包括已獲行使及尚未行使之購股權）而發行及將發行之股份總數，不得超過已發行股份總數之1%。

購股權之可行使期間由董事會全權決定，並由董事通知各承授人，而有關於行使期限須於購股權授出及獲接納當日起計滿10週年當日前屆滿。除非董事會決定及在授出購股權時於授予函件中指明，否則在行使購股權前不設必須持有購股權的最低期限。

購股權可從授出當日起的二十八天內接受認購，接納購股權時須支付款項1港元。認購股份之行使價須於行使購股權時全數支付。

行使價由董事會釐定及通知參與者。行使價須至少為以下之最高者：(i)於授出當日（必須為營業日）在香港聯合交易所有限公司每日報價表所載之股份收市價；(ii)於緊接授出當日前5個營業日在香港聯合交易所有限公司每日報價表所載之股份收市價平均價；及(iii)本公司股份之面值。







## 34. SHARE OPTION SCHEME (Continued)

## Notes:

1. Mr. ZHAO Gesheng was formerly an employee of the Group and was appointed as a director of the Company on 11th May, 2006.
2. Mr. XIAO Rihai was formerly an employee of the Group and was appointed as a director of the Company on 11th May, 2006.
3. Mr. LIU Jianhua resigned as a director of the Company on 23rd December, 2005 and his share options lapsed on 23rd March, 2006.
4. Mr. LIU Weijin was formerly an employee of the Group and was appointed as a director of the Company on 11th May, 2006.
5. Mr. ZHANG Huaqiao was formerly an employee of the Company and was appointed as a director of the Company on 11th May, 2006.
6. Mr. TAM Pinglung was formerly an employee of the Company and was appointed as a director of the Company on 11th May, 2006.
7. On 9th February, 2006, a total of 9,500,000 share options were exercised at a price of HK\$1.088. These options were granted on 18th May, 2005. The weighted average closing price of the shares on 8th February, 2006 was HK\$1.340.
8. On 9th March, 2006, a total of 112,300,000 share options were granted to directors and certain employees of the Company which entitle the directors or employees to subscribe for shares of the Company at a price of HK\$1.330 each during the period from 9th March, 2006 to 8th March, 2011.
9. On 22nd March, 2006, a total of 4,000,000 share options were exercised at a price of HK\$1.088. These options were granted on 18th May, 2005. The weighted average closing price of the shares on 21st March, 2006 was HK\$1.990.
10. On 19th April, 2006, a total of 2,000,000 and 600,000 share options were exercised at a price of HK\$1.265 and HK\$1.088 respectively. These options were granted on 27th June, 2002 and 18th May, 2005. The weighted average closing price of the shares on 18th April, 2006 was HK\$2.775.
11. On 22nd May, 2006, a total of 2,000,000 and 600,000 share options were exercised at a price of HK\$1.265 and HK\$1.088 respectively. These options were granted on 27th June, 2002 and 18th May, 2005. The weighted average closing price of the shares on 19th May, 2006 was HK\$2.450.
12. On 29th May, 2006, a total of 800,000 share options were exercised at a price of HK\$1.330. These options were granted on 9th March, 2006. The weighted average closing price of the shares on 26th May, 2006 was HK\$2.200.

## 34. 購股權計劃 (續)

## 附註:

1. 趙革生先生為本集團前僱員，於二零零六年五月十一日獲委任為本公司董事。
2. 肖日海先生為本集團前僱員，於二零零六年五月十一日獲委任為本公司董事。
3. 劉建華先生於二零零五年十二月二十三日辭任本公司董事一職。其購股權於二零零六年三月二十三日失效。
4. 劉偉進先生為本集團前僱員，於二零零六年五月十一日獲委任為本公司董事。
5. 張化橋先生為本公司前僱員，於二零零六年五月十一日獲委任為本公司董事。
6. 談秉農先生為本公司前僱員，於二零零六年五月十一日獲委任為本公司董事。
7. 於二零零六年二月九日，合共9,500,000份購股權以價格1.088港元行使。該等購股權於二零零五年五月十八日授出。二零零六年二月八日股份加權平均收市價收1.340港元。
8. 於二零零六年三月九日，合共112,300,000份購股權授予本公司董事及若干僱員，讓該等董事或僱員可於二零零六年三月九日至二零一一年三月八日期間以價格1.330港元認購本公司股份。
9. 於二零零六年三月二十二日，合共4,000,000份購股權以價格1.088港元行使。該等購股權於二零零五年五月十八日授出。二零零六年三月二十一日股份加權平均收市價為1.990港元。
10. 於二零零六年四月十九日，合共2,000,000份及600,000份購股權分別以價格1.265港元及1.088港元行使。該等購股權分別於二零零二年六月二十七日及二零零五年五月十八日授出。二零零六年四月十八日股份加權平均收市價為2.775港元。
11. 於二零零六年五月二十二日，合共2,000,000份及600,000份購股權分別以價格1.265港元及1.088港元行使。該等購股權分別於二零零二年六月二十七日及二零零五年五月十八日授出。二零零六年五月十九日股份加權平均收市價為2.450港元。
12. 於二零零六年五月二十九日，合共800,000份購股權以價格1.330港元行使。該等購股權於二零零六年三月九日授出。二零零六年五月二十六日股份加權平均收市價為2.200港元。

