



綠景(中國)地產投資有限公司

LVGEM (CHINA) REAL ESTATE INVESTMENT COMPANY LIMITED

(於開曼群島註冊成立之有限公司)

(Incorporated in the Cayman Islands with limited liability)

香港聯交所股份代號: 95 HKSE Stock Code: 95

年報 Annual Report 2016

深耕核心城市 聚焦城市核心
Focusing on Major Cities
and Their Core Area



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Corporate Information

公司資料

Directors

Executive Directors

Ms. HUANG Jingshu (*Chairman*)
Mr. TANG Shouchun (*Chief Executive Officer*)
Mr. YE Xingan
Ms. DENG Chengying
Mr. HUANG Hao Yuan (*appointed on 21 February 2017*)

Independent Non-Executive Directors

Mr. ZHU Jiusheng
Mr. WANG Jing
Ms. HU Gin Ing

Executive Committee

Ms. HUANG Jingshu (*Chairman*)
Mr. TANG Shouchun (*Chief Executive Officer*)
Mr. YE Xingan
Ms. DENG Chengying
Mr. HUANG Hao Yuan (*appointed on 21 February 2017*)

Audit Committee

Mr. ZHU Jiusheng (*Chairman*)
Mr. WANG Jing
Ms. HU Gin Ing

Nomination Committee

Ms. HUANG Jingshu (*Chairman*)
Mr. ZHU Jiusheng
Mr. WANG Jing

Remuneration Committee

Ms. HU Gin Ing (*Chairman*)
Ms. HUANG Jingshu
Mr. ZHU Jiusheng

Authorised Representatives

Ms. DENG Chengying
Ms. CHAN Hiu Mei

Company Secretary

Ms. CHAN Hiu Mei

Compliance Adviser

Innovax Capital Limited

Auditor

Deloitte Touche Tohmatsu

董事

執行董事

黃敬舒女士(*主席*)
唐壽春先生(*行政總裁*)
葉興安先生
鄧承英女士
黃浩源先生(*於二零一七年二月二十一日獲委任*)

獨立非執行董事

祝九勝先生
王敬先生
胡競英女士

執行委員會

黃敬舒女士(*主席*)
唐壽春先生(*行政總裁*)
葉興安先生
鄧承英女士
黃浩源先生(*於二零一七年二月二十一日獲委任*)

審核委員會

祝九勝先生(*主席*)
王敬先生
胡競英女士

提名委員會

黃敬舒女士(*主席*)
祝九勝先生
王敬先生

薪酬委員會

胡競英女士(*主席*)
黃敬舒女士
祝九勝先生

授權代表

鄧承英女士
陳曉薇女士

公司秘書

陳曉薇女士

合規顧問

創陸融資有限公司

核數師

德勤•關黃陳方會計師行

Registered Office

PO Box 1350
Clifton House, 75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

Head Office and Principal Place of Business in Hong Kong

Suites 1701–1703, 17/F., Dah Sing Financial Centre
108 Gloucester Road
Wanchai, Hong Kong

PRC Office

55/F, Tower A, NEO Building
6011 Shennan Avenue, Futian District
Shenzhen, PRC
Postal Code: 518048

26/F Gold River Center
88 Shi Shan Road, New District
Suzhou, PRC
Postal Code: 215011

Legal Advisers (in alphabetical order)

Appleby Hunter Bailhache
Deacons
Global Law Office
Sidley Austin

Principal Bankers (in alphabetical order)

Agricultural Bank of China Limited
Bank of China Limited
Bank of Communications Co., Ltd
Bank of Shanghai Co., Limited
China CITIC Bank Corporation Limited
China Construction Bank Corporation
China Everbright Bank Company Limited
Hang Seng Bank Limited

Principal Share Registrar and Transfer Office

Estera Trust (Cayman) Limited
PO Box 1350
Clifton House, 75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

Branch Share Registrar and Transfer Office in Hong Kong

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

HKSE Stock Code

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Website

www.lvgem-china.com

註冊辦事處

PO Box 1350
Clifton House, 75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

總辦事處及香港主要營業地點

香港灣仔
告士打道108號
大新金融中心17樓1701-1703室

國內辦事處

中國深圳市
深南中路6011號
NEO(A座)55層
郵編：518048

中國蘇州市
新區獅山路88號
金河國際中心26層
郵編：215011

法律顧問 (按英文字母排列次序)

Appleby Hunter Bailhache
的近律師行
環球律師事務所
盛德律師事務所

主要往來銀行 (按英文字母排列次序)

中國農業銀行股份有限公司
中國銀行股份有限公司
交通銀行股份有限公司
上海銀行股份有限公司
中信銀行股份有限公司
中國建設銀行股份有限公司
中國光大銀行股份有限公司
恒生銀行有限公司

主要股份過戶登記處

Estera Trust (Cayman) Limited
PO Box 1350
Clifton House, 75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓

香港聯交所股份代號

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公司網址

www.lvgem-china.com

Chairman's Statement

主席報告

Dear Shareholders,

On behalf of the board of directors (the “Directors” or the “Board”) of LVGEM (China) Real Estate Investment Company Limited (the “Company” or “LVGEM (China)”), I would like to report to all the shareholders who have been supportive to the Company and its subsidiaries (collectively known as the “Group”) the consolidated business performance of the Group for the year ended 31 December 2016.

LVGEM (China) is a unique property developer and commercial property operator. Adhering to the strategic vision of “Focusing on Core Cities and Cities’ Core Areas”, the Company’s projects are mainly located in core cities and central areas to ensure high risk tolerance, high values and high returns for all projects. Being one of the pioneers in urban renewal, LVGEM (China) actively participated in urban renewal projects in Shenzhen and the Pearl River Delta. It successfully developed several property projects that gained recognition from industry peers and positive feedbacks from consumers, through which it has accumulated extensive experience and established a unique land resources acquisition model. The Company adhered to the “two-wheel driven” model and adopted the business mix of real estate development + commercial property operation. The ancillary services of commercial properties may enhance the value of real estate projects, as well as bringing stable rental income, cash flow and returns on property appreciation to the Company. The Company successfully completed a reverse takeover and the deemed new listing in 2015, making its official presence in the major access to the international capital market. This enabled the Group to better leverage on the advantages of financing strategies brought by cross-border financing and to make effective financing by fully utilising both domestic and overseas capital platforms.

During the year under review, the macro economy of China has entered into the “New Normal” state amidst downward pressure. With the impact of destocking, liquidity easing measures, positive sentiments in the land market and special rectification actions, the real estate industry also experienced a year full of turbulence. In the face of the ever-changing policies and market conditions, all staff of LVGEM (China) has weathered through the challenges with great courage by upholding the value of being “far-sighted, professional, responsive and honest”, allowing us to forge ahead under adverse conditions. Our efforts have been rewarded with fruitful results.

For real estate development, adhering to the strategic vision of “Focusing on Core Cities and Cities’ Core Areas”, we proactively developed a number of quality residential projects with potential. In Shenzhen region, in which the Group has been developing for years, we are developing LVGEM Hongwan Garden, LVGEM Mangrove Bay No. 1, Liguang Project and Meijing Project. Other projects under development include Suzhou LVGEM • NEO Project, which is also the new base for our development in the Yangtze River Delta region and Phase II of LVGEM International Garden located in Huazhou in the Pearl River Delta region. The Lau Fau Shan project in Hong Kong is also well underway, which is a major step of the Group in expanding to projects overseas.

For commercial property operation, the Group’s two commercial property brands, the “NEO” and “Zoll”, were a great success. The NEO integrated business complex in operation in Shenzhen became the central hub terminal of four railway lines following the commencement of operation of Line 7, 9 and 11 of the Shenzhen Metro, which will help increase the property value and rental income of NEO in Shenzhen. Hongwan Zoll Centre, the third Zoll Centre completed by the Group, also commenced operation following its grand opening in January 2017, which was a strong proof of our efforts in branding and scale expansion of the “Zoll” brand.

致各位股東們：

本人謹代表綠景(中國)地產投資有限公司(「本公司」或「綠景(中國)」)董事會(「董事」或「董事會」)向所有一直支持本公司及其附屬公司(統稱「本集團」)的股東們匯報本集團截至二零一六年十二月三十一日止年度的綜合業務表現。

綠景(中國)是一個特色房地產開發商和商業地產運營商。堅持「深耕核心城市，聚焦城市核心」的戰略思想，本公司的項目主要佈局於核心城市、核心地段，以保證項目的高抗風險能力、高價值和高回報。作為城市更新的先鋒之一，綠景(中國)積極參與深圳及珠三角地區的城市更新項目，成功開發了多個獲得業界認可及受消費者喜愛的地產項目，累積了豐富的經驗，建立了獨特的土地資源獲取模式。堅持「雙輪驅動」模式，本公司運用房地產開發+商業地產運營的業務組合策略。商業地產的配套可提升房地產項目的價值，並為本公司帶來穩定的租金收入、現金流及物業升值回報。本公司在二零一五年成功完成反收購暨視作新上市，正式登上了國際資本市場的重要平台。這使得本集團能更好地發揮兩地融通的融資策略優勢，充分利用境內境外兩地資本平台進行有效融資。

回顧年內，中國宏觀經濟在下行風險中進入「新常態」，房地產行業在去庫存、流動性寬鬆、土地市場傳導、專項整治行動等的影響下，也經歷了跌宕起伏的一年。面對風雲變幻的政策與市場，綠景(中國)全體員工秉持「遠見、精專、敏銳、信實」的價值理念，勇於拼搏、敢於挑戰，在困境中奮發，在逆勢中向上。我們的汗水，換來了豐碩的成果。

在房地產開發方面，我們秉持「深耕核心城市，聚焦城市核心」的戰略理念，積極開發具有潛力的優質住宅項目。在本集團長期發展的深圳地區，我們正在開發綠景虹灣花園、綠景紅樹灣壹號、黎光項目和美景項目。在長三角地區，我們正在開發蘇州綠景•NEO項目，並以此作為我們開拓長三角地區的橋頭堡。在珠三角地區，我們正在開發化州綠景國際花城(二期)。在香港，我們正在發展流浮山項目，這是本集團開拓海外項目的一大舉措。

在商業地產運營方面，本集團成功運營「NEO」和「佐陵」兩大商業地產品牌。正在運營的深圳NEO都市商務綜合體，隨著深圳七號線、九號線及十一號線的開通，正式成為四條地鐵線的交通樞紐站，這將有助提升深圳NEO的物業價值和租金收入。本集團第三個落成的佐陵中心一虹灣佐陵中心，亦於二零一七年一月隆重開業。這是「佐陵」品牌化、規模化的又一力作。

Chairman's Statement

主席報告

For financing, leveraging the cross-border financing modes as well as domestic and overseas capital platforms, the Group seized opportunities for capital management and issued RMB domestic corporate bonds and US dollar convertible bonds respectively during the year, which was another achievement of the Group in terms of financing. In addition, the Group also actively participated in financial investment and proposed to participate in the promotion and establishment of 一帶一路財產保險股份有限公司 (Belt and Road Property Insurance Co., Ltd.*), and invested in the Bank of Shanghai. We believe that financial investment will create synergies with the principal business and in turn broaden our stream of revenue and enhance the profitability and overall competitiveness of the Group.

In terms of project expansion, the Group also made a number of breakthroughs in 2016. The Group successfully acquired the urban renewal project in Zhuhai and won the project of a hotel located in Los Angeles, the United States. On the other hand, the parent company of the Group is also involved in certain quality urban renewal projects totalling not less than 12 million square meters in Shenzhen and the Pearl River Delta region. The Group will absorb these quality projects in time to facilitate its expansion and enhance the profitability of the Company. Looking forward, the Group will continue to identify quality assets and projects.

We believe that based on our excellent market insight and execution capability together with the extensive experience in the real estate industry, the Group will further optimise its property portfolio, asset value, income foundation and financial strength, endeavour to enhance the corporate image and brand popularity, consolidate its leading position in the market of Shenzhen and the Pearl River Delta region. Further, we will stringently implement and push forward our effective business model and strategies, continue to develop the high-quality integrated real estate and commercial property projects with potential, strive to create social values and bring satisfactory returns to shareholders and investors.

Last but not least, I would like to express my sincere gratitude to all of our shareholders, staff, clients and business partners for their continuous trust and support on behalf of the Board. Adhering to the core value of "Professionalism lays the foundation and mutual harmony leads to sustainable growth" and continuing to commit to the mission of enhancing city values, the Group will excel ourselves, seize every opportunity and take initiatives while working together to achieve the vision and goal of "being the most respected city value-creator"!

HUANG Jingshu
Chairman

Hong Kong, 16 March 2017

在融資方面，本集團通過兩地融通的模式，借助境內境外資本平台，把握資金運籌的時機，於年內先後完成發行人民幣境內公司債券及美元可換股債券。這是本集團在融資上取得的一大成就。另外，本集團亦積極參與金融投資，擬參與發起一帶一路財產保險股份有限公司，並參股上海銀行。我們相信，金融投資將會與主業產生協同效應，擴大收入來源，增強本集團的盈利能力和綜合競爭力。

在項目拓展方面，本集團於二零一六年亦取得不少突破。本集團成功收購珠海的舊改項目，及競得美國洛杉磯酒店項目。另一方面，本集團的母公司亦在操作累計不少於1,200萬平方米，位於深圳及珠三角地區的優質城市更新項目。一旦條件成熟，本集團將會吸納這些優質項目，以壯大公司規模和提升盈利能力。展望未來，本集團亦將繼續物色優質的資產和項目。

我們相信，憑借團隊敏銳的市場洞察力和卓越的執行能力，以及管理層在房地產行業的豐富經驗，本集團將進一步優化物業組合、資產價值、收益基礎及財務實力，致力提升企業形象及品牌知名度，穩固本集團在深圳和珠三角地區的市場領先地位，並且嚴格執行和落實其行之有效的業務模式和策略，繼續發展具潛力的優質綜合性房地產及商業物業項目，致力為社會創造價值，為股東及投資者帶來理想回報。

最後，本人謹代表董事會，向所有股東、員工、客戶及合作夥伴一如既往的信任和支持致以深切的感謝。本集團將秉持「專為本、和致遠」的核心價值理念，以持續提升城市價值為使命，精益求精，緊握機遇，共同與各位攜手朝著「做最受尊敬的城市價值創造者」的願景目標前進！

主席
黃敬舒

香港，二零一七年三月十六日

* For identification purposes only 僅供識別

Management Discussion and Analysis

管理層討論與分析

Industry Review

In 2016, the market was trapped in a complicated situation with continued instability in the international environment and the economy was still under downward pressure. Nevertheless, China's real estate market was still hot with annual transaction volume reaching its historical high and continued to show differentiation between cities. Moreover, the Chinese government adopted a series of measures in the fourth quarter, actively seeking to create a favourable development environment for stable and healthy growth in the industry in the long run.

Among those measures, the Chinese government's policy on real estate destocking has achieved remarkable results, with continuous increase in both sales area and sales amount of commodity housing and the areas pending for sale gradually decreased. With the implementation of the policy on the change from business tax to value-added tax for the construction and real estate industry (the "B2V") by the Chinese government with effect from 1 May 2016, coupled with the improvement of the tax system, both fixed assets investment and domestic demand increased, while the pace of real estate destocking was further accelerated. According to the statistics of the National Bureau of Statistics, in 2016, the sales area of commodity housing nationwide was 1,573.49 million square meters, representing an increase of 22.5% over the previous year while the sales amount of commodity housing was RMB11,762.7 billion, representing a year-on-year growth of 34.8%. As at the end of 2016, the areas of commodity housing pending for sale was 695.39 million square meters, representing a year-on-year decrease of 3.2%.

On the other hand, the property prices in first-tier cities and the cities with booming property markets were still on the rise. In order to suppress speculative demand and avoid market risks, local governments across the country have implemented a new round of regulatory measures one after another, including the policies in relation to increasing down-payment ratio, purchase restrictions and credit tightening, with an aim to stabilise the prices of the property market. In 2016, according to the statistics announced by National Bureau of Statistics, the average selling prices of new commodity residential housing in Shenzhen recorded a year-on-year increase of over 50%, demonstrating the huge market potential and demand for residential housing in Shenzhen. Although the regulatory policies may reduce the transaction volume in the property market in the near future, however, with the huge demand for property placement in first-tier cities at the moment, it is believed that the policies will be able to ensure better property allocation and thus beneficial for the long-term development of the industry.

Shenzhen, with a current resident population of approximately 20 million, is a hub city for internationally-renowned high-new technology and large financial enterprises and continuously attracts talents from different sectors to settle in the city. Among the four major first-tier cities, Shenzhen is the youngest city in terms of demographic structure. Based on the statistics from the population census, it is projected that the population between the age of 25 and 35 in Shenzhen accounted for the largest proportion of total population. This will provide constant demands for home purchase (including rigid demand and those looking for living condition improvement) to the property market in Shenzhen.

行業回顧

二零一六年，國際局勢持續不穩，經濟受到下行壓力，形成複雜的局面。然而，中國房地產市場依然熾熱，全年成交規模創歷史新高，城市分化態勢延續。中國政府亦於第四季度採取一系列措施，目的是積極構建良好的房地產市場發展環境，以穩定行業的長遠健康發展。

其中，中國政府的房地產去庫存政策取得明顯成效，商品房銷售面積和金額均持續增長，待售面積則陸續減少。自二零一六年五月一日起，中國政府實施建築和房地產業營業稅改增值稅(簡稱「營改增」)，完善稅制，刺激固定資產投資，擴大內需，進一步加快房地產去庫存進度。根據國家統計局數據顯示，二零一六年全國商品房銷售面積為157,349萬平方米，同比增長22.5%，商品房銷售額為人民幣11,762.7億元，同比增長34.8%。二零一六年末，商品房待售面積69,539萬平方米，同比降低3.2%。

另一方面，一線及熱點城市的房價持續上漲。為遏制投機需求，防範市場風險，中國各地政府先後推出新一輪調控措施，包括提高首付比例、限購、限貸等政策，藉此穩定房地產市場價格。根據國家統計局數據顯示，於二零一六年深圳新建商品住宅平均銷售價格較上年上漲超過50%，足見深圳住宅市場的巨大潛力與殷切需求。雖然調控政策或會在短期內減低房地產成交量，但一線城市正面對龐大的房屋置換性需求，相信政策將能更有效配置房屋供給，有利行業長遠發展。

現時，深圳約有二千萬居住人口，並聚集國際知名高新科技和大型金融企業，不斷吸納各行各業的專才。從四大一線城市的比較來看，深圳的人口結構最年輕。按照人口普查的數據推算，深圳25至35歲的人口佔比最多，這為深圳樓市提供著源源不斷的「剛需」和「首改」置業需求。

Management Discussion and Analysis

管理層討論與分析

In addition, according to the results from the population sample survey conducted in 2015, the mobile population in Shenzhen accounted for 78.0% of the total resident population, representing an increase of 4.3% as compared with the data obtained from the population census in 2010. As a first-tier forefront city with finance and high-tech industry as the major parts of its economic structure, Shenzhen will continue to attract more quality, highly-educated and highly-skilled youth population from other cities, which will boost the demand for residential and commercial properties and continue to promote the vibrant development of the property market.

Under the guidance of the strategic vision of “Focusing on Core Cities and Cities’ Core Areas”, the Group’s property projects are mainly located in the central areas of economically-developed core cities, such as Shenzhen, the Pearl River Delta region and Hong Kong, where there are enormous rooms for development and potential opportunities. Meanwhile, the Group’s Suzhou project is located in the core areas in Yuexi development zone, Wuzhong, Suzhou. The project is positioned as mid-to-high-end offices and street-style boutique shopping mall, which will help to enhance the Group’s brand influence in the Yangtze River Delta region upon completion.

Results

The Group achieved outstanding results for the year ended 31 December 2016. All of its key financial indicators were in line with the expectations of the management and the overall results performance was satisfactory.

For the year ended 31 December 2016, the Group achieved total revenue of approximately RMB4,590.2 million, representing a significant growth of approximately 279.3% as compared to the same period in 2015. Gross profit was RMB2,296.0 million, representing a significant growth of approximately 261.3% as compared to last year. Gross profit margin for the year remained at a healthy level of 50.0% (2015: 52.5%).

Profit for the year was RMB808.7 million (2015: RMB424.6 million), representing a significant growth of approximately 90.5% as compared to last year. Profit attributable to owners of the Company was RMB802.3 million (2015: RMB417.8 million), representing a significant growth of approximately 92.0% over the same period last year. Basic earnings per share was RMB17.09 cents (2015: RMB10.55 cents), representing a growth of approximately 62.0% year-on-year.

The Board has recommended the payment of a final dividend of HK5 cents (equivalent to approximately RMB4.5 cents) per ordinary share for the year ended 31 December 2016 (2015: HK1 cent and equivalent to approximately RMB0.8 cents).

此外，根據二零一五年人口抽樣調查的結果，深圳的流動人口佔常住人口總數的78.0%，比二零一零年人口普查時增長4.3%，基於深圳是一個以金融及高科技產業為主要經濟結構的一線前沿城市，深圳將吸引更多高質素、高學歷和高技術水準的外來年青人口持續流入，必然帶動持續穩定增長的住宅和商業物業需求，繼續促進房地產市場活躍發展。

本集團一直在「深耕核心城市，聚焦城市核心」戰略思想引領下，房地產項目主要佈局於深圳、珠三角地區和香港等經濟發達的核心城市的核心地區，擁有巨大的發展空間和潛在機遇。同時，本集團的蘇州項目地處蘇州吳中越溪開發區的核心地段，定位為中高檔寫字樓及街區式精品商場，項目落成後將提升集團在長三角區域的品牌影響力。

業績

本集團於截至二零一六年十二月三十一日止年度取得優異成績，各項主要財務指標符合管理層預期，整體業績表現令人滿意。

截至二零一六年十二月三十一日止年度，本集團實現總收益約為人民幣4,590.2百萬元，較二零一五年同期大幅增長約279.3%。毛利為人民幣2,296.0百萬元，較去年大幅增長約261.3%。年內毛利率維持在健康水平的50.0%（二零一五年：52.5%）。

年度盈利為人民幣808.7百萬元（二零一五年：人民幣424.6百萬元），較去年大幅增長約90.5%。本公司股東應佔盈利為人民幣802.3百萬元（二零一五年：人民幣417.8百萬元），較去年同期大幅增長約92.0%。每股基本盈利為人民幣17.09分（二零一五年：人民幣10.55分），同比增長約62.0%。

董事會已建議派付截至二零一六年十二月三十一日止年度的末期股息每股普通股5港仙（相等於約人民幣4.5分）（二零一五年：1港仙及相等於約人民幣0.8分）。

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The Group's key financial indicators for the year ended 31 December 2016 were as follows:

以下是本集團截至二零一六年十二月三十一日止年度之主要財務指標：

		2016 二零一六年 (RMB million) (人民幣百萬元)	2015 二零一五年 (RMB million) (人民幣百萬元)	Change 改變
Revenue	收益	4,590.2	1,210.3	279.30%
Gross profit	毛利	2,296.0	635.4	261.30%
Profit from core business*	核心業務應佔盈利*	604.4	58.4	934.5%
Profit attributable to owners of the Company	本公司股東應佔盈利	802.3	417.8	92.0%
Basic earnings per share (RMB cents)	每股基本盈利(人民幣分)	17.09	10.55	62.0%
Gross profit margin (%)	毛利率(%)	50.0	52.5	

* Profit from core business represents profit attributable to owners of the Company less fair value changes on investment properties and related deferred tax, exchange gain or loss and fair value changes on derivative financial instruments.

* 核心業務應佔盈利指本公司股東應佔盈利減投資物業及相關遞延稅項的公允價值變動、匯兌損益及衍生金融工具的公允價值變動。

	As at 31 December 2016 於二零一六年 十二月三十一日 (Audited) (經審核)	As at 31 December 2015 於二零一五年 十二月三十一日 (Audited) (經審核)
Bank balances and cash (including restricted bank deposits) (RMB million)	4,531.24	2,768.0
Average finance costs (%)	6.2	6.5
Gearing ratio (%)	64.5	66.8
Rate of equity return (%)	8.9	5.3

Bank balances and cash (including restricted bank deposits) (RMB million)

銀行結餘及現金(包括受限制銀行存款)(人民幣百萬元)

4,531.24

2,768.0

Average finance costs (%)

平均融資成本(%)

6.2

6.5

Gearing ratio (%)

資產負債比率(%)

64.5

66.8

Rate of equity return (%)

資本回報率(%)

8.9

5.3

Business Review – Real Estate Development and Sales

業務回顧 – 房地產開發與銷售

For many years, the Group has always been actively participating in large-scale quality residential and commercial development projects in the Pearl River Delta region, through which it has accumulated extensive experience in China's real estate industry and established a renowned brand name and enjoyed a leading position in Shenzhen where the real estate industry recorded the most rapid pace of growth among all cities. In 2016, the Group was awarded "2016 Top 10 Shenzhen Real Estate Enterprises in terms of Comprehensive Strength" by Shenzhen Real Estate Association and was recognised as one of the 13 "Trustworthy" enterprises in Shenzhen's real estate industry, reflecting the broad market recognition successfully gained by the LVGEM brand and products. Meanwhile, LVGEM Hotel of the Group was awarded "The Most Popular Hotel" (最受歡迎酒店獎) by the Shenzhen Travel Association.

多年來，本集團在珠三角地區積極投入大型優質住宅和商業發展項目，在中國房地產市場累積了豐富發展經驗，於房地產發展最迅速的城市深圳擁有享譽盛名的品牌知名度和領先地位。於二零一六年，本集團獲得深圳市房地產協會頒發「二零一六年深圳房地產綜合實力十強」，並獲評為深圳市房地產行業13家「誠信」企業之一，反映綠景的品牌和產品已成功取得廣泛市場認可。同時，本集團旗下的綠景錦江酒店榮獲深圳市旅遊協會「最受歡迎酒店獎」。

The Group is one of the pioneers in the field of urban renewal with unique operating models that differentiates itself from other developers and has accumulated over 20 years of experience in urban rehabilitation and urban renewal. Furthermore, in contrast to traditional real estate developers at the national or regional level, the Group's major development projects are all situated in the core areas of the core cities and adopted the strategy of dual-core layout of "Focusing on Core Cities and Cities' Core Areas" as its development focus. With development projects situated mainly in the core areas of economically developed cities such as Shenzhen, the Pearl River Delta region and Hong Kong, the Group will be able to maintain the rapid growth and risk tolerance of its businesses.

本集團擁有與別不同的獨特營運模式，積累了二十多年舊城改造及城市更新的經驗，是城市更新的先行者之一。另外，有別於傳統全國性或地域性房地產開發商，本集團主要開發項目均佈局在核心城市的核心地區，以雙核佈局「深耕核心城市，聚焦城市核心」戰略為發展重心，項目主要佈局於深圳、珠三角地區和香港等經濟發達的核心城市的核心地段，令本集團可維持業務的高速成長性和抗風險能力。

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The Group adopted a two-way expansion model for land acquisition, so as to acquire land resources by way of both public auction in the market and urban renewal. Moreover, the Group has successfully developed a set of comprehensive and standardised land-acquisition model which will at the same time continuously provide the Group with abundant land supply that is able to deliver high gross profit and sustainable growth at low cost through the cooperation with the parent company.

The Group adopted various refined cost control measures, with a view to achieve effective cost reduction through whole-process management with control before, during and after the implementation of process, which will in turn enable the Group to maintain a relatively high gross profit margin and revenue in the future.

Real estate development and sales were the core businesses of the Group and accounted for approximately 86.2% of the Group's total revenue of the year. For the year ended 31 December 2016, real estate development and sales of the Group generated approximately RMB3,956.4 million in revenue, representing a substantial increase of approximately 587.0% over the same period in 2015. The substantial increase in revenue was mainly attributable to the part of the property sales revenue from LVGEM Hongwan Garden located at Futian District, Shenzhen carried forward. Sales revenue of the abovementioned project was approximately RMB3,540.4 million for the year ended 31 December 2016.

For the year ended 31 December 2016, the Group's total contracted sales amounted to approximately RMB826.8 million, mainly attributable to the sales of remaining flats. However, the Group expects LVGEM Mangrove Bay No. 1 and LVGEM Hongwan Apartment will bring considerable sales and revenue contribution to the Group in the coming few years following the commencement of their pre-sale in 2017.

During the year under review, the Group continued to identify quality projects with potential, in order to bring growth momentum for future sales and performance. The projects under development included LVGEM Hongwan Apartment, LVGEM Mangrove Bay No. 1, Liguang Project, Meijing Project, Suzhou LVGEM • NEO Project, Phase II of LVGEM International Garden located in Huazhou and the Lau Fau Shan development project located in Hong Kong, expecting the tally of total construction area to be approximately 1,250,000 square meters.

LVGEM Hongwan Project is located in the central business district of Futian District, Shenzhen. The project comprises five high-rise quality residential buildings, two apartment buildings and Hongwan Zoll Centre. It occupies a site area of 32,785 square meters and total gross floor area of 367,372 square meters. The project was completed by the end of 2015. All units were completed and sales revenue was partly recognised during the year 2016. Sales revenue generated from the project was approximately RMB3,540.4 million, while the average unit selling price was approximately RMB45,800 per square meter. LVGEM Hongwan Project is the first "zero defect" occupation project of the Group with 674 units successfully delivered to and occupied by owners and attained a high level of customer satisfaction of 99.1%.

本集團採用雙向擴張的土地獲取模式，包括公開市場競購和透過城市更新方式獲取土地。除此之外，通過與母公司的聯動，本集團通過多年的發展已成功總結出一套完善而標準化的土地獲取模式。同時通過與母公司的聯動，將持續為本集團提供充足的具有成本優勢、理想的毛利率並可持續發展的土地供應。

本集團實施精細化成本控制方法，通過事前控制、事中監控、事後審核的全過程管理，有效降低成本，令本集團未來持續維持較高的毛利率及盈利能力。

房地產開發與銷售是本集團的核心主營業務，佔本集團全年度總收益之約86.2%。截至二零一六年十二月三十一日止年度，本集團房地產開發與銷售所產生的收益約為人民幣3,956.4百萬元，較二零一五年同期大幅增長約587.0%。收益大幅增長主要來源於深圳市福田区的綠景虹灣花園之部份物業銷售收入結轉所致，該項目截至二零一六年十二月三十一日止年度的銷售收入約為人民幣3,540.4百萬元。

截至二零一六年十二月三十一日止年度，本集團的總合同銷售金額約為人民幣826.8百萬元，主要為尾盤銷售。但本集團預計，隨著綠景紅樹灣壹號和綠景虹灣公寓的預售於二零一七年內展開，將為本集團未來數年帶來可觀的銷售和收益貢獻。

回顧年內，本集團繼續開發具潛力的優質項目，為未來銷售和業績提供增長動力。正在開發項目包括：綠景虹灣公寓、綠景紅樹灣壹號、黎光項目、美景項目、蘇州綠景•NEO項目、化州綠景國際花城(二期)及香港流浮山發展項目，預期總建築面積約為1,250,000平方米。

綠景虹灣項目位於深圳福田區中心商業區，包括五座高層優質住宅樓宇和兩座公寓，以及虹灣佐冷中心，佔地32,785平方米，總建築面積為367,372平方米。該項目已於二零一五年底竣工，全部單位已完工，並於二零一六年度已結轉部份收入，項目銷售收入約為人民幣3,540.4百萬元，平均銷售單價為每平方米約人民幣45,800元。綠景虹灣項目作為本集團首個提倡「零缺陷」入伙項目，順利實現了674戶小業主的入伙交付，入伙滿意度達到99.1%的高水平。

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LVGEM Mangrove Bay No. 1 is recently the largest urban upgrade and redevelopment project of the Group. The project comprises three quality residential buildings and a comprehensive and high-quality building of Grade A offices, hotels and apartments. The project is located in the southeast corner of the intersection of Shazui Road and Jindiyi Road in the central business district of Futian District, Shenzhen. Having easy access to public transport and strategically located in the proximity to both Futian Port and Huanggang Port, Beijing-Hong Kong-Macau Expressway and Metro Line 3, 4 and 7, the project occupies a site area of 24,424 square meters and a planned gross floor area of 305,450 square meters. Among which, the residential portion has a gross floor area of approximately 91,300 square meters. The whole project is expected to be completed in 2017. Pre-sale of certain high-end residences is planned to commence in 2017 subject to the market condition. It is expected to generate cash flow contribution to the Group in 2017.

Meijing Project is another urban upgrade and redevelopment project positioned to serve the high-income group, from white-collar to golden-collar, in Shenzhen and an integrated model zone for new mixed-used industrial town which will be mainly used for industrial research and development and industrial ancillary services, complemented by other functions such as apartment, commerce and offices. The project is located at south of Beihuan Road, north of Qiaoxiang Road, east of the intersection of Qiaoxiang Road and Beihuan Road as well as west of Qiaochengfang in Shenzhen. The project occupies a site area of 10,862 square meters and a planned above-ground gross floor area of 97,214 square meters. As the project is strategically located in the sub-district of Overseas Chinese Town, it enjoys rich scenic resources. It has commenced construction at the end of 2016 with an estimated total project revenue of over RMB2.2 billion.

Liguang Project is located next to Sili Road, Old Village, Liguang Community, Shenzhen. It occupies a site area of 271,202 square meters and is used for commercial and residential purposes. Phase I has a construction site area of 42,666 square meters and a plot ratio-based gross floor area of 156,300 square meters. Special planning for Phase I of the project has been approved. It is expected to complete the demolition and relocation plan in 2017 and commence construction in 2018. The estimated total revenue from the project is approximately RMB3.6 billion.

LVGEM International Garden is located in Huazhou City, Maoming, Guangdong province. It is located in a well-developed and traditional residential area with rich natural resources and is in proximity to Juzhou Park. It is well-served by public transport network and is only within approximately 10 minutes' drive from the city centre. The total investment of the project will be over RMB8.0 billion, which will promote the economic development of the region and the whole city, enhance the status of Huazhou City, improve the investment and leasing environment and facilitate the overall social and economic development of the city. The project occupies a total site area of 859,000 square meters and is planned to develop and launch for sale in phases. Phase I represents Zone A, which is divided into Zone A1 and Zone A2. Among which, Zone A1 occupies a site area and a total gross floor area of 48,795 square meters and 38,456 square meters respectively. The construction of the project was completed in November 2014 and was delivered and occupied in May 2015. Zone A2 occupies a site area and a total gross floor area of 55,032 square meters and 211,839 square meters respectively. The construction of Zone A2 was completed in November 2015 and was delivered in December 2015. As of 31 December 2016, Zone A of Phase I of LVGEM International Garden has been launched for sale. The saleable residential area was 170,288 square meters and the total area sold was approximately 131,000 square meters, and contributed approximately RMB0.58 billion of the Group's contracted sales in total. The development of Zone B of Phase II is underway. Zone B occupies a site area of 117,560 square meters and a total gross floor area of 555,969 square meters. The detailed plan for the construction work of Zone B has been approved by the Municipal Commission of Urban Planning and the design for schools and lakeside apartments of the project is in progress concurrently.

綠景紅樹灣壹號是本集團近年最具代表性的城市升級改造項目，包括三座優質住宅樓宇及一座甲級辦公室、酒店和公寓的優質綜合體。項目位於深圳福田區核心中心商業區的沙嘴路和金地一路交匯處東南側，交通便利，臨近福田、皇崗雙口岸、京港澳高速公路，及地鐵3、4、7號線，地理位置優越。項目佔地面積為24,424平方米，規劃總建築面積為305,450平方米，其中住宅部份建築面積約為91,300平方米。預期整個項目將於二零一七年內竣工。本集團將視乎市場環境於二零一七年內計劃預售部分高級住宅，將為本集團於二零一七年帶來現金流貢獻。

美景項目為另一個城市升級改造項目，定位面向深圳白領和金領的高收入群組，屬以產業研發、產業配套為主，兼有公寓、商業、辦公的多元綜合新型產城融合示範區。項目位於深圳市北環大道以南，僑香路以北，僑香路與北環大道交口以東，僑城坊以西，佔地10,862平方米，地上規劃建築面積為97,214平方米。由於該項目位於華僑城片區，具有優越的地理位置和豐富的景觀資源。已於二零一六年底開始動工，項目總收入預計超過人民幣22億元。

黎光項目位於深圳市黎光社區老村泗黎路旁，佔地271,202平方米，屬商業住宅用地。第一期建設用地42,666平方米，計容積率建築面積為156,300平方米。項目第一期專項規劃已獲批，項目預計二零一七年內完成拆遷計劃方案，計劃二零一八年動工。預計項目總收入約為人民幣36億元。

綠景國際花城位於廣東省茂名化州市，位處成熟的傳統住宅區，天然資源充裕，毗鄰橘洲公園，設有完善的公共交通網絡，距離市中心僅需約10分鐘車程。該項目投資總額將逾人民幣80億元，將帶動該地區及全市經濟的發展、提升化州城市品位，改善招商投資環境，促進全市社會和經濟發展。該項目總佔地面積為859,000平方米，項目實行分期開發及銷售。第一期為A區（分別為A1區和A2區），其中A1區佔地48,795平方米，總建築面積為38,456平方米。工程已於二零一四年十一月竣工，並於二零一五年五月交付入伙。A2區佔地55,032平方米，總建築面積為211,839平方米。A2區工程已於二零一五年十一月竣工，並於二零一五年十二月交付。截至二零一六年十二月三十一日止，綠景國際花城第一期A區已開售，可售住宅面積為170,288平方米，已累計售出約131,000平方米之銷售面積，為本集團貢獻累計合同銷售額約人民幣5.8億元；而本集團正在進行第二期B區的開發工作。B區佔地117,560平方米，總建築面積為555,969平方米。B區的修建性詳細規劃已通過市規委會審批，同時也在進行項目學校及濱湖住宅設計工作。

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Lau Fau Shan Project is a project located in Deep Bay Road, Lau Fau Shan, Hong Kong. It is the first outbound and Hong Kong quality property development project of the Group, which represents a new milestone of the internationalisation of “LVGEM” brand. The project occupies a site area of 82,400 square meters of a scarce and quality land parcel and is planned to build 116 low density waterfront villas. The project is currently in the planning stage with an estimated total sales of over HK\$7.0 billion.

Commercial Property Investment and Operations

“Two-wheel driven” business mix comprises “real estate development and commercial property operation”, which is another key feature of the Group.

The Group's commercial property development projects are mainly independent commercial projects as well as commercial and residential complex projects that comprise of residential areas. Among which, ancillary services of commercial properties under commercial and residential complex projects further increases the value of individual projects among the real estate development business, as compared to that of pure residential projects. Through the robust and quality commercial operation management, the Group can be rewarded with investment returns from the appreciation in property value, as well as generate stable rental income and cash flow by properly managing and leasing quality commercial properties.

The commercial properties of the Group are mainly represented by two commercial brands, namely “NEO” and “Zoll”, including NEO Urban Commercial complex, Xiangsong Zoll Centre, 1866 Zoll Centre and other shops and investment properties, with a total gross floor area of 392,829 square meters. Meanwhile, the grand opening of LVGEM Hongwan Zoll Centre was held in January 2017. LVGEM International Garden Zoll Centre and LVGEM Mangrove Bay No. 1 Zoll Centre are also expected to open for business in 2017 and 2018 respectively.

For the year ended 31 December 2016, the revenue from the investments and operations of commercial properties is approximately RMB430.2 million, representing an increase of approximately 4.3% as compared to the same period in 2015, contributing stable investment revenue and lease payments to the Group.

NEO Urban Commercial complex is elected as one of the ten key landmarks of Shenzhen. It is strategically located in the western region of central Futian District of the core central business district in Shenzhen. It is a key urban and commercial landmark in Shenzhen. It has easy access to public transport locating at the intersection of four Metro Lines 1, 7, 9 and 11. NEO Urban Commercial complex has a total gross floor area of approximately 252,539 square meters and a total lettable area of approximately 105,870 square meters. The high-quality corporate tenants of Grade A office building include offices and branches of several Fortune Global 500 companies, banks, telecommunications corporations and other state-owned enterprises. During the year 2016, the average occupancy rate of NEO Urban Commercial complex was about 99% (2015: 99%).

流浮山項目位於香港流浮山深灣路，是本集團首個境外和香港房地產發展的優質項目，標誌著「綠景」品牌邁向國際化的新里程。項目佔地82,400平方米的罕有優質地塊，擬興建116棟低密度臨海獨立豪華別墅。該項目現處規劃階段，預計總銷售額超過70億港元。

商業物業投資與經營

本集團另一重要特色是以雙輪驅動的業務組合—「房地產開發和商業地產經營」。

本集團商業地產發展類型主要為獨立商業項目及包含住宅的商住綜合體項目，其中商住綜合體項目的商業地產的配套，令房地產開發業務的單項項目較單純的住宅項目價值有進一步提升，且本集團可通過穩健和優質商業經營管理，享受物業升值的投資回報，並通過完善管理和出租優質商業物業以產生穩定的租金收入和現金流。

本集團以「NEO」和「佐陞」兩大商業品牌為代表的商業地產系列，當中包括：NEO都市商務綜合體、香頌佐陞中心、1866佐陞中心、以及其他商舖及投資物業，合共建築面積為392,829平方米。同時，綠景虹灣佐陞中心已於二零一七年一月份盛大開業，綠景國際花城佐陞中心及綠景紅樹灣壹號佐陞中心亦預計分別於二零一七年及二零一八年開始營運。

截至二零一六年十二月三十一日止年度，來自商業物業投資與經營的收益約為人民幣430.2百萬元，較二零一五年同期增長約4.3%，為本集團帶來穩定的投資收益和租務回報。

NEO都市商務綜合體被評為深圳市十大地標建築之一，位於深圳核心商業中心區地段的福田中心區西區之戰略位置，是深圳市主要城市和商業地標。地處地鐵1、7、9及11四條地鐵線的樞紐站，交通十分便利。NEO都市商務綜合體總建築面積約為252,539平方米及總可出租面積約為105,870平方米。甲級辦公樓之優質企業租戶，包括多家財富全球500強公司之辦事處及分支機構、銀行、電信公司及其他國營企業。於二零一六年，NEO都市商務綜合體的平均出租率約為99%（二零一五年：99%）。

Management Discussion and Analysis

管理層討論與分析

Suzhou LVGEM • NEO Project is located in the core area of Yuexi development zone, Wuzhong, Suzhou, and situated at the west corner of Tayun Road, north corner of Su Street and east corner of Yuelaixi. The project occupies a site area of 14,592 square meters and has a planned total gross floor area of 81,841 square meters. The project is positioned as mid-to-high-end offices and street-level boutique shopping mall. At the end of 2016, the overall completion progress was 60%. It is expected to launch for sales in 2017 and will provide stable cash flow and sales contribution for the Company.

Zoll Centre is a famous fashion and comprehensive shopping centre. As at the end of 2016, the Group owns and operates Xiangsong Zoll Centre and 1866 Zoll Centre. During the year 2016, the average occupancy rate was about 92% (2015: 95%). The mild decrease in occupancy rate was mainly due to the Group's continuous efforts in optimising the tenant mix, enhancing the market position of the "Zoll" brand and inviting more quality brands and tenants that cater for the consumption demand of residents to join. In addition, LVGEM Hongwan Zoll Centre was opened for business on 9 January 2017 with 74 contracted store tenants, which will contribute a more stable rental income to the Group. LVGEM International Garden Zoll Centre and LVGEM Mangrove Bay No.1 Zoll Centre are also expected to open for business in 2017 and 2018 respectively.

Comprehensive Services

The Group provides comprehensive services to customers and tenants of its residential and commercial properties. These comprehensive services include property management services, hotel operations and others. For the year ended 31 December 2016, comprehensive services of the Group generated revenue of RMB203.6 million, representing a decrease of approximately 8.2% as compared with the same period in 2015.

The Group operates and manages the LVGEM hotel, which is located in the central business district of Futian district, Shenzhen. The hotel has a total gross floor area of 25,751 square meters. It is strategically located and has over 330 rooms, 2 multi-functional meeting rooms, 1 banquet hall and video conference room. During the year ended 31 December 2016, its average occupancy rate was approximately 77% (2015: 76%).

The Group provided comprehensive property management services for most of its property development projects through its wholly-owned subsidiaries, namely 深圳市綠景紀元物業管理服務有限公司 (Shenzhen LVGEM Jiyuan Property Management Service Co., Ltd.*) and 深圳市綠景物業管理有限公司 (Shenzhen LVGEM Property Management Co., Ltd.*). The comprehensive services provided by the Group ranged from security services, property maintenance and management of ancillary facilities. Shenzhen LVGEM Property Management Co., Ltd. obtained the ISO9001:2008 certification for its quality system of property management services and the level A property management qualification.

Investment and Financing and Market Bidding

During the year, the Group adopted both domestic and overseas assets platforms in their highest and best use to conduct financing and the cross-border financing strategy between Hong Kong and PRC. The Group completed the issue of unsecured and non-guaranteed domestic corporate bonds of RMB2,600,000,000, and convertible bonds of US\$100,000,000, with average finance costs further decreased to 6.2%. The net proceeds of totaling RMB3,300 million were used to replenish the general working capital. The Group expected to further consolidate its financial strength through financing so as to identify further quality projects, seize more development opportunities and achieve substantial business growth in the future.

蘇州綠景•NEO項目位於蘇州吳中越溪開發區的核心地段，塔韻路西側，蘇街北側，越來溪東側。項目佔地面積為14,592平方米，擬建總建築面積為81,841平方米。項目的定位為中高檔寫字樓及街區式精品商場。於二零一六年底，工程整體完成進度為60%。預計二零一七年內開始銷售，將為公司提高穩定的現金流和銷售貢獻。

佐陵中心是著名生活時尚及綜合式購物中心。本集團截至二零一六年底擁有及營運香頌佐陵中心及1866佐陵中心。於二零一六年全年度之平均出租率約為92%（二零一五年：95%）。出租率輕微下跌主要是配合「佐陵」品牌持續優化租戶組合和提升市場定位，並邀請更符合居民消費需求的優質品牌和租戶進駐。此外，綠景虹灣佐陵中心，已於二零一七年一月九日開始營運，已簽約74家商戶，將會為本集團帶來持續遞增的更穩定的租金收入。綠景國際花城佐陵中心及綠景紅樹灣壹號佐陵中心亦預計分別於二零一七年及二零一八年開始營運。

綜合服務

本集團向其住宅及商業物業的客戶及租戶提供綜合服務。該等綜合服務包括物業管理服務、酒店運營及其他。截至二零一六年十二月三十一日止年度，本集團綜合服務產生的收益為人民幣203.6百萬元，較二零一五年同期下降約8.2%。

本集團營運和管理位於深圳福田區中心商業區的綠景錦江酒店。酒店總建築面積為25,751平方米，酒店位置優越，設有超過330間房間、兩間多功能會議室、一間宴會廳及視像會議室等設備。截至二零一六年十二月三十一日止年度，平均入住率約為77%（二零一五年：76%）。

本集團通過其全資附屬公司深圳市綠景紀元物業管理服務有限公司和深圳市綠景物業管理有限公司為其大多數房地產開發項目提供全面物業管理服務，包括保安服務、物業維護、管理配套設施等綜合服務。深圳市綠景物業管理有限公司取得物業管理服務ISO9001:2008質量體系認證和一級物業管理資質。

投融資運作及市場競購

本集團於年內充分利用境內及境外資本平台進行融資，發揮兩地融通的融資策略，先後完成發行人民幣26億元的無抵押、無擔保境內公司債券及1億美元的可換股債券，平均融資成本進一步降低至6.2%，所得款項淨額共約人民幣33億元，作為補充一般營運資金。本集團期望透過財務融資，進一步加強本集團的財政實力，以便將來繼續物色優質項目，把握更多發展良機，實現具質量的業績增長。

Management Discussion and Analysis

管理層討論與分析

正興隆房地產(深圳)有限公司 (Zhengxinglong Real Estate (Shenzhen) Co., Ltd.*) (“Zhengxinglong”), a wholly-owned subsidiary of LVGEM (China), proposed to participate in the promotion and establishment of 一帶一路財產保險股份有限公司 (Belt and Road Property Insurance Co., Ltd.*) (as named tentatively) (hereinafter referred to as “Belt Road Insurance”) as organised by China International Council for the Promotion of Multinational Corporations (中國國際跨國公司促進會). Zhengxinglong proposed to contribute RMB290 million for the subscription of 10% of shares in Belt Road Insurance. This allows the Group to take advantage of the opportunities arising from its development in the insurance market by supporting the implementation of various national strategies, such as the construction under the State’s “One Belt, One Road” initiative, the synergic development of Beijing-Tianjin-Hebei region and the development of Yangtze River Economic Belt. We believe that the participation in the promotion of Belt Road Insurance will create synergies with the principal business, broaden the revenue stream as well as enhance the profitability and overall competitiveness of the Group.

The Group engaged in the equity investment of Bank of Shanghai, representing 0.4% of the total share capital of Bank of Shanghai. In 2016, Bank of Shanghai was successfully listed on the Shanghai Stock Exchange. The Group had recorded an increase in other comprehensive income of approximately RMB163.3 million on the books accordingly.

On 11 November 2016, the Group entered into an agreement and agreed to acquire the entire issued share capital of Apex Leader Limited, the sole business of which is the ownership of 100% interest of the registered capital of 珠海凱威置業有限公司 (Zhuhai Kaiwei Property Co., Ltd.), at a consideration of RMB2,100 million. 珠海凱威置業有限公司 (Zhuhai Kaiwei Property Co., Ltd.) owns the land and the existing buildings at the 珠海東大凱威科技園 (Zhuhai Dongda Kaiwei Science Park). This project is located in Zhuhai and has a site area of approximately 79,525 square meters, with existing factory buildings and dormitories of gross floor area of approximately 126,700 square meters built thereon. The Group has paid 10% of the consideration, equivalent to RMB210 million during the year 2016.

Meanwhile, the Group continued to monitor any opportunities for exploring overseas market and bidding. During the year 2016, by way of public auction, the Group successfully secured a hotel project in South California, United States at a bidding price of USD22,600,000. Following the acquisition of Lau Fau Shan Project by the Group in Hong Kong, the business expansion in the US market marked another significant breakthrough by the Group towards internationalisation.

Future Prospect

Despite the uncertainties associated with the economic growth and the real estate market in the PRC, the Group is confident in the prospect of the real estate market in the Mainland China and the tremendous development potential of Shenzhen and the Pearl River Delta region. In the future, the Group will continue to adhere to its strategic vision of “Focusing on Core Cities and Cities’ Core Areas” and actively develop potential real estate projects in the core areas of core cities.

綠景中國之全資附屬公司－正興隆房地產(深圳)有限公司 (「正興隆」)擬參與中國國際跨國公司促進會組織發起設立的一帶一路財產保險股份有限公司(暫定名)(以下簡稱「帶路保險」)。正興隆擬出資金額人民幣2.9億元，認購帶路保險10%股份，藉助服務於國家「一帶一路」建設、京津冀協同發展和長江經濟帶發展等國家戰略，以獲取發展保險市場所帶來的機遇。我們相信參與發起帶路保險能與主業產生協同效應，擴大收入來源並增強本集團的盈利能力和綜合競爭力。

本集團參與上海銀行股權投資，佔上海銀行總股本約0.4%。上海銀行在二零一六年成功在上海證券交易所掛牌上市，本集團在賬面錄得其他全面收益增加約人民幣163.3百萬元。

本集團於二零一六年十一月十一日已簽訂協議同意以人民幣21億元收購Apex Leader Limited的全部已發行股本，該公司之唯一業務為擁有珠海凱威置業有限公司全部註冊資本之權益。珠海凱威置業有限公司於珠海東大凱威科技園擁有土地及現有樓宇。此項目位於珠海，佔地面積約79,525平方米，於其上興建之現有工廠樓宇及宿舍之建築面積約為126,700平方米。於二零一六年，本集團已支付對價的10%(相等於人民幣210百萬元)。

本集團同時持續關注海外市場拓展及競購機會。於二零一六年，本集團通過市場競拍方式成功獲得美國南加州一個酒店項目，競拍價格為2,260萬美元。美國市場業務的開拓，是本集團繼取得香港流浮山項目後，邁向國際化的又一重大突破。

未來展望

儘管內地經濟增長及房地產市場存在不確定因素，但本集團對中國內地房地產市場前景及深圳和珠三角地區的龐大發展潛力充滿信心。本集團未來會繼續堅持「深耕核心城市，聚焦城市核心」的戰略思想，積極開發核心城市核心地段裡具有潛力的房地產項目。

* For identification purposes only 僅供識別

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管理層討論與分析

Meanwhile, with primary focus on urban renewal and secondary on market bidding, the Group will continue to obtain more high-quality land resources in the core areas at low costs. It is expected that the urban renewal projects of the Group's parent company will achieve breakthroughs during the year based on the planned timeline. The Group will closely cooperate with the parent company to gradually inject various urban renewal projects of the parent company into the Group.

In 2016, the Group has completed its five-year performance plan in view of its medium-to-long term development in the future, providing key support to strategy planning, strategy implementation, business layout and plans. Confronted with the Chinese government's policy control on real estate and market fluctuations in the future, the Group will carefully study and implement the national policies and formulate the best business development plan that meets market needs by leveraging the Company's characteristics and strengths.

The Group maintained a sound financial position. As at 31 December 2016, bank balances and cash (including restricted bank deposits) amounted to RMB4,531.2 million, well-positioning the Group against market challenges and providing the Group with sufficient resources to actively identify high-quality projects. The Group will further expand the market through mergers and acquisitions so as to increase market share and consolidate its leading position in the region.

Apart from focusing on the development of real estate projects in Shenzhen and the core cities in the Pearl River Delta region, the Group will continue to actively broaden its project coverage and expand its business to the overseas markets in order to satisfy its medium-to-long term development needs. So far as the objective circumstances allow, in addition to the Lau Fau Shan project in Hong Kong and the hotel project in the United States, the Group will continue to identify appropriate land parcels and projects overseas, with an aim to seeking new profit growth drivers for the Group while maintaining stable development.

Looking forward, the Group will continue to grasp various market opportunities, enhance its competitiveness and promote its corporate core value of "Professionalism lays the foundation and mutual harmony leads to sustainable growth" in the market. We aim to make significant contributions to the prosperity of cities and in return, widely gain market recognition for adding value to cities.

Material Acquisition

On 11 November 2016, the Group entered into a sale and purchase agreement pursuant to which the purchaser agreed to purchase, and the vendor agreed to sell and transfer the entire issued share capital of Apex Leader Limited, at a consideration of RMB2,100 million. 10% of the consideration, equivalent to RMB210 million, was paid during the year 2016, 70% of the consideration, equivalent to RMB1,470 million, will be payable within one month after the PRC Governmental authorities granting approval for the implementation of the redevelopment project; and the balance of 20% of the consideration, equivalent to approximately RMB420 million subject to adjustments, will be payable within one month after the project has obtained the permit to commence construction. As at the date of this annual report, completion of this acquisition has not yet taken place.

同時，本集團會繼續透過城市更新為主，市場競購為輔的方式，獲得更多核心地段的低成本優質土地資源。本集團母公司的各個舊改項目按照規劃進程，預計於本年將有突破性的進展，本集團將與母公司會有更緊密的聯動，以落實母公司各個舊改項目逐步注入。

於二零一六年，本集團為保障未來的中、長期發展，已完成了集團五年業績規劃，為戰略規劃、戰略實施、業務佈局和業務計劃提供了重要支持。面對國家對房地產的政策調控及未來市場的波動，本集團將認真學習並貫徹國家政策，結合公司特點及優勢，制定出適應市場的最佳業務發展方案。

本集團財政狀況良好。於二零一六年十二月三十一日，銀行結餘及現金(包括受限制銀行存款)為人民幣4,531.2百萬元，有助面對市場的挑戰外，也為本集團積極尋找優質項目提供充足的資源，通過併購進一步拓展市場，擴大在區內的市場份額及領導地位。

除了核心發展深圳及珠三角地區核心城市的房地產項目，本集團會繼續積極拓展項目版圖，把業務擴充至海外市場，以配合中、長期發展所需。在客觀條件合適下，除香港流浮山項目及美國酒店項目外，會繼續物色海外合適的地塊及項目，務求在穩健前提下為本集團尋找新的利潤增長點。

展望未來，本集團將繼續把握市場上各種機遇，提升本集團的競爭力，把本集團的企業核心價值觀，「專為本、和致遠」推廣到市場，做到城市因綠景而綻放異彩，綠景因提升城市價值而備受尊重。

重要收購

於二零一六年十一月十一日，本集團訂立買賣協議，據此，買方同意購買而賣方同意出售及轉讓Apex Leader Limited之全部已發行股本，代價為人民幣2,100百萬元。於二零一六年，代價的10% (相等於人民幣210百萬元)已支付，代價之70% (相等於人民幣1,470百萬元)將於中國政府機關授出有關該項目重建實施主體確認文件後之一個月內支付；及代價剩餘之20% (相等於約人民幣420百萬元，可予以調整)將於該項目獲施工許可證起計一個月內支付。於本年報日期，該收購事項尚未完成。

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管理層討論與分析

Financial Review

Revenue

The Group's revenue mainly comprised of revenue from sales of properties held for sale, leasing of investment properties and comprehensive services. The Group's revenue for the year ended 31 December 2016 was approximately RMB4,590.2 million (2015: RMB1,210.3 million), representing an increase of approximately 279.3% as compared to the same period last year, which was mainly due to the increase in revenue from sales of properties held for sale.

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	increase/(decrease) 增加/(減少) RMB'000 人民幣千元	%
Property development and sales	物業發展及銷售	3,956,426	575,881	3,380,545	587.0
Commercial property investment and operations	商業物業投資與經營	430,205	412,637	17,568	4.3
Comprehensive services	綜合服務	203,531	221,752	(18,221)	(8.2)
Total	總計	4,590,162	1,210,270	3,379,892	279.3

For the year ended 31 December 2016, the revenue from sales of properties held for sale was approximately RMB3,956.4 million (2015: RMB575.9 million), representing an increase of approximately 587.0% as compared to the same period last year, which mainly includes sales of the high-rise residential buildings of LVGEM Hongwan Garden and other properties held for sale. The Group's total gross floor area of properties held for sale sold during the year ended 31 December 2016 was approximately 150,000 square meters (2015: approximately 84,000 square meters).

Revenue from leasing of investment properties for the year ended 31 December 2016 was approximately RMB430.2 million (2015: RMB412.6 million). The Group's commercial properties are all located in core areas. The properties are mainly operated under the brands of "Zoll" and "NEO". The occupancy rate of investment properties during the year ended 31 December 2016 remained at a high level at 94% (2015: 96%).

The Group provides comprehensive services to customers and tenants of its residential and commercial properties. These comprehensive services include property management services, hotel operations and others. For the year ended 31 December 2016, comprehensive services of the Group generated revenue of RMB203.6 million (2015: RMB221.8 million), representing a decrease of approximately 8.2% as compared to the same period last year.

Gross Profit and Gross Profit Margin

For the year ended 31 December 2016, the Group's integrated gross profit continued to remain at a relatively high level at approximately RMB2,296.0 million (2015: RMB635.4 million), representing an increase of approximately 261.3% as compared to last year; while the integrated gross profit margin for the year ended 31 December 2016 remained at a relatively high level at 50.0% (2015: 52.5%). The decrease in gross profit margin was mainly attributable to the increase in proportion of revenue from a sales of properties held for sale during the year.

財務回顧

收益

本集團的收益主要包括來自出售待售物業、租賃投資物業及綜合服務的收益。截至二零一六年十二月三十一日止年度，本集團的收益約為人民幣4,590.2百萬元(二零一五年：人民幣1,210.3百萬元)，較去年同期增加約279.3%，主要由於來自出售待售物業的收益增加所致。

截至二零一六年十二月三十一日止年度，來自出售待售物業的收益約為人民幣3,956.4百萬元(二零一五年：人民幣575.9百萬元)，較去年同期增加約587.0%，主要包括銷售綠景虹灣花園高層住宅樓宇和其他待售物業。截至二零一六年十二月三十一日止年度，本集團已售待售物業總樓面面積約150,000平方米(二零一五年：約84,000平方米)。

截至二零一六年十二月三十一日止年度，來自租賃投資物業的收益約為人民幣430.2百萬元(二零一五年：人民幣412.6百萬元)。本集團的商業物業均處於核心地段，主要以「佐陞」和「NEO」品牌營運。截至二零一六年十二月三十一日止年度投資物業的出租率為94%(二零一五年：96%)，維持較高出租率。

本集團向其住宅及商業物業的客戶及租戶提供綜合服務。該等綜合服務包括物業管理服務、酒店運營及其他。截至二零一六年十二月三十一日止年度，本集團綜合服務產生的收益為人民幣203.6百萬元(二零一五年：人民幣221.8百萬元)，較去年同期下跌約8.2%。

毛利及毛利率

截至二零一六年十二月三十一日止年度，本集團的綜合毛利持續維持較高水平約為人民幣2,296.0百萬元(二零一五年：人民幣635.4百萬元)，較去年增加約261.3%；截至二零一六年十二月三十一日止年度，綜合毛利率維持在較高水平為50.0%(二零一五年：52.5%)。毛利率減少主要是由於年內來自出售待售物業的收益比重增加所致。

Management Discussion and Analysis

管理層討論與分析

Selling Expenses

For the year ended 31 December 2016, selling expenses of the Group amounted to approximately RMB58.3 million (2015: RMB56.5 million), representing an increase of approximately 3.2% as compared to the same period in 2015. In 2016, the selling expenses mainly included sales commission from the sales of properties held for sale of the Hongwan project.

Administrative Expenses

For the year ended 31 December 2016, administrative expenses of the Group amounted to approximately RMB348.7 million (2015: RMB239.1 million), representing an increase of approximately 45.9% as compared to 2015. The increase was mainly attributable to the share options granted by the Group during the year. Among which, the amortisation expenses for share options during the year amounted to approximately RMB128.4 million (2015: Nil).

Fair Value Changes on Investment Properties

The valuation on the Group's investment properties as at 31 December 2016 was conducted by an independent property valuer which resulted in a positive fair value changes on investment properties of RMB247.5 million for the year ended 31 December 2016 (2015: RMB426.8 million).

Finance Costs

For the year ended 31 December 2016, finance costs of the Group amounted to approximately RMB406.5 million (2015: RMB262.9 million), representing an increase of approximately 54.6% as compared to 2015.

The increase in finance costs was due to the increase of the Group's total interest-bearing loans (including, among others, bonds and convertible bonds) to RMB11,940.4 million as at 31 December 2016 from RMB8,165.4 million as at 31 December 2015. The Group's average finance cost of interest-bearing loans was 6.2% for the year ended 31 December 2016 (2015: 6.5%). The decrease in average finance cost of interest-bearing loans was mainly due to the lowered market interest rate resulted from the monetary policy of the Chinese government.

Income Tax Expense

For the year ended 31 December 2016, income tax expenses of the Group amounted to approximately RMB1,044.8 million (2015: RMB166.5 million). The Group's income tax expense included payments and provisions made for EIT and LAT during the year. The increase of income tax expense during the year was mainly attributable to the increase in LAT provision. The LAT for the year amounted to approximately RMB692.0 million (2015: RMB50.4 million), which was mainly attributable to the sales of LVGEM Hongwan Garden.

銷售開支

截至二零一六年十二月三十一日止年度，本集團的銷售開支約人民幣58.3百萬元(二零一五年：人民幣56.5百萬元)，較二零一五年同期增加約3.2%。於二零一六年銷售開支主要包含推售虹灣項目的待售物業之銷售佣金。

行政開支

截至二零一六年十二月三十一日止年度，本集團的行政開支約人民幣348.7百萬元(二零一五年：人民幣239.1百萬元)，較二零一五年增加約45.9%，增加主要由於本集團於年內授出購股權所致。其中，年內購股權之攤銷費用約為人民幣128.4百萬元(二零一五年：無)。

投資物業的公允價值變動

於二零一六年十二月三十一日，本集團的投資物業經由獨立物業估值師進行估值，並因此作出截至二零一六年十二月三十一日止年度人民幣247.5百萬元(二零一五年：人民幣426.8百萬元)的投資物業正公允價值變動。

融資成本

截至二零一六年十二月三十一日止年度，本集團的融資成本約為人民幣406.5百萬元(二零一五年：人民幣262.9百萬元)，較二零一五年增長約54.6%。

融資成本增加乃由於本集團有息貸款總額從二零一五年十二月三十一日的人民幣8,165.4百萬元增加至二零一六年十二月三十一日的人民幣11,940.4百萬元，其中包括債券及可換股債券。本集團截至二零一六年十二月三十一日止年度的有息貸款平均融資成本為6.2%(二零一五年：6.5%)。有息貸款平均融資成本下降，主要由於中國政府貨幣政策令市場利率降低所致。

所得稅開支

截至二零一六年十二月三十一日止年度，本集團所得稅開支約人民幣1,044.8百萬元(二零一五年：人民幣166.5百萬元)。本集團所得稅開支包括年內就企業所得稅及土地增值稅所作出的付款及撥備。年內所得稅開支增加主要因為土地增值稅增加所致。年內土地增值稅約人民幣692.0百萬元(二零一五年：人民幣50.4百萬元)，主要由於銷售綠景虹灣花園所致。

Management Discussion and Analysis

管理層討論與分析

Operating Results

For the year ended 31 December 2016, the profit attributable to owners of the Company was approximately RMB802.3 million (2015: RMB417.8 million), representing an increase of approximately 92.0% as compared to 2015.

Liquidity, Financial Resources and Gearing

Bank balances and cash as at 31 December 2016 amounted to approximately RMB4,531.2 million (including restricted bank deposits) (2015: RMB2,768.0 million).

The Group had total borrowings of approximately RMB11,976.5 million as at 31 December 2016 (2015: RMB8,233.9 million). Borrowings classified as current liabilities were approximately RMB3,580.3 million (2015: RMB1,676.3 million) and the Group's gearing ratio as at 31 December 2016 was approximately 80.6% (2015: 67.7%), which was based on total interest-bearing loans less bank balances and cash (including restricted bank deposits) to total equity.

Please refer to note 30 to the consolidated financial statements for the details of bank borrowings.

Current, Total and Net Assets

As at 31 December 2016, the Group had current assets of approximately RMB11,525.3 million (2015: RMB10,385.0 million) and current liabilities of approximately RMB5,816.4 million (2015: RMB7,193.4 million), which represented an increase in net current assets from approximately RMB3,191.6 million as at 31 December 2015 to approximately RMB5,708.9 million as at 31 December 2016. The increase in current assets as at 31 December 2016 was mainly attributable to the increase in bank balances and cash as well as restricted bank deposits.

As at 31 December 2016, the Group recorded total assets of approximately RMB25,924.5 million (2015: RMB23,991.9 million) and total liabilities of approximately RMB16,726.8 million (2015: RMB16,018.7 million), representing a debt ratio (total liabilities over total assets) of approximately 64.5% (2015: 66.8%). Net assets of the Group were approximately RMB9,197.7 million as at 31 December 2016 (2015: RMB7,973.2 million).

For the year ended 31 December 2016, the Group was able to utilise its internal resources and debt financing to meet the funding requirements for land acquisition.

經營業績

截至二零一六年十二月三十一日止年度，本公司股東應佔盈利約人民幣802.3百萬元(二零一五年：人民幣417.8百萬元)，較二零一五年增加約92.0%。

流動資金、財務資源及資本負債比率

於二零一六年十二月三十一日，銀行結餘及現金約人民幣4,531.2百萬元(包括受限制銀行存款)(二零一五年：人民幣2,768.0百萬元)。

於二零一六年十二月三十一日，本集團的總借貸約為人民幣11,976.5百萬元(二零一五年：人民幣8,233.9百萬元)。分類為流動負債的借貸約為人民幣3,580.3百萬元(二零一五年：人民幣1,676.3百萬元)，而本集團於二零一六年十二月三十一日的資本負債比率(按有息貸款總額減銀行結餘及現金(包括受限制銀行存款)除以總權益計算)約為80.6%(二零一五年：67.7%)。

銀行借貸詳情可參閱綜合財務報表附註30。

流動資產、總資產及資產淨值

於二零一六年十二月三十一日，本集團擁有流動資產約人民幣11,525.3百萬元(二零一五年：人民幣10,385.0百萬元)及流動負債約人民幣5,816.4百萬元(二零一五年：人民幣7,193.4百萬元)，流動資產淨值由二零一五年十二月三十一日約人民幣3,191.6百萬元增加至二零一六年十二月三十一日約人民幣5,708.9百萬元。於二零一六年十二月三十一日流動資產增加，乃主要由於銀行結餘及現金和受限制銀行存款上升所致。

於二零一六年十二月三十一日，本集團錄得總資產約人民幣25,924.5百萬元(二零一五年：人民幣23,991.9百萬元)及總負債約人民幣16,726.8百萬元(二零一五年：人民幣16,018.7百萬元)，負債比率(總負債除以總資產)約為64.5%(二零一五年：66.8%)。本集團於二零一六年十二月三十一日的資產淨值約為人民幣9,197.7百萬元(二零一五年：人民幣7,973.2百萬元)。

截至二零一六年十二月三十一日止年度，本集團將能夠利用其內部資源及債務融資滿足土地收購的資金需求。

Management Discussion and Analysis

管理層討論與分析

Charge on Assets

For the year ended 31 December 2016, loans of approximately RMB8,597.5 million (2015: RMB8,150.3 million) were secured by properties under development for sale, properties held for sale, investment properties, properties, plant and equipment, and pledged deposits of the Group respectively in the total amount of approximately RMB12,705.0 million (2015: RMB10,813.3 million).

Contingent Liabilities

For the year ended 31 December 2016, the Group had contingent liabilities relating to guarantees in respect of mortgage facilities for certain purchasers amounting to approximately RMB2,479.5 million (2015: RMB2,140.3 million). 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 owned by the defaulted purchasers to the banks.

The Group's guarantee period commences from the dates of grant of the relevant mortgage loans and ends upon the earlier of the buyer obtaining the individual property ownership certificate or the full settlement of mortgage loans by the buyer.

The Directors consider that it is not probable that the Group will sustain a loss under these guarantees as during the periods under guarantees, the Group can take over the ownerships of the related properties and sell the properties to recover any amounts paid by the Group to the banks. The Group has not recognised any deferred income in respect of these guarantees as its fair value is considered to be minimal by the directors. The Directors also consider that the fair market value of the underlying properties is able to cover the outstanding mortgage loans guaranteed by the Group in the event the purchasers default payments to the banks.

Exposure to Fluctuations in Exchange Rates and Related Hedges

Almost all of the Group's operating activities are carried out in the PRC with most of the transactions denominated in Renminbi. The Group is exposed to foreign currency risk arising from the exposure of Hong Kong dollars and United States dollars against Renminbi as a result of certain cash balances and loans in Hong Kong dollars or United States dollars.

The Group does not have a foreign currency hedging policy. However, the Directors monitor the Group's foreign exchange exposure closely and may, depending on the circumstances and trend of foreign currency, consider adopting appropriate foreign currency hedging policy in the future.

Treasury Policies and Capital Structure

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

Employees

As at 31 December 2016, the Group had a staff roster of 1,494 (2015: 1,389), of which 1,471 (2015: 1,370) employees were based in the mainland China and 23 (2015: 19) employees in Hong Kong SAR. The remuneration of employees was in line with the market trends and commensurate to the levels of remuneration in the industry. Remuneration of the Group's employees includes basic salaries, bonuses and long-term incentives such as the granting of share options pursuant to an approved scheme.

資產抵押

於二零一六年十二月三十一日止年度，貸款人民幣約8,597.5百萬元(二零一五年：人民幣8,150.3百萬元)，分別由本集團的發展中待售物業、待售物業、投資物業、物業、廠房及設備及抵押存款合共約人民幣12,705.0百萬元(二零一五年：人民幣10,813.3百萬元)作為抵押。

或然負債

於二零一六年十二月三十一日止年度，本集團就若干買方的按揭融資提供擔保的或然負債約人民幣2,479.5百萬元(二零一五年：人民幣2,140.3百萬元)。根據擔保條款，倘該等買方拖欠按揭付款，則本集團須負責償還尚未償付的按揭貸款連同違約買方欠付銀行的任何應計利息及罰金。

本集團的擔保期由相關按揭貸款授出日期起，直至買家取得個人房產所有權證或悉數清償按揭貸款(以較早者為準)時為止。

董事認為本集團於擔保期間不大可能因該等擔保而遭受虧損，而本集團可接管有關物業的所有權並將之出售，以收回本集團向銀行支付的任何金額。由於董事認為該等擔保的公允價值微不足道，故本集團並未就該等擔保確認任何遞延收入。董事亦認為，倘買方拖欠償還銀行貸款，相關物業的公允市值足以彌補本集團所擔保的未償還按揭貸款。

匯率波動風險及有關對沖

本集團幾乎全部經營活動均在中國進行，而大部份交易均以人民幣計價。由於本集團若干現金結餘及貸款為港元或美元，使本集團面臨港元及美元兌人民幣而產生的外匯風險。

本集團並無外幣對沖政策。然而，各董事密切監察外匯風險，並視乎外幣的情況及走勢考慮日後採納適當的外幣對沖政策。

財資政策及資本結構

本集團就其財資及資本政策取態審慎，並專注於風險管理及與本集團的相關業務有直接關係的交易。

僱員

於二零一六年十二月三十一日，本集團僱有1,494名(二零一五年：1,389名)員工，其中1,471名(二零一五年：1,370名)員工長駐中國內地，於香港特別行政區則僱有23名(二零一五年：19名)員工。僱員的薪酬與市場趨勢一致，並與業內的薪酬水平相若。本集團僱員的薪酬包括基本薪金、花紅及長期獎勵，如按照認可的計劃授出購股權。

Environmental, Social and Governance Report

環境、社會及管治報告

LVGEM (China) Real Estate Investment Company Limited (hereinafter referred to as “LVGEM (China)” or the “Company”, together with its subsidiaries, the “Group”) has always been engaging in commercial activities that are beneficial to the society as a whole. We are committed to urban rehabilitation, urban renewal and enhancement of city values, with a view to promote sustainable development. We regard promoting prosperity and advancement of the society, as well as bringing benefits to the society and enhancing city values as our due responsibilities.

The Group adheres to the core value of “Professionalism lays the foundation and mutual harmony leads to sustainable growth”. “Professionalism” is the fundamental concept of founding a business and the corporate culture of the Group, signifying the integration of theory and practice and pursuit for excellence. “Mutual Harmony” is the key to business success and the team spirit of the Group, signifying the synergic and mutual growth of the Company and the external environment. Professionalism lays the cornerstone for our business opportunities while mutual harmony enables our business sustainability!

Pursuing synergy is the business philosophy of LVGEM (China), while striving for mutual benefits is the basic principle for both our internal and external cooperation. Following this ideology to maintain the relationship with the stakeholders, LVGEM (China) demonstrated the generosity in sharing of results. We seek win-win outcomes with our customers, employees, partners, shareholders, the government and the society as we believe the win-win relationships enable the business sustainability of LVGEM!

We have prepared this report with reference to the ESG Reporting Guide issued by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). This report summarises the efforts and achievements of the Company in respect of environmental, social and governance during the period from 1 January 2016 to 31 December 2016. The scope of this report covers LVGEM (China) itself and its subsidiaries.

1. Environmental Protection

LVGEM (China) has adopted a series of policies, plans and measures during its design, construction and operation process to reduce harmful emission and enhance energy utilisation efficiency, thereby minimising its impacts to the environment and protecting the ecology and natural resources.

1.1 Green Design

The real estate projects of LVGEM (China) follow the concepts of green design, and the green construction projects were conducted pursuant to various documents, including “Technical Guidelines for Green Building” and “Regulations of the Shenzhen Special Economic Zone on the Energy Saving for Buildings”. In 2016, two projects of LVGEM (China), namely LVGEM Mangrove Bay No. 1 and LVGEM Meijing Plaza (綠景美景廣場), were awarded “Shenzhen Green Building Design Certification” and attained the advanced level of the “Green Building Appraisal Rules” of Shenzhen after being assessed in terms of building energy saving rate, utilisation rate of traditional water resources, green space ratio of residential areas and utilisation rate of recycled building materials, etc.

綠景(中國)地產投資有限公司(「綠景(中國)」或「本公司」)連同其附屬公司，統稱「本集團」一直從事有利於整體社會的商業活動，致力於舊城改造、城市更新及城市價值的提升，推動可持續發展，並以促進社會繁榮進步，造福社會，提升城市價值為己任。

「專為本，和致遠」是本集團的核心價值觀。「專」為立業之本，是本集團的事業文化，代表知行合一，精益求精。「和」為立業之道，是本集團的團隊文化，代表內外協同，共生共長。專業奠定事業本源，和善成就長青基業！

協同是綠景(中國)的事業開拓之道，共贏是綠景(中國)一切內外合作的基本原則，是綠景(中國)處理與利益相關者關係的一種理念，體現了綠景對成果分享的態度。我們追求客戶共贏、員工共贏、夥伴共贏、股東共贏、政府共贏及社會共贏。共贏，成就綠景長青基業！

我們參照了香港聯合交易所有限公司(「聯交所」)發佈的《環境、社會及管治報告指引》編製了本報告。本報告概述了本公司於二零一六年一月一日至二零一六年十二月三十一日期間在環境社會管治方面的努力和成果。報告的組織範圍涵蓋綠景(中國)及其附屬公司。

1. 環境保護

綠景(中國)在設計、施工及營運環節，透過採取一系列政策、計劃、措施來減少有害排放，提高能源利用效率，以減少對環境造成的影響，保護生態及天然資源。

1.1 綠色設計

綠景(中國)地產項目遵循綠色設計的理念，參照《綠色建築技術導則》、《深圳經濟特區建築節能條例》等文件進行綠色建築建設。二零一六年，綠景(中國)的綠景紅樹灣壹號及綠景美景廣場項目獲得深圳市綠色建築設計認證，在建築節能率、傳統水源利用率、住區綠地率、可循環建築材料用量比等方面進行了評核，達到深圳市《綠色建築評價規範》先進水準。

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1.2 Cleaner production

LVGEM (China) has complied with the concept of cleaner production during construction. The concept of cleaner production was first proposed in 1990 by the Industry and Environment Programme Activity Center under the United Nations Environment Programme, it was defined as the continuous application of an integrated preventive environmental strategy to production processes and products so as to reduce the risks to humans and the environment. Cleaner production adopted a series of methods and measures that meet people's needs, enable rational use of natural resources and energy, and protect the environment. It substantially represents the planning and management of human production activities with minimal material and energy consumption to reduce, recycle, harmlessly treat or eliminate wastes during the production processes.

LVGEM (China) has adopted the principles of "reduction", "reuse", "recycling" and "substitution" for its construction projects. Efforts were made to promote water and electricity conservation as well as minimal packaging with a view to reduce overuse of packaging materials and generation of packaging wastes. It also seeks to maximise the efficient utilisation of materials and reduce construction wastes and strives to make the best use of materials. On the basis of not compromising the standards of facilities and services, materials will be employed for multiple or mutual use as far as possible rather than single use. Materials that had served their purposes will be recycled and turned into reusable resources. It also actively adopts green construction materials and use pollution-free or recycled materials as alternatives. Priority will be given to materials that are harmless, toxicant-free, easily decomposed or recyclable.

In order to minimise the impacts of the project construction on the peripheral areas, such as water and soil erosion resulted from runoff, in raining conditions, of surfaces stripped by foundation excavation during construction, third party professional consultants were engaged to formulate water and soil erosion solutions for all LVGEM (China) construction projects. The water and soil erosion in the peripheral areas can thus be mitigated through certain water and soil conservation measures and monitoring of various indicators, including remediation rate of disturbed land and control rate of soil erosion.

1.3 Green Operation

LVGEM (China) has adopted a series of water and energy conservation measures during its project operation to achieve the objectives of enhancing energy utilisation efficiency and saving energy. During 2016, the Group renovated the lighting and water pumps within the communities where the projects under their management located for energy-conserving purpose. After renovating the lighting system, improvement was seen in terms of energy saving rate, brightness and power. The energy saving rate of the water pump station also saw a significant improvement after carrying out energy-conserving renovation for the household water pumps.

LVGEM (China) promoted the concept of paperless office and adopted the Office Automation System for daily office use to minimise the use of paper.

1.2 清潔生產

在施工時，綠景(中國)遵守清潔生產的概念。清潔生產這一概念是由聯合國環境規劃署工業與環境規劃活動中心在一九九零年首先提出的，是指將綜合預防的環境策略持續地應用於生產過程和產品中，以便減少對人類和環境的風險性。清潔生產運用一系列的方法和措施，既可滿足人們的需要又可合理使用自然資源和能源並使環境得到保護，其實質是一種物料和能耗最少的人類生產活動的規劃和管理，將廢物減量化、資源化和無害化，或消滅於生產過程之中。

在建設項目中，綠景(中國)採取「減量化」、「再使用」、「再循環」和「替代」原則。推行節約用水、節約用電以及包裝簡樸化，減少包裝材料的過度使用和包裝性廢物的產生，盡可能對物料進行充分利用，減少建築垃圾的產生量。物盡其用，在確保不降低設施和服務標準的前提下，物品盡可能將一次性使用變為多次使用或調劑使用。回收已完成其功能的物品，使其重新變成可利用的資源。積極採用綠色建材，使用無污染的物品或再生物品作為一些物品的替代品，優先選擇無害、無毒、易於降解或者便於回收利用的物品。

為減少項目施工對周邊的區域造成影響，例如施工時開挖基坑產生的裸露地表被雨水沖刷產生的水土流失，綠景(中國)的施工項目委託第三方專業顧問制定水土流失方案，通過運用水土保持措施，控制擾動土地治理率、土壤流失控制比等指標減少對周邊區域造成的水土流失影響。

1.3 綠色運營

綠景(中國)在項目的運營中採用一系列節水、節能的措施，以達到提高能源利用效率，節約能源的目的。於二零一六年期間，本集團對管理項目小區範圍的照明和水泵進行了節能改造。照明系統改造後，在節能率、光照度和功率三個方面得到了改進。水泵房內的生活水泵實施節能改造後，節能率得到了很大的提升。

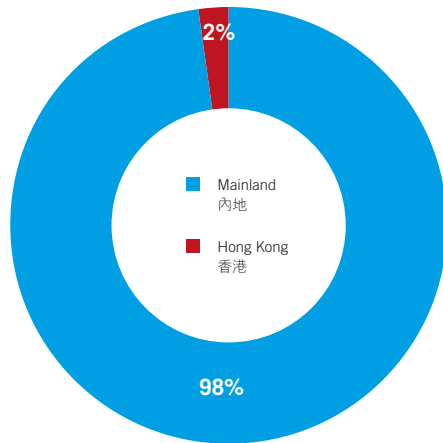
綠景(中國)推廣無紙化辦公理念，推行辦公室自動化系統辦公，減少紙張的使用。

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2. Care for Staff

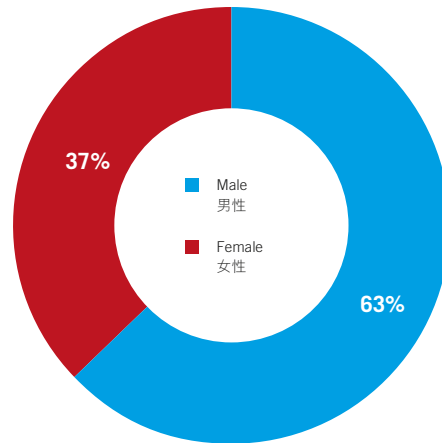
As at 31 December 2016, the Group had a staff roster of 1,494, of which 1,471 employees were based in the Mainland China and 23 employees were based in the Hong Kong Special Administrative Region, representing 98% and 2% of the staff roster, respectively. There are 938 male employees and 556 female employees, representing 63% and 37%, respectively.



Region Distribution
地區結構

2. 關愛員工

截至二零一六年十二月三十一日止，本集團僱有1,494名員工，其中1,471名員工常駐中國內地，佔比98%，於香港特別行政區則僱有23名員工，佔比2%。男員工938人，佔比63%，女員工556人，佔比37%。



Gender Distribution
性別結構

2.1 Protect employees' interests

The Group strictly complies with the relevant national and local laws and regulations during the staff recruitment process. Applicants' non-job related individual characteristics, such as nationality, ethnicity, gender, region, language and religion, will not be considered as recruitment criteria. During the recruitment process, LVGEM (China) observes the laws and systems, at the same time showing respect to talents, their professions and privacy. Meanwhile, LVGEM (China) provides strong protection for minors that they will not be hired as the LVGEM (China)'s employees.

Human resources manual

The Group has prepared a Human Resources Management Manual (人力資源管理手冊) for its staff, which not only laid down the standardised operation procedures for the human resources management of LVGEM (China), but also served as a supervision manual for the Group's employees to monitor whether the Group has provided legal protection for the interests of its employees.

Recruitment transparency

The recruitment process of the Group strictly complies with the relevant national laws and regulations. In the event of job openings, the Group will issue open recruitment posts, including posting the position/title, qualification, job duties as well as recruitment criteria on its recruitment websites. Once officially hired, the Group will enter into formal employment contracts with the applicants and strictly enforce the contractual terms in order to clearly define and protect various interests of the employees through contracts.

2.1 保護員工權益

本集團在員工的招聘過程中，嚴格遵守國家和地方相關法律法規，不以應徵者的國籍、民族、性別、地域、語言、宗教信仰等與工作無關的個體特徵作為聘請依據，在聘請過程中做到遵守法律、遵守制度、尊重人才、尊重專業、尊重隱私。同時，綠景(中國)嚴格保護未成年人，不僱用未成年人作為綠景(中國)的僱員。

人力資源手冊

本集團為員工編寫了《人力資源管理手冊》，該手冊作為綠景(中國)人力資源管理的標準作業規範流程手冊，也作為本集團員工對本集團是否合法保護員工權益的監督手冊。

透明招聘

本集團的招聘程序嚴格遵從國家相關法律法規。當有職位空缺時，本集團通過公開招聘，包括於招聘網站上刊登招聘崗位名稱、任職資格、工作職責及招聘條件。一旦應徵者被正式錄用，將與其簽訂正式僱傭合同，並嚴格執行合同條款，以合同的形式來明確並保護員工的各項權益。

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Equal treatment

All current employees of the Group are offered salary and benefits that conform to the national and local laws and regulations as well as its own corporate requirements. In terms of employees' salary and benefits, the Group strictly implemented the position-based salary system, under which salary will be determined based on job nature and scope of work without discrimination against gender and age. The remuneration policy also sets out the execution procedures, so as to ensure fairness and impartiality.

Equal opportunities for promotion

The Group regards work performance as an important basis for determining the salary or duties of the employees. LVGEM (China) conducts periodic performance assessment on a monthly, quarterly, semi-annual and annual basis with centralised organisation, procedures and standards, and every employee will participate in the performance assessment. The assessment results will be an important basis for employees' promotion. Employees will have full right of knowledge during the assessment process.

Labour protection

The Group strictly enforces Labour Contract Law and the contractual terms. In 2016, the employees of the Group in the PRC are fully secured with social insurance and housing fund. The Group will not unilaterally terminate labour contracts without cause and will strictly enforce the relevant national regulations in the event of termination of contracts with its employees.

2.2 Care for development of employees

With an aim to strengthen the employee's skill set and enhance their competitiveness, the Group strives to develop career plans of three to five years or an even longer period for every employee.

Career planning for employees

To allow the employees to grow with the company and establish a long-term cooperative relationship, LVGEM (China) devoted considerable efforts to develop career plan for its employees and will start to develop comprehensive career plan and development channel for new employees for the next three to five years upon their joining of the company. We will also provide targeted nurture and training programs to the fresh graduates who are new to the Group.

Training system for employees

In order to help the employees improve their abilities in relation to their profession, management and communication, the Group has established a comprehensive training system for its employees. The trainings for new employees, elites and managers, MBA and EMBA cover extensive training courses and systems for all professions and ranks. A total of 3,767 trainings were launched during the year and the number of trainings attended per capita was 1.64, while the total training hours reached 110,342 hours.

公平待遇

本集團在職員工均獲得符合國家及地方法律法規及本集團規定的各項薪資及福利待遇。員工薪資及福利待遇，嚴格執行以崗位、工作性質及工作內容定薪，不進行性別歧視、年齡歧視。薪酬政策制定執行過程，做到公平公正。

公平晉升

本集團把工作業績作為員工工資或職務的重要依據。定期開展月度、季度、半年度、年度績效考核，統一組織、統一流程、統一標準，全員參與績效考核。考核結果作為員工晉升的重要依據。在考核過程中，員工擁有充分的知情權。

勞動保障

本集團嚴格執行《勞動合同法》，嚴格執行合同條款。於二零一六年，本集團國內員工獲社會保險、住房公積金全面覆蓋。本集團不會無故單方面解除勞動合同，當要與員工終止合同時，嚴格執行國家相關規定。

2.2 關愛員工發展

為幫助員工提升技能、增強競爭力，本集團著力為每一位員工都做好三至五年甚至更長期的職業規劃。

員工職業規劃

為做到員工與企業共同發展，長期合作，綠景(中國)著力完成員工職業規劃。從新員工一入職，就開始對其未來三至五年的發展作出完整的職業規劃和發展通道。對加入本集團的應屆畢業生，進行有針對性的培養和鍛煉。

員工培訓體系

為幫助員工提升專業能力、管理能力、溝通能力，本集團建立了完整的員工培訓體系。從新員工培訓、精英培訓、管理者培訓、工商管理碩士、高級工商管理碩士涵蓋各專業、各層級的豐富的培訓課程及體系。全年共開展培訓3,767次，人均培訓次數1.64次；培訓總時數達110,342小時。

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Cadres quality assessment for mid-level and senior employees

With a view to help the employees better understand their current management ability, the Group carries out assessment on the ability and quality of the mid-level and senior employees and draws up a report that gives targeted recommendations on what they can improve according to the assessment results. The assessment enables the employees to make comprehensive improvement and enhancement on various aspects, including professional ability, management ability, personality and emotional quotient.