## 34. SHARE OPTION SCHEME (Continued)

13. On 29th May, 2006, 10,000,000 share options were granted to a director of the Company which entitle the director to subscribe for shares of the Company at a price of HK\$2.165 each during the period from 29th May, 2006 to 28th May, 2011 in the following manner:-

Maximum proportion of option exercisable including proportion of option previously exercised	Exercisable Period
1/3	1st year from the date of grant of option
2/3	2nd year from the date of grant of option
3/3	3rd year to 5th year from the date of grant of option

14. On 5th June, 2006, a total of 800,000 share options were exercised at a price of HK\$1.330. These options were granted on 9th March, 2006. The weighted average closing price of the shares on 2nd June, 2006 was HK\$2.350.
15. On 15th September, 2006, a total of 2,100,000 share options were exercised at a price of HK\$1.088. These options were granted on 18th May, 2005. The weighted average closing price of the shares on 14th September, 2006 was HK\$2.830.
16. On 21st September, 2006, a total of 3,000,000, 933,000 and 4,000,000 share options were exercised at a price of HK\$1.265, HK\$1.088 and HK\$1.330 respectively. These options were granted on 3rd July, 2002, 5th July, 2002, 18th May, 2005 and 9th March, 2006. The weighted average closing price of the shares on 20th September, 2006 was HK\$2.900.
17. On 23rd October, 2006, a total of 3,400,000 and 1,167,000 share options were exercised at a price of HK\$1.265 and HK\$1.088 respectively. These options were granted on 3rd July, 2002, 5th July, 2002 and 18th May, 2005. The weighted average closing price of the shares on 20th October, 2006 was HK\$2.870.
18. On 24th November, 2006, a total of 10,000,000 share options were exercised at a price of HK\$1.330. These options were granted on 9th March, 2006. The weighted average closing price of the shares on 23rd November, 2006 was HK\$3.310.

No share options had been cancelled during the year.

## 34. 購股權計劃 (續)

13. 於二零零六年五月二十九日，合共10,000,000份購股權授予本公司董事，讓該等董事可於二零零六年五月二十九日至二零一一年五月二十八日期間以下列方式以價格2.165港元認購本公司股份：

可行使購股權最高比例 (包括早前已行使購股權比例)	可行使期間
1/3	自授出購股權起計第一年
2/3	自授出購股權起計第二年
3/3	自授出購股權起計第三至第五年

14. 於二零零六年六月五日，合共800,000份購股權以價格1.330港元行使。該等購股權於二零零六年三月九日授出。二零零六年六月二日股份加權平均收市價為2.350港元。
15. 於二零零六年九月十五日，合共2,100,000份購股權以價格1.088港元行使。該等購股權於二零零五年五月十八日授出。二零零六年九月十四日股份加權平均收市價為2.830港元。
16. 於二零零六年九月二十一日，合共3,000,000份、933,000份及4,000,000份購股權分別以價格1.265港元、1.088港元及1.330港元行使。該等購股權分別於二零零二年七月三日、二零零二年七月五日、二零零五年五月十八日及二零零六年三月九日授出。二零零六年九月二十日股份加權平均收市價為2.900港元。
17. 於二零零六年十月二十三日，合共3,400,000份及1,167,000份購股權分別以價格1.265港元及1.088港元行使。該等購股權分別於二零零二年七月三日、二零零二年七月五日及二零零五年五月十八日授出。二零零六年十月二十日股份加權平均收市價為2.870港元。
18. 於二零零六年十一月二十四日，合共10,000,000份購股權以價格1.330港元行使。該等購股權於二零零六年三月九日授出。二零零六年十一月二十三日股份加權平均收市價為3.310港元。

年內並無註銷任何購股權。

**34. SHARE OPTION SCHEME** (Continued)

During the period from 1 January 2006 and up to the date of this report, (i) the Company has granted options to subscribe for 142,300,000 shares; (ii) the options to subscribe for 73,700,000 shares have been exercised; and (iii) the options to subscribe for 4,000,000 shares have been lapsed. As at the date of this report, options carrying rights to subscribe for 171,200,000 shares remain outstanding and yet to be exercised.

The fair value of the share options granted during the year of HK\$45,998,000 was estimated by Greater China Appraisal Ltd., an independent firm of professional qualified valuers. It was recognised as a share option expense during the year ended 31 December 2006 (2005: HK\$16,800,000).

The fair value of equity-settled share options granted during the year was estimated as at the date of grant, using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used for the year ended 31 December 2006:

		9 March 2006 二零零六年 三月九日	29 May 2006 二零零六年 五月二十九日
Dividend yield (%)	股息收益(%)	8	8
Expected volatility (%)	預期波動(%)	50	51.64
Risk-free interest rate (%)	無風險利率(%)	4.347	4.607
Expected life of option (year)	預期購股權壽命(年)	5	5
Exercise price (HK\$)	行使價(港元)	1.330	2.165
Stock price on date of grant (HK\$)	授出日期之股價(港元)	1.390	2.200

The expected life of the options is based on the historical data over the last year and is not necessarily indicative of the exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

No other feature of the options granted was incorporated into the measurement of fair value.

**35. RESERVES****(a) Group**

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 59 to 60 of the financial statements.