2.3 Harmonious labour relationship

LVGEM (China) placed emphasis on understanding the needs of its employees. Efforts were made to take care of their mental wellness, alleviate their stress, actively resolve their concerns and continuously enrich their cultural life after work. Through the use of office automation sharing platforms, LVGEM (China) has enhanced the communication among the employees and improved their satisfaction and sense of belonging, which has helped to create a positive and harmonious atmosphere throughout the organisation. The Group regularly held birthday parties, local and overseas tours, various sports competitions and festive celebration for employees. In 2016, the Group conducted an employee satisfaction survey and the survey results indicated that the average satisfaction of employees was 90.4 points.



Birthday party for employees
員工生日會



Singapore Tour
新加坡國際旅遊

中高層員工素質測評

為幫助員工更好的瞭解自身的管理能力現狀，本集團對中高層員工進行能力素質測評，並針對測評結果作出針對性的改善建議報告。幫助員工在專業能力、管理能力、性格情商等方面進行全面的改善和提高。

2.3 和諧勞動關係

注重瞭解員工訴求，關心員工心理，緩解員工壓力，積極解決員工關心的問題，不斷豐富員工的工餘文化生活，通過辦公室自動化共用平台加強員工之間的溝通、提升員工的滿意度、歸屬感，努力營造積極向上的和諧融洽的組織氛圍。本集團定期舉辦員工生日會、國內國際旅遊、各種體育競技比賽和節日慶典。二零一六年，本集團對員工進行了滿意度調查，調查結果顯示員工平均滿意度為90.4分。



Outward bound training
戶外拓展訓練



Outdoor Hiking Trip
戶外踏青旅遊

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2.4 Occupational Health and Safety

LVGEM (China) places the highest priority on securing health and safety of all our employees. We endeavor to protect them from work-related accidents or occupational hazards and the Group pledges full compliance with the relevant occupational health and safety laws and regulations of Hong Kong, the PRC and Mainland China.

LVGEM (China) provides insurance covering medical treatments and accidents to eligible employees. We also organises staff tours and medical examination regularly every year, as well as hosts various cultural and sport activities that help to promote their physical and mental wellness, trying to take care of the needs of our employees in every aspect and bringing them warmth of the LVGEM (China) family. In order to avoid work-related accidents and ensure that all employees work in a safe manner, we formulated the “Working Guidelines for Safe Construction and Management (安全文明施工管理工作指引)” and “Working Guidelines for Handling Construction Safety Issues (工程施工安全事故處理工作指引)” based on different working conditions and needs of various business. These guidelines stipulate clearly the safety procedures as well as emergency plans. The Group has also formulated the safe production management assessment indicators to review such policies and guidelines periodically, so as to better protect the production, work and personal safety of our employees.

The construction projects of LVGEM (China) adhere to the approach of “Focus on prevention while ensuring on-site compliance, observance by all staff members and safe development” and adopt the main theme of “Implement Regulations, Define Responsibilities, Improve Systems, Pursue Basic Standards, Strictly Comply”. The main focuses of its work include further strengthen corporate responsibility, vigorously promote standardised procedures for safe production, exercise more stringent process control at all levels, as well as further strengthen inspection and rectification of hidden hazards. By orderly pushing forward various tasks in relation to safe production, the Company has successfully achieved its safe production and management objectives in 2016.

2.4 職業健康及安全

確保所有員工健康和 safety 是綠景(中國)最優先考慮的重點。我們致力保護員工免受工傷事故或職業危害，本集團承諾嚴格遵守中國香港、中國大陸有關職業健康和 safety 法律、法規。

綠景(中國)提供醫療和意外保險給符合條件的員工，每年定期組織員工旅遊、體檢及多種有益員工身心健康的文體活動，關注員工需求的方方面面，感受到綠景(中國)大家庭的溫暖。為避免工傷事故及所有員工在安全的情況下工作，我們按照各項業務不同的工作環境及需要，制定了《安全文明施工管理工作指引》、《工程施工安全事故處理工作指引》，明確規定安全程式以及應急方案。本集團制定了安全生產管理考核指標，會定期檢討該等政策及指引，藉以更有效地保障員工的生產、工作及人身安全。

綠景(中國)建設堅持「預防為主、現場達標、全員履責、安全發展」方針，以「貫法、明責、健制、守底、嚴行」為工作主線，以深入強化企業主體責任、大力推進安全標準化工作、全面強化程序控制、深化隱患排查治理等方面為工作主題，有序推進各項安全生產工作，實現了二零一六年度安全生產管理工作目標。

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Name of indicator 指標名稱	Annual target 年度目標	Achievement 完成情況	Implementation of safe production responsibilities and objectives 安全生產責任目標落實	
Casualty or fatal accidents involving severe injury or above 重傷及以上人身傷亡事故	0	0	Implement regulations 貫法	Implementation of national, local and the Group's safety regulations and systems 貫徹國家及地方、集團安全法規制度
Fire accidents involving loss of over RMB300,000 or above 人民幣30萬以上損失火災事故	0	0	Define responsibilities 明責	Clearly define the safety responsibilities of all staff members and implement a safety performance evaluation system 明確全員安全職責，實行安全績效考核
Incidents causing material negative impact 重大負面影響的事件	0	0	Improve systems 健制	Improve the 3-tier safe production and management system as well as operation system comprising the Group, its branches and the project department 健全集團、分公司、專案部三級安全生產管理制度和運行機制
Rate of employment with certificate for special operations 特種作業人員持證上崗率	100%	100%	Pursue basic standards 守底	Hold on to the basic standards of safe production and management, and establish the right to veto for safe production matters, which will confer on the safety management staff the right to organise lockout and report to high levels by bypassing his immediate leadership 堅持安全生產管理底線，實行安全生產一票否決權，賦予安全管理人員停工權、越級上報權
Sign-up rate of the statement of responsibilities for safety target 安全目標責任書簽訂率	100%	100%	Strictly comply 嚴行	Strictly implement the safe production regulations and severely punish those who are responsible for committing acts involving irregularities and non-compliance 嚴格安全生產落實，嚴厲處罰違章違規責任人

In 2016, LVGEM (China) organised a number of works in respect of inspection and rectification of hidden safety hazards to inspect and rectify different kinds of hidden hazard. Meanwhile, based on the risk profile of the hidden hazards and the condition of on-site management, the Company will issue "Safe Production Warning Notice" to those units with high construction and production risks and serious hidden hazards that may result in accidents. These control measures have effectively facilitated and ensured the rectification of hidden hazards that may result in accidents.

二零一六年，綠景(中國)組織開展一系列安全隱患排查治理工作，查處整改各類隱患。同時，根據隱患風險狀況和現場管理情況，對施工生產風險高、事故隱患嚴重的單位下發《安全生產警示通知書》，通過這些管控措施促進並保證了事故隱患得到有效的整改。

Inspection and rectification of hidden safety hazards

安全隱患排查治理

Tasks 內容	Number 數量
Safety inspection	192 times 次
Special inspection	90 times 次
Hidden hazards inspection	2,820 times 次
Rectification rate of serious hidden hazards	100%
Rectification rate of general hidden hazards	98.50%

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3. Operation in Good Faith

3.1 Audit supervision

The Audit Supervision Center of the Group is fully responsible for the implementation of internal audit supervision. The Internal Audit Management System (內部審計管理制度) clearly stipulates that the Internal Audit Department shall report its work to the Board and its person in charge shall be a director appointed by the Board, which ensures the organisation structure, staffing and independency of work of the Audit Supervision Department. Pursuant to the Annual Audit Plan, the Audit Supervision Centre expresses its audit opinions on the soundness, effectiveness and compliance of the internal control of the Company through daily audit supervision and special review. Rectification plan will be proposed for identified problems and the implementation thereof will be reviewed regularly. For problems and internal control deficiencies identified during the audit, the centre will report to the management based on the nature of deficiencies on an ad hoc basis. Internal audit enables companies to standardise their operation and management and improves the sense of self-discipline of management at all levels and hence voluntarily subject themselves to supervision.

The Group continued to refine our anti-corruption system by issuing the Requirements on Complaint and Whistle-blowing Management (舉報、投訴管理規定). With convenient reporting channels in place, we have formed a whistle-blowing supervision network that covers our employees, cooperative partners and clients. Specific investigation will be conducted on reports made in real names and anonymous reports with reliable sources. Any confirmed non-compliance or illegal conducts will be dealt with publicly and seriously, so that no employee “dares” to corrupt. We continued to build up our internal control system to mitigate risks, plug management loopholes and reduce or even eliminate chances of corruption whereby no employee “can” corrupt. We also advocated a corporate culture of integrity and justness and cultivated a healthy life attitude for our employees, as a result, no employee “wants” to corrupt.

3.2 Corporate internal control

LVGEM (China) has established an internal control system that is relatively comprehensive and effective. The system focused on five key elements, namely environment control, risk assessment, activity control, information and communication as well as internal supervision, with a view to improve the Company's internal control foundation, set a clear direction for internal control, implement internal control measures, improve communication of information and strengthen internal supervision. All of these have provided supports for the Company in improving its operation efficiency and implementing its development strategy.

In 2016, with the formulation of All-rounded Risk Management Measures (全面風險管理辦法), Evaluation and Management Measures of Internal Control (內部控制評價管理辦法) and Risk Control Matrix (風險控制矩陣), we have gradually established a self-evaluation system that covers all business function centres of the headquarter and all subsidiaries. We arranged these centres and subsidiaries to conduct systematic self-evaluation on the design and implementation of internal control on a continuous basis and facilitated the sound development of the internal control system through regular internal control review.

3. 誠信經營

3.1 監察審計

本集團審計監察中心全面負責內部監察審計實施工作。《內部審計管理制度》明確規定內部審計向董事會匯報工作，其負責人由董事會任命一名董事專職，保證了審計監察部機構設置、人員配備和工作的獨立性。審計監察中心根據年度審計計劃，通過執行日常審計監督及專項檢查，對公司內部控制的健全性、有效性、合規性等發表審計意見，針對發現的問題提出整改計劃，並定期檢查整改落实情況。如審計中發現的問題和內控缺陷，依據缺陷性質不定期的向管理層彙報。通過內部審計，促進各公司經營管理的規範化，提高各級管理人員自我約束、自覺接受監督的意識。

通過頒佈《舉報、投訴管理規定》，本集團持續完善反舞弊體系。通過建立暢通便捷的舉報管道，形成覆蓋到員工、合作夥伴、客戶的監察舉報網路，對實名舉報及可信的匿名舉報進行專項調查，並對查實的相關違規違法行為公開嚴肅處理，讓員工「不敢」舞弊；持續推進內控體系建設，防範風險，堵塞管理漏洞，減少乃至消除舞弊機會，使員工「不能」舞弊；通過宣導誠實正直的企業文化，引導健康的人生觀，使員工「不想」舞弊。

3.2 企業內部控制

綠景(中國)已建立了一套較為完整且運行有效的內部控制體系，從控制環境、風險評估、控制活動、資訊與溝通和內部監督五個要素出發，改善公司內控基礎、明確內控方向、落實內控措施、完善資訊溝通及加強內部監督，為提高公司經營效率、促進實現發展戰略提供支持。

二零一六年通過制定《全面風險管理辦法》和《內部控制評價管理辦法》，編製《風險控制矩陣》，逐步建立起覆蓋總部各業務職能中心和各附屬公司的自我評估體系，持續組織總部各業務職能中心及各附屬公司對內控設計及執行情況進行系統的自我評價，並通過定期內控檢查推進內控體系的建立健全。

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We actively advanced our internal control management. Our efforts in this aspect include continuously strengthen and improve the internal control management mechanism, facilitate the Company's management over the establishment of key internal points of control in every aspect, optimise the management procedures of the Company and improve risk management and control mechanism, which has provided reasonable assurance for legality and compliance of the Company's operation and management, its asset security, as well as the accuracy and completeness of its financial report and related information.

我們積極推進內部控制管理方面工作，不斷地加強和完善內控管理機制，推動公司管理各領域的關鍵內控點建設工作，優化了公司管理流程，完善風險管控機制，為本公司經營管理合法合規、資產安全、財務報告及相關資訊的真實、完整提供了合理保障。

4. Product Liability

4. 產品責任

4.1 Design improvement

LVGEM (China) puts the concept of design improvement into practice. In 2016, on the basis that safety has been ensured and after taking into account of the actual condition on-site, LVGEM (China) eventually selected the most appropriate proposal through a series of comparison of and improvement on the design proposals of foundation pit support for LVGEM Meijing Plaza Project.

4.1 優化設計

綠景(中國)實踐行優化設計的理念。二零一六年度，綠景(中國)對綠景美景廣場項目基坑支護設計方案通過多輪對比、優化，在確保安全的前提下，並結合現場實際情況，選出最合適的方案。

4.2 Quality check

In order to enhance the quality of every project, in addition to the self-inspection conducted by the responsible departments of each project, the Company also arranged unannounced inspection on an ad hoc basis. It is essential for the quality check to cover the whole construction process. Quality check will be conducted from process to process, so that problems discovered can be rectified immediately and hidden quality hazards can be eliminated before moving on to the next stage.

4.2 品質檢查

為了強化各個項目的品質，除各個項目的負責部門自檢外，綠景(中國)還組織了不定期的飛行檢查。品質檢查必須覆蓋整個工程施工的全過程，隨著每道工序的推進動態進行，發現問題立即整改，不為下道工序留下品質隱患。

4.3 Technique Improvement

By regularly concluding the experience gained from the construction of completed residential projects, and reviewing sub-projects that may easily come across various kinds of quality issues, LVGEM (China) has established a set of construction technique standards based on the construction techniques of these sub-projects, with a view to satisfy the requirements for good qualities in terms of safety, sturdiness, durability and applicability.

4.3 工藝改進

綠景(中國)通過定期對竣工的住宅工程的施工經驗進行總結，對容易發生各類品質問題的分部分項工程進行了檢討，針對這些分部分項工程的施工工藝制定了一系列的施工工藝標準，以實現安全堅固、耐久適用等高品质要求。

4.4 Material Management

Adhering to the concept of pursuing excellence, LVGEM (China) conducted inspection on raw materials by strictly following the requirements of Working Guidelines for Material/Equipment Acceptance and Inspection (材料/設備驗收工作指引). The Project Department maintains 100% inspection coverage. The unqualified materials will be pulled out pursuant to relevant rules. On top of the inspections conducted by the project departments, the Group also conducted sampling inspections with a focus on wires and cables, waterproof materials, etc. The passing rate was 100%, guaranteeing that the all indicators of on-site materials had satisfied the relevant requirements.

4.4 材料管理

綠景(中國)秉承著精益求精的理念，嚴格按照《材料/設備驗收工作指引》的規定對原材料進行檢查。項目部檢查覆蓋率100%，對不合格材料按規定進行退場處理。本集團在各項目部門檢查的基礎上，重點對電線電纜、防水材料等進行抽檢，合格率达到100%，確保了進場材料的各項指標符合相關規範的要求。

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4.5 Customer Satisfaction

The residential projects of LVGEM (China) advocated the idea of occupancy “without defects”. In 2016, LVGEM Hongwan Project successfully completed the occupancy and handover procedures with the owners of 674 units and the satisfaction level in terms of occupancy and acceptance was as high as 99.1%.

4.5 客戶滿意

綠景(中國)的住宅項目提倡「零缺陷」入夥。二零一六年綠景虹灣項目順利實現了674戶業主的入伙交付，業主入伙驗收滿意度達到99.1%的高水準。

5. Management of Supply Chain

5. 供應鏈管理

5.1 Platform for supply chain management

LVGEM (China) followed the dual approach of accumulation and exploration for our supplier management. Upholding the belief of mutual development with suppliers, we continuously enhanced the management methods for our supply chain platform. The Professional Mingyuan Tender Management System (專業明源招標管理系統) was adopted to set up a categorised database of collaborating suppliers and store the latest information, files and cooperation history of the suppliers. We have set up a terminal on the website of Mingyuan Tender Management System for suppliers to easily understand our purchase demand and for them to make registration and log in. Meanwhile, we will make new entry and record of qualified pre-approved suppliers through the platform and update the information regularly.

5.1 供應鏈管理平台

綠景(中國)遵循供應商管理採用積累和發掘雙向路線，堅持與供應商共同發展，不斷提升供應鏈平台管理方式。我們採用專業明源招標管理系統對已合作供應商建立分類數據庫，儲存供應商最新的資料檔案和合作歷史；在明源招標管理系統的網頁上，設立了讓供應商瞭解公司採購需求和註冊登入的便捷端口，同時通過平台對合格的準供應商進行入庫存檔，定期信息維護。

5.2 Supply chain extension and absorption model

LVGEM (China) strived to provide a fair business environment for suppliers by minimising the information asymmetry between us and them. Firstly, we incorporated the big data techniques with the cloud purchasing platform to conduct regular and special recruitment for potential suppliers across the society. Through the cloud purchasing platform and tender management system, a pyramidal management model was formed in the order of potential supplier→pre-approved supplier→qualified pre-approved supplier→collaborating suppliers. Secondly, by joining the Shenzhen Real Estate Purchase Alliance Organisation (深圳地產採購聯盟組織), we established a supplier-sharing mechanism with our industrial peers and executed credit-sharing agreements to attract their outstanding suppliers.

5.2 供應鏈補充和吸納模式

綠景(中國)力爭為供應商提供公正的參與環境，儘量消除和供應商之間的信息不對稱。首先，我們結合大數據技術利用雲採購平台對全社會潛在供應商進行定期和專項招募，通過雲採購平台和招標管理系統形成了潛在供應商→準供應商→合格準供應商→合作供應商的金字塔層級管理模式。其次，通過參加深圳地產採購聯盟組織，我們與同行企業建立了供應商共享機制，簽訂了信用共享協定，對他們的優秀供應商進行吸納。



Inspection by actual measurements
實測實量檢查



Sampling inspection of cables
電纜抽檢

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5.3 Evaluation mechanism for cooperation with suppliers

LVGEM (China) evaluates the performance of collaborating suppliers regularly and gives them an overall score on a quarterly basis in terms of quality, collaboration, costs, etc., to demonstrate their service standard, while making our best efforts to align the service philosophy of suppliers with the orientations of our shareholders' interests and social interests.

5.4 Join hands with the service units of suppliers to work with the government in taking forward its energy conservation and environmental protection measures

LVGEM (China) actively responded to all the energy conservation and environmental protection requirements or recommendations of the government in relation to the real estate construction sector, such as installing solar-powered water-heating equipment on the roof of certain projects, applying for special governmental allowance for energy-conservation projects jointly with suppliers to construct charging piles in underground car parks, and engaging professional energy conservation companies to optimise the energy conservation measures for some projects.

5.5 Number of suppliers

LVGEM (China) has over 220 qualified recorded suppliers in our headquarter supplier management system, including construction enterprises in the field of architecture, landscaping, greening, fire-fighting, air-conditioning, intelligent construction and decoration, as well as equipment suppliers and service enterprises in the field of supervision, surveying, design, marketing and advertising, and consultation. Many of these suppliers are distinguished international and local companies. For the business development of overseas branches, we also placed emphasis on attracting local suppliers to reduce costs and promote localisation of relevant businesses, striving to contribute to the development of local community with our best endeavors.

5.6 Purchase accountability model

LVGEM (China) embraces the principle of "openness, justice and fairness" during the tendering process, and takes into comprehensive consideration the construction quality, supply capability, safety, management standards, etc. of suppliers. We used the tender purchasing system to conduct reviews on tender documents and shortlisted units at different levels and monitor the procedures carried out by our purchasing staff. We also used the contract management system to counter-sign the terms of the purchasing contracts with staff from legal, financial and engineering departments. Reviews will be conducted at different levels to ensure consistency between the contracts and the tender requirements. Meanwhile, the purchasing staff and the Company have entered into integrity agreements to standardise and specify the relevant responsibilities.

5.3 供應商合作評價機制

綠景(中國)對合作供應商進行定期履約評價，每季度進行匯總打分，從品質、配合、成本等角度瞭解供應商的服務水準，努力促進供應商服務思維與我們股東利益以及社會利益取向的一致性。

5.4 與供應商服務單位共同推進配合政府節能與環保措施的相關協議

綠景(中國)積極回應政府在房地產建設環節各項節能環保的要求或建議，例如在一些項目的頂層設置了太陽能熱水設備；與供應商聯合申請政府節能專項優惠進行地下室停車場充電樁建設；聘請專業節能諮詢公司對一些項目做節能優化。

5.5 供應商數目

綠景(中國)在總部供應商管理系統中儲備有超過220家合格入庫供應商，包括建築、園林綠化、消防、空調、智慧化、裝修等施工企業，以及設備供應商和監理、勘察、設計、行銷推廣、諮詢等服務企業，這些供應商中不乏有許多國際和本土知名公司。同時在外地分公司的開發業務中，我們也注重吸納當地的供應商，降低成本，促進相關業務的本土化，為當地社會發展做出努力。

5.6 採購責任模式

綠景(中國)招標過程中採用「公開、公正、公平」原則，對供應商的施工品質、供貨能力、安全文明、管理水準等綜合考量。我們通過招標採購系統對招標文件、入圍單位進行層級審批，對採購人員的過程進行監督；通過合同管理系統對採購合同的條款進行法務、財務、工程人員的會簽以及層級審批，確保合同與招標要求的一致性。同時採購人員與公司簽訂了廉潔協定，規範和明確了相關責任。

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5.7 Green purchasing

LVGEM (China) continuously refine our tender and purchasing system to support green construction of the industry. For example, we could minimise pollution to the society and environment and save energy by conducting major purchases in a strategic and centralised manner. We also initiate green interaction with our peer developers to carry out strategic purchases together and expand the scale of centralised purchasing. Moreover, we set strict requirements on areas, such as noise index of the equipment for environmental protection and environmental protection certifications for key decoration materials, to make sure our suppliers provide green and healthy products.

5.7 綠色採購

綠景(中國)不斷完善修正招採制度，支持行業綠色化建設。例如通過重要的戰略集中採購，減少對社會環境的污染，節約能源。我們還與開發商同行進行綠色互動，共同進行戰略採購，擴大集中採購的規模。另外我們對供應商產品嚴格要求綠色化和健康化，例如設備的噪音環保指標、重要裝修材料的環保認證等等。

6. Community Involvement

With increasing achievements and responsibilities, LVGEM (China) as an enterprise citizen, adheres to the business philosophy of servicing the public, valuing people's livelihood, appreciating the society and contributing to the society, and makes earnest efforts to participate in various charities to offer projects benefiting the public and services convenient for the public. Over the years, the Company has participated in certain programs for public good, including infrastructure construction, environmental protection, public health, disaster relief and student scholarship.

6. 社區參與

綠景(中國)在成就與責任與日俱增的今天，站在企業公民的高度，秉承服務民眾、關注民生、感恩社會、回饋社會的企業經營理念，熱心於各種慈善事業，打造利民工程和便民服務。多年來本公司參與的公益事業包括基礎設施建設、環境保護、公共健康、賑災助學等方面。

6.1 Social Welfare

LVGEM (China) is always very supportive to village construction and improvement of village infrastructures and education facilities. In November 2016, the Group made donation to Dongguan Zhangmutou Education Foundation to help developing education in Zhangmutou. Meanwhile, it also made donation to LVGEM Charity Foundation and the proceeds were used for helping the Villager Committee of Baihu Village, Wulipu Town, Shayang County, Jingmen City, Hubei Province (湖北省荊門市沙洋縣五里鋪鎮白虎村村民委員會) for the construction of road hardening project, with a view to help alleviate Baihu village from poverty and promote modernisation of the rural areas, which will in turn help to address the significant lagging in the progress of rural infrastructure development. Part of the proceeds was also utilised to support the social and economic development of the towns and villages in Maoming Old District (茂名老區), aiming to expedite the progress of poverty alleviation in towns and villages of remote old districts so as to help them transform from poverty to prosperity as soon as possible. The Group also made donation to Huazhou Charity Foundation (化州市慈善會) to support the education enhancement work of Dapo Jufan School of Yangmei Town, Huazhou (化州市楊梅鎮大坡菊藩學校). The donation was applied towards renovating the campus and constructing infrastructures such as teaching buildings, student dormitories, plastic running tracks, etc. Donation was also made to sponsor the May Fourth Variety Show of The First Middle School of Huazhou City (化州一中), with an aim to enrich the cultural elements in school lives and contribute to village construction by doing our part.

6.1 社會公益

綠景(中國)熱心援助鄉村建設，改善鄉村基礎設施和教育設施。二零一六年十一月，本集團向東莞市樟木頭教育基金會捐贈，幫助發展樟木頭教育事業；同時，向綠景慈善基金會捐贈，款項用於援助湖北省荊門市沙洋縣五里鋪鎮白虎村村民委員會修建硬化道路工程，幫助白虎村脫貧致富，促進農村現代化建設，解決農村基礎設施建設嚴重滯後的問題；援助茂名老區鎮、老區村社會經濟發展，加快邊遠老區鎮村的扶貧攻堅和早日脫貧奔康的步伐。本集團亦向化州市慈善會捐贈，支持化州市楊梅鎮大坡菊藩學校教育創強工程，用於改造校園，建設教學樓、學生宿舍、塑膠跑道等基礎設施；並捐款贊助化州一中五四文藝晚會，豐富校園文化生活，為鄉村建設貢獻自己的一份力量。

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6.2 Community Responsibility

LVGEM Club (綠憬會) is a customer fellowship organisation established by the Company. The Club adheres to the tenet of “Happy LVGEM, Life-time Friend” (幸福綠景，一生友鄰), devotes itself to building a harmonious neighborhood relationship, and creates a harmonious and warm neighborhood relationship and community life. Over the last year, LVGEM Club continuously held the Neighborhood Festival (鄰里節) of LVGEM Club named “Good Neighbor of China” (中國好鄰居), and carried out certain interactive activities such as “LVGEM Community Photo Competition” (綠景社區攝影大賽), “Amusement Games” (趣味運動會), “Star & Culinary Competition” (星藝廚藝大賽), and “Community Art Show” (社區文藝匯演), with a hope to improve the indifferent neighborhood relationship, carry forward the value of mutual support and assistance, and establish the community culture. Being the first real estate developer in the city initiating the Neighborhood Festival and based in Shenzhen, which is well-known as a young city of migration, LVGEM (China) focused on the general phenomenon of “no playmate for children, no partner for the elderly and no help from the neighborhood” in the fast-paced city life. With the spirit to devote itself to serve the community, LVGEM (China), together with various communities developed by the Company, guided people to trace back the long lost memories of neighborhood, where people share wisdoms in life with laughter, understand the true meaning of happiness and have stronger sense of belongings to the city. The Group held the Third Neighborhood Festival named “Good Neighbor of China” and the 12th Community Art Show in 2016. Under the theme of “Cheerful Neighborhood and Daily Life” (幸福鄰里·尋常生活) for the year, the show demonstrated brilliant and diverse culture and care of LVGEM communities for nearly 1,000 landlords and guests through the Launch of Smart Service Platform for residential projects developed by the Group, Community Art Show and lucky draw, etc.



Solo performance of dizi in “Good Neighbor of China”, the Third Neighborhood Festival
中國好鄰居第三屆鄰里節笛子獨奏

6.2 社區責任

綠憬會是由本公司發起成立的客戶聯誼組織，秉承「幸福綠景，一生友鄰」的宗旨，致力於建設融洽和諧的鄰里關係，營造和諧溫馨的鄰里關係和社區生活。過往年度，綠憬會持續舉辦「中國好鄰居」綠憬會鄰里節，開展了包括「綠景社區攝影大賽」、「趣味運動會」、「星藝廚藝大賽」、「社區文藝匯演」等互動活動，藉此希望改善鄰里之間人情漠然的現狀，弘揚鄰里守望相助的價值觀，建設社區文化。作為全城首個啟動「鄰里節」的地產開發商，綠景(中國)懷揣一顆精誠服務的心，以深圳這座年輕的移民城市為主陣地，聚焦快節奏的都市生活中「孩子沒有玩伴，老人沒有搭檔，鄰里沒有互助」的普遍現狀，聯合本公司開發的各大社區，引導人們尋回失落的鄰里記憶，在歡聲笑語中分享生活智慧，領悟幸福真諦，在城市中感受到更強烈的歸屬感。二零一六年，本集團舉辦中國好鄰居第三屆鄰里節暨第十二屆社區文藝匯演。本次匯演以「幸福鄰里·尋常生活」為年度主題，通過綠景物業智能化服務平台發佈會、社區文藝匯演、現場抽獎等形式，為來自本集團開發的住宅社區的近千名業主及嘉賓呈現出精彩、多元的綠景社區文化及人文關懷。



Peking opera performance in “Good Neighbor of China”, the Third Neighborhood Festival
中國好鄰居第三屆鄰里節京劇表演

Environmental, Social and Governance Report

環境、社會及管治報告

6.3 Environmental Responsibility

LVGEM (China) has actively participated in ecological protection, and financed the environmental protection and public welfare organisations over the years. During 2016, the Group has donated to Beijing Entrepreneur Environmental Protection Fund (北京市企業家環保基金會), sponsoring Alxa Society of Entrepreneur & Ecology (SEE) for the improvement and restoration of ecological environment at Alxa of Inner Mongolia, for the mitigation or containment of the occurrence of dust storm, and for the promotion of China entrepreneurs to shoulder more social responsibilities. The Group has cooperated with Shenzhen Mangrove Wetlands Conservation Foundation on a number of occasions to help protect the endangered mangrove forests with joint efforts. In 2016, the Company donated to LVGEM Charity Foundation for helping Shenzhen Mangrove Wetlands Conservation Foundation to organise the “Expect • Goodbye LVGEM Migrant Bird Parent-Child Carnival (期待•再見綠景候鳥遷徙親子嘉年華)”, which was held in Futian Mangrove Ecological Park. By doing so, we aim to support the implementation of series of popular science education activities, both out of an understanding and respect for the way of nature, and also of LVGEM (China) always standing at a corporate citizen standpoint, upholding a corporate culture to actively participate in social welfare and charitable activities.

6.3 環保責任

綠景(中國)多年來積極投身生態保護及資助環保公益組織。二零一六年度內，本集團向北京市企業家環保基金會捐款，資助阿拉善SEE生態協會改善和恢復內蒙古阿拉善地區的生態環境，減緩或遏制沙塵暴的發生，並推動中國企業家承擔更多的社會責任。本集團與深圳市紅樹林濕地保護基金會多次合作，共同保護瀕危邊緣的紅樹林。二零一六年度，本公司向綠景慈善基金會捐款，協助深圳市紅樹林濕地保護基金會在福田紅樹林生態公園舉行「期待•再見綠景候鳥遷徙親子嘉年華」活動。支持開展紅樹林系列科普教育活動，既是出於對自然之道的理解和崇尚，更是綠景(中國)始終站在企業公民的立場，熱忱參與各項社會公益和慈善事業的企業理念使然。



“Expect • Goodbye LVGEM Migrant Bird Parent-Child Carnival”
「期待•再見綠景候鳥遷徙親子嘉年華」活動

Biographical Details of Directors and Senior Management

董事及高級管理人員之履歷

Executive Directors

Ms. HUANG Jingshu, aged 29, is an Executive Director and Chairman of the Company and is responsible for the overall business development of the Company. From August 2012 to July 2013, Ms. HUANG served in the Guangzhou branch of Deloitte Touche Tohmatsu (Special General Partnership) and her last position was analyst of Corporate Risk Management Service Division, where she was primarily responsible for providing professional services to the clients. Since November 2010, Ms. HUANG started serving in Shenzhen LVGEM Entity Management Group Co., Ltd. (深圳市綠景企業管理集團有限公司) and her position was the vice general manager of the investment management department and was responsible for corporate development and planning matters. Ms. HUANG obtained her Bachelor of Arts with Honours degree in Accounting and Finance from University of Exeter in the United Kingdom in July 2010, and her Master of Science degree in Accounting and Finance in November 2011. Ms. HUANG was appointed as an executive director and the chairman of the Company on 15 May 2014 and 5 June 2014 respectively. Ms. HUANG is the daughter of Mr. WONG Hong King, the controlling shareholder of the Company and the sister of Mr. HUANG Hao Yuan, an executive director of the Company.

Mr. TANG Shouchun, aged 54, is an Executive Director and Chief Executive Officer of the Company and is responsible for corporate investment and finance matters of the Company. Mr. TANG was appointed as vice president of Shenzhen LVGEM Entity Management Group Co., Ltd. (深圳市綠景企業管理集團有限公司) in October 2015 and operations director of the Company in February 2016. Prior to joining Shenzhen LVGEM Entity Management Group Co., Ltd. (深圳市綠景企業管理集團有限公司), Mr. TANG has been the deputy general manager of Yue Xiu Enterprises (Holdings) Limited and executive director of Yuexiu Property Company Limited (a company listed on the Stock Exchange). Mr. TANG studied business administration in Nanjing Agricultural University in his early years and obtained a doctor degree. After graduating, he has been vice professor in university, senior management in Guangdong and Guangzhou large state-owned enterprises (including Hong Kong listed companies) and was responsible for finance, capital operation, legal, audit, strategic and operation management matters. Mr. TANG is a vice professor, senior accountant, senior economist and registered asset appraiser in China. Mr. TANG was appointed as an executive director and chief executive officer of the Company on 31 March 2016.

Mr. YE Xingan, aged 53, is an Executive Director of the Company and is responsible for the overall project development and management of the Company. He joined Shenzhen LVGEM Entity Management Group Co., Ltd. (深圳市綠景企業管理集團有限公司) in March 2007 and served as the executive vice president and was responsible for its overall operation management. Prior to joining the Company, from March 1993 to August 2002, Mr. YE served various positions in 萬科企業股份有限公司 (China Vanke Co., Ltd.*), a company primarily engaged in real estate development. From August 2002 to March 2005, Mr. YE served as a director and general manager of Chengdu Xinyi Investment Industry Co., Ltd. (成都心怡投資實業有限公司) and was primarily responsible for overall management. From March 2005 to March 2007, Mr. YE served as a director and general manager of Shenzhen Xinyi Real Estate Investment Development Co., Ltd. (深圳市心怡房地產投資發展有限公司) and was primarily responsible for its overall management. Mr. YE obtained his associate degree in accounting from Jiangxi College of Finance and Economics (江西財經學院, now known as Jiangxi University of Finance and Economics (江西財經大學)) in the PRC in June 1986, and he studied courses of master's degree in business administration at International Business Administration School of University of International Business and Economics (對外經濟貿易大學國際工商管理學院) in the PRC from September 2000 to September 2001. Mr. YE was appointed as an executive director of the Company on 15 May 2014.

* For identification purposes only 僅供識別

執行董事

黃敬舒女士，現年29歲，本公司執行董事兼主席，負責本公司之整體業務發展。於二零一二年八月至二零一三年七月，黃女士任職於德勤•關黃陳方會計師行廣州分行(特殊普通合伙)，其最後職位為企業風險管理服務部分分析師，主要負責向客戶提供專業服務。自二零一零年十一月起，黃女士開始就職於深圳市綠景企業管理集團有限公司及其職位為投資管理部副總經理，負責企業發展及策劃事宜。黃女士於二零一零年七月取得英國University of Exeter會計及財務學榮譽學士學位，並於二零一一年十一月於同一間大學取得會計及財務學理學碩士學位。於二零一四年五月十五日及二零一四年六月五日，黃女士分別獲委任為本公司執行董事及主席。黃女士為本公司控股股東黃康境先生之女兒及本公司執行董事黃浩源先生之胞姊。

唐壽春先生，現年54歲，本公司執行董事兼行政總裁，負責本公司之企業投融資事務。唐先生於二零一五年十月就任綠景企業管理集團有限公司副總裁，於二零一六年二月就任本公司運營總監。加入綠景企業管理集團有限公司之前曾任越秀企業集團副總經理、越秀地產公司(一間於聯交所上市的公司)執行董事。唐先生早年就讀於南京農業大學企業管理專業，並取得博士學位。畢業後，彼先後擔任大學副教授、廣東及廣州大型國企(包括香港上市公司)高級管理人員，主管過財務、資本運營、法務、審計、戰略及運營管理等工作。唐先生擁有副教授、高級會計師、高級經濟師、中國註冊資產評估師等專業資格。唐先生於二零一六年三月三十一日獲委任為本公司執行董事兼行政總裁。

葉興安先生，現年53歲，本公司執行董事，負責本公司之整體項目發展及管理。葉先生於二零零七年三月加入深圳市綠景企業管理集團有限公司，擔任常務副總裁，負責其整體營運管理。於加入本公司前，於一九九三年三月至二零零二年八月，葉先生於萬科企業股份有限公司(一間主要從事房地產開發之公司)擔任多個職位。於二零零二年八月至二零零五年三月，葉先生擔任成都心怡投資實業有限公司董事兼總經理，主要負責整體管理。於二零零五年三月至二零零七年三月，葉先生擔任深圳市心怡房地產投資發展有限公司董事兼總經理，主要負責整體管理。葉先生於一九八六年六月取得中國江西財經學院(現稱江西財經大學)會計學學士學位，及於二零零零年九月至二零零一年九月在中國對外經濟貿易大學國際工商管理學院修讀工商管理碩士學位課程。於二零一四年五月十五日，葉先生獲委任為本公司執行董事。

Biographical Details of Directors and Senior Management

董事及高級管理人員之履歷

Ms. DENG Chengying, aged 56, is an Executive Director of the Company and is responsible for the overall finance and taxation management, internal control and compliance management of the Company. Since July 2007, Ms. DENG started serving in Shenzhen LVGEM Entity Management Group Co., Ltd. (深圳市綠景企業管理集團有限公司). She served as an audit director and responsible for the overall audit, tax planning, risk control and compliance matters. Prior to joining the Company, from 1993 to 2013, Ms. DENG assumed various positions including accounting director and chief financial officer in Shenzhen Xinzhou Industry Co., Ltd. (深圳市新洲實業股份有限公司), a company primarily engaged in real estate development and property lease management, and was responsible for accounting and finance matters. Ms. DENG obtained her specialty graduation certificate in industrial accounting (工業會計) from Hunan Radio and TV University (湖南廣播電視大學) in the PRC in July 1986 and studied specialty courses of master's degree in business administration in the Research Institute of Tsinghua University in Shenzhen (深圳清華大學研究院培訓中心) in the PRC in December 2002. Ms. DENG obtained her intermediate accounting professional qualifications of the People's Republic of China (中華人民共和國中級會計專業技術資格證書) in May 2002. Ms. DENG was appointed as an executive director of the Company on 15 May 2014.

Mr. HUANG Hao Yuan, aged 26, is an Executive Director of the Company and is responsible for business branding and investment property management of the Company. Mr. HUANG joined Shenzhen LVGEM Entity Management Group Co., Ltd. (深圳市綠景企業管理集團有限公司) in 2014, and served as the deputy general manager of the Investment and Development Centre and was responsible for formulating its strategic development and investment plans, as well as responsible for project execution and the evaluation of potential projects. From August 2016 to February 2017, Mr. HUANG served as a senior investment manager of 博商資產管理有限公司 (Boshuang Assets Management Co., Ltd.*) and was responsible for project development and evaluation and monitoring of investments. Mr. HUANG possesses 3 years' working experience in the real estate industry in China. Mr. HUANG was appointed as an executive director of the Company on 21 February 2017. Mr. HUANG is the son of Mr. WONG Hong King, the controlling shareholder of the Company and the younger brother of Ms. HUANG Jingshu, an executive director and chairman of the Company.

Independent Non-Executive Directors

Mr. ZHU Jiusheng, aged 48, is an Independent Non-Executive Director of the Company and is responsible for providing independent judgement and scrutinising the performance of the Company. Before joining the Company, from July 1993 to May 2012, Mr. ZHU held various positions in the Shenzhen branch of China Construction Bank Corporation (中國建設銀行股份有限公司深圳市分行), the shares of which are listed on the Stock Exchange and Shanghai Stock Exchange with a stock code of 939 and 601939 respectively, and the last position he held was vice president of the Shenzhen branch. Mr. ZHU currently serves as a director of Shenzhen Kondarl (Group) Co., Ltd. (深圳市康達爾(集團)股份有限公司) (a company listed on the Shenzhen Stock Exchange with a stock code of 000048) and as a non-executive director of Huishang Bank Corporation Limited (徽商銀行股份有限公司) (a company listed on the Stock Exchange with a stock code of 3698), respectively. Mr. ZHU was resigned as the Group Senior Vice President of 萬科企業股份有限公司 (China Vanke Co., Ltd.*) on 31 December 2015. Mr. ZHU obtained his master's degree in economics from Zhongnan University of Economics ((中南財經大學), now known as Zhongnan University of Economics and Law (中南財經政法大學)) in the PRC in June 1993, and his doctorate degree in economics from Zhongnan University of Economics and Law (中南財經政法大學) in the PRC in December 2003. Mr. ZHU was appointed as an independent non-executive director of the Company on 15 May 2014.

鄧承英女士，現年56歲，本公司執行董事，負責本公司之整體財稅管理、內控及合規管理。自二零零七年七月起，鄧女士開始就職於深圳市綠景企業管理集團有限公司，擔任審計總監，負責整體審計、稅務規劃、風險監控及合規事宜。於加入本公司前，於一九九三年至二零一三年，鄧女士先後擔任深圳市新洲實業股份有限公司(一間主要從事房地產開發及物業租賃管理之公司)會計主任及財務總監等多個職位，負責會計及財務事宜。鄧女士於一九八六年七月取得中國湖南廣播電視大學工業會計專科畢業證書，並於二零零二年十二月在中國深圳清華大學研究院修讀工商管理碩士學位精選課程。鄧女士於二零零二年五月取得中華人民共和國中級會計專業技術資格證書。於二零一四年五月十五日，鄧女士獲委任為本公司執行董事。

黃浩源先生，現年26歲，本公司執行董事，負責本公司之企業品牌及投資性物業管理。黃先生於二零一四年加入深圳市綠景企業管理集團有限公司，擔任投資發展中心之副總經理，負責制定戰略發展和投資計劃、項目執行及潛在項目的評估。於二零一六年八月至二零一七年二月，黃先生於博商資產管理有限公司擔任高級投資經理，負責項目開發、評估及監控投資。黃先生具有三年於中國房地產行業之工作經驗。於二零一七年二月二十一日，黃先生獲委任為本公司執行董事。黃先生為本公司控股股東黃康境先生之兒子及本公司執行董事兼主席黃敬舒女士之胞弟。

獨立非執行董事

祝九勝先生，現年48歲，本公司獨立非執行董事，負責提供獨立判斷及細察本公司之表現。於加入本公司前，於一九九三年七月至二零一二年五月，祝先生於中國建設銀行股份有限公司深圳市分行(其股份於聯交所(股份代號：939)及上海證券交易所(股份代號：601939)上市)擔任多個職位，彼最後擔任之職位為深圳市分行副行長。祝先生現時分別擔任深圳市康達爾(集團)股份有限公司(一間於深圳證券交易所上市之公司(股份代號：000048))董事及徽商銀行股份有限公司(一間於聯交所上市之公司(股份代號：3698))非執行董事。祝先生於二零一五年十二月三十一日辭任萬科企業股份有限公司集團高級副總裁。祝先生於一九九三年六月取得中南財經大學(現稱中南財經政法大學)經濟學碩士學位及於二零零三年十二月取得中國中南財經政法大學經濟學博士學位。於二零一四年五月十五日，祝先生獲委任為本公司獨立非執行董事。

* For identification purposes only 僅供識別

Biographical Details of Directors and Senior Management

董事及高級管理人員之履歷

Mr. WANG Jing, aged 49, is an Independent Non-Executive Director of the Company and is responsible for providing independent judgement and scrutinising the performance of the Company. Mr. WANG currently serves as an independent director of Better-Life Commercial Chain Share Co., Ltd. (步步高商業連鎖股份有限公司) (a company listed on the Shenzhen Stock Exchange with a stock code of 002251) and as the chairman of the board of directors of Land Vision (Shanghai) Investment Management Co., Ltd. (九洲遠景(上海)投資管理有限公司), a professional service provider in commercial property industry, and is responsible for its overall management. Mr. WANG obtained his Bachelor of Engineering Degree from Heilongjiang Business School (黑龍江商學院) in the PRC in July 1990, and his master's degree in business administration from University of International Business and Economics (對外經濟貿易大學) in the PRC in July 1997. Mr. WANG was appointed as an independent non-executive director of the Company on 15 May 2014.

Ms. HU Gin Ing, aged 58, is an Independent Non-Executive Director of the Company and is responsible for providing independent judgement and scrutinising the performance of the Company. Ms. HU has over 22 years of experience in accounting and finance. Before joining the Company, from August 2013 to October 2014, Ms. HU served as a non-executive director of, SMI Culture & Travel Group Holdings Limited (formerly known as SMI Culture Group Holdings Limited (星美文化集團控股有限公司) a company listed on the Stock Exchange with a stock code of 2366). Since May 2014, Ms. HU has been serving as the global chief finance officer of Acer Incorporated (宏碁股份有限公司), a company listed on the Taiwan Stock Exchange with a stock code of 2353. She serves as an independent non-executive director of Carnival Group International Holdings Limited (嘉年華國際控股有限公司), Enterprise Development Holdings Limited (企展控股有限公司) and United Pacific Industries Limited (聯太工業有限公司), all of which are companies listed on the Stock Exchange with a stock code of 996, 1808, and 176 respectively. Ms. HU also served as an independent director of Arich Enterprise Co. Ltd. (久裕企業股份有限公司) (a company listed on the GreTai Securities Market in Taiwan with a stock code of 4173) from December 2012 to June 2015. Ms. HU obtained her Bachelor of Arts degree from National Taiwan University in June 1981, her Master of Science degree of science from Barry University in the United States of America in May 1988 and her Master of Business Administration degree from Florida International University in the United States of America in August 1990. Ms. HU was appointed as an independent non-executive director of the Company on 15 May 2014.

Senior Management

Ms. HU Yong, aged 54, is the vice president of the Group and is responsible for its financing. Prior to joining the Group in January 2005, from July 2003 to December 2004, Ms. HU served as the assistant to general manager in China Jiantou Commerce & Trading Co., Ltd. (中建投商貿有限公司) and was responsible for finance duties. From January 1987 to January 2001, she served in various positions in Shenzhen Petrochemical Chemical Co., Ltd. (深圳石化化工有限公司), including general manager from July 1996 to January 2001. She was responsible for financial and accounting matters. Ms. HU obtained her associate degree in accounting from Shenzhen University (深圳大學) in July 1989, and studied strategic financing management courses in the Research Institute of Tsinghua University in Shenzhen (深圳清華大學研究院) in the PRC in April 2008.

Mr. REN Hongbing, aged 49, is the vice president of the Group and is responsible for the project construction and development. Mr. REN joined the Group in March 2001. He had served various positions including the vice general manager and general manager of Zhuhai LVGEM Real Estate Development Co., Ltd. (珠海綠景房地產開發有限公司) and was responsible for project development. Prior to joining us, Mr. REN served as various positions in Shenzhen Huatai Enterprises Company (深圳華泰企業公司) and was responsible for technology and engineering matters. Mr. REN obtained his bachelor's degree in industrial and civil buildings (工業與民用建築) from Yangzhou Construction Engineering Institute (揚州建築工程學校) in the PRC in July 1988, and his Master of Business Administration degree from University of Wales in January 2012.

王敬先生，現年49歲，本公司獨立非執行董事，負責提供獨立判斷及細察本公司之表現。王先生現時擔任步步高商業連鎖股份有限公司(一間於深圳證券交易所上市之公司(股份代號：002251))獨立董事及九洲遠景(上海)投資管理有限公司(商用物業行業之專業服務供應商)董事長，負責其整體管理。王先生於一九九零年七月取得中國黑龍江商學院工程學士學位，並於一九九七年七月取得中國對外經濟貿易大學工商管理碩士學位。於二零一四年五月十五日，王先生獲委任為本公司獨立非執行董事。

胡競英女士，現年58歲，本公司獨立非執行董事，負責提供獨立判斷及細察本公司之表現。胡女士在會計及財務方面積逾二十二年經驗。於加入本公司前，於二零一三年八月至二零一四年十月，胡女士擔任星美文化旅遊集團控股有限公司(前稱星美文化集團控股有限公司)，一間於聯交所上市之公司(股份代號：2366)之非執行董事。自二零一四年五月起，胡女士擔任宏碁股份有限公司(一間於台灣證券交易所上市之公司(股份代號：2353))全球財務長。彼擔任嘉年華國際控股有限公司(股份代號：996)、企展控股有限公司(股份代號：1808)及聯太工業有限公司(股份代號：176)(均為於聯交所上市之公司)獨立非執行董事。胡女士亦於二零一二年十二月至二零一五年六月擔任久裕企業股份有限公司(一間於台灣證券櫃檯買賣中心上市之公司(股份代號：4173))獨立董事。胡女士於一九八一年六月取得國立台灣大學文學士學位，於一九八八年五月取得美國 Barry University 科學碩士學位及於一九九零年八月取得美國 Florida International University 工商管理碩士學位。於二零一四年五月十五日，胡女士獲委任為本公司獨立非執行董事。

高級管理人員

呼勇女士，現年54歲，本集團之副總裁，負責財務融資。於二零零五年一月加入本集團前，於二零零三年七月至二零零四年十二月，呼女士擔任中建投商貿有限公司助理總經理，負責財務職責。於一九八七年一月至二零零一年一月，彼擔任深圳石化化工有限公司若干職位，包括於一九九六年七月至二零零一年一月擔任總經理，負責財務及會計事項。呼女士於一九八九年七月取得深圳大學會計學畢業證書，並於二零零八年四月修讀中國深圳清華大學研究院策略融資管理課程。

任紅兵先生，現年49歲，本集團之副總裁，負責項目建設發展。任先生於二零零一年三月加入本集團。曾先後擔任珠海綠景房地產開發有限公司副總經理及總經理等多個職位，負責項目開發。於加入我們前，任先生於深圳華泰企業公司擔任多個職位，負責技術及工程事宜。任先生於一九八八年七月取得中國揚州建築工程學校工業與民用建築學士學位，並於二零一二年一月取得英國威爾士大學工商管理碩士學位。

Directors' Report

董事會報告

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

A review of the business of the Group during the year under review and a discussion on the Group's future business development, possible risks and uncertainties that the Group may be facing and important events affecting the Company occurred during the year ended 31 December 2016 are provided in the section headed "Chairman's Statement" on pages 4 to 5 and the section headed "Management Discussion and Analysis" on pages 6 to 18 of this annual report.

An analysis of the Group's performance during the year ended 31 December 2016 using financial performance indicators is provided in the section headed "Management Discussion and Analysis" on pages 6 to 18 of this annual report.

Principal Activities

The Group is principally engaged in property development and property investment businesses in the PRC.

Results and Dividend

The results of the Group for the year ended 31 December 2016 and the state of affairs of the Group at that date are set out in the consolidated financial statements on pages 65 to 157.

The Board has recommended the payment of a final dividend of HK5 cents (equivalent to approximately RMB4.5 cents) per ordinary share for the year ended 31 December 2016.

Share Capital

There were no changes in the number of the issued shares during the year ended 31 December 2016. Details of the Company's share capital are set out in note 31 to the consolidated financial statements.

Reserves

Details of the movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity.

Distributable Reserves

Pursuant to the applicable statutory provisions of the Cayman Islands, the Company's reserves available for distribution as at 31 December 2016, amounted to approximately RMB231.00 million (2015: RMB40.19 million), of which approximately RMB211.21 million has been proposed as final dividend for the year.

本公司董事(「董事」)欣然提呈其年報連同截至二零一六年十二月三十一日止年度之經審核綜合財務報表。

本集團於回顧年內之業務回顧及本集團日後業務發展、可能風險及不確定性因素(本集團於二零一六年十二月三十一日止年度可能受影響之重要事件)載於本年報第4至5頁「主席報告」一節及第6至18頁「管理層討論與分析」一節。

於二零一六年十二月三十一日止年度，本集團之表現按財務表現指標之分析載於本年報第6至18頁「管理層討論與分析」一節。

主要業務

本集團主要在中國從事物業發展及物業投資業務。

業績及股息

本集團截至二零一六年十二月三十一日止年度的業績以及本集團於該日的業務狀況載於第65至157頁的綜合財務報表。

董事會建議派付截至二零一六年十二月三十一日止年度的末期股息每股普通股5港仙(相等於約人民幣4.5分)。

股本

截至二零一六年十二月三十一日止年度內已發行股份數目並無任何變動。本公司股本詳情載於綜合財務報表附註31。

儲備

本集團之儲備於年內之變動情況載於綜合權益變動表。

可供分派儲備

根據開曼群島適用之法定條例，於二零一六年十二月三十一日，本公司之可供分派儲備約人民幣231.00百萬元(二零一五年：人民幣40.19百萬元)，其中約人民幣211.21百萬元已作末期股息宣派。

Property, Plant and Equipment

Details of the movements in the property, plant and equipment of the Group are set out in note 14 to the consolidated financial statements.

Principal Properties

Details of the principal properties for investment purposes and properties under development for sale are set out on pages 159 to 164.

Pre-Emptive Rights

There is no provision for pre-emptive rights under the Company's articles of association or the laws of Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

Tax Relief

The Company is not aware of any relief from taxation available to shareholders by reason of their holding of the Company's shares.

Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 158.

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

On 29 August 2016, Zhengxinglong was approved by the China Securities Regulatory Commission to issue non-public domestic corporate bond of RMB2,600,000,000 (the "PRC Domestic Corporate Bond") to qualified investors in the PRC, with fixed interest rate of 6.5% per annum, with tenure of five years. The PRC Domestic Corporate Bond is listed on the Shenzhen Stock Exchange. The purpose of the issuance of such bond was to replenish the Group's general liquidity, so as to provide additional general working capital resources to support the development of the Group.

On 6 November 2016 and 8 November 2016, the Company entered into a subscription agreement and a supplemental agreement with Chance Talent Management Limited for the issue of US\$100 million convertible bonds (the "Convertible Bonds"), which bear interest at 5.5% per annum and due in 2018. The issue was made for the Company to raise fund. Pursuant to the terms of the Convertible Bonds, the holder of the Convertible Bonds can convert the Convertible Bonds into shares of the Company at the conversion price of HK\$2.76 per share. Assuming full conversion of the Convertible Bonds, the Convertible Bonds will be convertible into 281,159,420 new ordinary shares of the Company ("Conversion Shares"). The Conversion Shares have a nominal value of HK\$2.8 million and a market value of approximately HK\$685.1 million based on the closing price of the shares of HK\$2.44 on 4 November 2016, the last trading date before the date of the subscription agreement. The issuance of the Convertible Bonds was completed on 18 November 2016 and the net proceeds from the issue of the Convertible Bonds were utilised as general working capital of the Company.

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

物業、廠房及設備

本集團之物業、廠房及設備的變動詳情載於綜合財務報表附註14。

主要物業

作投資用途的主要物業及發展中待售物業之詳情載於第159至164頁。

優先購買權

本公司的組織章程細則或開曼群島法例並無有關優先購買權的條文，規定本公司須按比例向現有股東發售新股份。

稅務減免

本公司並不知悉股東因彼等持有本公司股份而獲任何稅務減免。

財務概要

本集團過去五個財政年度之業績以及資產及負債概要載於第158頁。

購回、出售或贖回本公司上市證券

於二零一六年八月二十九日，正興隆獲中國證券監督管理委員會批准於中國向合資格投資者發行人民幣26億元的非公開境內公司債券(「中國境內公司債券」)，票面固定利率為每年6.5%，期限為5年期。中國境內公司債券於深圳證券交易所上市。發行該債券的用途為補充本集團一般流動資金，為支援本集團發展提供額外的一般營運資金資源。

於二零一六年十一月六日及二零一六年十一月八日，本公司與Chance Talent Management Limited就發行1億美元的可換股債券(「可換股債券」)訂立認購協議及補充協議，可換股債券按年利率5.5%計息，並將於二零一八年到期。此發行可使本公司籌集資金。根據可換股債券之條款，可換股債券持有人可以每股換股價2.76港元兌換可換股債券。假設可換股債券獲悉數轉換，則可換股債券將可轉換為281,159,420股本公司新普通股股份(「換股股份」)。換股股份之面值為2,800,000港元，而按於二零一六年十一月四日(認購協議日期前之最後交易日)之股份收市價2.44港元計算之市值約為685,100,000港元。於二零一六年十一月十八日已完成發行可換股債券及發行可換股債券所得款項淨額已用作本公司一般營運資金。

除上文所披露者外，本公司及其任何附屬公司於年內並無購回、出售或贖回本公司任何上市證券。

Directors' Report

董事會報告

Directors

The directors of the Company during the year were as follows:

Executive Directors

Ms. HUANG Jingshu (*Chairman*)
Mr. TANG Shouchun (*Chief Executive Officer*)
Mr. YE Xingan
Mr. CHEN Tieshen (*resigned on 21 February 2017*)
Ms. DENG Chengying

Independent Non-Executive Directors

Mr. ZHU Jiusheng
Mr. WANG Jing
Ms. HU Gin Ing

Subsequent to the year end, Mr. HUANG Hao Yuan was appointed as Executive Director on 21 February 2017.

In accordance with the Company's articles of association, Mr. HUANG Hao Yuan will retire at the first general meeting of the Company after his appointment. In addition, Ms. DENG Chengying, Mr. ZHU Jiusheng and Mr. WANG Jing will retire by rotation. All the above Directors being eligible for re-election, will offer themselves for re-election at the forthcoming annual general meeting.

The Company has received from each independent non-executive director an annual confirmation of his/her independence pursuant to the Rules Governing the Listing of Securities on the Stock Exchange and the Company considers such Directors were independent.

Biographical Details of Directors and Senior Management

Biographical details of the Directors and senior management are set out on pages 33 to 35.

Directors' Service Agreements

Each of the executive Directors has entered into a service agreement with the Company for a term of two years; and is subject to termination by either party in the manner as set out in the service agreement.

Each of the independent non-executive Directors has entered into a letter of appointment with the Company for a term of two years; and is subject to termination by either party in the manner as set out in the letter of appointment.

None of the Directors who are proposed for re-election at the forthcoming annual general meeting have a service agreement with the Company or any of its subsidiaries not determinable by the employing company within one year without payment of compensation (other than statutory compensation).

Directors' Interests in Contracts

Save as disclosed in the section headed "Continuing Connected Transaction" in this report and in note 44 to the consolidated financial statements, none of the Directors and controlling shareholders of the Company had a material beneficial interest, either direct or indirect, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

董事

年內任職本公司的董事如下：

執行董事

黃敬舒女士(主席)
唐壽春先生(行政總裁)
葉興安先生
陳鐵身先生(於二零一七年二月二十一日辭任)
鄧承英女士

獨立非執行董事

祝九勝先生
王敬先生
胡競英女士

年末後，黃浩源先生於二零一七年二月二十一日獲委任為執行董事。

根據本公司之組織章程細則，黃浩源先生將於彼獲委任後之首屆本公司股東大會退任。此外，鄧承英女士、祝九勝先生及王敬先生將輪席告退。所有上述董事符合重選資格並願意於應屆股東週年大會上重選連任。

本公司已取得每位獨立非執行董事根據聯交所證券上市規則之規定作出之年度獨立性確認函，由此本公司視該等董事為獨立董事。

董事及高級管理人員之履歷

董事及高級管理人員之履歷詳情載於第33至35頁。

董事服務合約

各執行董事已與本公司訂立服務合約，任期為兩年，於服務合約內註明其中一方可向另一方根據服務合約條款終止其服務合約。

各獨立非執行董事已與本公司訂立委任函，任期為兩年，於委任函內註明其中一方可向另一方根據委任函條款終止其委任函。

擬於即將舉行之股東週年大會上膺選連任之董事概無與本公司或其任何附屬公司訂立不可由聘任公司於一年內不付賠償(法定賠償除外)的情況下終止之服務合約。

董事的合約權益

除本年報內「持續關聯交易」一節及綜合財務報表附註44所披露者外，概無董事及本公司控股股東於本公司或其任何附屬公司在年內所訂立並與本集團業務有關之任何重要合約中，直接或間接擁有重大權益。

Remuneration of the Directors and the Five Highest Paid Individuals

Details of the remuneration of the Directors and the five highest paid individuals are set out in note 10, respectively to the consolidated financial statements.

The remuneration of the Directors and senior management is determined with reference to their duties, responsibilities and performance and the Group's results.

Directors' and Chief Executives' Interests in the Shares, Underlying Shares and Debentures of the Company

As at 31 December 2016, the Directors and the chief executives of the Company had the following interests in the shares, underlying shares and debentures of the Company which were recorded in the register required to be kept by the Company pursuant to section 352 of the Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers of the Rules Governing the Listing of Securities on the Stock Exchange ("Listing Rules").

(A) Interest in shares and underlying shares of the Company

Name of Director	Long position/ Short position	Capacity	Number of shares held	Number of underlying shares (under equity derivatives of the Company) 相關股份數目 (於本公司股本 衍生工具下)	Aggregate interests	Approximate percentage of issued share capital of the Company 佔本公司已發行 股本之概約百分比
董事姓名	好倉／淡倉	身份	所持股份數目		權益總額	
Ms. HUANG Jingshu 黃敬舒女士	Long Position 好倉	Personal interest 個人權益	–	4,500,000 (Note 2) (附註2)	4,500,000	0.10%
Mr. TANG Shouchun 唐壽春先生	Long Position 好倉	Personal interest 個人權益	–	10,000,000 (Note 2) (附註2)	10,000,000	0.21%
Mr. YE Xingan 葉興安先生	Long Position 好倉	Personal interest 個人權益	–	10,000,000 (Note 2) (附註2)	10,000,000	0.21%
Mr. CHEN Tieshen (Note 1) 陳鐵身先生 (附註1)	Long Position 好倉	Personal interest 個人權益	–	10,000,000 (Note 2) (附註2)	10,000,000	0.21%
Ms. DENG Chengying 鄧承英女士	Long Position 好倉	Personal interest 個人權益	–	8,500,000 (Note 2) (附註2)	8,500,000	0.18%
Mr. ZHU Jiusheng 祝九勝先生	Long Position 好倉	Personal interest 個人權益	–	3,000,000 (Note 2) (附註2)	3,000,000	0.06%
Mr. WANG Jing 王敬先生	Long Position 好倉	Personal interest 個人權益	–	3,000,000 (Note 2) (附註2)	3,000,000	0.06%
Ms. HU Gin Ing 胡競英女士	Long Position 好倉	Personal interest 個人權益	–	3,000,000 (Note 2) (附註2)	3,000,000	0.06%

Notes:

- Mr. CHEN Tieshen resigned as executive director on 21 February 2017 and 7,000,000 share options have lapsed accordingly and the remaining 3,000,000 share options will be expired on 20 June 2017.
- Share options were granted on 28 June 2016. Details of share options granted to the Directors of the Company are set out in part (B) of this section.

董事薪酬及五名最高薪酬人士

董事薪酬及五名最高薪酬人士的薪酬詳情分別載於綜合財務報表附註10。

董事及高級管理人員薪酬乃經參考其職務、責任及表現，以及本集團業績釐定。

董事及主要行政人員於本公司的股份、相關股份及債券中擁有的權益

於二零一六年十二月三十一日，按本公司根據證券及期貨條例(「證券及期貨條例」)第352條所置存的登記冊所示，董事及本公司主要行政人員於本公司之股份、相關股份及債券中擁有的權益，或根據聯交所證券上市規則(「上市規則」)所載董事進行證券交易的標準守則須以其他方式知會本公司及聯交所的權益。

(A) 於本公司股份的權益及相關股份之權益

附註：

- 陳鐵身先生於二零一七年二月二十一日辭任執行董事，而7,000,000股購股權相應失效及3,000,000股購股權將於二零一七年六月二十日到期。
- 購股權乃於二零一六年六月二十八日授出。授予本公司董事之購股權詳情乃載於本節(B)項下。

Directors' Report

董事會報告

Directors' and Chief Executives' Interests in the Shares, Underlying Shares and Debentures of the Company (Cont'd)

(A) Interest in shares and underlying shares of the Company (Cont'd)

Save as disclosed above, as at 31 December 2016, none of the Company's Directors, chief executives of the Company and their associates, had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to section 352 of the SFO.

(B) Long position in underlying shares – share options

Under the share option scheme of the Company, share option may be granted to certain participants including the Directors and employees of the Company and its subsidiaries to subscribe for the shares of the Company. Details of share options granted to the Directors are as follows:

Name of Director	Date of grant dd/mm/yyyy	Exercisable period dd/mm/yyyy	Number of share options 購股權數目				Exercise price per share HK\$
			Balance at 1 January 2016 於二零一六年一月一日之結餘	Granted during the year 於年內授出	Exercised during the year 於年內行使	Balance at 31 December 2016 於二零一六年十二月三十一日之結餘	
Ms. HUANG Jingshu 黃敬舒女士	28/06/2016	28/06/2016 – 27/06/2026 (Note 3) (附註3)	–	4,500,000	–	4,500,000	1.846 (Note 4) (附註4)
Mr. TANG Shouchun 唐壽春先生	28/06/2016	28/06/2016 – 27/06/2026 (Note 3) (附註3)	–	10,000,000	–	10,000,000	1.846 (Note 4) (附註4)
Mr. YE Xingan 葉興安先生	28/06/2016	28/06/2016 – 27/06/2026 (Note 3) (附註3)	–	10,000,000	–	10,000,000	1.846 (Note 4) (附註4)
Mr. CHEN Tieshen (Note 1) 陳鐵身先生(附註1)	28/06/2016	28/06/2016 – 27/06/2026 (Note 3) (附註3)	–	10,000,000	–	10,000,000	1.846 (Note 4) (附註4)
Ms. DENG Chengying 鄧承英女士	28/06/2016	28/06/2016 – 27/06/2026 (Note 3) (附註3)	–	8,500,000	–	8,500,000	1.846 (Note 4) (附註4)
Mr. HUANG Hao Yuan (Note 2) 黃浩源先生(附註2)	28/06/2016	28/06/2016 – 27/06/2026 (Note 3) (附註3)	–	4,500,000	–	4,500,000	1.846 (Note 4) (附註4)

董事及主要行政人員於本公司的股份、相關股份及債券中擁有的權益(續)

(A) 於本公司股份的權益及相關股份之權益(續)

除上文披露者外，於二零一六年十二月三十一日，本公司之董事、本公司主要行政人員及彼等之聯繫人概無於本公司或其任何相關法團之股份、相關股份或債券擁有任何權益或淡倉，而需按證券及期貨條例第352條予以記錄。

(B) 相關股份之好倉－購股權

根據本公司之購股權計劃，購股權可授予若干參與人(包括董事及本公司及其附屬公司之僱員)以認購本公司之股份。授予董事之購股權詳情如下：

Directors' Report

董事會報告

Directors' and Chief Executives' Interests in the Shares, Underlying Shares and Debentures of the Company (Cont'd)

董事及主要行政人員於本公司的股份、相關股份及債券中擁有的權益(續)

(B) Long position in underlying shares – share options (Cont'd)

(B) 相關股份之好倉 – 購股權(續)

Name of Director	Date of grant dd/mm/yyyy	Exercisable period dd/mm/yyyy	Number of share options 購股權數目			Balance at 31 December 2016	Exercise price per share HK\$
			Balance at 1 January 2016	Granted during the year	Exercised during the year		
董事名稱	授出日期 日/月/年	行使期間 日/月/年	於二零一六年 一月一日 之結餘	於年內授出	於年內行使	於二零一六年 十二月三十一日 之結餘	每股行使價 港元
Mr. ZHU Jiusheng 祝九勝先生	28/06/2016	28/06/2016 – 27/06/2026 (Note 3) (附註3)	–	3,000,000	–	3,000,000	1.846 (Note 4) (附註4)
Mr. WANG Jing 王敬先生	28/06/2016	28/06/2016 – 27/06/2026 (Note 3) (附註3)	–	3,000,000	–	3,000,000	1.846 (Note 4) (附註4)
Ms. HU Gin Ing 胡競英女士	28/06/2016	28/06/2016 – 27/06/2026 (Note 3) (附註3)	–	3,000,000	–	3,000,000	1.846 (Note 4) (附註4)

Notes:

- Mr. CHEN Tieshen resigned as executive director on 21 February 2017 and 7,000,000 share options have lapsed accordingly and the remaining 3,000,000 share options will be expired on 20 June 2017.
- Mr. HUANG Hao Yuan, an associate of the substantial shareholder of the Company, was appointed as executive director on 21 February 2017.
- The share options are exercisable in the following manner for a period of 10 years from the date of grant:
 - 30% of the share options shall exercise on the date of the grant and up to 27 June 2026;
 - 30% of the share options shall exercise upon the expiry of one year from 28 June 2016 and up to 27 June 2026; and
 - 40% of the share options shall exercise upon the expiry of two years from 28 June 2016 and up to 27 June 2026.
- Details of the fair value of the options granted in 2016 are set out in note 37 to the consolidated financial statements.

附註:

- 陳鐵身先生於二零一七年二月二十一日辭任執行董事，而7,000,000股購股權相應失效及3,000,000股購股權將於二零一七年六月二十日到期。
- 本公司主要股東之聯繫人士黃浩源先生於二零一七年二月二十一日獲委任為執行董事。
- 購股權可於授出日期起計十年期間按下列方式行使：
 - 購股權之30%由授出日期起至二零二六年六月二十七日止；
 - 購股權之30%由二零一六年六月二十八日起計一年屆滿起，至二零二六年六月二十七日止；及
 - 購股權之40%由二零一六年六月二十八日起計兩年屆滿起，至二零二六年六月二十七日止。
- 於二零一六年授出的購股權的公允價值詳情請載於綜合財務報表附註37。

Directors' Report

董事會報告

Substantial Shareholders' Interests in Shares and Underlying Shares of the Company

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

Long position in ordinary shares

Name of Shareholder	Long position/ Short position	Capacity	Number of Shares/ underlying Shares held	Aggregate Interests	Approximate percentage of the issued share capital of the Company	Notes
股東姓名	好倉／淡倉	身份	所持股份／ 相關股份的數目	權益總額	佔本公司 已發行股本之 概約百分比	附註
China LVGEM Property Holdings Limited ("China LVGEM") 中國綠景地產控股有限公司(「中國綠景」)	Long Position 好倉	Beneficial owner 實益擁有人	1,010,844,583	1,010,844,583	21.54%	1
Go Great International Limited ("Go Great") 高鴻國際有限公司(「高鴻」)	Long Position 好倉	Interests of controlled corporation 受控法團權益	1,120,187,094	1,120,187,094	23.87%	1
Mr. WONG Hong King ("Mr. WONG") 黃康境先生(「黃先生」)	Long Position 好倉	Interests of controlled corporation 受控法團權益	3,520,187,094	3,520,187,094	75.00%	1
Kinson Group Limited	Long Position 好倉	Beneficial owner 實益擁有人	2,400,000,000	2,400,000,000	51.13%	2
Evergreen Holdings Limited	Long Position 好倉	Interests of controlled corporation 受控法團權益	2,400,000,000	2,400,000,000	51.13%	2
UBS Trustees (BVI) Limited	Long Position 好倉	Interests of controlled corporation 受控法團權益	2,400,000,000	2,400,000,000	51.13%	2
Toplist Investments Limited	Long Position 好倉	Beneficial owner 實益擁有人	300,000,000	300,000,000	6.39%	N/A 不適用
Wkland Investments V Limited	Long Position 好倉	Beneficial owner 實益擁有人	300,000,000	300,000,000	6.39%	3
China Vanke Co., Ltd.* 萬科企業股份有限公司	Long Position 好倉	Interests of controlled corporation 受控法團權益	300,000,000	300,000,000	6.39%	3

* For identification purpose only 僅供識別

主要股東於本公司的股份及相關股份中擁有的權益

於二零一六年十二月三十一日，就本公司所知，股東(董事或本公司主要行政人員除外)於本公司的股份及相關股份中擁有須根據證券及期貨條例第XV部第2及3分部知會本公司之權益或淡倉；或根據證券及期貨條例第336條須予存置的登記冊所示，詳情如下：

普通股股份之好倉

Substantial Shareholders' Interests in Shares and Underlying Shares of the Company (Cont'd)

Long position in ordinary shares (Cont'd)

Notes:

- China LVGEM is owned as to 100% by Go Great, which is in turn owned as to 100% by Mr. WONG. Accordingly, Go Great and Mr. WONG are deemed to be interested in the 1,010,844,583 Shares held by China LVGEM.
- Kinson Group Limited is owned as to 100% by Evergreen Holdings Limited, and Evergreen Holdings Limited is owned as to 100% by UBS Trustees (BVI) Limited, acting as the trustee for the family trust of Mr. WONG.
- Wkland Investments V Limited is owned as to 100% by 萬科企業股份有限公司 (China Vanke Co., Ltd.). Accordingly, 萬科企業股份有限公司 (China Vanke Co., Ltd.) is deemed to be interested in the 300,000,000 Shares held by Wkland Investments V Limited.

Long position in convertible preference shares

Name of Shareholder	Long position/ Short position	Capacity	Number of convertible preference shares	Approximate percentage of the issued convertible preference share capital of the Company 佔本公司 已發行股本之 概約百分比	Note
股東姓名	好倉／淡倉	身份	可換股 優先股份數目		附註
China LVGEM 中國綠景	Long Position 好倉	Beneficial owner 實益擁有人	3,265,646,936	95.67%	1
Go Great 高鴻	Long Position 好倉	Interests of controlled corporation 受控法團權益	3,265,646,936	95.67%	1
Mr. WONG 黃先生	Long Position 好倉	Interests of controlled corporation 受控法團權益	3,265,646,936	95.67%	1

Note:

- China LVGEM is owned as to 100% by Go Great, which is in turn owned as to 100% by Mr. WONG. Accordingly, Go Great and Mr. WONG are deemed to be interested in the 3,265,646,936 convertible preference shares held by China LVGEM.

Employee and Remuneration Policies

The Group remunerates and provides benefits for its employees based on current industry practice. Discretionary bonuses are awarded to staff based on the financial performance of the Group and performance of individual staff.

In addition, share options may be granted to eligible employees in accordance with the terms of the Company's share option scheme.

* For identification purpose only 僅供識別

主要股東於本公司的股份及相關股份中擁有的權益(續)

普通股股份之好倉(續)

附註：

- 高鴻擁有中國綠景100%之權益(亦即黃先生擁有中國綠景100%之權益)。因此，高鴻及黃先生被視為於中國綠景所持有之該等1,010,844,583股股份擁有權益。
- Evergreen Holdings Limited 擁有Kinson Group Limited 100%之權益，而UBS Trustees (BVI) Limited作為黃先生之家族信託的受託人擁有Evergreen Holdings Limited 100%之權益。
- 萬科企業股份有限公司擁有Wkland Investments V Limited之100%權益。因此，萬科企業股份有限公司被視為於Wkland Investments V Limited所持有之該等300,000,000股股份擁有權益。

可換股優先股股份之好倉

Name of Shareholder	Long position/ Short position	Capacity	Number of convertible preference shares	Approximate percentage of the issued convertible preference share capital of the Company 佔本公司 已發行股本之 概約百分比	Note
股東姓名	好倉／淡倉	身份	可換股 優先股份數目		附註
China LVGEM 中國綠景	Long Position 好倉	Beneficial owner 實益擁有人	3,265,646,936	95.67%	1
Go Great 高鴻	Long Position 好倉	Interests of controlled corporation 受控法團權益	3,265,646,936	95.67%	1
Mr. WONG 黃先生	Long Position 好倉	Interests of controlled corporation 受控法團權益	3,265,646,936	95.67%	1

附註：

- 高鴻擁有中國綠景100%之權益(亦即黃先生擁有中國綠景100%之權益)。因此，高鴻及黃先生被視為於中國綠景所持有之該等3,265,646,936股可換股優先股股份擁有權益。

僱員及薪酬政策

本集團根據目前業內慣例為其僱員給予薪酬及提供福利，並會根據本集團的財務表現和個別員工的表現向員工發放酌情花紅。

此外，購股權乃根據本公司購股權計劃。

Directors' Report

董事會報告

Retirement Schemes

The Group participates in several defined contribution retirement plans which cover the Group's eligible employees in China, and a mandatory provident fund scheme for the employees in Hong Kong. Particulars of these retirement plans are set out in note 38 to the consolidated financial statements.

Share Options

Details of the Company's share option scheme and the movements in the share options are set out in note 37 to the consolidated financial statements.

Management Contracts

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

Directors' Rights to Acquire Shares or Debentures

Save as otherwise disclosed in this report, no rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company were granted to any Director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company and any of its subsidiaries a party to any arrangement to enable the Directors, or their respective spouse or children under 18 years of age, to acquire such rights in any other body corporate for the year ended 31 December 2016.

Major Suppliers and Customers

The percentages of purchases and sales for the year attributable to the Group's major suppliers and customers are as follows:

Purchases	
– the largest supplier	25%
– five largest suppliers combined	47%
Sales	
– the largest customer	0.3%
– five largest customers combined	1.4%

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

退休計劃

本集團為本集團之合資格中國員工參與多種定額供款退休計劃及為香港員工參與強制性公積金計劃，該等退休計劃之詳情載於綜合財務報表附註38。

購股權

有關本公司之購股權計劃及購股權變動的詳情載於綜合財務報表附註37。

管理合約

年內概無訂立或存有與本公司整體或任何重大部分業務之管理及行政事務有關之合約。

董事認購股份或債權證之權利

除本年報另行所披露者外，截至二零一六年十二月三十一日止年度，概無向任何董事或彼等各自之配偶或未滿18歲子女授出藉收購本公司股份或債券而獲益之權利，或彼等概無行使有關權利；或本公司及其任何附屬公司亦無訂立任何安排，致使董事或彼等各自的配偶或未滿18歲子女於任何其他法人團體收購有關權利。

主要供應商及客戶

本集團主要供應商及客戶所佔採購及銷售百分率如下：

採購額	
– 最大供應商	25%
– 五大供應商合併計算	47%
銷售額	
– 最大客戶	0.3%
– 五大客戶合併計算	1.4%

概無董事或其任何聯繫人士或任何股東(就董事所知擁有本公司已發行股本5%以上)擁有本集團五大供應商及其五大客戶之實益權益。

Continuing Connected Transaction

The Company has entered into the following continuing connected transaction during the year ended 31 December 2016. Details of the transaction are set out below:

Security Services Agreement

On 26 October 2015, the Company and Shenzhen Forsafe System Technology Co., Ltd. ("Forsafe") entered into a security services agreement pursuant to which Forsafe provides security products, intelligent security system design, engineering and installation services, including fire security system and low current intelligent system to the Group (the "Services"), for a term commencing from the date of agreement and ending on 31 December 2017. Forsafe is a company wholly-owned by Mr. WONG and his associates and the security services agreement constitutes continuing connected transaction of the Company under the Listing Rules.

For the year ended 31 December 2016, the fees charged by Forsafe for the provision of the Services under the security services agreement amounted to RMB1.57 million, which was within the annual cap of RMB30 million for the same period.

The aforesaid continuing connected transaction has been reviewed by the independent non-executive directors of the Company and they confirmed that the aforesaid transaction was entered into (i) in the ordinary and usual course of business of the Group, (ii) on normal commercial terms or on terms no less favourable to the Group than terms available to or from independent third parties, and (iii) in accordance with the relevant agreement governing the transactions on terms that are fair and reasonable and in the interests of the Company and the shareholders as a whole.

Based on the work performed, the auditor of the Company has provided a letter to the Board, confirming that nothing has come to their attention which causes them to believe the continuing connected transaction abovementioned:

- (i) has not been approved by the Board;
- (ii) has not been entered into, in all material respects, in accordance with the relevant agreements governing the transactions; and
- (iii) has exceed the annual caps.

Related Party Transactions

Details of the related party transactions undertaken by the Group in the normal course of business are set out in note 44 to the consolidated financial statements. Those related party transactions, which constituted continuing connected transactions not being exempt from annual reporting requirement under the Listing Rules, are set out in the section headed "Continuing Connected Transaction" above, and the Company has complied with the relevant disclosure requirements in accordance with Chapter 14A of the Listing Rules.

Directors' Interest in Competing Business

None of the Directors had any interest in the businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group that were required to be disclosed pursuant to Rule 8.10(2) of the Listing Rules.

持續關連交易

截至二零一六年十二月三十一日止年度，本集團已訂立以下持續關連交易。交易詳情如下：

保安服務協議

於二零一五年十月二十六日，本公司與深圳市賦安安全系統有限公司(「賦安」)訂立一份安保服務協議，據此，賦安向本集團提供安保產品、智能安保系統設計、工程及安裝服務，包括火災報警系統及弱電智能系統(「服務」)，為期自本協議日起至二零一七年十二月三十一日止。賦安由黃先生及其聯繫人全資擁有，故此，根據上市規則，安保服務協議構成本公司的持續關連交易。

截至二零一六年十二月三十一日止年度，就安保服務協議項下賦安收取之款項為人民幣1.57百萬元，屬於同期年度上限人民幣30百萬元的範圍內。

上述持續關連交易已經本公司獨立非執行董事審閱，彼等確認上述交易乃(i)於本集團日常及一般業務過程中訂立；(ii)按一般商業條款或對本集團而言不遜於向或由獨立第三方提供的條款釐定；及(iii)根據規管交易的有關協議，按公平合理且符合本公司及股東整體利益的條款訂立。

根據所執行的審核，本公司核數師已向董事會發函確認其並無注意到任何事宜，致使其相信上述持續關連交易：

- (i) 未經董事會批准；
- (ii) 並非在一切重大方面根據規管交易的相關協議訂立；及
- (iii) 已超逾年度上限。

關聯方交易

本公司於日常業務過程中進行的關聯方交易詳情載於綜合財務報表附註44。構成不獲豁免上市規則下年度申報規定的持續關連交易的關聯方交易載於上文「持續關連交易」一節，而本公司已符合上市規則第十四A章的相關披露規定。

董事於競爭業務之權益

董事概無任何須根據上市規則第8.10(2)條所規定披露其擁有與本集團業務直接或間接構成或可能構成競爭之業務之權益。

Directors' Report

董事會報告

Environmental, Social and Governance Report

A report of environmental, social and governance is set out on pages 19 to 32 of this report.

Corporate Governance

A report on the principal corporate governance practices adopted by the Company is set out on pages 47 to 57 of this report.

Sufficiency of Public Float

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public during the year ended 31 December 2016 and up to the date of this report.

Auditor

Messrs. Deloitte Touche Tohmatsu ("Deloitte") have been appointed as the auditor of the Company with effect from 1 December 2014 to fill the casual vacancy following the resignation of Messrs. BDO Limited which took effect from 21 November 2014. The consolidated financial statements of the Group for the years ended 31 December 2014 and 2015 have been audited by Deloitte who will retire and, being eligible, offer themselves for re-appointment. Save as aforesaid, there was no change in auditor of the Company in any of the preceding three years.

A resolution for the re-appointment of Deloitte as the auditor of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board

HUANG Jingshu
Chairman

Hong Kong, 16 March 2017

環境、社會及管治報告

環境、社會及管治報告載於本年報第19至32頁。

企業管治

本公司所採納的主要企業管治常規的報告，載於本年報第47至57頁。

足夠的公眾持股量

根據本公司可從公開途徑取得的資料及就董事所知，於截至二零一六年十二月三十一日止年度及截至本報告日期，本公司之全部已發行股份之公眾持股量為不少於25%。

核數師

德勤•關黃陳方會計師行(「德勤」)自二零一四年十二月一日起獲委任為本公司之核數師，以填補香港立信德豪會計師事務所有限公司辭任(自二零一四年十一月二十一日起生效)後之臨時空缺。本集團截至二零一四年及二零一五年十二月三十一日止年度之綜合財務報表已由德勤審核，而德勤將告退任，惟符合資格並願意應聘連任。除上述者外，於過往三年內本公司核數師概無變動。

本公司將於應屆股東週年大會上提呈決議案以續聘德勤為本公司核數師。

承董事會命

主席
黃敬舒

香港，二零一七年三月十六日

Corporate Governance Report

企業管治報告

The Company is committed to the establishment of good corporate practices and procedures. The corporate governance principles of the Company emphasise a quality board, transparency and accountability to all shareholders of the Company.

Corporate Governance Practices

Throughout the year ended 31 December 2016, the Group complied with all the code provisions of Corporate Governance Code (the “Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Board will continue to monitor and review the Group’s corporate governance practices to ensure compliance with the Code.

Board of Directors

Board Composition

The Board comprises five executive directors and three independent non-executive directors. All five executive directors are members of the executive committee of the Company responsible for dealing with the business of the Company in accordance with all applicable rules and regulations, including but not limited to, the Listing Rules. All Directors (including independent non-executive directors) have been consulted on all major and material matters of the Company.

The Board members for the year ended 31 December 2016 were:

Executive Directors

Ms. HUANG Jingshu (*Chairman*)
Mr. TANG Shouchun (*Chief Executive Officer*)
Mr. YE Xingan
Mr. CHEN Tieshen (*resigned on 21 February 2017*)
Ms. DENG Chengying

Independent Non-Executive Directors

Mr. ZHU Jiusheng
Mr. WANG Jing
Ms. HU Gin Ing

Subsequent to the year end, Mr. HUANG Hao Yuan was appointed as Executive Director on 21 February 2017.

Further details of the current Directors are set out on pages 33 to 35 under the section headed “Biographical Details of Directors and Senior Management” of this report.

The number of independent non-executive directors meets the requirements under the Listing Rules and Mr. ZHU Jiusheng has the appropriate accounting professional qualification.

本公司致力建立良好之企業管治慣例及程序，本公司之企業管治原則著重優秀之董事局、透明度及向本公司所有股東問責。

企業管治常規

截至二零一六年十二月三十一日止年度，本集團一直遵守香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四所載之《企業管治守則》（「守則」）所載之所有守則條文規定。

董事會將繼續監察及審核本集團之企業管治常規，以確保符合守則之規定。

董事會

董事局之組成

董事局由五名執行董事及三名獨立非執行董事組成，所有五名執行董事均為本公司執行委員會成員，負責按照所有適用的規則及條例處理本公司之業務，其中包括，但不限於上市規則。本公司之所有主要及重大事項均有諮詢所有董事（包括獨立非執行董事）。

截至二零一六年十二月三十一日止年度之董事局成員為：

執行董事

黃敬舒女士（主席）
唐壽春先生（行政總裁）
葉興安先生
陳鐵身先生（於二零一七年二月二十一日辭任）
鄧承英女士

獨立非執行董事

祝九勝先生
王敬先生
胡競英女士

年末後，黃浩源先生於二零一七年二月二十一日獲委任為執行董事。

有關現任董事之詳情載於本年報內第33至35頁「董事及高級管理人員之履歷」一節中。

獨立非執行董事之數目已符合上市規則規定及祝九勝先生亦具備適當之會計專業資格。

Corporate Governance Report

企業管治報告

Board of Directors (Cont'd)

Board Composition (Cont'd)

The positions of the Chairman and the Chief Executive Officer are held separately by two executive directors to ensure their respective independence, accountability and responsibility. The Chairman is responsible for determining overall business strategies of the Group. The duty of the Chairman is to work closely with audit, nomination and remuneration committee of the Company and to ensure that all key and appropriate issues are discussed by the Board in a timely and constructive manner. The Chief Executive Officer is responsible to work closely with the executive committee of the Company to ensure management strategies, plans and performance of the Group are appropriately carried out in accordance with to the Board's decision and to provide guidance to the Board on major issues.

The Board is responsible for corporate strategy, annual and interim results, succession planning, risk management, major acquisitions, disposals and capital transactions, and other significant operational and financial matters. Major corporate matters that are specially delegated by the Board to the management include the preparation of annual and interim accounts for Board approval before public reporting, execution of business strategies and initiatives adopted by the Board, implementation of adequate systems of internal controls and risk management procedures, and compliance with relevant statutory requirements and rules and regulations.

Each of the independent non-executive directors has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Company is of the view that all independent non-executive directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines. The Company had made letters of appointment with all the independent non-executive directors for a period of two years which may be terminated by either party by giving one month's written notice; and subject to retirement by rotation at least once every three years in accordance with the articles of association of the Company.

Attendance Record at Board Meetings

For the year ended 31 December 2016, six full Board meetings were held, four of which were the regular ones held at approximately quarterly intervals, to review the business of the Group and approve the financial results of the Group.