Pursuant to the relevant laws and regulations for Sino-foreign joint venture enterprises, a portion of the profits of the Group's subsidiaries and associates in the Mainland China has been transferred to the statutory reserve which is restricted as to use.

**34. 購股權計劃 (續)**

於二零零六年一月一日至本報告刊發日期止期間·(i)本公司已授出可認購142,300,000股股份之購股權·(ii)可認購73,700,000股股份之購股權已獲行使·及(iii)可認購4,000,000股股份之認股權已失效·在本報告刊發日期·可認購171,200,000股股份之購股權仍未獲行使·

年內所授購股權之公允值45,998,000港元由獨立專業合資格估值師漢華評值有限公司估計·並於截至二零零六年十二月三十一日止年度確認為一項購股權開支(二零零五年:16,800,000港元)·

年內所授出以股本支付之購股權公允值·於授出日期按柏力克—舒爾斯模式估計·當中考慮到購股權授出之條款及條件·下表列出該模式於截至二零零六年十二月三十一日止年度之進項:

購股權預期有效期按過去一年數據計算·惟未必可作為行使模式之指標·預期波動反映過往波動對未來動向具指標作用的假設·但這未必是實際結果·

計算公允值時並無計入其他已授出購股權的特徵·

**35. 儲備****(a) 本集團**

本集團本年度及過往年度之儲備金額及其變動乃於財務報表第59頁至第60頁綜合權益變動表內呈列·

根據中外合營企業之相關法例及規例·本集團於中國大陸之附屬公司及聯營公司之部分溢利已轉撥至法定儲備·並限定其用途·

## 35. RESERVES (Continued)

## 35. 儲備 (續)

## (b) Company

## (b) 本公司

		Notes	Share premium account	Capital redemption reserve	Share option reserve	Retained profits	Total
		附註	股份溢價賬	贖回儲備	購股權儲備	保留溢利	總額
			HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			千港元	千港元	千港元	千港元	千港元
At 1 January 2005	於二零零五年一月一日		1,495,348	-	-	671,190	2,166,538
Profit for the year	本年度溢利		-	-	-	147,390	147,390
Interim 2005 dividend	二零零五年中期股息	13	-	-	-	(49,648)	(49,648)
Proposed final 2005 dividend	二零零五年度擬派末期股息	13	-	-	-	(273,066)	(273,066)
Equity-settled share option expenses	以股本支付之購股權開支	34	-	-	16,800	-	16,800
At 31 December 2005	於二零零五年十二月三十一日		1,495,348	-	16,800	495,866	2,008,014
Issue of shares	發行股份	33	858,000	-	-	-	858,000
Share issue expenses	股份發行開支	33	(19,974)	-	-	-	(19,974)
Share option exercised	行使購股權	33	63,476	-	(11,254)	-	52,222
Capital redemption	贖回股本	33	-	293	-	(11,138)	(10,845)
Profit for the year	本年度溢利		-	-	-	767,325	767,325
Interim 2006 dividend	二零零六年中期股息	13	-	-	-	(74,905)	(74,905)
Adjustment to prior year's final dividend	上年度末期股息之調整	13	-	-	-	(2,534)	(2,534)
Proposed 2006 dividend	擬派二零零六年度股息	13	-	-	-	(564,008)	(564,008)
Equity-settled share option expenses	以股本支付之購股權開支	34	-	-	45,998	-	45,998
At 31 December 2006	於二零零六年十二月三十一日		2,396,850	293	51,544	610,606	3,059,293

The share option reserve comprises the fair value of share options granted which are yet to be exercised, as further explained in the accounting policy for share-based payment transactions in note 2.4 to the financial statements. The amount will be transferred to the share premium account when the related options are exercised.

購股權儲備包括已授出但尚未行使之購股權公允價值，詳情載於財務報表附註2.4以股份支付交易之會計政策。該等金額將於有關購股權獲行使時轉撥至股份溢價賬。

## 36. BUSINESS COMBINATION

On 15 August 2006, the Group acquired a 100% interest in Hubei Shumyip Huayin Traffic Development Co., Ltd. ("Huayin Traffic"), a limited liability company established under the laws of the PRC, from Xiamen Dongfang Jinlong Investment Co., Ltd., an independent third party. Huayin Traffic holds a 91% interest in Hubei Jingdong Expressway Construction and Development Co., Ltd., which is engaged in the construction and operation of the Jingdong Expressway in Hubei Province, the PRC. The Jingdong Expressway was opened to traffic in September 2006.

The purchase consideration was agreed to be HK\$647,252,000, with HK\$255,285,000 paid on the acquisition date and the remaining to be paid in 2007.

The fair values of the identifiable assets and liabilities of Huayin Traffic as at the date of acquisition and the corresponding carrying amounts immediately before the acquisition were as follows:

		Notes	Fair value recognised on acquisition HK\$'000 收購時確認 之公允值 千港元	Carrying amount HK\$'000 賬面值 千港元
Property, plant and equipment	物業、廠房及設備	15	2,884,805	2,291,070
Cash and bank balances	現金及銀行結存		109,237	109,237
Prepayments and other receivables	預付款項及其他應收款項		131,537	131,537
Long term loans	長期貸款		(2,138,373)	(2,138,373)
Trade payables	應付賬款		(206,354)	(206,354)
Accruals and other payables	應計費用及其他應付款項		(15,717)	(15,717)
Deferred tax liability	遞延稅項負債	32	(195,932)	-
Minority interests	少數股東權益		(117,883)	(64,447)
			451,320	106,953
Goodwill on acquisition	收購產生之商譽	18	195,932	
Satisfied by cash	以現金支付		255,285	
Satisfied by other payables	以其他應付款項支付		391,967	
			647,252	

## 36. 業務合併

於二零零六年八月十五日，本集團自獨立第三方廈門東方金龍投資有限公司收購湖北深業華銀交通開發有限公司（「華銀交通」，按照中國法律成立之有限公司）全部股權。華銀交通持有從事中國湖北省荊東高速公路之建設及營運的湖北荊東高速公路建設開發有限公司91%權益。荊東高速公路已於二零零六年九月通車。

收購代價協定為647,252,000港元，其中255,285,000港元已於收購日期支付，餘款將於二零零七年支付。

華銀交通於收購日期之可識別資產及負債之公允值及緊接收購前之相應賬面值如下：

## 36. BUSINESS COMBINATION (Continued)

An analysis of the net outflow of cash and cash equivalents in respect of the acquisition of a subsidiary is as follows:

		2006 HK\$'000 千港元
Cash consideration	現金代價	(255,285)
Cash and bank balances acquired	所收購現金及銀行結存	109,237
Net outflow of cash and cash equivalents in respect of the acquisition of a subsidiary	收購一家附屬公司之相關現金及 現金等價物流出淨額	(146,048)

Since its acquisition, Huayin Traffic contributed HK\$18,504,000 to the Group's revenue for the year ended 31 December 2006, and the loss of Huayin Traffic for the year ended 31 December 2006 was HK\$19,304,000.

Had the combination taken place at the beginning of the year, the revenue from continuing operations of the Group and the profit of the Group for the year would have been HK\$2,301,854,000 and HK\$1,128,218,000, respectively.

## 36. 業務合併 (續)

收購一家附屬公司之現金及現金等價物流出淨額分析如下：

		2006 HK\$'000 千港元
自收購起，華銀交通於截至二零零六十二月三十一日止年度為本集團之收益作出18,504,000港元貢獻，而其於截至二零零六年十二月三十一日止年度之虧損為19,304,000港元。		
倘合併於本年初發生，則本集團持續經營業務所得收益及本年度溢利將分別為2,301,854,000港元及1,128,218,000港元。		

## 37. DISPOSAL OF A SUBSIDIARY

## 37. 出售一家附屬公司

		2006 HK\$'000 千港元
Net assets disposed of:	出售淨資產：	
Interest in an associate – Mawan	所持聯營公司媽灣之權益	912,976
Accruals and other payables	應計費用及其他應付款項	(147)
Minority interests	少數股東權益	(402,719)
		510,110
Gain on disposal of a subsidiary – Newton	出售附屬公司Newton之收益	322,986
		833,096
Satisfied by:	支付方式：	
Cash	現金	499,858
Other receivables*	其他應收款項*	333,238
		833,096

**37. DISPOSAL OF A SUBSIDIARY (Continued)**

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of a subsidiary is as follows:

		2006 HK\$'000 千港元
Cash consideration	現金代價	499,858
Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary	就出售一家附屬公司之現金及現金等價物流入淨額	499,858

\* HK\$499,858,000 of the total cash consideration was received as at 31 December 2006 and the remaining HK\$333,238,000 was recorded in other receivables and received on 17 January 2007.

**37. 出售一家附屬公司 (續)**

出售一家附屬公司之現金及現金等價物流入淨值之分析如下：

\* 於二零零六年十二月三十一日已收取總現金代價之499,858,000港元，而餘款333,238,000港元已計入其他應收款項，並已於二零零七年一月十七日收到。

**38. OPERATING LEASE ARRANGEMENTS****(i) As lessor**

The Group leases its investment properties (note 20 to the financial statements) under operating lease arrangements, with leases negotiated for terms ranging from two to eighteen years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

At 31 December 2006, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		Group 本集團	
		2006 HK\$'000 千港元	2005 HK\$'000 千港元
Within one year	一年內	269,514	211,337
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)	436,385	310,360
After five years	超逾五年	294,879	141,210
		<b>1,000,778</b>	<b>662,907</b>

**38. 經營租約安排****(i) 作為出租者**

根據經營租約安排，本集團租出旗下投資物業（財務報表附註20），租期議定為兩年至十八年不等。租約條款亦一般要求租戶先繳付保證金及規定視乎當時市場環境而週期性調整租金。

於二零零六年十二月三十一日，本集團於以下期間屆滿之不可取消經營租約在未來之最少應收租約總額如下：



## 38. OPERATING LEASE ARRANGEMENTS (Continued)

## (ii) As lessee

The Group leases certain of its properties under operating lease arrangements. Leases for the properties are negotiated for terms ranging from three to nineteen years.