The attendance of individual members at the meetings of the Board are set out as follows:

Executive Director

Ms. HUANG Jingshu (Chairman)
Mr. TANG Shouchun (Chief Executive Officer) (Note)
Mr. YE Xingan
Mr. CHEN Tieshen
Ms. DENG Chengying

執行董事

黃敬舒女士(主席)
唐壽春先生(行政總裁)(附註)
葉興安先生
陳鐵身先生
鄧承英女士

Independent Non-Executive Director

Mr. ZHU Jiusheng
Mr. WANG Jing
Ms. HU Gin Ing

獨立非執行董事

祝九勝先生
王敬先生
胡競英女士

Note: Was appointed as Chief Executive Officer on 31 March 2016.

Apart from the said meetings, matters requiring Board approval were arranged by means of circulation of written resolutions of all Board members.

董事會(續)

董事局之組成(續)

主席及行政總裁之職位分別由兩位執行董事出任，以確保其各自之獨立性、問責性及責任承擔。主席負責決定本集團之整體業務策略。主席之職責乃與本公司之審核委員會、提名委員會及薪酬委員會緊密合作，並確保董事會能夠就所有重要及適當事宜，進行及時和具建設性之討論。行政總裁須與本公司之執行委員會緊密合作，以確保管理策略、計劃及表現依照董事會之決定獲得適當的履行，並就主要議題向董事會提供指導。

董事會負責企業策略、年度及中期業績、繼承計劃、風險管理、重大收購、出售及資本交易，及其他主要營運及財務事宜。董事會特別委託管理層執行之主要企業事宜包括籌備年度及中期賬目，以供董事會於對外公佈前批核、執行董事會所採納之業務策略及措施、推行妥善內部監控制度及風險管理程序以及遵守有關法定規定、規則與規例。

各獨立非執行董事已根據上市規則第3.13條之規定提交年度獨立性確認書。本公司認為，所有獨立非執行董事均符合上市規則第3.13條所載之獨立性指引，並根據指引之條款屬獨立人士。本公司已與各獨立非執行董事訂立委任函，任期為兩年，若終止其委任函，其中一方可向另一方發出一個月的書面通知；及根據本公司之組織章程細則，其均須至少每三年於股東週年大會上輪值告退。

董事會會議出席記錄

截至二零一六年十二月三十一日止年度，本集團共召開六次董事會會議，其中四次為大約每季舉行一次之董事會會議，以審議本集團之業務及批准本集團之財務業績。

董事會之會議中個別成員之出席情況載列如下：

Meetings attended/Number of Meeting held 出席會議次數/舉行會議次數

Ms. HUANG Jingshu (Chairman)	黃敬舒女士(主席)	6/6
Mr. TANG Shouchun (Chief Executive Officer) (Note)	唐壽春先生(行政總裁)(附註)	5/5
Mr. YE Xingan	葉興安先生	6/6
Mr. CHEN Tieshen	陳鐵身先生	6/6
Ms. DENG Chengying	鄧承英女士	6/6
Mr. ZHU Jiusheng	祝九勝先生	6/6
Mr. WANG Jing	王敬先生	5/6
Ms. HU Gin Ing	胡競英女士	6/6

附註：於二零一六年三月三十一日獲委任為行政總裁。

除上述會議外，需要董事會批准之事項亦以書面決議案方式傳閱予所有董事會成員。

Board of Directors (Cont'd)

Attendance Record at Board Meetings (Cont'd)

Directors have access to relevant and timely information, and they can ask for further information or retain independent professional advisors if necessary. They also have access to the advice and services of the company secretary, who is responsible for providing Directors with Board papers and related materials and ensuring that Board procedures are followed. Directors are given sufficient time for discussion at the Board meetings. Where queries are raised by Directors, prompt and full responses will be given if possible.

Directors' Insurance

The Company has arranged appropriate directors and officers liability insurance in respect of legal action against Directors.

Directors' Professional Development

Newly appointed Directors receive comprehensive, formal and tailored induction on their appointments, so as to ensure that they have appropriate understanding of the business and operations of the Group and that they are fully aware of their responsibilities and obligations under the Listing Rules and relevant regulatory requirements. There are also arrangements in place for providing continuing briefing and professional development to Directors at the Company's expenses whenever necessary.

Pursuant to Code A.6.5, Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. During the year, all Directors, namely Ms. HUANG Jingshu, Mr. TANG Shouchun, Mr. YE Xingan, Mr. CHEN Tieshen, Ms. DENG Chengying, Mr. ZHU Jiusheng, Mr. WANG Jing and Ms. HU Gin Ing, have participated in appropriate continuous professional development activities by ways of attending trainings, reading materials or conducting academic research relevant to the Company's business or to the Directors' duties and responsibilities.

Model Code for Directors' Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") set out in Appendix 10 of the Listing Rules as its own code of conduct regarding directors' securities transactions. The obligation to follow the Listing Rules is set out in the terms of the service agreements of each executive Director and the letters of appointment of each independent non-executive Director. Having made specific enquiry of all the Directors, the Directors confirmed that they have complied with the required standard as set out in the Model Code for the year ended 31 December 2016.

Board Committees

The Company currently have four committees, namely, the Audit Committee, Remuneration Committee, Nomination Committee and Executive Committee, for overseeing particular aspects of the Company's affairs. Terms of reference of the Audit Committee, Remuneration Committee and Nomination Committee are available on the websites of the Company (www.lvgem-china.com) and the Stock Exchange (www.hkex.com.hk). The Board committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expenses.

董事會(續)

董事會會議出席記錄(續)

董事均掌握有關及適時的資料，並可在需要之情況下索取進一步資料或尋求獨立專業意見。董事亦可取得公司秘書的意見及服務，公司秘書負責將董事局會議文件及有關資料給予董事，並確保董事局的運作符合程序。董事獲足夠時間在董事局會議上作出討論。若有董事提出問題，必定盡力作出迅速及全面的回應。

董事保險

本公司已就董事可能面對之法律行動安排適當的董事及主要職員責任保險。

董事專業發展

新委任董事均會獲得全面、正規及切合彼等需要的入職指引，以確保彼等對本集團業務及運作有恰當的了解，並全面知悉彼等根據上市規則及有關法例規定下之職責及責任。在有需要時，本公司亦會安排向董事提供持續簡介及專業發展，費用由本公司承擔。

根據守則第A.6.5條的規定，董事應參與持續專業發展，發展並更新其知識及技能，以確保彼等在具備全面資訊及切合所需的情況下對董事會作出貢獻。於本年度，所有董事(即黃敬舒女士、唐壽春先生、葉興安先生、陳鐵身先生、鄧承英女士、祝九勝先生、王敬先生及胡競英女士)已參與合適的持續專業發展活動，當中包括出席與本公司業務或與董事職務及責任有關的培訓，閱讀相關的材料或進行相關學術研究等。

董事進行證券交易之標準守則

本公司已採納上市規則附錄十所載之上市發行人董事進行證券交易之標準守則(「標準守則」)，作為其董事進行證券交易之操守守則。各執行董事之服務合約條文及各獨立非執行董事之委任信件中已載有遵守上市規則之責任。經本公司向全體董事作出特定查詢後，全體董事確認，彼等於截至二零一六年十二月三十一日止年度一直遵守標準守則所規定標準。

董事委員會

為監督本公司個別方面的事務，本公司現時設有四個委員會，即審核委員會、薪酬委員會、提名委員會及執行委員會。審核委員會、薪酬委員會、提名委員會的職權範圍登載於本公司網站(www.lvgem-china.com)及聯交所網站(www.hkex.com.hk)。董事委員會具備充足的資源履行其職責，並在恰當的情況下，可應合理的情況下尋求獨立專業的意見，費用由本公司支付。

Corporate Governance Report

企業管治報告

Board Committees (Cont'd)

Audit Committee

The Company established an Audit Committee on 14 November 2005 with terms of reference in compliance with the Code. The Audit Committee consists of independent non-executive directors only.

The members of the Audit Committee as at the date of this report are as follows:

Mr. ZHU Jiusheng (*Chairman*)
Mr. WANG Jing
Ms. HU Gin Ing

Mr. ZHU Jiusheng, who possesses a professional accounting qualification and relevant accounting experience, is the chairman of the Audit Committee. No member of the Audit Committee is a member of the former or existing auditor of the Company.

The primary duties of the Audit Committee are to review and approve the financial reporting process, risk management and internal control systems of the Group. During the year, the Audit Committee has reviewed the Group's interim results for the six months ended 30 June 2016. The Group's final results for the year ended 31 December 2016 have been reviewed by the members of the Audit Committee before submission to the Board for approval. The Audit Committee was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosure has been made. The Audit Committee has also reviewed the effectiveness of the risk management and internal control systems.

Two meetings of the Audit Committee were held during the year. The attendance of each member is set out as follows:

Name of member 成員名稱

Mr. ZHU Jiusheng
Mr. WANG Jing
Ms. HU Gin Ing

祝九勝先生
王敬先生
胡競英女士

Meeting attended/Number of Meeting held 出席會議次數/舉行會議次數

2/2
2/2
2/2

Nomination Committee

The Company established a Nomination Committee on 14 November 2005 with terms of reference in compliance with the Code. The members of the Nomination Committee include one executive director and two independent non-executive directors.

董事委員會(續)

審核委員會

本公司於二零零五年十一月十四日成立審核委員會，並根據守則制訂職權範圍。審核委員會成員只包括獨立非執行董事。

於本年報日期的審核委員會成員如下：

祝九勝先生(主席)
王敬先生
胡競英女士

祝九勝先生，彼具有專業會計資格及相關會計經驗，乃審核委員會主席。概無任何審核委員會之成員乃本公司之前任或現任核數師。

審核委員會的主要職務為檢討及批准本集團的財務申報程序、風險管理及內部監控制度。於年內，審核委員會已審閱本集團截至二零一六年六月三十日止六個月的中期財務業績。本集團截至二零一六年十二月三十一日止年度之業績於提呈董事會批准前已獲審核委員會審閱。審核委員會認為是次業績之籌備乃遵守適用之會計準則及要求以及已作出適當的披露。審核委員會亦審閱風險管理及內部監控制度之有效性。

於年內審核委員會共召開兩次會議。每位成員之出席情況載列如下：

提名委員會

本公司於二零零五年十一月十四日成立提名委員會，並根據守則制訂職權範圍。提名委員會成員包括一名執行董事及兩名獨立非執行董事。

Board Committees (Cont'd)

Nomination Committee (Cont'd)

The members of the Nomination Committee as at the date of this report are as follows:

Ms. HUANG Jingshu (Chairman)
Mr. ZHU Jiusheng
Mr. WANG Jing

The primary duty of the Nomination Committee is making recommendations to the Board on appointment and removal of directors and management of Board succession. During the year, the Nomination Committee had reviewed and considered the proposed appointment of Mr. TANG Shouchun as new executive Director and made related recommendation to the Board for approval. In reviewing and assessing the Board composition, the Nomination Committee had considered the various aspects set out in the Board Diversity Policy. It had also reviewed and assessed the independence of the independent non-executive Directors.

The Nomination Committee resolved that all the existing directors should be recommended to be retained by the Company. Further, in accordance with the Company's articles of association, Ms. DENG Chengying, Mr. ZHU Jiusheng and Mr. WANG Jing would retire, and being eligible, would offer themselves for re-election at the forthcoming annual general meeting of the Company.

The Company has adopted a board diversity policy (the "Diversity Policy") in August 2013 in accordance with the requirement under the Code. The Diversity Policy aims to set out the approach to achieve diversity on the Board to ensure that the Board has the balance of skills, experience and diversity of perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. In identifying suitable candidates, the Nomination Committee will consider candidates on merit and against the objective criteria with due regard for the benefits of diversity on the Board. The Nomination Committee will monitor the implementation of the Diversity Policy and review the same as appropriate.

One meeting of the Nomination Committee was held during the year. The attendance of each member is set out as follows:

Name of member 成員名稱

Ms. HUANG Jingshu
Mr. ZHU Jiusheng
Mr. WANG Jing

黃敬舒女士
祝九勝先生
王敬先生

Meeting attended/Number of Meeting held 出席會議次數/舉行會議次數

1/1
1/1
1/1

董事委員會(續)

提名委員會(續)

於本年報日期的提名委員會成員如下：

黃敬舒女士(主席)
祝九勝先生
王敬先生

提名委員會的主要職務為就委任董事及罷免董事以及管理董事會繼任事宜向董事會提出建議。於年內，提名委員會已審查及考慮委任唐壽春先生為新的執行董事建議，並已將相關建議給董事會批准。在審查和評估董事會組成，提名委員會已考慮載於董事會成員多元化政策的各個方面。其委員亦同時審查和評估獨立非執行董事之獨立性。

提名委員會決議推薦所有現任董事在本公司留任。再者，根據本公司之組織章程細則，鄧承英女士、祝九勝先生及王敬先生將於應屆股東週年大會上告退，惟彼等符合資格並願意膺選連任。

本公司根據守則所載之要求，於二零一三年八月採納董事會成員多元化政策(「多元化政策」)。該政策旨在為達到董事會多元化而訂出之方法，以確保董事會具備所需技巧、經驗及多樣的觀點與角度，包括(但不限於)性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年期方面。提名委員會物色合適人選時，會考慮有關人選的長處，並以客觀條件充分顧及董事會成員多元化的裨益。提名委員會將會監察多元化政策之執行及在適當時候檢討該政策。

於年內提名委員會共召開一次會議。每位成員之出席情況載列如下：

Corporate Governance Report

企業管治報告

Board Committees (Cont'd)

Remuneration Committee

The Company established a Remuneration Committee on 14 November 2005 with terms of reference in compliance with the Code. The Remuneration Committee consists of one executive director and two independent non-executive directors.

The members of the Remuneration Committee as at the date of this report are as follows:

Ms. HU Gin Ing (*Chairman*)
Ms. HUANG Jingshu
Mr. ZHU Jiusheng

The primary duties of the Remuneration Committee are to review and determine the terms of remuneration packages, bonuses and other compensation payable to Directors and senior management. The Company has adopted the model of remuneration committee as described in Code Provision B.1.2(c)(i) of the Code. As such, the responsibility for determining the remuneration packages of individual executive Directors and senior management of the Group has been delegated to the Remuneration Committee.

During the year, the Remuneration Committee considered and reviewed the existing terms of remuneration of all the Directors based on factors including time commitment and responsibilities of the Directors, employment conditions elsewhere in the Group and desirability of performance-based remuneration. The Remuneration Committee considered that the existing terms of remunerations of the Directors were fair and reasonable.

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

Remuneration band

薪酬範圍

RMB6,000,000 – RMB7,000,000

人民幣6,000,000元至
人民幣7,000,000元

Number of individual

人數

2

Details of the remuneration of the Directors for the year ended 31 December 2016 are set out in note 10 to the consolidated financial statements.

Three meetings of the Remuneration Committee were held during the year. The attendance of each member is set out as follows:

Name of member

成員名稱

Ms. HU Gin Ing
Ms. HUANG Jingshu
Mr. ZHU Jiusheng

胡競英女士
黃敬舒女士
祝九勝先生

Meeting attended/Number of Meeting held

出席會議次數/舉行會議次數

3/3
3/3
3/3

董事委員會(續)

薪酬委員會

本公司於二零零五年十一月十四日成立薪酬委員會，並根據守則制訂職權範圍。薪酬委員會包括一名執行董事及兩名獨立非執行董事。

於本年報日期的薪酬委員會成員如下：

胡競英女士(主席)
黃敬舒女士
祝九勝先生

薪酬委員會的主要職務為檢討及釐定應付予董事及高級管理人員的薪酬福利條款、花紅及其他報酬。本公司已按守則第B.1.2(c)(i)項守則條文所述採納薪酬委員會的模式。因此，薪酬委員會已獲董事會轉授責任，釐定本集團個別執行董事及高級管理人員之薪酬待遇。

於年內，薪酬委員會根據各董事所投入之時間及職責、集團其他的聘用條件及以表現為準則的薪酬條件等因素而考慮及檢討所有董事現時的薪酬條款。薪酬委員會認為現時董事的薪酬條款乃公平合理。

截至二零一六年十二月三十一日止年度高級管理人員的薪酬範圍詳情載列如下：

截至二零一六年十二月三十一日止年度董事薪酬的詳情載於綜合財務報表附註10。

於年內薪酬委員會共召開三次會議。每位成員之出席情況載列如下：

Corporate Governance Report

企業管治報告

Board Committees (Cont'd)

Executive Committee

The Board has delegated to the Executive Committee the authority of dealing with the operational matters of the Group, save for those matters which are reserved for the Board's decision and approval pursuant to the written terms of reference, which includes taking in charge of major decision making in relation to the day-to-day business operations of the Company, administering the Company's routine resolutions and dealing with adhoc matters, ensuring adequate funding and reporting periodically to the Board. The Executive Committee consists of five executive directors and assumes full accountability to the Board for all operations of the Group.

To comply with the requirement under the Code in respect of the responsibilities for performing the corporate governance duties, the Board has delegated its responsibilities to the Executive Committee to develop, review and monitor the policies and practices on corporate governance of the Group and make recommendations to the Board, to review and monitor the Company's policies and practices on the legal and regulatory compliance, to review and monitor the code of conduct and ethical behavior applicable to the Directors and employees and the training and continuous professional development of Directors and senior management, and to review the Company's compliance with the Code and disclosures in the corporate governance report.

Twenty meetings of the Executive Committee were held during the year. The attendance record of each member is set out as follows:

Name of member 成員名稱		Meeting attended/Number of Meeting held 出席會議次數／舉行會議次數
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Ms. HUANG Jingshu (Chairman)	黃敬舒女士(主席)	19/20
Mr. TANG Shouchun (Note)	唐壽春先生(附註)	12/17
Mr. YE Xingan	葉興安先生	9/20
Mr. CHEN Tieshen	陳鐵身先生	7/20
Ms. DENG Chengying	鄧承英女士	19/20

Note: Was appointed as Executive Director on 31 March 2016.

The Executive Committee reviewed the Company's compliance with the Code and the regulatory and statutory requirements during the year under review, and the disclosures of this corporate governance report.

Company Secretary

Mr. Lai Siu Hung resigned as company secretary of the Company on 20 February 2016 and Ms. CHAN Hiu Mei was appointed as company secretary of the Company on 16 May 2016. Ms. Chan is also the Chief Financial Officer of the Group. All directors have access to the advice and services of the company secretary, who is responsible for ensuring that the board procedures are followed, advising the Board on all corporate governance matters, and arranging induction programs including briefings on the general and specific duties of directors under legal and regulatory requirements for newly appointed directors. The company secretary facilitates the induction and professional development of directors.

During the year ended 31 December 2016, Ms. Chan has received no less than 15 hours of relevant professional training to refresh her skills and knowledge.

董事委員會(續)

執行委員會

除根據書面職權範圍由董事局決定及批准的事項外，執行委員會獲董事局授予整體權限以處理本集團的營運事宜，包括負責有關本公司日常業務運作的重大決定、管理本公司的例行決議案及處理特殊事項、確保有足夠的資金及定期向董事局匯報。執行委員會由五名執行董事組成並須就本集團之所有經營業務向董事局負全責。

為符合守則內有關履行企業管治職責之規定，董事局已向執行委員會授權發展、檢討及監察本集團企業管治之政策及常規，並向董事局提出建議；檢討及監察本公司在遵守法律及監管規定方面的政策及常規；檢討及監察適用於董事及僱員的操守準則及道德行為和董事及高級管理人員的培訓及持續專業發展；以及檢討本公司遵守守則的情況及在企業管治報告內的披露。

於年內本集團共召開二十次執行委員會會議。每位成員之出席情況載列如下：

Meeting attended/Number of Meeting held 出席會議次數／舉行會議次數
--

19/20
12/17
9/20
7/20
19/20

附註：於二零一六年三月三十一日獲委任為執行董事。

執行委員會已檢討本公司於回顧年內對守則以及監管和法規規定方面的遵守概況，以及本企業管治報告內的披露資料。

公司秘書

賴兆鴻先生於二零一六年二月二十日辭任本公司之公司秘書，陳曉薇女士於二零一六年五月十六日獲委任為本公司之公司秘書。陳女士亦為本集團之財務總監。所有董事均可向公司秘書尋求有關意見和服務，公司秘書負責確保董事會程序獲得遵從，並就各項企業管治事宜向董事會提供意見，以及為新委任的董事安排就任培訓，其中包括董事在法律及法規規定下的一般及特定職責的簡介。公司秘書就董事的就任培訓及專業發展提供支援。

截至二零一六年十二月三十一日止年度，陳女士已接受不少於15小時的相關專業培訓，以更新其技能及知識。

Corporate Governance Report

企業管治報告

Risk Management and Internal Control

The Board has overall responsibility for the Group's risk management and internal controls system and for reviewing its effectiveness. The Board is committed to implementing an effective and sound internal controls system to safeguard the interests of shareholders and the Group's assets. The Board has delegated to the management the implementation of the system of internal controls and the review of all relevant financial, operational, compliance controls and risk management function within an established framework.

The Company has established internal audit department to monitor compliance with policies and procedures and the effectiveness of internal control structures of the Group. The internal audit department reports directly to the Audit Committee and ensure the internal controls are in place and functioning properly as intended.

Shareholders' Rights

1. Convening an extraordinary general meeting ("EGM")

One or more shareholders holding, at the date of deposit of the requisition, not less than one-tenth of the paid-up capital of the Company having the right of voting at general meetings can deposit a written request to convene an EGM at the principal place of business of the Company in Hong Kong ("Hong Kong Office"), for the attention of the Board or the Company Secretary. If within 21 days of such deposit of the requisition, the Board fails to proceed to convene such meeting, the requisitioner(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Board shall be reimbursed to the requisitioner(s) by the Company.

The notice period to be given to all the registered shareholders in respect of the EGM varies according to the nature of the proposal as follows:

- At least 14 clear days' notice (the notice period must include 10 clear business days) in writing if no special resolution is to be considered at the EGM.
- At least 21 clear days' notice (the notice period must include 10 clear business days) in writing if a special resolution is to be considered at the EGM.

風險管理及內部監控

董事會對本集團的風險管理及內部監控系統及對檢討其效率承擔整體責任。董事會致力落實有效及良好的內部監控系統，以保障股東利益及本集團資產。董事會已委派管理層落實內部監控系統，並檢討已建立的架構內的所有相關財務、營運、遵守規例監控及風險管理效能。

本公司已成立內部審計部門，以監察本集團對政策及程序之遵守及內部控制架構之成效。內部審計部門直接向審核委員會報告，確保內部控制一直有效及如預期般適當運作。

股東權利

1. 召開股東特別大會(「股東特別大會」)

一名或多名股東於交付提呈要求當日持有不少於有權於股東大會上投票之本公司已繳足股本十分之一，可將召開股東特別大會的書面要求送達本公司之香港主要營業地點(「香港辦事處」)，註明董事會或公司秘書收啟。倘於交付該提呈要求後二十一日內，董事會未能召開該會議，則提呈者可自行召開會議，而因董事會未能召開會議導致提呈者產生的一切合理開支，須由本公司向提呈者補償。

給予所有登記股東的通知期會因應股東特別大會的議案性質而有所不同，具體情況如下：

- 倘無特別決議案須於股東特別大會上考慮，須至少十四個完整日之書面通知(通知期須包括十個完整營業日)。
- 倘特別決議案須於股東特別大會上考慮，須至少二十一個完整日之書面通知(通知期須包括十個完整營業日)。

Shareholders' Rights (Cont'd)

2. Right to put forward proposals at general meetings

There are no provisions allowing shareholders to move new resolutions at the general meetings under the Cayman Islands Companies Law (2013 Revision) or the articles of association of the Company. Shareholders who wish to move a resolution may request the Company to convene an EGM as stipulated in above paragraph 1.

3. Right to propose a person for election as a director

If a shareholder of the Company wishes to nominate a person other than a retiring Director or a person recommended by the Board to stand for election as a Director of the Company, the shareholder concerned shall lodge with the Company (for the attention of the Company Secretary) at the Hong Kong Office or at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, a duly signed nomination form which includes, inter alia, the intention to propose that person for election as a Director, notice in writing by that person of his willingness to be elected, and the information required by the Listing Rules.

The period for lodgement of the nomination form will commence no earlier than the day after the dispatch of the notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such general meeting and the minimum length of the period during which the nomination form and associated documents may be given to the Company will be at least 7 days.

4. Right to put enquiry to the Board

Shareholders have the right to put enquiries to the Board. All enquiries must be in writing with contact information of the person making the enquiry and deposited at the Hong Kong Office for the attention of the Company Secretary.

Detailed procedures can be found in the document entitled "Shareholders' Rights" which is available on the Company's website.

股東權利(續)

2. 於股東大會提出議案之權利

根據開曼群島公司法(二零一三年修訂版)或本公司組織章程細則概無條文允許股東於股東大會上提呈新決議案。股東欲提呈決議案，可根據上文第一段列明之程序要求本公司召開股東特別大會。

3. 提名一名人士競選董事之權利

如股東欲提名一名人士競選董事(告退董事或董事會推薦人士除外)，應向本公司遞交正式簽署之提名表格，其中包括，該股東有意提名該人士競選董事，該提名人士願意參選之通知書，及上市規則規定之資料至香港辦事處(註明公司秘書收啟)或本公司之股份過戶登記分處卓佳證券登記有限公司。

遞交提名表格的開始日期不得早於寄發有關選舉的股東大會通知翌日，而遞交提名表格的最後日期則不得遲於該股東大會日期前七日；提名表格及相關文件遞交予本公司之期間將最少為七日。

4. 向董事會作出查詢之權利

股東有權向董事會作出查詢，所有查詢須以書面方式連同查詢者之聯絡資料送達香港辦事處，註明公司秘書收啟。

有關程序詳情可於本公司網站刊載的文件「股東權利」中查閱。

Corporate Governance Report

企業管治報告

Communication with Shareholders

Shareholders are encouraged to attend annual general meetings of the Company. The chairman of the Board will attend the annual general meeting and invite the chairman of Audit Committee, Nomination Committee, Remuneration Committee and other Board Committee(s), or in their absence, other members of these Board Committee(s), to attend the annual general meeting.

The Company held the annual general meeting on 2 June 2016.

Details of Directors' attendance record of general meetings during the year ended 31 December 2016 are as follows:

與股東的溝通

本公司鼓勵股東出席本公司之股東週年大會。董事會主席將出席股東週年大會及邀請審核委員會、提名委員會、薪酬委員會及其他董事委員會的主席；若有關委員會主席未克出席，則該董事委員會之其他成員出席股東週年大會。

本公司於二零一六年六月二日舉行股東週年大會。

截至二零一六年十二月三十一日止年度內，董事出席股東大會的詳情如下：

		Annual General Meeting 股東週年大會
		Meetings attended/Number of Meeting held 出席會議次數／舉行會議次數
Executive Director	執行董事	
Ms. HUANG Jingshu (<i>Chairman</i>)	黃敬舒女士(主席)	1/1
Mr. TANG Shouchun (<i>Chief Executive Officer</i>)	唐壽春先生(行政總裁)	1/1
Mr. YE Xingan	葉興安先生	1/1
Mr. CHEN Tieshen	陳鐵身先生	1/1
Ms. DENG Chengying	鄧承英女士	1/1
Independent Non-Executive Director	獨立非執行董事	
Mr. ZHU Jiusheng	祝九勝先生	0/1
Mr. WANG Jing	王敬先生	1/1
Ms. HU Gin Ing	胡競英女士	1/1

Investor Relationship and Communication

The Company strives to achieve a high level of transparency in communicating with shareholders and the investment community at large. Briefings and meetings with institutional investors and analysts are conducted at opportune times. The Company is committed to continuing to maintain an open and effective investor communication policy and to update investors on relevant information on its business in a timely manner, subject to relevant regulatory requirements. In order to ensure effective, clear and accurate communications with the investors and analysts, all corporate communications are arranged and handled by the executive directors with the assistance of an independent corporate communication firm and designated senior executives according to established practices and procedures of the Company. The Company has announced results of the year under review in a timely manner.

Constitutional Documents

During the year ended 31 December 2016, there were no changes to the constitutional documents of the Company.

The memorandum and articles of association of the Company is available on the websites of the Company and the Stock Exchange.

與投資者的關係及溝通

本公司與股東及投資界溝通時，一直盡力達到高透明度。本公司於適當時候為機構投資者及分析員舉行簡報會及會議。本公司致力按照有關監管規定，繼續維持公開及有效的投資者溝通政策，並及時向投資者提供最新的業務資料。為確保與投資者及分析家維持有效、清晰而準確的溝通渠道，所有企業通訊事宜均按照本公司的既定慣例及程序，由執行董事透過一間獨立企業通訊公司協助下及專責高級行政人員處理。本公司已於回顧年度內按時宣佈業績。

組織章程文件

截至二零一六年十二月三十一日止年度，本公司組織章程文件概無任何變動。

本公司之組織章程大綱及細則載於本公司網站及聯交所網站。

Directors' and Auditor's Responsibilities for the Consolidated Financial Statements

The Directors are responsible for the preparation of consolidated financial statements which give a true and fair view. In preparing such consolidated financial statements, it is fundamental that appropriate accounting policies are selected and applied consistently.

The auditor's responsibility is to express an independent opinion, based on their audit, on those consolidated financial statements and to report their opinion to the shareholders of the Company, as a body, and for no other purpose. The auditor does not assume responsibility towards or accept liability to any other person for the contents of the independent auditor's report.

The Directors acknowledge their responsibilities for the preparation of the consolidated financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of results and cash flows for that year. In preparing the consolidated financial statements for the year ended 31 December 2016, the Directors have selected suitable accounting policies and applied them consistently; adopted appropriate Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards and Interpretations; made adjustments and estimates that are prudent and reasonable; and have prepared the consolidated financial statements on the going concern basis. The Directors also ensure the timely publication of the consolidated financial statements of the Group.

Auditor's Remuneration

The fee in respect of audit and non-audit services provided to the Group by independent auditor for the year ended 31 December 2016 amounted to RMB2,569,000 (2015: RMB2,737,000) and RMB274,000 (2015: RMB271,000) respectively.

董事及核數師就綜合財務報表承擔之責任

董事須負責編製真實而公正之綜合財務報表。在編製該等綜合財務報表時，董事必須貫徹選擇及採用合適之會計政策。

核數師之責任是根據審核工作之結果，對該等綜合財務報表作出獨立意見，將此意見僅向本公司之股東報告，不作其他用途。核數師並不就獨立核數師報告書內容向任何其他人士負上責任或承擔法律責任。

董事確認，其職責為就每個財政年度編製可真實而公平地反映本集團業務狀況及該年度之業績及現金流量之綜合財務報表。編製截至二零一六年十二月三十一日止年度之綜合財務報表時，對已挑選及貫徹應用合適之會計政策，採納適當的香港財務報告準則、香港會計準則及註釋、審慎及合理地作出調整及估計，並以持續營運基準準備綜合財務報表。董事亦確保準時刊發本集團之綜合財務報表。

核數師酬金

截至二零一六年十二月三十一日止年度，獨立核數師對本集團提供的核數和非核數服務所收取之費用分別為人民幣2,569,000元(二零一五年：人民幣2,737,000元)及人民幣274,000元(二零一五年：人民幣271,000元)。

Independent Auditor's Report

獨立核數師報告

Deloitte.

德勤

TO THE SHAREHOLDERS OF
LVGEM (CHINA) REAL ESTATE INVESTMENT COMPANY LIMITED
(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of LVGEM (China) Real Estate Investment Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 65 to 157, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

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致
綠景(中國)地產投資有限公司股東
(於開曼群島註冊成立之有限公司)

意見

本核數師(以下簡稱「我們」)已審計列載於第65至157頁綠景(中國)地產投資有限公司(以下簡稱「貴公司」)及其附屬公司(以下簡稱「貴集團」)的綜合財務報表,此綜合財務報表包括於二零一六年十二月三十一日的綜合財務狀況報表與截至該日止年度的綜合損益表、綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表,以及主要會計政策概要及其他解釋資料。

我們認為,該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)所頒佈之《香港財務報告準則》(「香港財務報告準則」)真實而公平地反映了貴集團於二零一六年十二月三十一日之綜合財務狀況以及其截至該日止年度之綜合財務表現及其綜合現金流量,並已遵守香港《公司條例》之披露規定而妥善編製。

意見的基礎

我們根據香港會計師公會頒佈的《香港審計準則》(「香港審計準則」)進行審核。我們在該等準則下的責任在我們的報告內核數師就審核綜合財務報表須承擔的責任一節內進一步闡述。根據香港會計師公會的職業會計師道德守則(「守則」),我們獨立於貴集團,並已遵循守則履行其他道德責任。我們相信,我們所獲得的審核憑證能充足及適當地為我們的審核意見提供基礎。

關鍵審核事項

根據我們的專業判斷,關鍵審核事項為我們審核於本期間的綜合財務報表中最重要的事項。我們在審核整體綜合財務報表及就此達致我們的意見時處理此等事項,而我們不會就此等事項單獨發表意見。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (Cont'd)

Key audit matter

Valuation of investment properties

We identified the valuation of investment properties as a key audit matter as they represented 47% of the Group's total assets, combined with the judgements associated with determining the fair value.

As disclosed in note 13 to the consolidated financial statements, the fair value of completed investment properties and investment properties under development amounted to approximately RMB11,274,253,000 and RMB952,764,000 respectively as at 31 December 2016 and an increase in fair value recognised in profit or loss amounted to approximately RMB247,498,000 in aggregate for the year then ended. The completed investment properties were located in Shenzhen and Suzhou, while the investment properties under development were located in Shenzhen.

As set out in note 4 to the consolidated financial statements, the Group's investment properties were stated at fair value based on the valuation performed by independent professional valuers ("Valuers"). As disclosed in note 13 to the consolidated financial statements, the fair value of completed investment properties and investment properties under development have been arrived at using income capitalisation approach and market-based approach, respectively, which were dependent on certain key inputs and assumptions in respect of prevailing market conditions such as capitalisation rate and daily market rent for income capitalisation approach, gross development value and developer's profit for market-based approach.

How our audit addressed the key audit matter

Our procedures in relation to the valuation of investment properties included:

- Evaluating the competence, capabilities and objectivity of the Valuers;
- Obtaining an understanding of the valuation processes and significant assumptions to assess if these approaches meet the requirements of HKFRSs and industry norms;
- Evaluating the appropriateness of the valuation methods applied by the Valuers, in particular the valuation techniques and the capitalisation rate, based on our knowledge of the property markets in the People's Republic of China (the "PRC"); and
- Assessing the reasonableness of other valuation inputs and source data, including daily market rent for income capitalisation approach, gross development value and developer's profit for market-based approach, by comparing these estimates, on a sample basis, to entity-specific information such as rental income, tenancy summary, capital expenditures details and size of the investment properties, as well as market data based on our knowledge of the property markets in PRC.

關鍵審核事項(續)

關鍵審核事項

投資物業之估值

我們將投資物業之估值以及與釐定公允價值有關之判斷確定為一項關鍵審核事項，此乃由於投資物業之公允價值佔 貴集團總資產之47%。

誠如綜合財務報表附註13所披露，已完成投資物業及發展中投資物業於二零一六年十二月三十一日的公允價值分別約為人民幣11,274,253,000元及人民幣952,764,000元，而於損益確認之公允價值增幅合共約人民幣247,498,000元乃於截至該日止年度之溢利中入賬。已完成投資物業位於深圳及蘇州，而發展中投資物業則位於深圳。

誠如綜合財務報表附註4所載，貴集團之投資物業乃基於獨立專業估值師行（「估值師」）進行的估值按公允價值列賬。誠如綜合財務報表附註13所披露，已完成投資物業及發展中投資物業的公允價值分別採用收入資本計算法及市場法釐定，有關方法乃依賴有關當前市況之若干關鍵輸入數據及假設，包括收入資本計算法的資本化比率及市場日租，以及市場法的總開發價值及開發商利潤。

我們的審計如何處理關鍵審計事項

我們就投資物業估值之程序包括：

- 評估估值師之資歷、能力及客觀性；
- 了解估值過程及重大假設，以評估該等方法是否符合《香港財務報告準則》規定及行業慣例；
- 根據我們對中華人民共和國（「中國」）物業市場之認識，評估估值師所應用的估值方法（尤其是估值技術及資本化比率）是否恰當；及
- 根據我們對中國物業市場之認識，透過按抽樣基準將該等估計與實體之特定資料（例如租金收入、租賃概要、資本開支詳情及投資物業之規模）進行比較，評估其他估值輸入數據及來源數據是否合理，包括收入資本計算法的市場日租，及市場法的總開發價值及開發商利潤以及市場數據。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (Cont'd)

Key audit matter

Assessment of net realisable value of properties held for sale and properties under development for sale

We identified the assessment of net realisable value of properties held for sale and properties under development for sale as a key audit matter due to the significant judgement involved in the determination of net realisable value (the "NRV") of these properties.

The Group had properties under development for sale of approximately RMB3,977,425,000 and properties held for sale of approximately RMB1,556,050,000 (collectively referred to as "Properties for Sale") as at 31 December 2016, which are situated in the PRC and Hong Kong.

As disclosed in note 4 to the consolidated financial statements, the directors of the Company determined the NRV of the properties held for sale by using prevailing market data such as most recent sale transactions and market survey reports available from independent qualified professional valuers, and internal estimates of costs based on quotes by suppliers, and the NRV of the properties under development for sale was determined by using estimates of future cash flows to be derived from these properties. These estimates require judgement as to the anticipated sale prices by reference to recent sale transactions in nearby locations, marketing costs (including price discounts required to stimulate sales) and the expected costs to completion of properties, the legal and regulatory framework and general market conditions.

An impairment loss of properties held for sale amounting to RMB20,506,000 was recognised in the consolidated statement of profit or loss for the year ended 31 December 2016.

How our audit addressed the key audit matter

Our procedures in relation to assessment of the NRV of the Properties for Sale included:

- Performing sensitivity analysis to identify the impact that changes in key inputs such as the estimated future selling prices have on the NRV of the Properties for Sale;
- Assessing the appropriateness of the estimated future selling prices of the Properties for Sale, on a sample basis, by comparing them to transaction prices of similar properties in the nearby or relevant locations, or actual selling price of properties sold subsequent to the end of the reporting period in the same project or relevant locations, based on our knowledge of the property markets in the PRC and Hong Kong; and
- Challenging the Group's forecast of construction cost, on a sample basis, by comparing to the construction costs for similar units and against signed contracts or quotes with subcontractors.

關鍵審核事項(續)

關鍵審核事項

待售物業及發展中待售物業之可變現淨值評估

我們將待售物業及發展中待售物業之可變現淨值評估確定為一項關鍵審核事項，此乃由於釐定該等物業之可變現淨值(「可變現淨值」)涉及重大判斷。

於二零一六年十二月三十一日，貴集團之發展中待售物業及待售物業(統稱「該等待售物業」)分別約為人民幣3,977,425,000元及約人民幣1,556,050,000元，而有關物業位於中國及香港。

誠如綜合財務報表附註4所披露，本公司董事採用當前市場數據，包括最近期銷售交易、獨立合資格專業估值師提供的市場調查報告及由內部以供應商所報成本編製之估算，釐定待售物業之可變現淨值，而發展中待售物業之可變現淨值乃採用自該等物業衍生之未來現金流估計而釐定。該等估計須參考附近地點的近期銷售交易、推廣費用(包括促銷所需的價格折扣)及有關預計完成物業的費用、法律和監管架構及一般市況，從而對預期的銷售價格作出判斷。

截至二零一六年十二月三十一日止年度，已於綜合損益表確認之待售物業減值虧損為人民幣20,506,000元。

我們的審計如何處理關鍵審計事項

我們就該等待售物業可變現淨額之評估之程序包括：

- 進行敏感度分析，以識別主要輸入數據變動的影響，如估計未來售價對該等待售物業可變現淨額之影響；
- 根據我們對中國及香港物業市場的認識，透過將該等待售物業與鄰近或相關地區之類似物業的售價進行比較，或與於報告期末後出售之物業的實際價格進行比較，抽樣評估該等待售物業之預計未來售價是否恰當；及
- 透過將同類單位的建設成本與已簽署的合約或分包商的報價進行比較，按抽樣基準質疑 貴集團對建設成本的預測。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (Cont'd)

Key audit matter

Revenue recognised from sales of properties

We identified revenue recognised from sales of properties as a key audit matter as the revenue from sales of properties is significant to the consolidated statement of profit or loss and there is judgement involved in determining the appropriate point at which to recognise revenue from sales of properties.

As disclosed in "Revenue recognition" paragraph under note 3 to the consolidated financial statements, revenue from sales of properties is recognised when the respective properties have been completed and delivered to the buyers and other criteria set out in that note have been met. The Group recognised revenue of RMB3,956,426,000 from its property development and sales segment for the year ended 31 December 2016, which is disclosed in note 5 to the consolidated financial statements.

How our audit addressed the key audit matter

Our procedures in relation to revenue recognised from sales of properties included:

- Assessing the management's control over the point of time at which revenue from sales of properties is recognised by obtaining an understanding of the management's control process and testing the control on a sample basis; and
- Reviewing the terms stated in the sales and purchase agreements, on a sample basis, and obtaining evidence regarding the completion and the delivery of properties, on a sample basis, including completion certificates and delivery notices, to assess whether the criteria for revenue recognition set out in "Revenue recognition" paragraph under note 3 to the consolidated financial statements have been met.

Provision for land appreciation tax

We identified the provision for land appreciation tax ("LAT") as a key audit matter since the implementation and settlement of this tax varies among various tax jurisdictions in cities of the PRC, and the Group has not finalised certain LAT calculation and payments with local tax authorities in the PRC. Accordingly, significant judgement is required in determining the amount on the appreciation of land value and its related LAT.

LAT is prepaid when properties are pre-sold to the buyers and is provided when properties are delivered to the buyers and revenue is recognised. As disclosed in note 9 to the consolidated financial statements, LAT amounting to RMB691,995,000 was recognised in the consolidated statement of profit or loss for the year ended 31 December 2016. As disclosed in note 4 to the consolidated financial statements, the Group recognised LAT based on the management's best estimates according to the understanding of the tax rules, which are determined by the appreciation of land value. The amount of the land appreciation is determined with reference to estimated proceeds of the sales of properties less the estimated deductible expenditures, including the cost of land use rights and all property development expenditures.

關鍵審核事項(續)

關鍵審核事項

物業銷售確認之收入

由於物業銷售收入就綜合損益表而言屬重大，而就確認物業銷售收入釐定合適時間涉及判斷，故我們將物業銷售確認之收入確定為一項關鍵審核事項。

誠如綜合財務報表附註3「收入確認」一段所披露，物業銷售之收入於相關物業已完成及交付予買家及符合該附註所載列之其他條件時確認。截至二零一六年十二月三十一日止年度，貴集團的物業開發及銷售分類確認收入人民幣3,956,426,000元，有關詳情披露於綜合財務報表附註5。

我們的審計如何處理關鍵審計事項

我們就物業銷售確認收入之程序包括：

- 透過了解管理層之控制過程及按抽樣基準測試控制，評估管理層於確認物業銷售收入時之控制；及
- 抽樣審閱買賣協議所載列之條款，及取得有關物業竣工及交付之證明(包括竣工證明及交付通知)，以評估是否符合綜合財務報表附註3「收入確認」一段所載列有關收入確認之標準。

土地增值稅之計提

我們將土地增值稅(「土地增值稅」)之計提確定為一項關鍵審核事項，此乃由於中國城市不同稅收管轄區對土地增值稅的執行及結算不盡相同，而貴集團尚未與中國地方稅務局落實若干土地增值稅的計算及付款方法。因此，須作出重大判斷以釐定土地增值額及其相關土地增值稅。

土地增值稅於物業預售予買家時已預付，而土地增值稅則於物業交付予買家及收益獲確認時已作撥備。誠如綜合財務報表附註9所披露，截至二零一六年十二月三十一日止年度，土地增值稅人民幣691,995,000元已於綜合損益表內確認。誠如綜合財務報表附註4所披露，貴集團根據管理層按照其對稅務規則之理解作出之最佳估計，即按土地增值額預計確認土地增值稅。土地增值金額參考物業銷售減預計可扣稅開支之所得款項而釐定，有關可扣稅開支包括土地使用權成本以及所有物業開發開支。

Independent Auditor's Report

獨立核數師報告

KEY AUDIT MATTERS (Cont'd)

How our audit addressed the key audit matter

Our procedures in relation to the provision for LAT included:

- Involving our tax specialists in the PRC to assess the accuracy of the land appreciation amount calculations based on their knowledge of the relevant tax rules and regulations, in particular to the LAT rate announced by the State Administration of Taxation in the PRC; and
- Evaluating the estimated proceeds of the sales of properties and estimated deductible expenditures, adopted by the management by comparing their estimates made in previous years to actual results as well as current year's estimates.