At 31 December 2006, the Group and the Company had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		Group 本集團		Company 本公司	
		2006 HK\$'000 千港元	2005 HK\$'000 千港元	2006 HK\$'000 千港元	2005 HK\$'000 千港元
Within one year	一年內	6,933	7,548	1,825	2,602
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)	16,898	21,536	608	2,434
After five years	超逾五年	27,936	64,231	-	-
		<b>51,767</b>	93,315	<b>2,433</b>	5,036

## 38. 經營租約安排 (續)

## (ii) 作為租戶

本集團根據經營租賃安排租入若干物業，物業租期議定為三年至十九年不等。

於二零零六年十二月三十一日，本集團及本公司於以下期間屆滿之不可取消經營租約在未來之最少應付租約承擔總額如下：

## 39. CAPITAL COMMITMENTS

In addition to the operating lease commitments detailed in note 38(ii) above, the Group and the Company had the following commitments at the balance sheet date:

		Group 本集團		Company 本公司	
		2006 HK\$'000 千港元	2005 HK\$'000 千港元	2006 HK\$'000 千港元	2005 HK\$'000 千港元
Commitments in respect of acquisition of land and buildings, and development costs attributable to properties under development:	就收購土地及 樓宇以及 發展中物業 發展成本之承擔：				
Contracted, but not provided for:	已訂約惟尚未撥備：	268,075	418,075	-	-

## 39. 資本承擔

除上文附註38(ii)詳述之經營租約承擔外，於結算日，本集團及本公司之資本承擔如下：

**39. CAPITAL COMMITMENTS (Continued)**

In addition, the Group's and the Company's share of the associate's own capital commitment, which is not included above, was as follows:

**39. 資本承擔 (續)**

除上述資本承擔事項以外，本集團及本公司應佔聯營公司本身之資本承擔如下：

	Group 本集團		Company 本公司	
	2006 HK\$'000 千港元	2005 HK\$'000 千港元	2006 HK\$'000 千港元	2005 HK\$'000 千港元
Contracted, but not provided for: 已訂約惟尚未撥備：	<b>8,698</b>	41,507	-	-

**40. CONTINGENT LIABILITIES**

At the balance sheet date, contingent liabilities not provided for in the financial statements were as follows:

**40. 或然負債**

於結算日，財務報表並無撥備之或然負債如下：

	Group 本集團		Company 本公司	
	2006 HK\$'000 千港元	2005 HK\$'000 千港元	2006 HK\$'000 千港元	2005 HK\$'000 千港元
(i) Guarantees for credit facilities granted to:				
Subsidiaries	-	-	<b>299,010</b>	124,904
Associates	<b>6,877</b>	10,761	-	-
A third party *	<b>19,934</b>	-	-	-
	<b>26,811</b>	10,761	<b>299,010</b>	124,904

\* The guarantee granted to a third party is discharged on 6 February 2007.

\* 給予第三方的擔保已於二零零七年二月六日解除。

In the opinion of the directors of the Company, the fair value of the above financial guarantee contracts of the Group and the Company are insignificant at initial recognition and the directors consider that the possibility of the default of the parties involved is remote, accordingly, no value has been recognised in the financial statements as at 31 December 2006 and 31 December 2005.

本公司董事認為，上述本集團及本公司財務擔保合約於首次確認時的公平值很低，而董事認為有關人士拖欠款項機會極微，故於二零零六年十二月三十一日及二零零五年十二月三十一日的財務報表並無確認任何價值。

**40. CONTINGENT LIABILITIES (Continued)**

- (ii) At 31 December 2006, the Group has given guarantees to a maximum extent of approximately HK\$678,246,000 (2005: HK\$1,166,133,000) to banks for housing loans extended by the banks to the purchasers of the Group's properties.

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

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

- (iii) Pending litigation

A statement of claim dated 27 August 2002 was issued by Fancheng Property Development Co., Limited (the "Plaintiff") as the plaintiff against Shum Yip Group (Shenzhen) Co., Ltd. ("Shum Yip Shenzhen"), a wholly-owned subsidiary of the Company as the first defendant and Yaoheng Development Co., Ltd. as the second defendant in a civil claim at the court in Mainland China.

The Plaintiff claimed against Shum Yip Shenzhen for, inter alia, damages suffered by the Plaintiff as a result of the breach by Shum Yip Shenzhen of the terms of a cooperation agreement entered into between the Plaintiff and Shum Yip Shenzhen dated 8 July 1991, which include (i) Shum Yip Shenzhen's deliberate register of the properties named Shenfa Garden under the name of Shum Yip Shenzhen and its refusal to give the properties to the Plaintiff and (ii) Shum Yip Shenzhen's appropriation of the Plaintiff's sales proceeds to compensate the individual owners and the construction party of Shenfa Garden while keeping the income in relation to certain car parks and the kindergarten situated within the area of Shenfa Garden. The Plaintiff claimed a total compensation of approximately RMB170 million against Shum Yip Shenzhen. Shum Yip Shenzhen lodged a defence and counter claim for compensation of RMB1.3 million against the Plaintiff on 22 October 2002. This case was heard in court on 26 March 2003 and 5 November 2004, the arbitration process is complicated and time-consuming. Up to date, the parties are still waiting for the delivery of the arbitration award. Mainland China lawyers are of the view that the outcome of the case is not determinable at this stage.