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in this set of documents, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

關鍵審核事項(續)

我們的審計如何處理關鍵審核事項

我們就土地增值稅之計提之程序包括：

- 中國稅務專家基於他們對相關稅務規則及法規(尤其是中國國家稅務總局公佈之土地增值稅率)之理解評估計算土地增值額之準確度；及
- 透過比較管理層於過往年度對實際業績作出之估計及本年度的估計，評估彼等採用之估計銷售物業所得款項及估計可扣稅開支。

其他資料

貴公司董事須對其他資料承擔責任。其他資料包括載於本文件中的資料，惟不包括綜合財務報表及我們就此作出的核數師報告。

我們對綜合財務報表作出的意見並無涵蓋其他資料，而我們不會對其他資料發表任何形式的核證結論。

就我們審核綜合財務報表而言，我們的責任為閱讀其他資料，從而考慮其他資料是否與綜合財務報表或我們在審核過程中獲悉的資料存在重大不符，或似乎存在重大錯誤陳述。倘若我們基於已進行的工作認為其他資料出現一項重大錯誤陳述，我們須報告有關事實。我們毋須就此作出報告。

董事及管治層就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的《香港財務報告準則》及香港《公司條例》的披露要求編製綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實其認為編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

Independent Auditor's Report

獨立核數師報告

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

Those charged with governance are responsible for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

在編製綜合財務報表時，董事須負責評估貴集團持續經營的能力，並披露與持續經營有關的事項(如適用)。除非董事擬將貴集團清盤或停止營運，或除此之外並無其他實際可行的辦法，否則須採用以持續經營為基礎的會計法。

該等管治層負責監督貴集團的財務報告流程。

核數師就審核綜合財務報表須承擔的責任

我們的目標為合理確定此等綜合財務報表整體而言不會存在由於欺詐或錯誤而導致的重大錯誤陳述，並按照委任之協定條款向全體股東發出載有我們意見的核數師報告。除此之外，本報告別無其他目的。我們不會就本報告內容向任何其他人士負上或承擔任何責任。合理確定屬高層次的核證，惟根據《香港審計準則》進行的審核工作不能保證總能察覺所存在的重大錯誤陳述。錯誤陳述可因欺詐或錯誤產生，倘個別或整體在合理預期情況下可影響使用者根據該等綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

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

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對該等風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部監控的情況，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部監控，以設計適當的審計程序，惟並非旨在對貴集團內部監控的有效性發表意見。
- 評估董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計法的恰當性作出結論，並根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。倘我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。或倘有關披露不足，則修訂我們意見。我們結論乃基於截至核數師報告日期止所取得的審計憑證。然而，未來事項或情況可能導致貴集團無法持續經營。

Independent Auditor's Report

獨立核數師報告

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements.
- 評估綜合財務報表的整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務資料獲取充足及適當的審計憑證，以便對綜合財務報表發表意見。

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

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

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

The engagement partner on the audit resulting in the independent auditor's report is Yuen Wing Hang.

我們與管治層就(其中包括)審計的計劃範圍、時間安排及重大審計發現進行溝通，該等發現包括我們在審計過程中識別的內部監控的任何重大缺失。

我們亦向管治層作出聲明，指出我們已符合有關獨立性的相關道德要求，並與彼等溝通可能被合理認為會影響我們獨立性的所有關係及其他事宜以及相關防範措施(如適用)。

從與管治層溝通的事項中，我們釐定對本期間綜合財務報表的審計至關重要的事項，因而構成關鍵審計事項。我們在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，倘合理預期在我們報告中溝通某事項造成的負面後果超出產生的公眾利益，則我們決定不應在報告中傳達該事項。

出具獨立核數師報告的審計項目的項目合夥人為袁永恆。

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong
16 March 2017

德勤•關黃陳方會計師行
執業會計師

香港
二零一七年三月十六日

Consolidated Statement of Profit or Loss

綜合損益表

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

		NOTES 附註	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Revenue	收益	5	4,590,162	1,210,270
Cost of sales	銷售成本		(2,294,209)	(574,887)
Gross profit	毛利		2,295,953	635,383
Other income, other gains and losses	其他收入、其他收益及虧損	6	108,448	87,336
Selling expenses	銷售開支		(58,293)	(56,501)
Administrative expenses	行政開支		(348,696)	(239,059)
Fair value changes on investment properties	投資物業的公允價值變動	13	247,498	426,816
Fair value changes on derivative financial instruments	衍生金融工具的公允價值變動	36	15,022	–
Finance costs	融資成本	7	(406,500)	(262,868)
Share of results of joint ventures	應佔合營公司業績		(9)	(30)
Profit before tax	除稅前盈利	8	1,853,423	591,077
Income tax expense	所得稅開支	9	(1,044,757)	(166,492)
Profit for the year	年度盈利		808,666	424,585
Profit for the year attributable to:	以下人士應佔年度盈利：			
Owners of the Company	本公司股東		802,297	417,780
Non-controlling interests	非控股權益		6,369	6,805
			808,666	424,585
			RMB cents	RMB cents
			人民幣分	人民幣分
Earnings per share attributable to the owners of the Company during the year	年度本公司股東應佔每股盈利	12		
– Basic	– 基本		17.09	10.55
– Diluted	– 攤薄		9.81	5.66

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

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

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Profit for the year	年度盈利	808,666	424,585
Other comprehensive income (expense)	其他全面收益(開支)		
Items that may be subsequently reclassified to profit or loss:	隨後或會重新分類至損益之項目：		
Exchange differences arising on translation	匯兌產生的換算差額	2,979	(19,500)
Fair value changes on available-for-sale investments, net of tax	可供出售投資之公允價值變動(扣除稅項)	163,336	-
Other comprehensive income (expense) for the year	年度其他全面收益(開支)	166,315	(19,500)
Total comprehensive income for the year	年度全面收益總額	974,981	405,085
Total comprehensive income attributable to:	以下人士應佔全面收益總額：		
Owners of the Company	本公司股東	967,927	401,935
Non-controlling interests	非控股權益	7,054	3,150
		974,981	405,085

Consolidated Statement of Financial Position

綜合財務狀況報表

At 31 December 2016
於二零一六年十二月三十一日

		NOTES 附註	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Non-current assets	非流動資產			
Investment properties	投資物業	13	12,227,017	11,973,452
Property, plant and equipment	物業、廠房及設備	14	294,188	333,422
Goodwill	商譽	15	231,602	231,602
Interests in joint ventures	於合營公司的權益	16	528,384	525,393
Available-for-sale investments	可供出售投資	17	561,048	343,267
Deferred tax assets	遞延稅項資產	18	190,151	199,785
Deposits paid for acquisition of equity interests	收購股權之已付按金	19	210,000	-
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備之已付按金	19	156,776	-
			14,399,166	13,606,921
Current assets	流動資產			
Properties under development for sale	發展中待售物業	20	3,977,425	2,109,719
Properties held for sale	待售物業	21	1,556,050	3,293,741
Other inventories	其他存貨	22	1,006	914
Accounts receivable	應收賬款	23	16,536	102,210
Deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項	24	1,234,783	1,941,469
Tax recoverable	可收回稅款		8,316	88,950
Other current assets	其他流動資產	25	200,000	80,000
Restricted bank deposits	受限制銀行存款	26	1,738,990	1,253,444
Bank balances and cash	銀行結餘及現金	27	2,792,246	1,514,559
			11,525,352	10,385,006
Current liabilities	流動負債			
Accounts payable	應付賬款	28	921,438	1,102,296
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款項	29	546,538	3,944,349
Tax liabilities	稅項負債		768,146	470,507
Borrowings	借貸	30	3,580,323	1,676,275
			5,816,445	7,193,427
Net current assets	流動資產淨值		5,708,907	3,191,579
Total assets less current liabilities	總資產減流動負債		20,108,073	16,798,500
Non-current liabilities	非流動負債			
Convertible bonds	可換股債券	36(a)	559,186	-
Derivative financial instruments	衍生金融工具	36(b)	120,496	-
Borrowings	借貸	30	7,836,944	6,557,606
Deferred tax liabilities	遞延稅項負債	18	2,393,783	2,267,724
			10,910,409	8,825,330
Net assets	資產淨值		9,197,664	7,973,170

Consolidated Statement of Financial Position

綜合財務狀況報表

At 31 December 2016
於二零一六年十二月三十一日

			2016	2015
		NOTES	二零一六年	二零一五年
		附註	RMB'000	RMB'000
			人民幣千元	人民幣千元
Capital and reserves	股本及儲備			
Share capital	股本	31	39,115	39,115
Reserves	儲備	32	8,925,397	7,841,962
Equity attributable to owners of the Company	本公司股東應佔權益		8,964,512	7,881,077
Non-controlling interests	非控股權益		233,152	92,093
Total equity	權益總額		9,197,664	7,973,170

The consolidated financial statements on pages 65 to 157 were approved and authorised for issue by the board of directors on 16 March 2017 and are signed on its behalf by:

第65至157頁之綜合財務報表已獲董事會於二零一七年三月十六日批准及授權刊發，並由以下董事代表簽署：

HUANG Jingshu
黃敬舒
DIRECTOR
董事

DENG Chengying
鄧承英
DIRECTOR
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

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

		Attributable to owners of the Company 本公司股東應佔權益											
		Share capital	Share premium	Convertible preference shares 可換股	Other reserve	Exchange reserve	Investment revaluation reserve 投資	Share option reserve	Statutory reserve	Retained profits	Total	Non-controlling interests	Total equity
		股本	股份溢價	優先股	其他儲備	匯兌儲備	重估儲備	購股權儲備	法定儲備	保留盈利	總計	非控股權益	權益總額
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance as at 1 January 2015	於二零一五年一月一日的結餘	32,336	4,822,585	5,959,114	(9,768,021)	15,924	-	-	58,479	6,889,001	8,009,418	68,230	8,077,648
Profit for the year	年度盈利	-	-	-	-	-	-	-	-	417,780	417,780	6,805	424,585
Exchange differences arising on translation	匯兌產生的換算差額	-	-	-	-	(15,845)	-	-	-	-	(15,845)	(3,655)	(19,500)
Total comprehensive (expense) income for the year	年度全面(開支)收益總額	-	-	-	-	(15,845)	-	-	-	417,780	401,935	3,150	405,085
Deemed distribution on acquisition of a joint venture from Mr. Wong Hong King	視作自黃康境先生收購一間合營公司的分派	-	-	-	(9,200)	-	-	-	-	-	(9,200)	-	(9,200)
Non-controlling interest arising on acquisition of subsidiaries (note 34(b))	收購附屬公司產生的非控股權益(附註34(b))	-	-	-	-	-	-	-	-	-	-	48,400	48,400
Effect of the Disposals (defined in note 32)	出售事項之影響(定義見附註32)	-	-	-	(142,982)	63,638	-	-	-	-	(79,344)	(11,327)	(90,671)
Effect of the Transaction (defined in note 32)	該交易之影響(定義見附註32)	-	-	-	(1,342,373)	-	-	-	-	-	(1,342,373)	-	(1,342,373)
Arising from issue of placing shares (note 31)	發行配售股份而產生(附註31)	6,779	1,476,557	-	-	-	-	-	-	-	1,483,336	-	1,483,336
Transfer of statutory reserve	轉撥法定儲備	-	-	-	-	-	-	-	7,894	(7,894)	-	-	-
Dividend declared and made (note 11)	已宣派及派付的股息(附註11)	-	-	-	-	-	-	-	-	(582,695)	(582,695)	(16,360)	(599,055)
Balance as at 31 December 2015	於二零一五年十二月三十一日的結餘	39,115	6,299,142	5,959,114	(11,262,576)	63,717	-	-	66,373	6,716,192	7,881,077	92,093	7,973,170
Profit for the year	年度盈利	-	-	-	-	-	-	-	-	802,297	802,297	6,369	808,666
Fair value changes on available-for-sale investments, net of tax	可供出售投資之公允價值變動(扣除稅項)	-	-	-	-	-	163,336	-	-	-	163,336	-	163,336
Exchange differences arising on translation	匯兌產生的換算差額	-	-	-	-	2,294	-	-	-	-	2,294	685	2,979
Total comprehensive income for the year	年度全面收益總額	-	-	-	-	2,294	163,336	-	-	802,297	967,927	7,054	974,981
Acquisition of non-controlling interests (note below)	收購非控股權益(附註見下文)	-	-	-	27,220	-	-	-	-	-	27,220	(27,220)	-
Capital contribution by a non-controlling shareholder of a subsidiary	一間附屬公司非控股股東之出資	-	-	-	-	-	-	-	-	-	-	161,225	161,225
Recognition of equity-settled share-based payments (note 37)	確認為以股權結算以股份支付的款項(附註37)	-	-	-	-	-	-	128,404	-	-	128,404	-	128,404
Transfer of statutory reserve	轉撥法定儲備	-	-	-	-	-	-	-	81,054	(81,054)	-	-	-
Dividend declared and made (note 11)	已宣派及派付的股息(附註11)	-	-	-	-	-	-	-	-	(40,116)	(40,116)	-	(40,116)
Balance as at 31 December 2016	於二零一六年十二月三十一日的結餘	39,115	6,299,142	5,959,114	(11,235,356)	66,011	163,336	128,404	147,427	7,397,319	8,964,512	233,152	9,197,664

Note: During the year ended 31 December 2016, the Group and the non-controlling shareholder of Shenzhen Yijia Industrial Development Company Limited ("Yijia"), a non-wholly-owned subsidiary of the Group, have made additional capital contribution to Yijia. Subsequent to the contribution, the equity interests of Yijia held by the Group increased from 75% to 89%. The difference between the amounts paid for acquisition of an additional interest in a subsidiary and the carrying amount of non-controlling interests being acquired is included in other reserve.

附註: 截至二零一六年十二月三十一日止年度,本集團及深圳溢佳實業發展有限公司(「溢佳」,為本集團非全資附屬公司)之非控股股東已向溢佳作出額外注資。注資後,本集團持有之溢佳股權由75%增至89%。就收購附屬公司額外權益而已付之金額與被收購非控股權益賬面值間之差額已計入其他儲備。

Consolidated Statement of Cash Flows

綜合現金流量表

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

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Operating activities	經營活動		
Profit before tax	除稅前盈利	1,853,423	591,077
Adjustments for:	調整項目：		
Depreciation and amortisation	折舊及攤銷	39,934	52,687
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房及設備的(收益)虧損	(1,554)	86
Gain on disposal of investment properties	出售投資物業的收益	(4,968)	(46,230)
Fair value changes on investment properties	投資物業的公允價值變動	(247,498)	(426,816)
Fair value changes on derivative financial instruments	衍生金融工具的公允價值變動	(15,022)	-
Share of results of joint ventures	應佔合營公司業績	9	30
(Reversal of) impairment loss recognised on accounts receivable	(撥回)已確認應收款項減值虧損	(39)	59
Equity-settled share-based payments	以股權結算以股份支付的款項	128,404	-
Recovery of other receivables written-off	撥回其他應收款項撇銷	(49,561)	(8,363)
Write-down on other receivables	撇減其他應收款項	-	19,627
Impairment loss on properties held for sale	待售物業的減值虧損	20,506	-
Interest income	利息收入	(30,663)	(23,243)
Gain on disposal of a subsidiary	出售一間附屬公司的收益	(18,340)	-
Investment income	投資收入	(1,434)	(12,511)
Dividend income	股息收入	-	(5,040)
Finance costs	融資成本	406,500	262,868
Operating cash flows before movements in working capital	營運資金變動前的經營現金流量	2,079,697	404,231
Decrease (increase) in properties under development for sale and properties held for sale	發展中待售物業及待售物業減少(增加)	696,785	(508,339)
(Increase) decrease in other inventories	其他存貨(增加)減少	(92)	1,097
Decrease (increase) in accounts receivable, deposits paid, prepayments and other receivables	應收賬款、已付按金、預付款項及其他應收款項減少(增加)	644,848	(722,840)
(Decrease) increase in accounts payable, accruals, deposits received and other payables	應付賬款、應計費用、已收按金及其他應付款項(減少)增加	(3,578,744)	2,680,067
Cash (used in) from operations	經營活動(所用)所得的現金	(157,506)	1,854,216
Income taxes paid	已付所得稅	(585,236)	(381,780)
Net cash (used in) from operating activities	經營活動(所用)所得現金淨額	(742,742)	1,472,436
Investing activities	投資活動		
Acquisition of subsidiaries (note 34)	收購附屬公司(附註34)	(606,837)	(145,187)
Purchase of other current assets	購置其他流動資產	(521,000)	(9,000)
Deposits paid for acquisition of equity interests	收購股權之已付按金	(210,000)	-
Deposits paid for acquisition of property, plant and equipment	收購物業、廠房及設備之已付按金	(153,482)	-
Additional costs of investment properties	投資物業之額外成本	(26,270)	(78,503)
Purchase of property, plant and equipment	購置物業、廠房及設備	(20,370)	(11,844)
Proceeds from disposal of other current assets	出售其他流動資產所得款項	402,434	273,221
Proceeds from disposal of investment properties	出售投資物業所得款項	25,171	190,403
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	21,192	86
Placement of restricted bank deposits	存放受限制銀行存款	(6,044,884)	(757,331)
Advances to related companies	向關聯公司支付墊款	(623,923)	(1,099,619)
Placement of short-term time deposits with maturity beyond three months but within one year	存放於三個月以上但一年內到期的短期存款	(200,000)	-
Advance to a joint venture	向一間合營公司支付墊款	(3,000)	(3,346)
Withdrawal of restricted bank deposits	提取受限制銀行存款	5,559,339	264,433
Repayment from related companies	償還關連公司款項	821,040	364,125
Interest received	已收利息	30,663	23,243
Net cash inflow (outflow) on disposal of subsidiaries (note 35)	出售附屬公司現金流入(流出)淨額(附註35)	54,759	(16,139)
Dividend income received	已收股息收入	-	5,040

Consolidated Statement of Cash Flows

綜合現金流量表

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

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Net cash used in investing activities	投資活動所用現金淨額	(1,495,168)	(1,000,418)
Financing activities	融資活動		
Repayments of borrowings	償還借貸	(2,427,484)	(4,407,414)
Interest paid	已付利息	(650,021)	(593,928)
Dividend paid	已付股息	(40,116)	(16,360)
Transaction costs on issue of convertible bonds	發行可換股債券之交易成本	(8,084)	-
Proceeds from new borrowings	新造借貸所得款項	2,985,171	4,503,417
Proceeds from issue of a domestic corporate bond	發行境內公司債券所得款項	2,600,000	-
Proceeds from issue of convertible bonds	發行可換股債券所得款項	694,132	-
Capital contribution by a non-controlling shareholder of a subsidiary	非控股股東於一間附屬公司之出資	161,225	-
Net cash outflow arising from the Transaction (defined in note 32 (iii))	該交易產生的現金流出淨額 (定義見附註32(iii))	-	(1,342,373)
Proceeds from issue of share capital	發行股本所得款項	-	1,483,336
Net cash from (used in) financing activities	融資活動所得(所用)的現金淨額	3,314,823	(373,322)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額	1,076,913	98,696
Effect of foreign exchange rate changes	外匯匯率變動的影響	774	1,235
Cash and cash equivalents at beginning of the year	年初現金及現金等價物	1,514,559	1,414,628
Cash and cash equivalents at end of the year	年末現金及現金等價物	2,592,246	1,514,559
Represented by:	指:		
Bank balances and cash	銀行結餘及現金	2,792,246	1,514,559
Less: Fixed deposits with original maturity date more than three months	減: 原到期日為多於三個月的定期存款	(200,000)	-
		2,592,246	1,514,559

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

1. GENERAL

The Company is a company incorporated in the Cayman Islands with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the Company's registered office and principal place of business are PO Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands and Suites 1701-1703, 17/F., Dah Sing Financial Centre, 108 Gloucester Road, Wanchai, Hong Kong respectively. Its immediate holding company is China LVGEM Property Holdings Limited (“China LVGEM”), a company incorporated in the Cayman Islands with limited liability and its ultimate holding company is Go Great International Limited, a company incorporated in the British Virgin Islands with limited liability. Its ultimate controlling party is Mr. WONG Hong King (“Mr. Wong”), father of Ms. HUANG Jingshu, the Chairman of the Company, and Mr. HUANG Hao Yuan, the Executive Director of the Company.

The Company acts as an investment holding company. The activities of its principal subsidiaries are set out in note 46.

The consolidated financial statements are presented in Renminbi (“RMB”), which is also the functional currency of the Company.

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

Amendments to HKFRSs that are mandatorily effective for the current year

The Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current year:

Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to HKAS 1	Disclosure Initiative
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012 – 2014 Cycle

The application of the amendments to HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

1. 一般資料

本公司為一家於開曼群島註冊成立之有限公司，其股份於香港聯合交易所有限公司（「聯交所」）主板上市。本公司註冊辦事處及主要營業地點之地址分別為PO Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands及香港灣仔告士打道108號大新金融中心17樓1701-1703室。其直接控股公司為中國綠景地產控股有限公司（「中國綠景」），一家於開曼群島註冊成立之有限公司，而其最終控股公司則為高鴻國際有限公司，一家於英屬維爾京群島註冊成立之有限公司。其最終控制方為黃康境先生（「黃先生」），彼乃本公司主席黃敬舒女士及本公司執行董事黃浩源先生之父。

本公司為一間投資控股公司。其主要附屬公司的業務載於財務報表附註46。

綜合財務報表以人民幣（「人民幣」）呈列，人民幣亦為本公司的功能貨幣。

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及香港財務報告準則之修訂本

於本年度強制生效之香港財務報告準則之修訂本

本集團已於本年度首次應用以下由香港會計師公會（「香港會計師公會」）頒佈的香港財務報告準則之修訂本：

香港財務報告準則第11號（修訂本）	收購共同經營權益的會計處理
香港會計準則第1號（修訂本）	披露計劃
香港會計準則第16號及香港會計準則第38號（修訂本）	釐清可接納的折舊及攤銷方法
香港會計準則第16號及香港會計準則第41號（修訂本）	農業：生產性植物
香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號（修訂本）	投資實體：應用綜合入賬的例外情況
香港財務報告準則（修訂本）	香港財務報告準則二零一二年至二零一四年週期之年度改進

於本年度應用該等香港財務報告準則之修訂本對本集團於本年度及以往年度的財務表現及狀況及／或在本綜合財務報表所載的披露並無任何重大影響。

已頒佈但尚未生效之新訂香港財務報告準則及香港財務報告準則之修訂本

本集團尚未提早應用以下已頒佈但尚未生效之新訂香港財務報告準則及香港財務報告準則之修訂本：

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Cont’d)

New and amendments to HKFRSs in issue but not yet effective (Cont’d)

HKFRS 9	Financial Instruments ¹
HKFRS 15	Revenue from Contracts with Customers and the related Amendments ¹
HKFRS 16	Leases ²
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions ¹
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 7	Disclosure initiative ⁴
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses ⁴

- ¹ Effective for annual periods beginning on or after 1 January 2018.
² Effective for annual periods beginning on or after 1 January 2019.
³ Effective for annual periods beginning on or after a date to be determined.
⁴ Effective for annual periods beginning on or after 1 January 2017.

2. 應用新訂香港財務報告準則(「香港財務報告準則」)及香港財務報告準則之修訂本(續)

已頒佈但尚未生效之新訂香港財務報告準則及香港財務報告準則之修訂本(續)

香港財務報告準則第9號	金融工具 ¹
香港財務報告準則第15號	來自客戶合約的收益及相關修訂本 ¹
香港財務報告準則第16號	租賃 ²
香港財務報告準則第2號(修訂本)	以股份為基礎之付款交易的分類及計量 ¹
香港財務報告準則第4號(修訂本)	與香港財務報告準則第4號保險合約一併應用的香港財務報告準則第9號金融工具 ¹
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者與其聯營或合營企業之間的資產出售或注資 ³
香港會計準則第7號(修訂本)	披露計劃 ⁴
香港會計準則第12號(修訂本)	就未變現虧損確認遞延稅項資產 ⁴

- ¹ 於二零一八年一月一日或以後開始的年度期間生效。
² 於二零一九年一月一日或以後開始的年度期間生效。
³ 於釐定日期或以後開始的年度期間生效。
⁴ 於二零一七年一月一日或以後開始的年度期間生效。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Cont’d)

HKFRS 9 Financial Instruments

HKFRS 9 introduces new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

Key requirements of HKFRS 9 which are relevant to the Group are:

- all recognised financial assets that are within the scope of HKFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.
- in relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

The directors of the Company anticipate that the application of HKFRS 9 in the future may have a material impact on the amounts reported and disclosures made in the Group’s consolidated financial statements. The Group’s available-for-sale investments with the balance amounted to RMB561,048,000 which is stated at fair value, will either be measured at fair value through profit and loss or be designated as FVTOCI (subject to fulfilment of the designation criteria). In addition, the expected credit loss model may result in early provision of credit losses which are not yet incurred in relation to the Group’s financial assets measured at amortised cost. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 9 until the Group performs a detailed review.

2. 應用新訂香港財務報告準則(「香港財務報告準則」)及香港財務報告準則之修訂本(續)

香港財務報告準則第9號金融工具

香港財務報告準則第9號引進有關金融資產、金融負債分類及計量、一般對沖會計法及金融資產之減值規定之新規定。

香港財務報告準則第9號與本集團相關之主要規定描述如下：

- 屬香港財務報告準則第9號範圍內之所有已確認金融資產其後均須按攤銷成本或公允價值計量。特別是，於旨在收取合約現金流之業務模式內持有，以及純粹為支付本金額及尚未償還本金之利息而擁有合約現金流之債務投資，一般於其後會計期間結束時按攤銷成本計量。於目的為同時收取合約現金流及出售金融資產之業務模式中持有之債務工具，以及合約條款令於特定日期產生之現金流純粹為支付本金及尚未償還本金之利息的債務工具，均按透過其他全面收入按公允價值列賬之方式計量。所有其他債務投資及股本投資於其後會計期末按公允價值計量。此外，根據香港財務報告準則第9號，實體可作出不可撤回選擇於其他全面收入呈列股本投資(並非持作買賣)之其後公允價值變動，而一般僅於損益內確認股息收入。
- 就金融資產之減值而言，與香港會計準則第39號項下按已產生信貸虧損模式計算相反，香港財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自初始確認以來之變動。換言之，毋須再待發生信貸事件方確認信貸虧損。

本公司董事預期，於將來應用香港財務報告準則第9號對本集團的綜合財務報表內的報告金額及所作披露均可能構成重大影響。本集團結餘為人民幣561,048,000元的可供出售投資(按公允價值列賬)將透過損益按公允價值計量或指定為透過其他全面收入按公允價值列賬(惟須符合指定條件)。此外，預期信貸虧損模式可能導致須就按攤銷成本計量的本集團金融資產尚未產生的信貸虧損提早計提撥備。然而，在本集團進行詳細檢討前，對香港財務報告準則第9號的影響作出合理估計並不切實可行。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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截至二零一六年十二月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Cont'd)

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 established a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the Standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

In 2016, the HKICPA issued Clarifications to HKFRS 15 in relation to the identification of performance obligations, principle versus agent considerations, as well as licensing application guidance.

The directors of the Company anticipate that the application of HKFRS 15 in the future may result in more disclosures, however, the directors of the Company do not anticipate that the application of HKFRS 15 will have a material impact on the timing and amounts of revenue recognised in the respective reporting periods.

2. 應用新訂香港財務報告準則(「香港財務報告準則」)及香港財務報告準則之修訂本(續)

香港財務報告準則第15號來自客戶合約的收益

香港財務報告準則第15號制定一項單一全面模式供實體用作將自客戶合約所產生之收益入賬。於香港財務報告準則第15號生效後，其將取代現時載於香港會計準則第18號*收益*、香港會計準則第11號*建築合約*及相關詮釋之收益確認指引。

香港財務報告準則第15號之核心原則為實體須確認描述向客戶轉讓承諾貨品或服務之收益金額，金額應為能反映該實體預期就交換該等貨品或服務有權獲得之代價。具體而言，該準則引入五個確認收益之步驟：

- 第一步：識別與客戶訂立之合約
- 第二步：識別合約中之履約責任
- 第三步：釐定交易價
- 第四步：將交易價分配至合約中之履約責任
- 第五步：於實體完成履約責任時確認收益

根據香港財務報告準則第15號，實體於完成履約責任時確認收益，即於特定履約責任相關之商品或服務之「控制權」轉讓予客戶時，香港財務報告準則第15號已就特別情況之處理方法加入更明確的指引。此外，香港財務報告準則第15號規定作出更詳盡之披露。

於二零一六年，香港會計師公會頒佈香港財務報告準則第15號有關確認履約責任、主理人與代理人之考量及授權應用指引的釐清。

本公司董事預期，未來應用香港財務報告準則第15號可能造成更多披露。然而，本公司董事並不預期香港財務報告準則第15號之應用將對相關報告期所確認之收益時間及金額帶來重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 December 2016
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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Cont’d)

HKFRS 16 Leases

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede the current lease guidance including HKAS 17 *Leases* and the related interpretations when it becomes effective.

HKFRS 16 distinguishes leases and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases (off balance sheet) and finance leases (on balance sheet) are removed for lessee accounting and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees (i.e. all on balance sheet), except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for owned use and those classified as investment properties while other operating lease payments are presented as operating cash flows. Under the HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing and operating cash flows respectively.

Under HKAS 17, the Group has already recognised an asset and a related finance lease liability for finance lease arrangement and prepaid lease payments for leasehold lands where the Group is a lessee. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

In contrast to lessee accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

2. 應用新訂香港財務報告準則(「香港財務報告準則」)及香港財務報告準則之修訂本(續)

香港財務報告準則第16號租賃

香港財務報告準則第16號為識別出租人及承租人之租賃安排及會計處理引入一個綜合模式。於香港財務報告準則第16號生效後，其將取代現時載於香港會計準則第17號租賃之租賃指引及相關詮釋。

香港財務報告準則第16號根據已識別資產是否由客戶控制來區分租賃及服務合約。除短期租賃及租賃低值資產外，經營租賃(資產負債表外)及融資租賃(資產負債表內)之差異自承租人之會計法中移除，並由承租人須就所有租賃確認使用權資產及相應負債(即於資產負債表內之所有項目)之模式替代。

使用權資產初步按成本計量，隨後按成本(若干例外情況除外)減累計折舊及減值虧損計量，經租賃負債之任何重新計量調整。租賃負債初步按當日尚未支付之租賃付款之現值計量。隨後，租賃負債經(其中包括)利息及租賃付款以及租賃修改之影響予以調整。就現金流量之分類而言，本集團現時呈列先期預付租賃款項作為有關自用租賃土地及該等分類為投資物業之投資現金流量，而其他經營租賃付款則呈列為經營現金流量。根據香港財務報告準則第16號，有關租賃負債之租賃付款將分配至本金及利息部分，此將分別呈列為融資及經營現金流量。

根據香港會計準則第17號，本集團已就租賃土地之融資租賃安排及預付租賃款項(倘本集團為承租人)確認資產及有關融資租賃負債。應用香港財務報告準則第16號可能導致該等資產分類出現潛在變動，視乎本集團是否分開呈列使用權資產或按將呈列相應有關資產(如擁有)之相同項目呈列而定。

相比承租人會計法而言，香港財務報告準則第16號大致上轉承香港會計準則第17號之出租人會計法規定，並繼續要求出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號要求廣泛披露。

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2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(Cont'd)

HKFRS 16 Leases (Cont'd)

As at 31 December 2016, the Group has non-cancellable operating lease commitments of RMB122,589,000 as disclosed in note 41. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. The new requirement to recognise a right-of-use asset and a related lease liability is expected to have a significant impact on the amounts recognised in the Group's consolidated financial statements and the directors are currently assessing its potential impact. However, it is not practicable to provide a reasonable estimate of the financial effect until the Group performs a detailed review.

Except those mentioned above, the directors of the Company anticipate that the application of other new standards and amendments to HKFRSs will have no material impact on the consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for investment properties, available-for-sale investments and derivative financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2. 應用新訂香港財務報告準則(「香港財務報告準則」)及香港財務報告準則之修訂本(續)

香港財務報告準則第16號租賃(續)

於二零一六年十二月三十一日，本集團之不可撤銷經營租賃承擔為人民幣122,589,000元，詳情於附註41中披露。初步評估表示該等安排將符合香港財務報告準則第16號項下租賃之定義，因此，本集團將確認使用權資產及有關所有該等租賃之相應負債，除非其於應用香港財務報告準則第16號後符合低價值或短期租賃的資格。此外，用作確認使用權資產及相關租賃負債的新規定預期對於本集團綜合財務報表中確認的金額造成重大影響，董事目前正在評估其潛在影響。然而，於本集團進行詳細審閱之前，提供財務影響之合理估計並不切實可行。

除上文所述外，本公司董事預期應用其他新訂準則及香港財務報告準則之修訂本將不會對綜合財務報表造成重大影響。

3. 主要會計政策

綜合財務報表乃根據香港會計師公會頒佈的香港財務報告準則而編製。此外，綜合財務報表包括聯交所證券上市規則(「上市規則」)及香港公司條例的適用披露規定。

於各報告期末，除下文所載會計政策闡釋的投資物業、可供出售投資及衍生金融工具按公允價值計量外，綜合財務報表乃按歷史成本基準編製。

歷史成本一般按換取貨品及服務所付出代價之公允價值計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are within the scope of HKAS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The significant accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

3. 主要會計政策(續)

公允價值是於計量日期市場參與者於有序交易中出售資產可收取或轉讓負債須支付的價格，而不論該價格是否直接可觀察或可使用其他估值技術估計。若市場參與者於計量日期對資產或負債定價時會考慮資產或負債的特點，則本集團於估計資產或負債的公允價值時會考慮該等特點。此等綜合財務報表中作計量及／或披露用途的公允價值乃按此基準釐定，惟屬於香港財務報告準則第2號以股份為基礎的付款範圍的以股份為基礎之付款交易、屬於香港會計準則第17號租賃範圍內的租賃交易，以及與公允價值有部份相若地方但並非公允價值的計量，譬如香港會計準則第2號存貨內的可變現淨額或香港會計準則第36號資產減值的使用價值除外。

非金融資產的公允價值計量須考慮市場參與者充分利用該資產或充分利用該資產向另一市場參與者進行銷售從而產生經濟效益的能力。

此外，就財務申報而言，公允價值計量根據公允價值計量的輸入數據可觀察程度及公允價值計量的輸入數據對其整體的重要性分類為第一級、第二級或第三級，詳情如下：

- 第一級輸入數據是實體於計量日期可以取得的相同資產或負債於活躍市場之報價（未經調整）；
- 第二級輸入數據是就資產或負債直接或間接地可觀察之輸入數據（第一級內包括的報價除外）；及
- 第三級輸入數據是資產或負債的不可觀察輸入數據。

重要會計政策載列如下。

綜合基準

綜合財務報表包括本公司及其所控制之實體及其附屬公司之財務報表。當本公司符合以下要素時，則本公司取得控制權：

- 可對投資對象行使權力；
- 因參與投資對象業務而承擔浮動回報的風險或享有權利；及
- 有能力使用其權力影響其回報。

倘有事實及情況顯示上述三項控制權要素有一項或以上出現變動，本公司會重新評估其是否對投資對象擁有控制權。

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綜合財務報表附註

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Basis of consolidation (Cont'd)

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

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

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity including reserves and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted after re-attribution of the relevant entity component, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

3. 主要會計政策(續)

綜合基準(續)

附屬公司之綜合入賬於本集團取得有關附屬公司之控制權起開始，並於本集團失去有關附屬公司之控制權時終止。具體而言，年內所收購或出售附屬公司之收入及開支乃自本集團取得控制權之日期起計入綜合損益表，直至本集團不再控制有關附屬公司之日期為止。

損益及其他全面收益之每個項目乃歸屬於本公司股東及非控股權益。附屬公司之全面收益總額歸屬於本公司股東及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

於必要時，將對附屬公司之財務報表作出調整，以令彼等之會計政策與本集團之會計政策一致。

有關本集團成員公司之間交易的所有集團內公司間之資產及負債、權益、收入、支出及現金流量於綜合入賬時悉數對銷。

本集團於現有附屬公司所有權權益的變動

未導致本集團失去對附屬公司控制權的本集團於現有附屬公司所有權權益的變動以權益交易列賬。為反映其於附屬公司的相關權益變動，本集團的相關權益部分(包括儲備)及非控股權益的賬面值會作出調整。非控股權益於重新分配相關權益部分後所作調整數額與已付或已收代價公允價值之間的任何差額直接於權益內確認，並歸屬於本公司股東。

當本集團失去附屬公司的控制權時，收益或虧損於損益確認，並按以下兩者的差額計算得出：(i)已收代價的公允價值及任何保留權益的公允價值的總和；及(ii)本公司股東應佔附屬公司資產(包括商譽)及負債的先前賬面值。先前就該附屬公司於其他全面收益確認的所有金額，按猶如本集團已直接出售該附屬公司的相關資產或負債入賬處理(即按適用的國際財務報告準則所規定/許可，重新分類至損益或轉撥至另一類權益)。於失去控制權當日於前附屬公司保留之任何投資之公允價值將根據香港會計準則第39號於其後入賬時被列作初步確認之公允價值，或(如適用)於初步確認時於聯營公司或一家合營公司之投資成本。

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綜合財務報表附註

For the year ended 31 December 2016
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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net amount of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value.

3. 主要會計政策(續)

業務合併

收購業務採用收購法入賬。業務合併之轉撥代價按公允價值計量，而計算方法為本集團所轉讓之資產於收購日之公允價值、本集團向被收購方原擁有人產生之負債及本集團於交換被收購方之控制權發行之股權。有關收購之費用於產生時一般於損益中確認。

於收購日，所收購之可識別資產及所承擔之負債按公允價值確認，惟下文所述者除外：

- 遞延稅項資產或負債及與僱員福利安排有關之資產或負債，分別根據香港會計準則第12號 *所得稅* 及香港會計準則第19號 *僱員福利* 確認並計量；
- 與被收購公司以股份為基礎之付款安排或以本集團訂立以股份為基礎之付款安排取代被收購公司以股份為基礎之付款安排相關之負債或股本工具乃於收購日期根據香港財務報告準則第2號 *以股份為基礎之付款* 計量(見下文會計政策)；及
- 根據香港財務報告準則第5號 *持作出售之非流動資產及已終止經營業務* 分類為持作出售之資產(或出售組別)則根據該準則計量。

商譽是以所轉撥之代價、於被收購方中所佔任何非控股權益金額、及收購方以往持有被收購方股權(如有)之公允價值之總和，減所收購之可識別資產及所承擔之負債於收購日期之淨值後，所超出之差額計值。倘經過重新評估後，所收購之可識別淨資產與所承擔負債於收購日期之淨額高於轉撥之代價、非控股權益於被收購方中所佔任何金額與收購方先前持有被收購方之權益(如有)之公允價值之總和，則差額即時於損益內確認為議價收購收益。

屬現時擁有之權益且於清盤時讓持有人有權按比例分佔相關附屬公司之資產淨值之非控股權益，可初步按公允價值或非控股權益應佔被收購方可識別資產淨值的已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他類型的非控股權益乃按其公允價值計量。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Merger accounting for common control combinations

The consolidated financial statements incorporate the financial statement items of the combining entities as if they had been combined from the date when the combining entities first came under the control of the controlling party.

The net assets of the combining entities are consolidated using the existing book values from the controlling parties' perspective. No amount is recognised in respect of goodwill or bargain purchase gain at the time of common control combination.

The consolidated statement of profit or loss includes the results of each of the combining entities from the earliest date presented or since the date when the combining entities first came under the common control, where this is a shorter period.

The comparative amounts in the consolidated financial statements are presented as if the entities had been combined, unless the combining entities first come under common control at a later day.

Acquisition of a subsidiary not constituting a business

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to the financial assets and financial liabilities at the respective fair value, the remaining balance of the purchase price is then allocated to the other individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

Goodwill

Goodwill (see the accounting policy above) is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination, which represents the lowest level at which the goodwill is monitored for internal management purpose and not larger than an operating segment.

A cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit (or group of cash-generating units) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of cash-generating units).

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

3. 主要會計政策(續)

共同控制合併的合併會計法

綜合財務報表加入出現共同控制合併的合併實體的財務報表項目，猶如已於合併實體首次在控制方的控制下的當日已合併。

合併實體的資產淨值從控制方的角度以現有賬面值合併。於共同控制合併時均不會確認商譽或議價收購收益的金額。

綜合損益表包括由最早呈列日期或合併實體首次受共同控制的日期(倘為較短期間)起，各合併實體的業績。

綜合財務報表內的比較金額的呈列方式，猶如該等實體已合併，惟於較後日期首次受共同控制之合併實體除外。

收購附屬公司並不構成一項業務

當本集團收購一組並不構成業務之資產及負債時，本集團透過首先向金融資產及金融負債按相關公允價值分配收購價，以識別及確認所收購個別可識別資產及所承擔負債，而收購價餘下結餘其後按其於購買日期之相關公允價值為基準分配至其他個別可識別資產及負債。有關交易並不會產生商譽或議價收購收益。

商譽

商譽(見上文會計政策)乃按業務收購日期釐定之成本減累計減值虧損(如有)列賬。

就減值測試而言，商譽乃分配至預期從合併之協同效應中獲利之本集團各現金產生單位(或現金產生單位組別)，即指就內部管理而言監察商譽的最低水平，且不大於經營分部。

本集團每年會就獲分配商譽之現金產生單位(或現金產生單位組別)進行減值測試，或於有跡象顯示該單位可能已經減值時更頻繁地進行測試。就於報告期內收購產生之商譽而言，已獲分配商譽之現金產生單位(或現金產生單位組別)於報告期末前進行減值測試。倘現金產生單位之可收回數額少於其賬面值，則本集團會首先分配減值虧損以減少任何商譽之賬面值，再根據該單位(或現金產生單位組別)之各項資產之賬面值按比例分配予其他資產。

出售相關現金產生單位時，釐定出售損益時須計入商譽之應佔金額。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Investments in joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When the Group reduces its ownership interest in a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with a joint venture of the Group, profits and losses resulting from the transactions with the joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the joint venture that are not related to the Group.

3. 主要會計政策(續)

投資合營公司

合營企業指一項聯合安排，對安排擁有共同控制權之訂約方據此對聯合安排之資產淨值擁有權利。共同控制是指按照合約約定對某項安排所共有的控制，共同控制僅在當相關活動要求共同享有控制權之各方作出一致同意之決定時存在。

合營公司的業績、資產及負債按權益法計入此綜合財務報表中。按照權益法，於合營公司之投資乃按成本於綜合財務狀況報表中首次確認，並於其後就確認集團應佔該合營公司之損益及其他全面收益而作出調整。倘集團所佔於合營公司之虧損等於或超越集團於合營公司應佔權益(包括任何實際上構成集團於合營公司投資淨值其中部分之長遠權益)，集團應不再確認應佔的虧損。確認額外虧損只限於集團須受合法或結構性責任或代合營公司支付款項。

於合營公司之投資採用權益會計法自被投資者成為合營公司當日起入賬。於收購合營公司之投資時，投資成本超過本集團應佔被投資者之可識別資產及負債之公允價值淨值之任何部份均確認為商譽，並計入投資之賬面值。本集團應佔可識別資產及負債之公允價值淨值超過投資成本之任何部份(經重新評估後)於收購投資之期間即時確認為損益。

香港會計準則第39號之規定予以應用，以釐定是否需要就本集團於合營公司之投資確認任何減值虧損。於需要時，該項投資之全部賬面值(包括商譽)會根據香港會計準則第36號資產減值以單一資產的方式進行減值測試，方法是比較其可收回金額(即使用價值與公允價值減出售成本之較高者)與賬面值。任何已確認之減值虧損構成該項投資之賬面值之一部份，有關減值虧損之任何撥回乃於該項投資之可收回金額其後增加之情況根據香港會計準則第36號確認。

倘本集團削減其於合營公司之所有權權益而本集團繼續採用權益法，若有關收益或虧損會於出售相關資產或負債時重新分類至損益，則本集團會將先前已於其他全面收入確認與削減所有權權益有關之收益或虧損部分重新分類至損益。

倘集團實體與本集團之合營公司進行交易，僅在合營公司之權益與本集團無關之情況下，與合營公司進行交易所產生之盈利及虧損，方會於本集團之綜合財務報表中確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

Revenue from the sales of goods is recognised when the goods are delivered and titles have passed.