**40. 或然負債 (續)**

- (ii) 於二零零六年十二月三十一日，本集團就銀行給予本集團物業買家之房屋貸款向銀行提供不高於約678,246,000港元（二零零五年：1,166,133,000港元）的擔保。

根據擔保條款，倘該等買家拖欠按揭款項，本集團有責任償還欠付的按揭貸款以及拖欠款項之買家應付銀行的任何累計利息及罰款。本集團隨後可接收有關物業的合法所有權。本集團的擔保期由授出有關按揭貸款當日開始截至買家取得個別物業所有權證或於本集團物業買家支付全數按揭貸款後最多兩年後止。

董事認為，倘拖欠款項，有關物業的可變現淨值足以支付尚未償還按揭貸款以及任何累計利息及罰款，故並無就該等擔保撥備。

- (iii) 待決之法律訴訟

在中國大陸法院的一宗民事索償中，原告凡成物業發展有限公司（「原告」）於二零零二年八月二十七日向本公司之全資附屬公司深業集團（深圳）有限公司（「深業深圳」）（第一被告）及躍恆發展有限公司（第二被告）提出索償。

原告對深業深圳提出索償，要求賠償（其中包括）其本身因深業深圳違反雙方於一九九一年七月八日訂立之合作協議之條款而蒙受之損失，該等違反包括：(i)深業深圳故意將一項名為深發花園之物業登記入其名下，並拒絕向原告交出該物業；(ii)深業深圳挪用原告出售物業所得之款項，用以補償個別之業主及深發花園之建築商，並保留與位於深發花園內若干停車場及幼稚園有關之收入。原告向深業深圳索償合共約人民幣170萬元。深業深圳於二零零二年十月二十二日提交民事答辯暨反訴狀，對原告反索償人民幣1.3百萬元。此案於二零零三年三月二十六日及二零零四年十一月五日聆訊。仲裁過程既複雜且費時，各方至今尚在等待仲裁裁決。中國大陸律師認為，現時無法預料此案之裁決結果。

**40. CONTINGENT LIABILITIES (Continued)**

## (iii) Pending litigation (Continued)

As advised by Hong Kong lawyers, pursuant to a deed (the "Deed") entered into on 12 February 1997 by Shum Yip Holdings as covenantor in favour of the Company as covenantee in connection with the listing of the Company, the Company could be able to claim indemnity from Shum Yip Holdings if the Plaintiff and/or the applicant is successful in its claim against Shum Yip Shenzhen on the ground that Shum Yip Shenzhen had materially breached the cooperation agreement, and the circumstances which gave rise to the above litigation were already in existence at the time of execution of the Deed.

**41. RELATED PARTY TRANSACTIONS**

- (a) The Group had the following material transactions with the following related parties during the year:

		<b>Group</b> <b>本集團</b>		
		<b>2006</b>	<b>2005</b>	
		<b>HK\$'000</b>	<b>HK\$'000</b>	
		<b>千港元</b>	<b>千港元</b>	
Notes	附註	2006	2005	
	Shum Yip Holdings Company Limited, the ultimate holding company: Rental expenses paid	2,214	2,577	
	Road King, an associate of the Group: Increase in interest in an associate	219,200	-	
	Shenzhen Gaofa Investment Holding Ltd., an associate of the Group: Purchase of investment properties	-	58,565	

Notes:

- (i) The rentals were determined by the directors with reference to the market prices of similar transactions.
- (ii) On 9 November 2006, the Company signed a subscription agreement with Road King to subscribe 20,000,000 of new shares issued by Road King at a price of HK\$10.96 per share. On 22 December 2006, the Company paid the cash consideration of HK\$219,200,000 to Road King.
- (iii) The investment properties were purchased according to the director's valuation with reference to the valuation reports issued by independent professional qualified property valuers.

附註:

- (i) 租金經董事參考當時之同類交易市價後釐訂。
- (ii) 於二零零六年十一月九日，本公司與路勁簽訂認購協議，按每股10.96港元之價格認購由路勁發行之20,000,000股新股。於二零零六年十二月二十二日，本公司向路勁支付現金代價219,200,000港元。
- (iii) 投資物業乃按董事參考獨立專業合資格物業估值師刊發之估值報告後作出之估值購買。

**40. 或然負債 (續)**

## (iii) 待決之法律訴訟 (續)

據香港律師提供之意見，根據深業集團（作為契諾承諾人）於一九九七年二月十二日為本公司（作為契諾受益人）之利益而訂立之契據（「該契據」，乃因應本公司上市而給予之契諾），倘若原告人及／或申請人在深業深圳之申索中勝訴，本公司可就此向深業集團申索補償，理據為深業深圳嚴重違反合作協議，而引致上述訴訟之情況於簽訂該契據時早已存在。

**41. 關連人士交易**

- (a) 年內，本集團與下列關連人士進行以下重大交易：

## 41. RELATED PARTY TRANSACTIONS (Continued)

- (b) On 8 December 2006, the Company entered into a contract to sell its entire 26.76% interest in Shenzhen SEG-CNEDL Color Display Device Corporation ("SEG"), an associate of the Group established in the Mainland China, to Shum Yip Holdings Company Limited for a consideration of RMB71,200,000 (HK\$70,965,000).
- (c) Outstanding balances with related parties:
- (i) Details of the Group's amounts due from minority shareholders as at the balance sheet date are included in note 23 to the financial statements.
- (ii) Details of the Group's loans to/from its associates as at the balance sheet date are included in note 22 to the financial statements.
- (d) Compensation of key management personnel of the Group:

		<b>2006</b>	2005
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Short term employee benefits	短期僱員福利	<b>7,649</b>	4,929
Post-employment benefits	退休福利	<b>376</b>	175
Share-based payments	股份支付款項	<b>32,073</b>	9,180
Total compensation paid to key management personnel	主要管理人員酬金總額	<b>40,098</b>	14,284

Further details of directors' emoluments are included in note 8 to the financial statements.