Specifically, revenue from sales of properties in the ordinary course of business is recognised when the respective properties have been completed and delivered to the buyers. Deposits and instalments received from purchasers prior to meeting the above criteria for revenue recognition are included in the consolidated statement of financial position under current liabilities.

Revenue from hotel operation is recognised when the relevant services are provided. Property management fee income and rental related income are recognised in profit or loss when the services are rendered.

Interest and investment income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

The Group's policy for recognition of revenue from operating leases is described in the accounting policy below.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including properties under construction for such purposes).

Investment properties are initially measured at cost, including any directly attributable expenditure. Cost incurred for investment properties under development comprises development expenditure including professional charges directly attributable to the development and borrowing costs, and these costs are capitalised as part of the carrying amount of the investment properties under development during the development period.

3. 主要會計政策(續)

收入確認

收入以已售貨品之已收及應收代價之公允價值計算。收入已就估計客戶退貨、回扣及其他類似撥備作出扣減。

收入於收入金額能可靠計量、未來經濟利益可能流入本集團以及符合下文所述本集團的各業務的特定條件時確認。

銷售貨品之收入於貨品付運及擁有權已轉移時確認。

具體而言，日常業務過程中銷售物業所得之收入於相關物業已完成發展及已交付予買家時確認。於符合上述收入確認標準前所收取之買方按金及分期付款計入綜合財務狀況報表內流動負債項下。

來自酒店經營的收益於提供有關服務時確認。物業管理收入及與租賃相關的收入於有關服務提供時在損益表確認。

來自金融資產之利息及投資收入於經濟利益可能流入本集團及收入金額能可靠計量時確認。利息收入按未償還本金額及適用之實際利率以時間比例計算。有關利率指於初步確認時將金融資產之估計未來所收現金在估計可使用期內折現至資產賬面淨值之利率。

投資所得股息收入乃於確定股東收取付款之權利時確認。

本集團有關確認來自經營租賃收益的政策詳述於下文會計政策。

投資物業

投資物業指為賺取租金及／或資本增值而持有的物業(包括用於該等目的在建物業)。

投資物業應按成本值(包括任何直接應佔費用)進行初始計量。在發展中投資物業產生之成本包括開發直接相關專業費用及借貸成本等發展開支，該等成本於開發期間資本化為發展中投資物業賬面值的一部分。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Investment properties (Cont'd)

Subsequent to initial recognition, investment properties, including completed investment properties and investment properties under development, are measured at their fair values. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use or no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the property is derecognised.

Property, plant and equipment

Property, plant and equipment including buildings, leasehold land (classified as finance leases) are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than construction in progress) less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3. 主要會計政策(續)

投資物業(續)

於初次確認後，投資物業(包括已完成投資物業及發展中投資物業)乃按其公允價值計量。投資物業公允價值變動所產生之盈虧於產生期間計入損益賬。

投資物業於被出售時或於投資物業永久不可使用及預期其出售不會產生任何未來經濟利益時予以撇除確認。撇除確認該物業所產生之任何收益或虧損(計算為出售所得款項淨額與該資產賬面值間之差額)於該項目被撇除確認之當期計入損益。

物業、廠房及設備

物業、廠房及設備包括樓宇、土地(分類為融資租賃)，於綜合財務狀況報表以成本減其後累計折舊及累計減值虧損(如有)列賬。

興建中的物業(作出產用途)均按成本減任何已確認減值虧損列賬。成本包括轉業費，以及就合資格資產而言，根據集團的會計政策撥作資本的借貸成本。該等物業於完成及擬定使用時分類至適當的類別。該等資產按其他物業資產的相同基準，在可擬定用途時間開始折舊。

資產(除了在建工程)會以直線法在其估計使用年期內對其成本減去殘值後確認折舊。估計使用年期、殘值和折舊方法會在每個報告期末覆核，並採用未來適用法對估計變更的影響進行核算。

根據融資租賃持有的資產按與自有資產相同的基準於其預期可用年期內計提折舊。然而，倘並不能合理地確定本公司於租賃期末可取得其擁有權，則該資產按租賃期與其使用年期兩者中的較短者計提折舊。

物業、廠房及設備項目將於出售時或預期繼續使用有關資產亦不會帶來任何未來經濟利益時終止確認。出售或棄用物業、廠房及設備項目所產生任何收益或虧損，按有關資產的出售所得款項與其賬面值差額計算，在損益內確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Properties under development for sale

Properties under development which are intended to be held for sale are carried at lower of cost and net realisable value and are shown as current assets. Cost includes the costs of land (including relocation costs), development expenditure incurred and, where appropriate, borrowing costs capitalised during construction period. Net realisable value is determined based on prevailing market conditions.

Properties under development for sales are transferred to properties held for sale upon completion of development activities, which is when the relevant completion certificates are issued by the respective government authorities.

Properties held for sale

Properties held for sale are stated at the lower of cost and net realisable value. Cost is determined by apportionment of the total land and development costs attributable to the properties held for sale. Net realisable value is determined based on prevailing market conditions.

Other inventories

Other inventories comprising consumable stores for own consumption which are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost is calculated using the weighted average method.

Impairment on tangible assets other than goodwill (see the accounting policy in respect of goodwill above)

At the end of each reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

3. 主要會計政策(續)

發展中待售物業

擬持作出售的發展中物業乃按成本與可變現淨值兩者之間較低者入賬並列作流動資產。計入土地成本的成本(包括拆遷費用)、所產生的發展開支及於建築期間資本化的借貸成本(倘適用)。可變現淨值乃基於當前市況釐定。

開發活動竣工時，即有關政府機關發出相關竣工證明時，發展中待售物業結轉至持作出售物業。

待售物業

待售物業按成本及可變現淨值兩者之較低者列賬。成本乃按待售物業應佔之土地及發展成本總額釐定。可變現淨值乃根據當前市場情況釐定。

其他存貨

其他存貨包括供本身消耗的消耗品庫存材料，初步按成本確認，而隨後以較低成本及可變現淨值確認。成本按加權平均法釐定。

除商譽外有形資產減值(請參閱上文有關商譽之會計政策)

本集團會於各報告期末審閱其有形資產之賬面值，以確定有否任何跡象顯示該等資產已出現減值虧損。倘有任何該等跡象存在，須估計資產可收回金額以釐定減值虧損程度(如有)。倘無法估計個別資產之可收回金額，本集團將估計該資產所屬現金產生單位可收回金額。如能確定一個合理及一致之分配基準，公司資產亦分配至個別現金產生單位，否則將分配至如能確定一個合理及一致之分配基準的情況下將分配至之最小現金產生單位。

可收回金額乃公允價值扣除銷售成本與使用價值之較高者。在評估使用價值時，估計未來現金流量將使用稅前貼現率貼現至其現值，以反映目前資金時間值之市場估量及未調整未來現金流估計之資產有關之風險。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Impairment on tangible assets other than goodwill (see the accounting policy in respect of goodwill above) (Cont'd)

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an assets is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the assets is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

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

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets

Financial assets are classified as available-for-sale ("AFS") financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

3. 主要會計政策(續)

除商譽外有形資產減值(請參閱上文有關商譽之會計政策)(續)

倘資產(或現金產生單位)可收回金額估計低於其賬面值,則該資產(或現金產生單位)賬面值將扣減至其可收回金額。於分配減值虧損時,首先分配減值虧損以減低任何商譽的賬面值(如適用),然後根據該單位內各項資產的賬面值按比例分配至其他資產。資產的賬面值不會被減低至低於其公允價值減出售成本(如可計量)、其使用價值(如可釐定)及零之最高者。以其他方式分配至資產的減值虧損金額按比例分配至該單位的其他資產。減值虧損應即時於損益內確認。

倘若減值虧損其後撥回,則該資產(或現金產生單位)之賬面值會增加至修訂後之估計可收回款額,惟所增加之賬面值數額不得超過倘以往年度該資產(或現金產生單位)未有確認減值虧損之賬面值。減值虧損撥回會即時於損益賬內確認。

金融工具

倘集團實體成為工具合約條文的訂約方,則確認金融資產及金融負債。

財務資產及財務負債初步按公允價值計量。因收購或發行財務資產及財務負債,於初步確認時加入財務資產或財務負債(如適用)的公允價值或自財務資產或財務負債(如適用)的公允價值中扣除。

金融資產

金融資產乃分類為可供出售(「可供出售」)金融資產及貸款及應收款項。分類取決於財務資產在初期確認時確定的性質和用途。所有常規購買或出售金融資產於交易日確認及終止確認。常規購買或出售金融資產指購買或出售需要在一般由法規或市場慣例確定的期間內移交資產。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

AFS financial assets

AFS financial assets are non-derivatives that are either designated as available-for-sale or are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at FVTPL.

Equity and debt securities held by the Group that are classified as AFS financial assets and are traded in an active market are measured at fair value at the end of each reporting period. Changes in the carrying amount of AFS monetary financial assets relating to interest income calculated using the effective interest method are recognised in profit or loss. Dividends on AFS equity investments are recognised in profit or loss when the Group's right to receive the dividends is established. Other changes in the carrying amount of AFS financial assets are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When the investment is disposed or is determined to be impaired, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss (see the accounting policy on impairment loss on financial assets below).

AFS equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost less any identified impairment losses at the end of each reporting period (see the accounting policy in respect of impairment loss on financial assets below).

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including accounts and other receivables, other current assets, restricted bank deposits and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

實際利率法

實際利率法為計算債務資產攤銷成本及於有關期間分配利息收入之方法。實際利率為可準確將債務工具在預計年期或較短期間內(如適用)產生之估計未來現金收入(包括構成實際利率主要部分之所有已付或已收費用、交易成本及其他溢價或折價)折算為初步確認時之賬面淨值之利率。

利息收入按債務工具之實際利率基準確認。

可供出售財務資產

可供出售財務資產乃指定可供出售或並未分類為(a)貸款和應收款項、(b)持至到期投資或(c)通過損益以反映公允價值之財務資產之非衍生工具。

由本集團持有的分類為可供出售金融資產且於活躍市場上買賣的權益及債務證券於各報告期末按公允價值計量。與使用實際利率法計算的利息收入有關的可供出售貨幣金融資產賬面值的變動於損益中確認。可供出售股權投資之股息乃於確定本集團有權收取該股息時於損益中確認。可供出售金融資產賬面值的其他變動於其他全面收益中確認及於投資重估儲備中累積。當投資被出售或被釐定為減值時，先前在投資重估儲備中累計的累積收益或虧損將重新分類至損益(見下文金融資產減值虧損的會計政策)。

如可供出售股權投資於活躍市場沒有市場報價且公平值不能可靠計算，則於各報告期末按成本價扣除任何已識別減值虧損計量。(參見下文有關金融資產減值虧損之會計政策)。

貸款及應收款項

貸款及應收款項乃並無於活躍市場報價的固定或待定金額付款的非衍生財務資產。於初步確認後，貸款及應收款項(包括應收賬款及其他應收款項、其他流動資產、受限制銀行存款及銀行結餘及現金)均以實際利率法，按攤銷成本減任何已識別減值虧損列賬。

利息收入透過採用實際利率確認，惟短期應收款項除外，因為確認有關短期應收款之利息屬微不足道。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For AFS equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest and principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial assets, such as accounts and other receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments and observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods (see the accounting policy below).

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of accounts receivable, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When an account receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值

金融資產會於各報告期末評定是否有減值跡象。倘有客觀證據顯示，該項金融資產之預期未來現金流量因於初步確認該金融資產後發生之一項或多項事件而受到影響，則金融資產會被視為減值。

若可供出售股權投資之公允值顯著或長期低於其成本價，則被視為需作減值之客觀證據。

減值之客觀證據可能包括：

- 發行人或交易對手出現重大財政困難；或
- 違約，如未能繳付或拖欠利息及本金；或
- 借款人有可能面臨破產或財務重組。

就若干類別之金融資產(如應收賬款及其他應收款項)而言，倘按個別基準評估為無需減值，則需額外按整體基準作減值評估。應收款項組合減值之客觀證據包括本集團過往收取款項之經驗以及與拖欠應收款項相關的國家或本地經濟之可見因素轉變。

就按已攤銷成本列賬之金融資產而言，所確認之減損虧損金額為資產賬面值與估計未來現金流量按金融資產原實際利率貼現之現值兩者間之差額。

就按成本列賬之金融資產而言，減值虧損數額以資產賬面值與按同類金融資產現行市場回報率貼現之估計日後現金流量現值之差額計算。該等減值虧損不會於其後期間撥回(見下文會計政策)。

與所有金融資產有關之減值虧損會直接於金融資產之賬面值中作出扣減，惟應收賬款除外，其賬面值則透過撥備賬作出扣減。撥備賬內之賬面值變動會於損益內確認。當應收款項被視為不可收回時，其將於撥備賬內撇銷。於其後重新收回之先前撇銷之款項將計入損益。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial assets (Cont'd)

Impairment of financial assets (Cont'd)

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, 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 through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of AFS equity investments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investment revaluation reserve.

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

A financial instrument issued by a group entity, which all of the entities in the Group have no contractual obligation to deliver cash or other financial assets to the holders or to exchange financial assets or financial liabilities with the holders under conditions that are potentially unfavourable to the Group, is classified as an equity instrument and is initially recorded at the proceeds received. Convertible preference shares issued by the Company that have the above characteristics are classified as equity instruments.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Interest expense is recognised on an effective interest basis.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

當可供出售金融資產需作減值時，早前於其他全面收益中確認之累計收益或虧損，將於該期間重新分類到損益中。

就按已攤銷成本列賬之金融資產而言，倘於隨後期間減值之數額減少，而此項減少能客觀地與確認減值虧損後發生之事項有關，則先前確認之減值虧損於損益撥回，資產於撥回減值當日之賬面值不得超過假設未確認減值時之已攤銷成本。

可供出售股權投資先前已於損益中確認之減值虧損不能通過損益撥回。任何於減值後出現之公允值增加將於其他全面收益中確認及於投資重估儲備中累積。

金融負債及股本工具

集團實體發行之債務及股本工具，乃根據合約安排之內容以及金融負債和股本工具之定義被分類為金融負債或股本。

股本工具

股本工具為證明於扣除所有負債後個體之資產剩餘權益之任何合約。由本集團發行之股本工具按已收所得款項減直接發行成本確認。

集團實體發行之金融工具(其不包括本集團向持有人交付現金或其他金融資產或按對本集團而言存在潛在不利之條件與持有人交換金融資產或金融負債之合約責任)分類為股本工具並按已收所得款項初步入賬。具有上述特徵的本公司所發行的可換股優先股乃分類為權益性工具。

實際利率法

實際利率法為計算金融負債攤銷成本及於有關期間分配利息開支之方法。實際利率為在初步確認時於金融負債之預計年期或較短期間內(如適用)將估計未來現金支出(包括構成實際利率不可或缺部份之已付或已收之一切費用、交易成本及其他溢價或折讓)確切地貼現至賬面淨值之利率。利息開支按實際利率基準確認。

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綜合財務報表附註

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

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Financial liabilities and equity instruments (Cont'd)

Financial liabilities at amortised cost

Financial liabilities including accounts and other payables, borrowings and liability component of convertible bonds are subsequently measured at amortised cost, using the effective interest method.

Convertible bonds contain debt and derivative components

Conversion option that will be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments is a conversion option derivative.

At the date of issue, both the debt component and derivative components are recognised at fair value. In subsequent periods, the debt component of the convertible bonds is carried at amortised cost using the effective interest method. The derivative component is measured at fair value with changes in fair value recognised in profit or loss.

Transaction costs that relate to the issue of the convertible bonds are allocated to the debt and derivative components in proportion to their relative fair values. Transaction costs relating to the derivative components are charged to profit or loss immediately. Transaction costs relating to the debt component are included in the carrying amount of the debt portion and amortised over the period of the convertible bonds using the effective interest method.

Derivatives financial instruments

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit and loss immediately unless the derivative is designated and effective as hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Embedded derivatives

Derivatives embedded in non-derivative host contracts are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL. Generally, multiple embedded derivatives in a single instrument are treated as a single compound embedded derivative unless those derivatives related to different risk exposures and are readily separable and independent of each other.

3. 主要會計政策(續)

金融工具(續)

金融負債及股本工具(續)

按攤銷成本列賬之金融負債

金融負債包括使用實際利率法，其後按攤銷成本計量之應付賬款及其他應付款項、借貸及可換股債券之負債部分。

含有債務及衍生工具部分之可換股債券

倘兌換股權將透過以固定金額之現金或另一項金融資產換取固定數目之本集團實體之股本工具以外的方式結算，則分類為兌換股權衍生工具。

於發行日期，債務部分及衍生工具部分均按公允價值確認。於往後期間，可換股債券的債務部分乃採用實際利率法按攤銷成本入賬。衍生工具部分乃按公允價值計量，而公允價值的變動則於損益中確認。

與發行可換股債券有關的交易成本乃按彼等相關公允價值的比例分配至債務及衍生工具部分。與衍生工具部分有關的交易成本即時於損益中扣除。與債務部分有關的交易成本計入債務部分的賬面值，並採用實際利率法按可換股債券的年期攤銷。

衍生金融工具

衍生工具最初於衍生工具合約訂立當日按其公允價值確認，並其後於報告期末按公允價值重新計量。由此產生之收益或虧損即時於損益表內確認，除非衍生工具被指定為對沖工具並行之有效。在該情況下，於損益表確認之時間乃視乎對沖關係之性質而定。

嵌入式衍生工具

當非衍生工具主合約之嵌入式衍生工具符合衍生工具的定義、其風險及特徵與主合約之風險及特徵並無密切關係，且主合約並非按公允價值計入損益計量時，則被視為獨立衍生工具。一般而言，多個於單一工具內的嵌入式衍生工具均被視為單一複合嵌入式衍生工具，除非該等衍生工具與不同風險有關及可明顯分開並獨立於對方。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial instruments (Cont'd)

Embedded derivatives (Cont'd)

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- (i) the amount of obligation under the contract, as determined in accordance with HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets*; and
- (ii) the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease.

3. 主要會計政策(續)

金融工具(續)

嵌入式衍生工具(續)

財務擔保合約

財務擔保合約為本集團須因指定債務人未能根據債務工具之條款支付到期款項致使持有人蒙受損失時，向持有人償付指定款項之合約。

本集團發行之財務擔保合約於初次確認時以公允值計算，倘非指定為按公允值列入損益賬，其後以下列各項之較高者計量：

- (i) 根據香港會計準則第37號撥備、或然負債及或然資產釐定合約項下承擔之金額；及
- (ii) 初次確認之金額減去於擔保期內確認之累計攤銷(如適用)的金額。

終止確認

僅在獲取金融資產所產生現金流量的合同權利到期，或者將金融資產及該資產所有權上幾乎所有的風險和報酬轉讓給另一個實體的情況下，本集團才終止確認一項金融資產。

一旦悉數終止確認金融資產，資產的賬面值與收到及應收的代價與已在其他全面收益中確認並在權益中累計的累積損益之和之間的差額會在損益中確認。

僅在本集團的義務已經履行、解除或其到期時，本集團才終止確認金融負債。終止確認的金融負債的賬面值與支付及應付的代價之間的差額會在損益中確認。

租賃

凡租賃條款將擁有權之絕大部分風險及回報轉移予承租人之租約均列作融資租賃。所有其他租約均列作營業租約。

本集團以出租人身份

營業租約之租金收入於有關租約期內按直線法於損益內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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截至二零一六年十二月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Leasing (Cont'd)

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

Leasehold land and building

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

3. 主要會計政策(續)

租賃(續)

本集團以承租人身份

營業租約付款於有關租約期內按直線法確認為開支。

租賃土地及樓宇

倘租約包括土地及樓宇部份，則本集團會評估對各部份擁有權所附帶之絕大部分風險及回報是否已轉移至本集團，並根據評估結果將各部份獨立分類為融資或營業租約，除非兩個部份明顯屬於營業租約，於此情況下，整份租約歸類為營業租約。具體來說，最低租賃付款(包括任何一次過預付款)會按訂立租賃時租賃土地部分與樓宇部分租賃權益的相關公允值比例，於土地及樓宇部分之間分配。

倘租賃付款能夠可靠分配，則列為經營租約之租賃土地權益於綜合財務狀況報表呈列為「預付租賃款項」，並按直線基準於租期內進行攤銷，惟分類為並以公允值模式列作投資物業者除外。當租賃付款不能可靠地分配土地及樓宇之間，整個租賃一般分類為融資租賃，並入賬為物業、廠房及設備。

借貸成本

與收購、興建或生產附帶限制之資產(即需經過一段相當時間方準備就緒可作擬定用途或以供出售之資產)直接相關之借貸成本均會計入該等資產之成本中，直至資產大致可作擬定用途或可供出售。

特定借貸於撥作為附帶限制之資產開支前所進行之暫定投資而賺取之投資收入會從可資本化之借貸成本中扣除。

所有其他借貸成本於產生期間於損益確認。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit and loss on disposal or partial disposal of the Group's interest.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Renminbi) using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case, the exchange rates prevailing at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of exchange reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss.

Equity-settled share-based payment transactions

Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instrument at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in share option reserve.

3. 主要會計政策(續)

外幣

在編製各集團個體之財務報表時，以該實體功能貨幣以外貨幣(外幣)進行之交易乃按交易日期之匯率確認。於各報告期末，以外幣結算之貨幣項目按當日之適用匯率重新換算。以外幣結算並按公允值列賬之非貨幣項目則按釐定公允值當日之適用匯率重新換算。按歷史成本以外幣計量之非貨幣項目不會重新換算。

於結算貨幣項目及重新換算貨幣項目時產生之匯兌差額均於彼等產生期間內在損益中確認，惟應收或應付海外業務的貨幣項目的匯兌差額除外，就此，有關結算未納入計劃中亦無可能產生(因此成為海外業務投資淨額的部分)，且就出售或出售部分本集團權益而初步於其他全面收益中確認並自權益中重新分類至損益。

為呈列綜合財務報表，本集團海外業務之資產及負債按報告期末之匯率換算為本集團之呈列貨幣(即人民幣)。收入及開支項目則按期內之平均匯率換算，惟倘期內匯率出現大幅波動，則採用交易日現行之匯率換算。由此產生之匯兌差額(如有)於其他全面收入確認並累計於權益中匯兌儲備。

於出售海外業務(即出售本集團海外業務之全部權益，或出售涉及喪失包括海外業務之附屬公司之控制權)時，就本公司擁有人應佔該業務而於權益累計之所有匯兌差額會重新分類至損益。

此外，倘部份出售附屬公司而並無導致本集團喪失對附屬公司之控制權，則按比例分佔之累計匯兌差額會重新歸屬於非控股權益，且不會於損益內確認。

以股份為基礎付款之股本結算交易

授予僱員之購股權

以權益結算並以股份為基礎支付予員工及提供類似服務的其他人士的款項於授出日期按股本工具之公允價值計量。

於以權益結算並以股份為基礎付款之授出日期釐定之公允價值，基於本集團預計將最終歸屬之股本工具按直線法於歸屬期內支銷，而購股權儲備亦相應增加。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Equity-settled share-based payment transactions (Cont'd)

Share options granted to employees (Cont'd)

At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that cumulative expense reflects the revised estimate, with a corresponding adjustment to share option reserve.

When share options are exercised, the amount previously recognised in share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to retained profits.

Retirement benefit costs

Payments to defined contribution retirement benefit plans, including state-managed retirement benefit scheme and the Mandatory Provident Fund Scheme, are recognised as an expense when employees have rendered service entitling them to the contributions.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

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

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

3. 主要會計政策(續)

以股份為基礎付款之股本結算交易(續)

授予僱員之購股權(續)

於各報告期末，本集團修訂其對預期歸屬之股本工具數目之估計。修訂原有估計之影響(如有)乃於損益內確認，而此等累計開支反映經修訂之估計，並會在購股權儲備中作出相應調整。

於購股權獲行使時，過往於購股權儲備中確認之數額將轉撥至股份溢價。倘購股權於歸屬日期後被沒收或於屆滿日期仍未獲行使，則過往於購股權儲備中確認之數額將轉撥至保留溢利。

退休福利費用

向定額供款退休福利計劃(包括國營退休福利計劃及強制性公積金計劃)支付之款項在僱員提供服務而有權獲得有關供款時列作開支。

稅項

所得稅支出指即期應付稅項及遞延稅項之總額。

即期應付稅項乃按本年度應課稅盈利計算。應課稅盈利與綜合損益表中所呈報之「除稅前盈利」不同，原因是於其他年度應課稅或可扣稅之收入或開支與從未課稅或扣稅之項目之差別。本集團之即期稅項負債按於呈報期末前已頒佈或實際上已頒佈之稅率計算。

遞延稅項以綜合財務報表中之資產及負債賬面值與計算應課稅盈利之相應稅基之臨時差額確認入賬。遞延稅項負債通常會就所有應課稅臨時差額確認，而遞延稅項資產通常會就所有可扣稅臨時差額按可能出現可利用該等臨時差額扣稅之應課稅盈利時確認。倘於一項交易中，因商譽或因業務合併以外原因初次確認其他資產及負債而引致之臨時差額既不影響應課稅盈利亦不影響會計盈利，則不會確認該等遞延稅項資產及負債。此外，倘初始確認商譽產生暫時差額，則不會確認遞延稅項負債。

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3. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Taxation (Cont'd)

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

3. 主要會計政策(續)

稅項(續)

遞延稅項負債就附屬公司投資及合營公司權益有關之應課稅暫時差額確認，惟倘本集團能夠控制暫時差額之撥回，且暫時差額於可見未來可能不會撥回則除外。與該等投資及權益相關之可扣稅暫時差額所產生之遞延稅項資產僅於可能有足夠應課稅盈利以使用暫時差額之利益且預計於可見將來可以撥回時確認。

遞延稅項資產之賬面值於各報告期末審閱，並於可能不再有足夠應課稅盈利以收回全部或部分資產之情況下作出相應扣減。

遞延稅項資產及負債按預期於負債清償或資產變現時應用，並按於報告期末已頒佈或實質上頒佈之稅率(及稅法)計算之稅率計量。

遞延稅項負債及資產之計量反映依循本集團預期於報告期末收回或清償其資產及負債賬面值之方式所產生之稅務結果。

就計量按公允值模式計量之投資物業之遞延稅項負債而言，該等物業之賬面值乃假設將通過銷售全部收回，除非該假設遭推翻則另作別論。倘投資物業可予折舊，而持有投資物業的商業模式之目的為隨時間消耗投資物業所包含之絕大部分經濟利益，而非銷售，則該假設即被推翻。

即期及遞延稅項於損益內確認，惟當其涉及於其他全面收入確認或直接於權益確認之項目除外，屆時即期及遞延稅項亦分別會於其他全面收入確認或直接於權益確認。倘因業務合併之初步入賬產生即期稅項或遞延稅項，有關稅務影響會計入業務合併。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Income tax

The Group is subject to income tax in various jurisdictions. Significant judgement is required in determining the amount of the provision of tax and the timing of payment of the related taxation. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in periods in which such determinations are made.

The Group is subject to land appreciation tax ("LAT") in the PRC. However, the implementation and settlement of this tax varies among various tax jurisdictions in cities of the PRC, and the Group has not finalised certain LAT calculation and payments with local tax authorities in the PRC. Accordingly, significant judgement is required in determining the amount on the appreciation of land value and its related LAT. The Group recognised LAT based on management's best estimates according to the understanding of the tax rules, which are determined by the appreciation of land value. The amount of the land appreciation is determined with reference to estimated proceeds of the sales of properties less the estimated deductible expenditures, including the cost of land use rights and all property development expenditures.

During the year, the Group incurred LAT of RMB694,855,000 (2015: RMB50,400,000) which was charged to the consolidated statement of profit or loss as income tax expense. The directors of the Company considered the amount charged to the consolidated statement of profit or loss to be adequate as this is calculated according to the method which is in compliance with the existing rules and interpretation of LAT.

4. 重要會計判斷及主要估計不確定性來源

於應用附註3所載之本集團會計政策時，本公司董事須就從其他來源並非顯而易見之資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃基於過往經驗及認為屬相關之其他因素作出。實際結果可能有別於該等估計。

估計及相關假設會持續檢討。倘若會計估計修訂只影響修訂估計之期間，則有關修訂會在該期間確認；倘若有關修訂既影響當期，亦影響未來期間，則有關修訂會在修訂期間及未來期間確認。

應用會計政策的重要判斷

以下乃本公司董事於應用本集團會計政策過程中所作對綜合財務報表確認之數額構成最重大影響之重要判斷，惟涉及估計者除外(見下文)。

所得稅

本集團須繳納不同司法權區的所得稅。釐定稅項撥備的金額及支付相關稅項的時間須作出重大判斷。當最終稅項結果不同於最初記錄的金額時，有關差額將對作出該等釐定期間的所得稅及遞延稅項撥備產生影響。

本集團在中國須繳付土地增值稅(「土地增值稅」)。然而，中國城市不同稅收管轄區對土地增值稅的執行及結算不盡相同，而本集團尚未與中國任何地方稅務局落實其若干土地增值稅的計算及付款方法。因此，須作出重大判斷以釐定土地增值額及其相關土地增值稅。本集團根據管理層按其對稅務規則的理解作出的最佳估計，即按土地增值額確認土地增值稅。土地增值金額參考物業銷售減預計可扣稅開支之預計所得款項而釐定，有關可扣稅開支包括土地使用權成本以及所有物業開發開支。

年內，本集團產生土地增值稅人民幣694,855,000元(二零一五年：人民幣50,400,000元)，作為所得稅開支自綜合損益表中扣除。本公司董事認為，自綜合損益表中扣除的該筆款額充分，因為此乃根據符合土地增值稅現有規則及詮釋的方法計算。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

Critical judgements in applying accounting policies (Cont'd)

Deferred taxation on investment properties

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from investment properties that are measured using the fair value model, the directors of the Company have determined that certain of the Group's investment properties as at 31 December 2016 amounting to RMB12,181,246,000 (2015: RMB11,919,159,000) situated in the PRC are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. The presumption that the carrying amounts of certain of the Group's investment properties situated in the PRC are recovered entirely through sale has been rebutted and the deferred tax on the changes in fair value of these investment properties is recognised according to the relevant tax rules. For remaining investment properties amounting to RMB45,771,000 (2015: RMB54,293,000), the presumption that the carrying amounts of these investment properties measured using fair value model were recovered entirely through sales was not rebutted. As a result, the Group has recognised additional deferred tax in respect of the LAT as the property holding companies in the PRC are subject to LAT and enterprise income tax ("EIT") in the PRC upon disposal of the properties.

Key sources of estimation uncertainty

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

Income tax

As at 31 December 2016, a deferred tax asset of RMB23,165,000 (2015: RMB78,403,000) in relation to unused tax losses has been recognised in the Group's consolidated statement of financial position. No deferred tax asset has been recognised in respect of tax losses of RMB474,450,000 (2015: RMB104,384,000) as it is not probable that taxable profit will be available due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future profits generated are more than expected, additional recognition of deferred tax assets may arise, which would be recognised in the consolidated statement of profit or loss for the period in which it takes place.

4. 重要會計判斷及主要估計不確定性來源(續)

應用會計政策的重要判斷(續)

投資物業遞延稅項

就計量由使用公允價值模型計量的投資物業所產生的遞延稅項負債或遞延稅項資產而言，本公司董事決定本集團於二零一六年十二月三十一日金額為人民幣12,181,246,000元(二零一五年：人民幣11,919,159,000元)的若干位於中國的投資物業乃根據旨在假以時日而非透過出售消耗投資物業所包含的絕大部分經濟利益的業務模式持有。本集團若干位於中國的投資物業賬面值可因出售而完全收回的假設已被駁回，而就該等投資物業的公允價值變動而產生的遞延稅項乃根據相關稅項規定確認。餘下投資物業為人民幣45,771,000元(二零一五年：人民幣54,293,000元)，就該等投資物業而言，該等使用公允價值模式計量的投資物業賬面值可透過銷售全面收回的推定未被駁回。因此，本集團就該等投資物業土地增值稅確認額外遞延稅項，因其在中國的地產控股公司於中國出售物業需繳交土地增值稅及企業所得稅(「企業所得稅」)。

主要估計不確定性來源

以下論述有關導致資產及負債的賬面值於下個財政年度出現重大調整的重大風險的未來相關重要假設及估計不確定因素的其他主要來源。

所得稅

於二零一六年十二月三十一日，有關未動用稅項虧損之遞延稅項資產人民幣23,165,000元(二零一五年：人民幣78,403,000元)已於本集團綜合財務狀況報表中確認。由於未來盈利來源的不可預測性，將不太可能取得應課稅盈利，因此並無就稅項虧損人民幣474,450,000元(二零一五年：人民幣104,384,000元)確認遞延稅項資產。遞延稅項資產的變現能力主要取決於未來是否有足夠的未來盈利或應課稅臨時差額。如所產生的實際未來盈利高於預期，可能產生遞延稅項資產的額外確認，並於產生該項確認的期間於綜合損益表內確認。

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4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

Key sources of estimation uncertainty (Cont'd)

Valuation of investment properties

Investment properties with the aggregate carrying amount as at 31 December 2016 of RMB12,227,017,000 (2015: RMB11,973,452,000) are stated at fair value based on the valuation performed by independent professional valuers. The fair value of the investment properties was determined by reference to valuations conducted on these properties by an independent firm of property valuers using property valuation techniques which involve certain assumptions may result in changes in the fair value of the Group's investment properties and corresponding adjustments to the changes in fair value reported in the consolidated statement of profit or loss and the carrying amount of these properties included in the consolidated statement of financial position.

Information about valuation techniques, inputs and key assumptions used in the determination of the fair value of investment properties are disclosed in note 13.

Assessment of net realisable value of properties held for sale and properties under development for sale

The directors of the Company determine the net realisable value of completed properties held for sale with carrying amount of RMB1,556,050,000 (2015: RMB3,293,741,000) by using prevailing market data such as most recent sale transactions and market survey reports available from independent qualified professional valuers, and internal estimates of costs based on quotes by suppliers.

The assessment of directors of the Company on net realisable value of properties under development for sale with carrying amount of RMB3,977,425,000 (2015: RMB2,109,719,000) requires the estimates of future cash flows to be derived from these properties. These estimates requires judgement as to the anticipated sale prices by reference to recent sales transactions in nearby locations, marketing costs (including price discounts required to stimulate sales) and the expected costs to completion of properties, the legal and regulatory framework and general market conditions.

The Group has recognised an impairment loss amounting to RMB20,506,000 for the year ended 31 December 2016 (2015: nil), which was included in cost of sales. Where there is any decrease in the estimated selling price arising from any changes to the property market conditions in the PRC, a further loss will be recognised on the properties held for sale and properties held under development.

4. 重要會計判斷及主要估計不確定性來源(續)

主要估計不確定性來源(續)

投資物業估值

於二零一六年十二月三十一日，總賬面值為人民幣12,227,017,000元(二零一五年：人民幣11,973,452,000元)的投資物業乃基於獨立專業估值師行的估值按公允價值列賬。投資物業之公允價值乃參考獨立物業估值公司採用物業估值法(涉及若干假設)對該等物業進行之估值而釐定。該等假設可能導致本集團投資物業的公允價值出現變動，並對綜合損益表所呈報之公允價值變動以及綜合財務狀況報表所列之該等物業之賬面值作出相應調整。

有關釐定投資物業公允價值所採用的估值技術、輸入數據及主要假設資料披露於附註13。

待售物業及發展中待售物業的可變現淨額評估

本公司董事採用最新銷售交易及獨立合資格專業估值師行提供的市場調查報告等現行市場數據，以及由內部以供應商所報成本編製估算而釐定待出售的建成物業的可變現淨額賬面值為人民幣1,556,050,000元(二零一五年：人民幣3,293,741,000元)。

本公司董事對發展中物業的可變現淨額賬面值為人民幣3,977,425,000元(二零一五年：人民幣2,109,719,000元)的評估須按有關物業未來的現金流量估計。有關估算須根據附近地點的近期銷售交易、推廣費用(包括促銷的價格折扣)及有關預計完成物業的費用、法律和監管架構及一般市況，從而判斷出預期的銷售價格。

截至二零一六年十二月三十一日止年度，本集團已確認減值虧損人民幣20,506,000元(二零一五年：無)，有關金額已計入銷售成本。倘中國房地產市場情況的任何變動使預期銷售價格下跌，將於待售物業及持作發展物業確認進一步虧損。

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5. REVENUE AND SEGMENT INFORMATION

Revenue represents the income from property development, property leasing and provision of comprehensive services, net of business tax and other sales related taxes and after deduction of any trade discounts.

In identifying its operating segments, the executive directors of the Company, being the chief operating decision makers, generally follow the Group's service lines, which represent the main products and services provided by the Group. The Group has identified the following reportable segments:

- Property development and sales: sales of properties
- Commercial property investment and operations: lease of commercial properties, office premises and car parks
- Comprehensive services: hotel operation, property management service and others

Each of these operating segments is managed separately as each of these products and service lines requires different resources as well as marketing approaches.

Segment revenues and results

The following is an analysis of the Group's revenue and results by operating and reportable segment:

For the year ended 31 December 2016

		Property development and sales 物業開發 及銷售 RMB'000 人民幣千元	Commercial property investment and operations 商業物業 投資與經營 RMB'000 人民幣千元	Comprehensive services 綜合服務 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Revenue:	收益：				
From external customers	來自外部客戶	3,956,426	430,205	203,531	4,590,162
Inter-segment revenue	分類間收益	–	9,483	10,013	19,496
Total segment revenue	分類收益總額	3,956,426	439,688	213,544	4,609,658
Reportable segment profit	可呈報分類盈利	1,859,142	366,566	70,245	2,295,953

5. 收益及分類資料

收入為來自物業發展、物業租賃及提供綜合服務的收入，並扣除營業稅及其他銷售有關稅項以及任何交易折扣。

本公司執行董事(即主要營運決策人)通常根據本集團的服務(即本集團提供的主要產品及服務)確定經營分類。本集團已確定下列呈報分類：

- 物業發展及銷售：物業銷售
- 商業物業投資與經營：商業物業、辦公室及停車場租賃
- 綜合服務：酒店營運、物業管理服務及其他

由於該等產品及服務系列各自需要不同的資源及營銷方式，故該等經營分類獲單獨管理。

分類收益及業績

以下為本集團按經營及可呈報分類的收益及業績的分析：

截至二零一六年十二月三十一日止年度

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5. REVENUE AND SEGMENT INFORMATION (Cont'd)

Segment revenues and results (Cont'd)

For the year ended 31 December 2015

	Property development and sales 物業開發及銷售 RMB'000 人民幣千元	Commercial property investment and operations 商業物業投資與經營 RMB'000 人民幣千元	Comprehensive services 綜合服務 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
Revenue:	收益：			
From external customers	575,881	412,637	221,752	1,210,270
Inter-segment revenue	-	9,508	-	9,508
Total segment revenue	575,881	422,145	221,752	1,219,778
Reportable segment profit	181,123	352,184	102,076	635,383

Inter-segment sales are at mutually agreed terms.

分類間銷售按共同協定之條款進行。

Reconciliations of reportable segment revenue, profit or loss

The Group does not allocate fair value changes on investment properties, other income, other gains and losses, depreciation and amortisation, finance costs, share of results of joint ventures, fair value changes on derivative financial instruments and corporate expenses to individual reportable segment profit or loss for the purposes of resource allocation and performance assessment by the chief operating decision makers.

The accounting policies adopted in preparing the reportable segment information are the same as the Group's accounting policies described in note 3.

可報告分類收益、損益之對賬

本集團並無就主要營運決策者對資源分配及表現評估而將投資物業公允價值變動、其他收入、其他收益及虧損、折舊及攤銷、融資成本、應佔合營公司業績、衍生金融工具的公允價值變動及企業開支分配至獨立可呈報分部之損益內。

編製可呈報分部資料所採納之會計政策與本集團附註3所述會計政策相同。

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Revenue	收益		
Reportable segment revenue	可呈報分類收益	4,609,658	1,219,778
Elimination of inter-segment revenue	對銷分類間收益	(19,496)	(9,508)
Consolidated revenue	綜合收益	4,590,162	1,210,270
Profit	盈利		
Reportable segment profit	可呈報分類盈利	2,295,953	635,383
Fair value changes on investment properties	投資物業的公允價值變動	247,498	426,816
Other income, other gains and losses	其他收入、其他收益及虧損	108,448	87,336
Depreciation and amortisation	折舊及攤銷	(39,934)	(52,687)
Finance costs	融資成本	(406,500)	(262,868)
Share of results of joint ventures	應佔合營公司業績	(9)	(30)
Fair value changes on derivative financial instruments	衍生金融工具的公允價值變動	15,022	-
Corporate expenses	公司開支	(367,055)	(242,873)
Consolidated profit before taxation	除稅前綜合盈利	1,853,423	591,077

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5. REVENUE AND SEGMENT INFORMATION (Cont'd)

Segment assets and liabilities

The following is an analysis of the Group's assets by reportable and operating segment, no liabilities are presented as the information is not reportable to the chief operating decision makers in the resource allocation and assessment of performance:

Segment assets

Assets	資產	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Property development and sales	物業發展及銷售	5,758,178	5,615,955
Commercial property investment and operations	商業物業投資與經營	12,227,872	11,973,614
Comprehensive services	綜合服務	373,570	240,996
Reportable segment assets	可報告分類資產	18,359,620	17,830,565
Goodwill	商譽	231,602	231,602
Available-for-sale investments and other current assets	可供出售投資及其他流動資產	761,048	423,267
Bank balances and cash (including restricted cash)	銀行結餘及現金(包括受限制現金)	4,531,236	2,768,003
Deferred tax assets	遞延稅項資產	190,151	199,785
Interests in joint ventures	於合營公司的權益	528,384	525,393
Corporate assets	公司資產	1,322,477	2,013,312
Consolidated total assets	綜合總資產	25,924,518	23,991,927

For the purpose of monitoring segment performance and allocating resources between segments, all assets are allocated to operating segments other than goodwill, available-for-sale investments and other current assets, bank balances and cash (included restricted cash), deferred tax assets, interests in joint ventures and corporate assets.

Geographical information

No geographical information is presented as the operations, major customers and assets of the Group are substantially located in the PRC.

No major customers contributed over 10% of the total sales of the Group for the years ended 31 December 2016 and 2015.

5. 收益及分類資料(續)

分類資產及負債

以下為本集團按可報告及經營分類的資產分析，由於毋須就資源分配及評估業績向主要營運決策者呈報負債，因此並無呈列該等資料：

分類資產

Assets	資產	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Property development and sales	物業發展及銷售	5,758,178	5,615,955
Commercial property investment and operations	商業物業投資與經營	12,227,872	11,973,614
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Reportable segment assets	可報告分類資產	18,359,620	17,830,565
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Bank balances and cash (including restricted cash)	銀行結餘及現金(包括受限制現金)	4,531,236	2,768,003
Deferred tax assets	遞延稅項資產	190,151	199,785
Interests in joint ventures	於合營公司的權益	528,384	525,393
Corporate assets	公司資產	1,322,477	2,013,312
Consolidated total assets	綜合總資產	25,924,518	23,991,927

為監測分類業績及分類間的資源分配，除商譽、可供出售投資及其他流動資產、銀行結餘及現金(包括受限制現金)、遞延稅項資產、於合營公司的權益及公司資產外，所有資產分配至經營分類。

地區資料

由於本集團的業務、主要客戶及資產大多位於中國，故並無呈列地區資料。

截至二零一六年及二零一五年十二月三十一日止年度並無主要客戶佔本集團總銷售額超出10%。

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6. OTHER INCOME, OTHER GAINS AND LOSSES

6. 其他收入、其他收益及虧損

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Interest income	利息收入	30,663	23,243
Investment income	投資收入	1,434	12,511
Dividend income	股息收入	-	5,040
Gain on disposal of a subsidiary (note 35(a))	出售一間附屬公司的收益(附註35(a))	18,340	-
Gain (loss) on disposal of property, plant and equipment	出售物業、廠房及設備的收益(虧損)	1,554	(86)
Gain on disposal of investment properties	出售投資物業的收益	4,968	46,230
Foreign exchange (loss) gain, net	匯兌(虧損)收益淨額	(7,859)	3,347
Recovery of other receivables written-off in prior years	於過往年度撥回 其他應收款項撇銷	49,561	8,363
Write-down on other receivables	撇減其他應收款項	-	(19,627)
Others	其他	9,787	8,315
		108,448	87,336

7. FINANCE COSTS

7. 融資成本

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Interest on bank and other borrowings	銀行及其他借貸利息	610,819	603,421
Interest expense on convertible bonds	可換股債券之利息開支	13,258	-
Less: Amount capitalised in investment properties under development and properties under development for sale *	減：撥充在建投資物業及發展中待售物業資本化的金額*	(217,577)	(340,553)
		406,500	262,868

* The finance costs have been capitalised at rates ranging from 4.16% to 8.95% (2015: 5.29% to 8.46%) per annum.