## 41. 關連人士交易 (續)

- (b) 本公司於二零零六年十二月八日訂立合約，以代價人民幣71,200,000元(70,965,000港元)向深業(集團)有限公司出售其所持有全部深圳市賽格中電彩色顯示器有限公司(「賽格」，本集團於中國大陸成立之聯營公司)之26.76%權益。
- (c) 與關連人士之未償還結餘：
- (i) 本集團於結算日應收少數股東款項詳情載於財務報表附註23。
- (ii) 於結算日本集團應付／應收聯營公司貸款詳情載於財務報表附註22。
- (d) 本集團主要管理人員之酬金：

董事酬金詳情載於財務報表附註8。

## 42. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise bank loans, cash and cash equivalents, equity investments and investment in convertible bonds. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are foreign currency risk, credit risk and liquidity risk. The board reviews and agrees policies for managing each of these risks and they are summarised below.

### Foreign currency risk

The Group's investment in Mainland China is mainly through its subsidiaries and associates, which conduct businesses within Mainland China. Apart from interest payable, repayment of foreign currency loans obtained to finance their operations and any potential future dividend of its subsidiaries and associates may declare to its shareholders, its revenue, capitalised investments and expenses are denominated in Renminbi. The Group had not experienced any difficulties in obtaining government approval for its necessary foreign-exchange purchases. Assets and liabilities of the Group are mostly dominated in RMB and United State Dollars. As such, the Group has foreign exchange exposure to RMB and United State Dollars. During the year, the Group did not issue any foreign instruments for hedging purpose.

### Credit risk

The Group trades only with recognised and creditworthy third parties except for the sales of properties, for which no credit is given to the customers. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents and available-for-sale financial assets, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral.

### Liquidity risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of short and long term bank loans.

## 42. 財務風險管理之目的及政策

本集團之主要財務工具包括銀行貸款、現金及現金等價物、權益性投資及可換股債券投資。此等財務工具之主要用途乃為本集團業務籌集資金。本集團還有多項其他金融資產及負債，例如直接來自其業務之應收賬款及應付賬款。

本集團之財務工具所產生之風險主要為外幣風險、信貸風險及流動資金風險。董事會會檢討並協定管理此等風險之各項政策，概括如下。

### 外幣風險

本集團主要透過其於中國大陸經營業務之附屬公司及聯營公司在中國大陸進行投資。除應付利息、償還作為業務資金之外幣貸款以及本集團附屬公司及聯營公司可能於日後向其股東宣派之任何股息外，本集團之收益、資本化投資及開支均以人民幣計值。本集團在獲取政府批准以購買所需外匯時並無遇上任何困難。本集團之資產及負債主要以人民幣及美元計值。因此，本集團有面對人民幣及美元之外匯風險。年內，本集團並無發行任何作套期用途之外幣工具。

### 信貸風險

本集團只與知名及具信譽之第三方進行交易，惟出售物業則例外，原因是客戶不會獲授信貸。根據本集團的政策，所有擬按信貸期進行交易之客戶必須經過信貸認證程序，此外亦會持續監察應收結餘。本集團的壞賬風險並不重大。

本集團其他金融資產（包括現金及現金等價物以及可供出售金融資產）之信貸風險來自對方拖欠付款，而可能拖欠之最高金額等於此等工具之賬面值。

由於本集團僅會與知名及具信譽之第三方進行交易，故毋須擔保物。

### 流動資金風險

本集團旨在透過運用短期及長期銀行貸款，維持資金持續供應與彈性間之平衡。

## 43. POST BALANCE SHEET EVENTS

- (i) On 3 January 2007, the Company announced that the Master Framework Agreement was entered into on 29 December 2006 in respect of the proposed disposal of a 49% equity interest in Huayin Traffic to a subsidiary of Ping An Insurance (Group) Company of China Ltd., which is listed in Main Board of The Stock Exchange of Hong Kong Limited, for an aggregate consideration of RMB618,167,657 (equivalent to approximately HK\$618,167,657) which is subject to various conditions. Upon completion of the transfer of the 49% equity interest in Huayin Traffic contemplated by the Master Framework Agreement, Huayin Traffic will remain a subsidiary owned by the Company with a 51% equity interest.

Details of this proposed disposal are set out in the Company's circular dated 24 January 2007.

On 31 March 2007, the official sale and purchase agreement was entered into to dispose 49% equity interest in Huayin Traffic. The contract of the official sale and purchase agreement was almost the same with the Master Framework Agreement. So far the disposal is still in the progress and the first installment of cash consideration is expected to be received in June 2007.

- (ii) On 2 January 2007, the Company announced that on 28 December 2006, the Company, via its wholly-owned subsidiary, has entered into the Sale and Purchase Agreement to acquire the entire equity interest in Shenzhen Ya Bao Property Development Company Limited ("Shenzhen Ya Bao"), an independent third party, at a consideration in the form of cash of RMB550,000,000 (equivalent to approximately HK\$550,000,000). Upon completion, Shenzhen Ya Bao will become an indirect wholly-owned subsidiary of the Company.

Details of the purchase of Shenzhen Ya Bao are set out in the Company's circular dated 24 January 2007.

On 24 January 2007, the acquisition of Shenzhen Ya Bao has obtained approval from the relevant regulatory authorities and Shenzhen Ya Bao has obtained its new business license. The total consideration was fully paid on 28 February 2007.

The consideration for the acquisition was determined by reference to the market value of the bare land valued as at 9 December 2006 at RMB623,000,000 by an independent valuer appointed by the Company after deduction of the liabilities of Shenzhen Ya Bao.

## 43. 結算日後事項

- (i) 於二零零七年一月三日，本公司公佈於二零零六年十二月二十九日訂立總體框架協議，建議待達成多項條件後，出售華銀交通49%股權予於香港聯合交易所有限公司主板上市公司中國平安保險(集團)股份有限公司之一家附屬公司，總代價為人民幣618,167,657元(約等於618,167,657港元)。根據總體框架協議，轉讓華銀交通49%股權後，華銀交通仍為由本集團持有51%股權之附屬公司。

該建議出售之詳情載於本公司於二零零七年一月二十四日刊發之通函。

於二零零七年三月三十一日，本集團訂立正式買賣協議，出售華銀交通49%權益。正式買賣協議的內容與總體框架協議大致相同。目前，出售仍在進行中，預計首期現金代價將於二零零七年六月收到。

- (ii) 於二零零七年一月二日，本公司公佈於二零零六年十二月二十八日透過全資附屬公司訂立買賣協議，收購獨立第三方深圳雅寶房地產開發有限公司(「深圳雅寶」)全部股權，現金代價為人民幣550百萬元(約等於550百萬港元)。完成後，深圳雅寶將成為本公司之間接全資附屬公司。

收購深圳雅寶之詳情載於本公司於二零零七年一月二十四日刊發之通函。

於二零零七年一月二十四日，收購深圳雅寶已獲得有關監管部門批准，而深圳雅寶亦獲發新營業牌照。總代價已於二零零七年二月二十八日全額支付。

收購之代價參考本公司委聘之獨立估值師對該幅空地於二零零六年十二月九日之估計市值人民幣623百萬元並扣除深圳雅寶負債而定。

**43. POST BALANCE SHEET EVENTS** (Continued)

- (iii) In January 2007, the public bidding for disposal of the Group's equity interest in Topway in Shenzhen Enterprise Ownership Exchange Centre was completed. The contract was entered into with Shenzhen Media Group Co., Ltd., an independent third party incorporated in the PRC, to sell all its interest in Topway for a total consideration of RMB316,893,800 (equivalent to approximately HK\$316,000,000).
- (iv) On 9 February 2007, the transaction in the Split Agreement to divide and allocate all the assets and liabilities of Shum Yip Logistics was approved on an Extraordinary General Meeting by way of poll.
- (v) On 9 February 2007, the transfer of the Group's shares in SEG, representing 26.76% of the total equity interest therein, to Shum Yip Holdings Company Limited, was approved on an Extraordinary General Meeting by way of poll.
- (vi) During the 5th Session of the 10th National People's Congress, which was concluded on 16 March 2007, the PRC Corporate Income Tax Law ("the New Corporate Income Tax Law") was approved and will become effective on 1 January 2008. The New Corporate Income Tax Law introduces a wide range of changes which include, but are not limited to, the unification of the income tax rate for domestic-invested and foreign-invested enterprises at 25%. Since the detailed implementation and administrative rules and regulations have not yet been announced, the financial impact of the New Corporate Income Tax Law to the Group cannot be reasonably estimated at this stage.

**43. 結算日後事項 (續)**

- (iii) 於二零零七年一月，本公司完成在深圳市產權交易中心公開拍賣出售所持有天威的全部股權。本集團已與在中國註冊成立之獨立第三方深圳廣播電影電視集團訂立合約，以總代價人民幣316,893,800元（約等於316百萬港元）出售所持天威的全部權益。
- (iv) 於二零零七年二月九日，本公司於股東特別大會上以投票表決之方式批准分立協議以分拆及分配深業物流的全部資產及負債之交易。
- (v) 於二零零七年二月九日，於股東特別大會以投票表決方式批准本集團將其所持賽格之26.76%權益轉讓予深業（集團）有限公司。
- (vi) 於二零零七年三月十六日閉幕的第十屆全國人民代表大會第五次會議通過了《中國企業所得稅法》（「新企業所得稅法」），並將於二零零八年一月一日起施行。新企業所得稅法引入了包括將內、外資企業所得稅稅率統一為25%等之多項變化。由於具體實施細則和管理辦法尚未公佈，故目前未能合理評估新企業所得稅法的實施對本集團帶來之財務影響。



#### 44. COMPARATIVE AMOUNTS

The comparative income statement has been restated as if the operations discontinued during the current year had been discontinued at the beginning of the comparative period (note 11).

#### 45. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 10 April 2007.

#### 44. 比較金額

比較收益表已按於本年度已終止經營的業務於比較期間開始時已終止經營的假設重列(附註11)。

#### 45. 批准財務報表

財務報表已於二零零七年四月十日獲董事會批准及授權刊發。