* 融資成本乃按年息率4.16%至8.95% (二零一五年：5.29%至8.46%)資本化。

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8. PROFIT BEFORE TAX

8. 除稅前盈利

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Profit before tax is arrived at after charging (crediting):	除稅前盈利乃經扣除(計入):		
Cost of properties sold	售出物業的成本	2,076,778	394,758
Impairment loss on properties held for sale	待售物業的減值虧損	20,506	–
Cost of properties held for sale recognised as expense	確認為開支的待售物業成本	2,097,284	394,758
Depreciation of property, plant and equipment	物業、廠房及設備折舊	39,966	52,726
Less: Amount capitalised in investment properties under development and properties under development for sale	減：撥充在建投資物業及發展中待售物業資本化的數額	(32)	(39)
		39,934	52,687
Gross rental income from investment properties	投資物業所得租金收入總額	430,205	412,637
Outgoings in respect of investment properties that generated rental income during the year	有關於本年度產生租金收入之投資物業的開支	(63,639)	(60,453)
		366,566	352,184
Operating lease charges in respect of land and buildings	有關土地及樓宇的經營租賃費用	21,237	25,857
(Reversal on) provision on impairment loss on accounts receivable	應收賬款減值虧損(撥回)撥備	(39)	59
Auditor's remuneration	核數師酬金	2,569	2,737
Staff costs	員工成本		
– Directors' emoluments (note 10)	– 董事酬金(附註10)	36,286	8,146
– Salaries and other benefits in kind	– 薪金及其他實物利益	170,218	136,709
– Equity-settled share-based payments	– 以股權結算以股份支付的款項	102,877	–
– Amount recognised as expense for retirement benefit costs	– 確認為退休福利成本開支的數額	12,548	10,161
Less: Amount capitalised in investment properties under development and properties under development for sale	減：撥充在建投資物業及發展中待售物業資本化的數額	(24,702)	(9,189)
		297,227	145,827

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9. INCOME TAX EXPENSE

9. 所得稅開支

			2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Current tax	即期稅項			
PRC EIT	中國企業所得稅			
– Current year	– 本年度	(a)	263,048	71,759
– Underprovision in prior year	– 過往年度撥備不足		8,466	12,684
			271,514	84,443
PRC LAT	中國土地增值稅			
– Current year	– 本年度	(b)	694,855	50,400
– Overprovision in prior year	– 過往年度超額撥備		(2,860)	–
			691,995	50,400
Deferred taxation (note 18)	遞延稅項(附註18)			
– Current year	– 本年度		91,074	60,329
– Overprovision in prior year	– 過往年度超額撥備		(9,826)	(28,680)
			81,248	31,649
Total income tax expense	所得稅開支總額		1,044,757	166,492

Notes:

(a) Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1 January 2008 onwards.

No Hong Kong Profits Tax has been provided for as the Group had no estimated assessable profits for both years.

(b) Under the Provisional Rules on LAT Implementation Rules of the PRC implemented on 27 January 1995, all gains from the sales or transfer of land use rights, buildings and their attached facilities in the PRC 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 cost of land use rights and all property development expenditures.

附註：

(a) 根據中華人民共和國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，自二零零八年一月一日起，中國附屬公司的稅率為25%。

由於本集團於兩個年度並無任何估計應課稅盈利，故此並無就香港利得稅計提撥備。

(b) 根據於一九九五年一月二十七日實施的中國土地增值稅暫行條例實施細則，所有因銷售或轉讓於中國的土地使用權、樓宇及其相關設施而獲得的收益，均須繳納土地增值稅，稅款按土地增值額(即銷售物業所得款項減可扣減支出，包括土地使用權成本及所有物業發展開支)以累進率計算，稅率介乎30%至60%不等。

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9. INCOME TAX EXPENSE (Cont'd)

The income tax expense for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss as follows:

9. 所得稅開支(續)

本年度所得稅開支可與綜合損益表的除稅前盈利對賬如下：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Profit before tax	除稅前盈利	1,853,423	591,077
Tax at the PRC EIT at 25% (2015: 25%)	按25%中國企業所得稅稅率 (二零一五年：25%)	463,356	147,770
Tax effect of expenses not deductible for tax purposes	不可扣稅開支的稅務影響	47,625	1,173
Tax effect of income not taxable for tax purposes	毋須課稅收入的稅務影響	(22,872)	(4,424)
Tax effect of temporary difference arising from withholding tax for undistributed profits	未分派利潤預扣稅的暫時差額 所產生的稅務影響	9,762	1,707
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	94,400	611
Utilisation of deductible temporary differences previously not recognised	動用先前未確認之可扣稅暫時差額	(58,562)	-
Utilisation of tax losses previously not recognised	動用先前未確認之稅項虧損	(1,883)	(706)
PRC LAT charge	中國土地增值稅支出	694,855	50,400
Tax effect of PRC LAT charge	中國土地增值稅支出之稅務影響	(173,714)	(12,600)
Overprovision in prior year, net	過往年度超額撥備淨值	(4,220)	(15,996)
Others	其他	(3,990)	(1,443)
Income tax expense for the year	本年度所得稅開支	1,044,757	166,492

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10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

10. 董事及僱員酬金

(a) Directors' emoluments

The emoluments paid or payable to each of the 9 (2015: 8) directors were as follows:

(a) 董事酬金

已付或應付9名(二零一五年: 8名)董事各自的薪酬如下:

			Fees	Salaries and allowance	Equity-settled share-based payments	Contributions to retirement benefit scheme	Total
	Notes	袍金	薪金及津貼	以股權結算以股份支付的款項	退休福利計劃供款	總計	
	附註	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
2016	二零一六年						
Executive directors	執行董事						
Ms. Huang Jingshu	黃敬舒女士	–	2,351	2,209	108	4,668	
Mr. Yim Chun Leung	嚴振亮先生	(a)	531	–	27	558	
Mr. Tang Shouchun	唐壽春先生	(b)	1,733	4,909	78	6,720	
Mr. Ye Xingan	葉興安先生	–	1,900	4,909	48	6,857	
Mr. Chen Tieshen	陳鐵身先生	–	1,750	4,909	48	6,707	
Ms. Deng Chengying	鄧承英女士	–	1,500	4,172	–	5,672	
		–	9,765	21,108	309	31,182	
Independent non-executive directors	獨立非執行董事						
Mr. Zhu Jiusheng	祝九勝先生	237	–	1,473	–	1,710	
Mr. Wang Jing	王敬先生	211	–	1,473	–	1,684	
Ms. Hu Gin Ing	胡競英女士	237	–	1,473	–	1,710	
		685	–	4,419	–	5,104	
		685	9,765	25,527	309	36,286	
2015	二零一五年						
Executive directors	執行董事						
Ms. Huang Jingshu	黃敬舒女士	–	2,314	–	–	2,314	
Mr. Yim Chun Leung	嚴振亮先生	–	2,644	–	132	2,776	
Mr. Ye Xingan	葉興安先生	–	1,004	–	43	1,047	
Mr. Chen Tieshen	陳鐵身先生	–	759	–	37	796	
Ms. Deng Chengying	鄧承英女士	–	600	–	–	600	
		–	7,321	–	212	7,533	
Independent non-executive directors	獨立非執行董事						
Mr. Zhu Jiusheng	祝九勝先生	213	–	–	–	213	
Mr. Wang Jing	王敬先生	187	–	–	–	187	
Ms. Hu Gin Ing	胡競英女士	213	–	–	–	213	
		613	–	–	–	613	
		613	7,321	–	212	8,146	

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10. DIRECTORS' AND EMPLOYEES' EMOLUMENTS (Cont'd)

(a) Directors' emoluments (Cont'd)

Notes:

- (a) Acted as the Chief Executive Officer of the Company since 7 July 2014 and resigned on 31 March 2016
- (b) Appointed and acted as the Chief Executive Officer of the Company since 31 March 2016

During the year ended 31 December 2016, no remuneration was paid by the Group to the directors or any of the five highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office. No directors waived or agreed to waive any emoluments for the years ended 31 December 2016 and 2015.

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group. The independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.

(b) Employees' emoluments

The five highest paid employees of the Group during the year included three directors (2015: three directors). Details of the remuneration for the year of the remaining two (2015: two) highest paid employees who are neither a director nor chief executive of the Company are as follows:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Salaries, allowance and benefits in kind	薪酬、津貼及實物福利	3,500	1,933
Equity-settled share-based payments	以股權結算以股份支付的款項	8,780	-
Retirement benefits	退休福利	-	58
		12,280	1,991

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the followings bands is as follows:

		2016 二零一六年 Number of employees 僱員數目	2015 二零一五年 Number of employees 僱員數目
Nil to RMB1,000,000	零至人民幣1,000,000元	-	1
RMB1,000,000 to RMB1,500,000	人民幣1,000,000元至人民幣1,500,000元	-	1
RMB6,000,000 to RMB6,500,000	人民幣6,000,000元至人民幣6,500,000元	2	-
		2	2

10. 董事及僱員酬金(續)

(a) 董事酬金(續)

附註：

- (a) 自二零一四年七月七日起作為本公司行政總裁，並於二零一六年三月三十一日辭任
- (b) 自二零一六年三月三十一日起獲委任並作為本公司行政總裁

截至二零一六年十二月三十一日止年度，本集團並無向董事或五名最高薪僱員中的任何一名支付薪酬作為吸引彼等加入或加入時的誘因或作為彼等失去職位的補償。截至二零一六年及二零一五年十二月三十一日止年度，概無董事放棄或同意放棄任何酬金。

上表所列執行董事的酬金主要為彼等就本公司及本集團管理事宜提供服務的報酬。上表所列獨立非執行董事的酬金乃主要為彼等擔任本公司董事所提供之服務的報酬。

(b) 僱員酬金

於年內，本集團五位最高薪僱員當中，包括三名董事(二零一五年：三名)。年內餘下兩名(二零一五年：兩名)並非本公司董事亦非主要行政人員之最高薪僱員之薪酬如下：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Salaries, allowance and benefits in kind	薪酬、津貼及實物福利	3,500	1,933
Equity-settled share-based payments	以股權結算以股份支付的款項	8,780	-
Retirement benefits	退休福利	-	58
		12,280	1,991

介乎下列酬金範圍之並非本公司董事之最高薪僱員人數如下：

		2016 二零一六年 Number of employees 僱員數目	2015 二零一五年 Number of employees 僱員數目
Nil to RMB1,000,000	零至人民幣1,000,000元	-	1
RMB1,000,000 to RMB1,500,000	人民幣1,000,000元至人民幣1,500,000元	-	1
RMB6,000,000 to RMB6,500,000	人民幣6,000,000元至人民幣6,500,000元	2	-
		2	2

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11. DIVIDENDS

11. 股息

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Dividends recognised as distribution during the year:		
2015 Final dividend- HK1 cent (equivalent to approximately RMB0.8 cents)	40,116	–
Others (Note)	–	599,055
	40,116	599,055

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2016 of HK5 cents (equivalent to approximately RMB4.5 cents) (2015: HK1 cent) per ordinary share of the Company has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting.

報告期末後，本公司董事建議派發截至二零一六年十二月三十一日止年度末期股息每股本公司普通股5港仙(相當於約人民幣4.5分)(二零一五年：1港仙)，惟須待股東於應屆股東大會上批准。

Note: During the year ended 31 December 2015, certain subsidiaries of the Target Group (defined in note 32(iii)) declared and made dividends of RMB582,695,000 (note 35(b)) and RMB16,360,000 to Mr. Wong and a non-controlling shareholder of a subsidiary, respectively.

附註：截至二零一五年十二月三十一日止年度，目標集團(定義見附註32(iii))若干附屬公司分別向黃先生及一間附屬公司的非控股股東宣派及作出股息人民幣582,695,000元(附註35(b))及人民幣16,360,000元。

12. EARNINGS PER SHARE

12. 每股盈利

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

本公司擁有人應佔每股基本及攤薄盈利乃基於以下數據計算：

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Earnings		
Earnings for the purposes of basic earnings per share	802,297	417,780
Effect of dilutive potential earnings in respect of – Convertible bonds	(3,013)	–
Earnings for the purposes of diluted earnings	799,284	417,780

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12. EARNINGS PER SHARE (Cont'd)

12. 每股盈利(續)

		2016 二零一六年	2015 二零一五年
Number of shares	股份數目		
Weighted average number of ordinary shares of the Company for the purpose of basic earnings per share	用於計算每股基本盈利的本公司普通股加權平均數	4,693,582,792	3,961,527,997
Effect of dilutive potential ordinary shares in respect of	潛在攤薄普通股對以下各項的影響		
– Share options	– 購股權	7,142,669	–
– Convertible bonds	– 可換股債券	33,893,190	–
– Convertible preference shares	– 可換股優先股	3,413,473,023	3,413,473,023
Weighted average number of ordinary shares of the Company for the purpose of diluted earnings per share	就計算每股攤薄盈利的本公司普通股加權平均數	8,148,091,674	7,375,001,020

13. INVESTMENT PROPERTIES

13. 投資物業

		Completed investment properties 已完成投資物業 RMB'000 人民幣千元	Investment properties under development at fair value 按公允價值入賬之發展中投資物業 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
At 1 January 2015	於二零一五年一月一日	9,165,666	2,218,750	11,384,416
Additions	添置	–	78,503	78,503
Acquisition of subsidiaries (note 34(b))	收購附屬公司(附註34(b))	227,890	–	227,890
Disposals	出售	(144,173)	–	(144,173)
Transfer upon completion	完成時轉讓	1,431,646	(1,431,646)	–
Increase in fair value recognised in profit or loss	於損益中確認之公允價值增加	395,388	31,428	426,816
At 31 December 2015	於二零一五年十二月三十一日	11,076,417	897,035	11,973,452
Additions	添置	–	26,270	26,270
Disposals	出售	(20,203)	–	(20,203)
Increase in fair value recognised in profit or loss	於損益中確認之公允價值增加	218,039	29,459	247,498
At 31 December 2016	於二零一六年十二月三十一日	11,274,253	952,764	12,227,017

All the completed investment properties are rented out under operating leases or are held for capital appreciation purposes.

所有已完成投資物業均已根據經營租賃出租或為資本增值目的而持有。

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13. INVESTMENT PROPERTIES (Cont'd)

The fair values of the Group's investment properties with aggregate carrying value of RMB12,227,017,000 which represents the whole amounts of investment properties as at 31 December 2016 (2015: RMB11,973,452,000) were arrived at on the basis of valuations carried out on those dates by Jones Lang LaSalle Corporate Appraisal and Advisory Limited, which were independent qualified professional valuers not connected to the Group.

For completed investment properties, the valuations have been arrived at using income capitalisation approach, where the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as other lettings of similar properties in the neighbourhood. The capitalisation rate adopted is made by reference to the yield rates observed by the valuer for the similar properties in the locality and adjusted based on the valuers' knowledge of the factors specific to the respective properties.

For investment properties under development that are measured at fair value, the valuations have been arrived at market – based approach assuming that the investment properties will be completed in accordance with the development proposals and the relevant approvals for the proposals have been obtained. The key inputs in the valuations include the market value of the completed investment properties, which are estimated with reference to sales evidence of similar properties in the nearest locality, with adjustments made to account for differences in locations and other factors specific to the respective properties based on the valuers' judgement. Costs of development are also taken into account including construction costs, finance costs and professional fees, as well as developer's profit margin which reflects the remaining risks associated with the development of the properties at the valuation date and the return that the developer would require for bringing them to completion status, which is determined by the valuers based on its analyses of recent land transactions and market value of similar completed properties in the respective locations.

In estimating the fair value of the investment properties, the highest and best use of the investment properties is their current use.

13. 投資物業(續)

於二零一六年十二月三十一日，本集團賬面總值(指投資物業之全部款項)為人民幣12,227,017,000元(二零一五年：人民幣11,973,452,000元)之投資物業之公允價值乃根據仲量聯行企業評估及諮詢有限公司於該日所進行的估值達致，該公司為與本集團並無關連之獨立合資格專業估值師。

就已完成投資物業而言，該估值乃採用收入資本計算法進行。物業內所有可出租單位的市值租金乃參照可出租單位以及毗鄰相似物業的其他出租單位已取得的租金進行評估。採用之資本化比率乃參照當地相似物業的收益率並根據估值師所知各物業的特質進行調整。

就按公允價值計量之發展中投資物業而言，估值乃基於市場法假設該等投資物業將根據發展規劃及已取得的相關規劃的批覆完工。估值的主要輸入數據包括已完成投資物業的市值，乃參考鄰近地域相似物業的銷售憑證估計，同時，根據估值師判斷的不同地段的差異以及各物業的其他不同特質進行調整。該估值也將開發成本納入考慮，包括建設成本、融資成本和專業費用及開發商的利潤率(於估值日反映物業開發的剩餘風險和開發商使物業達致完成狀況所需的回報)，發展成本乃根據估值師對近期土地交易和不同區域類似已完成物業市場價值的分析而釐定。

估計投資物業的公允價值時，投資物業之目前用途為最高及最佳用途。

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13. INVESTMENT PROPERTIES (Cont'd)

The major inputs used in the fair value measurement of the Group's major investment properties as at 31 December 2016 and 2015 are set out below:

13. 投資物業(續)

於二零一六年及二零一五年十二月三十一日，本集團主要投資物業之公允價值計量所用之主要輸入數據載於下文：

Investment properties held by the Group in the consolidated statement of financial position 本集團於綜合財務狀況報表持有的投資物業	Fair value hierarchy 公允價值等級	Valuation technique and key inputs 估值技術及主要輸入數據	Significant unobservable inputs 主要不可觀察輸入數據	Relationship of unobservable inputs to fair value 不可觀察輸入數據與公允價值之關係	Sensitivity 敏感度
Completed investment properties					
已完成投資物業					
Completed investment properties located in Shenzhen with an aggregate carrying amount of RMB11,038,615,000 (31.12.2015: RMB10,842,632,000)	Level 3	Income Capitalisation Approach The key inputs are: (1) Capitalisation rate; and (2) Daily market rent.	Capitalisation rate, taking into account the capitalisation of rental income potential, nature of the property, and prevailing market condition, of a range from 3% to 5.5% (31.12.2015: from 3% to 5.5%).	The higher the capitalisation rate, the lower the fair value.	A slight increase in the capitalisation rate used would result in a significant decrease in fair value, and vice versa.
位於深圳市之已完成投資物業，賬面總值為人民幣11,038,615,000元(二零一五年十二月三十一日：人民幣10,842,632,000元)	第三級	收入資本計算法 主要輸入數據如下： (1) 資本化比率；及 (2) 市場日租。	經計及資本化租金收入潛力、物業性質及當前市場，資本化比率為介乎3%至5.5%(二零一五年十二月三十一日：3%至5.5%)	資本化比率越高，公允價值越低。	所用資本化比率小幅提升將導致公允價值大幅降低，反之亦然。
			Daily market rent, taking into account the time, location, and individual factors, such as frontage and size, between the comparables and the property, at an average of a range from RMB0.3 to RMB21.3 (31.12.2015: from RMB0.7 to RMB20.2) per square metre ("sqm") per day on gross floor area basis.	The higher the daily market rent, the higher the fair value.	A significant increase in the daily market rent used would result in a significant increase in fair value, and vice versa.
			市場日租經計及可資比較物業與物業間之時間、位置及臨街地界和規模等各項因素，以建築面積為基準每日每平方米(「平方米」)平均介乎人民幣0.3元至人民幣21.3元(二零一五年十二月三十一日：人民幣0.7元至人民幣20.2元)。	市場日租越高，公允價值越高。	所用市場日租大幅增加將導致公允價值大幅增加，反之亦然。
Completed investment properties located in Suzhou with an aggregate carrying amount of RMB235,638,000 (31.12.2015: RMB233,785,000)	Level 3	Income Capitalisation Approach The key inputs are: (1) Capitalisation rate; and (2) Daily market rent.	Capitalisation rate, taking into account the capitalisation of rental income potential, nature of the property, and prevailing market condition, of a range from 1.5% to 6.5% (31.12.2015: from 1.5% to 6.5%).	The higher the capitalisation rate, the lower the fair value.	A slight increase in the capitalisation rate used would result in a significant decrease in fair value, and vice versa.
位於蘇州之已完成投資物業，賬面總值為人民幣235,638,000元(二零一五年十二月三十一日：人民幣233,785,000元)	第三級	收入資本計算法 主要輸入數據如下： (1) 資本化比率；及 (2) 市場日租	經計及資本化租金收入潛力、物業性質及當前市場，資本化比率介乎1.5%至6.5%(二零一五年十二月三十一日：1.5%至6.5%)。	資本化比率越高，公允價值越低。	所用資本化比率小幅提升將導致公允價值大幅降低，反之亦然。
			Daily market rent, taking into account the time, location, and individual factors, such as frontage and size, between the comparables and the property, at an average of a range from RMB1.1 to RMB8.3 (31.12.2015: RMB1.1 to RMB8.3) per sqm per day on gross floor area basis.	The higher the daily market rent, the higher the fair value.	A significant increase in the daily market rent used would result in a significant increase in fair value, and vice versa.
			市場日租經計及可資比較物業與物業間之時間、位置及臨街地界和規模等各項因素，以建築面積為基準每日每平方米平均介乎人民幣1.1元至人民幣8.3元(二零一五年十二月三十一日：人民幣1.1元至人民幣8.3元)。	市場日租越高，公允價值越高	所用市場日租大幅增加將導致公允價值大幅增加，反之亦然。

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13. INVESTMENT PROPERTIES (Cont'd)

13. 投資物業(續)

Investment properties held by the Group in the consolidated statement of financial position 本集團於綜合財務狀況報表持有的投資物業	Fair value hierarchy 公允價值等級	Valuation technique and key inputs 估值技術及主要輸入數據	Significant unobservable inputs 主要不可觀察輸入數據	Relationship of unobservable inputs to fair value 不可觀察輸入數據與公允價值之關係	Sensitivity 敏感度
Investment properties under development that are measured at fair value					
按公允價值計值之發展中投資物業					
Investment properties under development located in Shenzhen with an aggregate carrying amount of RMB952,764,000 (31.12.2015: RMB897,035,000)	Level 3	Market-based Approach The key inputs are: (1) Gross development value; and (2) Developer's profit.	Gross development value on completion basis, taking into account the time, location, and individual factors, such as frontage and size, between the comparable and the property, of RMB957,473,000 (31.12.2015: RMB938,773,000).	The higher the gross development value, the higher the fair value.	A significant increase in gross development value used would result in a significant increase in fair value, and vice versa.
位於深圳市的發展中投資物業，賬面總值為人民幣952,764,000元(二零一五年十二月三十一日：人民幣897,035,000元)	第三級	市場基準法 主要輸入數據如下： (1) 總開發價值；及 (2) 開發商利潤。	按落成基準計值之總開發價值經計及可資比較物業與該物業間之時間、位置及臨街地界和規模等各項因素為人民幣957,473,000元(二零一五年十二月三十一日：人民幣938,773,000元)。	總開發價值越高，公允價值越高。	所用總開發價值大幅增加將導致公允價值大幅增加，反之亦然。
			Developer's profit, taking into account the comparable land transactions and progress of the property, of a 10% (31.12.2015:10%).	The higher the developer's profit, the lower the fair value.	A significant increase in developer's profit used would result in a significant decrease in fair value, and vice versa.
			經計及可資比較土地交易及物業進度，開發商利潤為10%(二零一五年十二月三十一日：10%)。	開發商利潤越高，公允價值越低。	發展商利潤大幅增加導致公允價值大幅減少，反之亦然。

There were no transfers in or out of Level 3 during both years.

於兩個年度內，第三級並無轉入或轉出。

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14. PROPERTY, PLANT AND EQUIPMENT

14. 物業、廠房及設備

		Leasehold land and buildings 租賃土地 及樓宇 RMB'000 人民幣千元	Leasehold improvements 租賃物業 裝修 RMB'000 人民幣千元	Motor vehicles 汽車 RMB'000 人民幣千元	Machinery and electronic equipment and others 機器及電子 設備及其他 RMB'000 人民幣千元	Computer software, furniture and fixtures 計算機軟件、 傢私及裝置 RMB'000 人民幣千元	Construction in progress 在建工程 RMB'000 人民幣千元	Total 總計 RMB'000 人民幣千元
COST	成本							
At 1 January 2015	於二零一五年一月一日	449,027	52,887	11,285	33,325	20,287	-	566,811
Exchange adjustment	匯兌調整	-	46	3	35	11	-	95
Additions	添置	996	622	4,969	2,203	1,896	1,158	11,844
Disposals	出售	-	(287)	(192)	(630)	(681)	-	(1,790)
Derecognised on disposal of subsidiaries (note 36(b))	終止確認出售附屬公司 (附註36(b))	(13,578)	(25,558)	(788)	(9,976)	(3,772)	-	(53,672)
At 31 December 2015	於二零一五年 十二月三十一日	436,445	27,710	15,277	24,957	17,741	1,158	523,288
Exchange adjustment	匯兌調整	-	-	-	(4)	-	-	(4)
Additions	添置	2,466	5,999	4,523	2,833	2,223	2,326	20,370
Disposals/transfer	出售/轉出	(39,237)	(478)	-	(434)	(173)	-	(40,322)
At 31 December 2016	於二零一六年 十二月三十一日	399,674	33,231	19,800	27,352	19,791	3,484	503,332
DEPRECIATION AND AMORTISATION	折舊及攤銷							
At 1 January 2015	於二零一五年一月一日	108,607	19,062	3,963	21,138	10,732	-	163,502
Exchange adjustment	匯兌調整	-	19	3	7	1	-	30
Provided for the year	年度撥備	31,125	11,635	2,715	4,411	2,840	-	52,726
Eliminated on disposals/ written off	出售/撇銷之對銷	-	(287)	(192)	(461)	(678)	-	(1,618)
Eliminated on disposal of subsidiaries	出售附屬公司之對銷	(3,253)	(11,740)	(623)	(7,704)	(1,454)	-	(24,774)
At 31 December 2015	於二零一五年 十二月三十一日	136,479	18,689	5,866	17,391	11,441	-	189,866
Exchange adjustment	匯兌調整	-	-	-	(4)	-	-	(4)
Provided for the year	年度撥備	26,328	2,734	3,824	4,918	2,162	-	39,966
Eliminated on disposals/ written off/transfer	出售/撇銷之對銷/ 轉出	(20,106)	(182)	-	(358)	(38)	-	(20,684)
At 31 December 2016	於二零一六年 十二月三十一日	142,701	21,241	9,690	21,947	13,565	-	209,144
CARRYING VALUES	賬面值							
At 31 December 2016	於二零一六年 十二月三十一日	256,973	11,990	10,110	5,405	6,226	3,484	294,188
At 31 December 2015	於二零一五年 十二月三十一日	299,966	9,021	9,411	7,566	6,300	1,158	333,422

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14. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

The carrying amounts of owner-occupied leasehold land and buildings at the end of the reporting period included both the leasehold land and building elements in property, plant and equipment, as in the opinion of the directors of the Company, allocations of the carrying amounts between the leasehold land and buildings elements cannot be made reliably.

The above items of property, plant and equipment, except for construction in progress, are depreciated on a straight-line basis at the following rates per annum:

Leasehold land and buildings	Over the shorter of the term of the lease, or 2% to 5%
Leasehold improvements	10% to 33 $\frac{1}{3}$ %
Motor vehicles	20% to 25%
Machinery and electronic equipment and others	10% to 33 $\frac{1}{3}$ %
Computer software, furniture and fixtures	20% to 33 $\frac{1}{3}$ %

15. GOODWILL

The amount represents goodwill arising from the Acquisition (defined in note 32), which has been allocated to the group of cash generating units ("CGU").

The recoverable amount of the goodwill has been determined based on a value in use calculation. That calculation used cash flow projections based on financial budgets approved by management covering five-year period, and the discount rate of 10% (2015:10%). The cash flows beyond the five-year period are extrapolated using a zero growth rate. The directors of the Company determined that the recoverable amount was higher than the carrying amount of the CGU and hence no impairment on goodwill is required.

14. 物業、廠房及設備(續)

由於本公司董事認為無法準確作出租賃土地與樓宇部分的分配，報告期末的業主自用租賃土地及樓宇計入物業、廠房及設備的租賃土地及樓宇中。

上文所述之物業、機器及設備項目(在建工程除外)乃以直線法按以下年率折舊：

租賃土地及樓宇	租賃期或2%至5% (以較短者為準)
租賃物業裝修	10%至33 $\frac{1}{3}$ %
汽車	20%至25%
機器及電子設備及其他	10%至33 $\frac{1}{3}$ %
計算機軟件、傢私及裝置	20%至33 $\frac{1}{3}$ %

15. 商譽

2016	2015
二零一六年	二零一五年
RMB'000	RMB'000
人民幣千元	人民幣千元

At 31 December

於十二月三十一日

231,602

231,602

款項指收購事項(定義見附註32)產生之商譽(已分配至現金產生單位組別(「現金產生單位」))。

商譽之可收回金額乃根據使用價值進行計算而釐定。基於管理層所批准涵蓋5年期間之財政預算，使用10% (二零一五年：10%)之貼現率以現金流預測法進行計算。超過5年的現金流則使用零增長率推算。本公司董事釐定可回收金額高於現金產生單位之賬面值，故無須商譽減值。

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16. INTERESTS IN JOINT VENTURES

16. 於合營公司的權益

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
	Notes 附註		
Cost of investment in joint ventures	於合營公司之投資成本	320	320
Share of net assets	應佔資產淨值 (a)	6,161	6,170
Amount due from a joint venture	應收一間合營公司款項 (b)	521,903	518,903
		528,384	525,393

Notes:

(a) Particulars of joint ventures as at 31 December 2016 and 2015 are as follows:

附註：

(a) 於二零一六年及二零一五年十二月三十一日合營公司的詳情如下：

Company name 公司名稱	Form of business nature 業務性質	Place of establishment and operation 成立及營運地點	Paid-up capital 繳足股本 RMB'000 人民幣千元	Proportion of voting right and percentage of interest held 投票權及所持權益百分比之比例	Principal activity 主要業務
Shenzhen Anyuan Industrial Development Co., Ltd. ("Anyuan") 深圳市安元實業發展有限公司(「安元」)	Incorporated 註冊成立	The PRC 中國	23,800	40% (2015: 40%) (二零一五年：40%)	Property development 物業發展
Yiyang Zhonghe Property Management Co., Ltd. 益陽中核物業有限公司	Incorporated 註冊成立	The PRC 中國	500	40% (2015: 40%) (二零一五年：40%)	Property development 物業發展

(b) Amount due from a joint venture represents advances to a joint venture which is unsecured, interest-free and has no fixed repayment terms. In an opinion of the directors of the Company, the settlement of the advances are neither planned nor likely to occur in the foreseeable future.

(b) 應收一間合營公司款項為支付予合營公司的預付款，該款項無抵押、免息，且無固定償還期限。本公司董事認為，該預付款結算並非按計劃進行，且可見將來不大可能會發生。

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16. INTERESTS IN JOINT VENTURES (Cont'd)

Notes: (Cont'd)

- (c) Yiyang Zhonghe Property Management Co., Ltd. is not considered material as compared to the Group's operating results during the year. Summarised financial information of Anyuan after adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Non-current assets	非流動資產	30	31
Current assets	流動資產	550,105	547,116
Current liabilities	流動負債	(534,731)	(531,721)
Included in the above amounts are:	計入上述款項：		
Cash and cash equivalents	現金及現金等價物	90,515	90,669
Revenue	收益	-	-
Loss and total comprehensive expense for the year	年度虧損及其他全面開支	22	74

Reconciliation of the above summarised financial information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements:

附註：(續)

- (c) 益陽中核物業有限公司被認為相對本集團年內的營運業績並不重大。下文披露安元已就會計政策的任何差異而調整的財務資料概要，以及與綜合財務報表賬面值所對銷：

以上財務資料概要與已於綜合財務報表確認之合營公司權益賬面值之對賬：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Net assets of Anyuan	安元資產淨值	15,404	15,426
Proportion of the Group's ownership interest in Anyuan	本集團於安元擁有之權益比例	40%	40%
Carrying amount of the Group's interest in Anyuan	本集團於安元之權益賬面值	6,161	6,170

17. AVAILABLE-FOR-SALE INVESTMENTS

The investments represents 0.40% (2015: 0.45%) shareholding in a public listed equity securities in the PRC where the Group does not have control, joint control or significant influence regarding the relevant activities of the investments. In 2015, they were measured at cost less impairment at the end of the reporting period because the directors of the Company believed that the range of reasonable fair value estimates was so wide that the fair values could not be measured reliably. In 2016, as the equity securities became listed, reliable measure of the fair value became available, the investment was therefore stated at fair value at the end of the reporting period.

17. 可供出售投資

該等投資佔於中國公開上市股權證券之0.40% (二零一五年：0.45%) 股權，本集團對該等投資相關業務並無控制權、聯合控制權或重大影響。於二零一五年，該等投資按於報告期末之成本減去減值釐定，原因是本公司董事認為合理公允價值估計範圍太大，故其公允價值不能可靠計量。於二零一六年，由於股權證券已上市及公允價值可予可靠計量，因此有關投資於報告期末按公允價值列賬。

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18. DEFERRED TAX

The movement in deferred tax assets (liabilities) arising from temporary differences are as follows:

		Withholding tax for undistributed profits	Valuation on investment properties	Accelerated tax depreciation	Available- for-sale investments	Others	Total	
	Tax losses	未分配利潤 的預扣稅	投資物業 估值	加速稅項折舊	可供出售投資	其他	總計	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	
Balance as at 1 January 2015	於二零一五年一月一日之結餘	99,329	(75,013)	(2,064,032)	(83,086)	-	76,085	(2,046,717)
Credited to the profit or loss upon payment of withholding tax (note 9)	支付預扣稅後計入損益(附註9)	-	37,926	-	-	-	-	37,926
Overprovision in prior year (note 9)	過往年度超額撥備(附註9)	-	28,680	-	-	-	-	28,680
(Charged) credited to the profit or loss (note 9)	於損益(扣除)計入(附註9)	(20,926)	(1,707)	(70,808)	(23,583)	-	18,769	(98,255)
Disposal of subsidiaries (note 35)	出售附屬公司(附註35)	-	-	-	13,014	-	(2,587)	10,427
Balance as at 31 December 2015	於二零一五年十二月三十一日 之結餘	78,403	(10,114)	(2,134,840)	(93,655)	-	92,267	(2,067,939)
(Charged) credited to the profit or loss (note 9)	於損益(扣除)計入(附註9)	(55,238)	(9,762)	(56,793)	(25,673)	-	56,392	(91,074)
Overprovision in prior year (note 9)	過往年度超額撥備(附註9)	-	9,826	-	-	-	-	9,826
Charge to other comprehensive income (note 32)	於其他全面收益扣除(附註32)	-	-	-	-	(54,445)	-	(54,445)
Balance as at 31 December 2016	於二零一六年十二月三十一日 之結餘	23,165	(10,050)	(2,191,633)	(119,328)	(54,445)	148,659	(2,203,632)

The following is the analysis of the deferred taxation balances for financial reporting purposes:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Deferred tax assets	遞延稅項資產	190,151	199,785
Deferred tax liabilities	遞延稅項負債	(2,393,783)	(2,267,724)
		(2,203,632)	(2,067,939)

The PRC EIT Law and its implementation rules impose a withholding tax at 10%, unless reduced by a tax treaty or arrangement, for dividends distributed by PRC-resident enterprises to their non-PRC-resident corporate investors for profits earned since 1 January 2008. Under the Sino-Hong Kong Double Tax Arrangement, a qualified Hong Kong tax resident is entitled to a reduced withholding tax rate of 5% if the Hong Kong tax resident is the "beneficial owner" and holds 25% or more of the equity interest of the PRC enterprise directly. Since the Group controls the quantum and timing of distribution of profits of the Group's subsidiaries in the PRC, deferred tax liabilities are only provided to the extent that such profits are expected to be distributed in the foreseeable future.

暫時差額產生的遞延稅項資產(負債)的變動如下:

就財務報告目的而言，遞延稅項結餘分析如下:

中國企業所得稅法及其實施規則規定，自二零零八年一月一日起，中國居民企業就所賺取盈利向非中國居民企業投資者分派的股息須按10%繳納預扣稅(除非根據稅項條約或安排獲減免)。根據內地與香港避免雙重徵稅安排，作為「實益擁有人」並直接持有中國企業25%或以上股權的合資格香港稅務居民有權按減免預扣稅稅率5%繳稅。由於本集團可控制分派本集團於中國的附屬公司的盈利的數量及時間，遞延稅項負債僅以預期可於可見將來分派的有關盈利為限計提撥備。

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18. DEFERRED TAX (Cont'd)

At 31 December 2016, temporary differences relating to the undistributed profits of the Group's PRC subsidiaries amounted to RMB973,599,000 (2015: RMB681,595,000) in respect of which deferred tax liabilities were not recognised. Except for the undistributed profit of the Group's PRC subsidiaries amounted to RMB195,240,000 (2015: RMB17,070,000), no deferred tax liability was recognised in respect of the taxable temporary differences as of 31 December 2016 as the Group controlled the dividend policy of these subsidiaries and had no plan to dispose of these subsidiaries in the then foreseeable future.

At 31 December 2016, the Group has unused deductible temporary difference amounted to RMB5,469,000 (2015: RMB239,717,000). No deferred tax asset has been recognised in respect of such temporary difference.

At the end of the reporting period, the Group has unused tax losses of RMB567,110,000 (2015: RMB417,996,000) available to offset against future profits. A deferred tax asset has been recognised in respect of such tax losses amounting to RMB92,660,000 (2015: RMB313,612,000). No deferred tax asset has been recognised in respect of the remaining tax losses of RMB474,450,000 (2015: RMB104,384,000) due to the unpredictability of future profit streams. The unrecognised tax losses will expire in the following years ending 31 December:

2016	二零一六年
2017	二零一七年
2018	二零一八年
2019	二零一九年
2020	二零二零年
2021	二零二一年

18. 遞延稅項(續)

於二零一六年十二月三十一日，有關本集團中國附屬公司之未分配利潤暫時差額達人民幣973,599,000元(二零一五年：人民幣681,595,000元)，並未就該等金額確認遞延稅項負債。除本集團中國附屬公司之未分配利潤達人民幣195,240,000元(二零一五年：人民幣17,070,000元)外，因本集團控制該等附屬公司的股息政策，且並無計劃於當時的可預見未來出售該等附屬公司，故並未就截至二零一六年十二月三十一日的應課稅暫時差額確認遞延稅項負債。

於二零一六年十二月三十一日，本集團有未動用可扣稅暫時差額人民幣5,469,000元(二零一五年：人民幣239,717,000元)。概無就該等暫時差額確認遞延稅項資產。

於報告期末，本集團可供抵銷未來盈利之未動用稅項虧損為人民幣567,110,000元(二零一五年：人民幣417,996,000元)。遞延稅項資產就該等稅項虧損確認為人民幣92,660,000元(二零一五年：人民幣313,612,000元)。由於未來盈利來源不可預測，故並無就其餘稅項虧損人民幣474,450,000元(二零一五年：人民幣104,384,000元)確認遞延稅項資產。未確認之稅項虧損將於以下年度截至十二月三十一日止屆滿：

2016	2015
二零一六年	二零一五年
RMB'000	RMB'000
人民幣千元	人民幣千元
-	5,539
3,313	5,956
24,604	23,042
67,383	67,404
1,550	2,443
377,600	-
474,450	104,384

19. DEPOSITS PAID FOR ACQUISITION OF EQUITY INTERESTS/PROPERTY, PLANT AND EQUIPMENT

The balance amounted to RMB210,000,000 was related to deposit paid for acquisition on equity interests in Apex Leader Limited ("Apex"), a company incorporated in British Virgin Islands ("BVI") (see also note 41(a)).

The other balance of RMB156,776,000 was related to acquisition of property, plant and equipment which is situated in the United States of America.

20. PROPERTIES UNDER DEVELOPMENT FOR SALE

Included in the properties under development for sale as at 31 December 2016 is carrying value of RMB3,977,425,000 (2015: RMB2,109,719,000) which represents the carrying value of the properties expected to be realised after twelve months from the end of the reporting period.

The Group's properties under development for sale are situated in the PRC and Hong Kong.

19. 收購股權／物業、廠房及設備之已付按金

結餘人民幣210,000,000元與收購Apex Leader Limited (「Apex」，一間於英屬維爾京群島(「英屬維爾京群島」)註冊成立的公司)股權之已付按金有關(亦見附註41(a))。

其他結餘人民幣156,776,000元與收購位於美國之物業、廠房及設備有關。

20. 發展中待售物業

於二零一六年十二月三十一日，列為發展中待售物業之賬面值為人民幣3,977,425,000元(二零一五年：人民幣2,109,719,000元)，乃預期於報告期末後十二個月方變現之物業賬面值。

本集團之發展中待售物業位於中國及香港。

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21. PROPERTIES HELD FOR SALE

The Group's properties held for sale are situated in the PRC.

22. OTHER INVENTORIES

Other inventories represent low value consumables carried at cost.

23. ACCOUNTS RECEIVABLE

21. 待售物業

本集團待售物業位於中國。

22. 其他存貨

其他存貨指按成本值入賬的低值易耗品。

23. 應收賬款

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Accounts receivable	應收賬款	17,329	103,042
Less: Allowance for doubtful debts	減：呆賬撥備	(793)	(832)
		16,536	102,210

Accounts receivable represents receivables arising from sales of properties which are due for settlement in accordance with the terms of the relevant sales and purchase agreements, and rental income from leasing properties. Monthly rents are normally received in advance and sufficient rental deposits are held to minimise credit risk. Accounts receivable generally have credit terms of 30 to 60 days (2015: 30 to 60 days) and no interest is charged. All accounts receivable are denominated in RMB. The ageing analysis of the Group's accounts receivable, based on invoice dates for leasing income and the terms of relevant sales and purchases agreements for sales of properties, is as follows:

應收賬款指根據相關買賣協議條款到期應付的銷售物業產生的應收賬款，以及租賃物業的租金收入。每月租金通常預先收取，並持有充足的租金按金以減低信貸風險。應收賬款的信貸期一般為30至60天（二零一五年：30至60天）且不計息。所有應收賬款以人民幣計值。本集團應收賬款的賬齡按有關租賃收入發票日期以及物業銷售相關買賣協議條款分析如下：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Within 1 month	一個月內	6,517	93,883
1 to 12 months	1至12個月	7,741	2,212
13 to 24 months	13至24個月	1,176	4,546
Over 24 months	超過24個月	1,102	1,569
		16,536	102,210

Included in the Group's accounts receivable balances are debtors with aggregate carrying amount of RMB10,019,000 (2015: RMB8,327,000) which are past due at the end of the reporting period for which the Group has not provided for impairment loss, of which 77% (2015: 27%) are past due within twelve months, and 23% (2015: 73%) are past due over twelve months, based on the repayment terms set out in the sales and purchase agreements. No provision for impairment is considered necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

計入本集團應收賬款結餘之款項為賬面總值為人民幣10,019,000元（二零一五年：人民幣8,327,000元）之應收款項，已於報告期末逾期，而本集團並無就此作出減值虧損撥備，根據買賣協議載列之還款期限，其中77%（二零一五年：27%）於十二個月內逾期，23%（二零一五年：73%）於十二個月後逾期。由於有關信貸質素並無重大變動且有關結餘被認為仍可悉數收回，故被認為並無必要就該等結餘作出減值撥備。

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23. ACCOUNTS RECEIVABLE (Cont'd)

The movement in the allowance for doubtful debts during the year, including both specific and collective loss components, is as follows:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
At 1 January	於一月一日	832	773
Impairment loss recognised	已確認減值虧損	-	59
Reversal on impairment loss recognised	已確認減值虧損之撥回	(39)	-
At 31 December	於十二月三十一日	793	832

As at 31 December 2016 and 2015, all remaining accounts receivable were neither past due nor impaired. These related to a number of customers for whom there was no recent history of default.

23. 應收賬款(續)

年內的呆賬撥備變動(包括特定及整體虧損組成部分)如下:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
At 1 January	於一月一日	832	773
Impairment loss recognised	已確認減值虧損	-	59
Reversal on impairment loss recognised	已確認減值虧損之撥回	(39)	-
At 31 December	於十二月三十一日	793	832

於二零一六年及二零一五年十二月三十一日，全部餘下應收賬款並未逾期及減值。款項乃與近期並無違約記錄的多名客戶有關。

24. DEPOSITS PAID, PREPAYMENTS AND OTHER RECEIVABLES

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Deposits paid and prepayments	已付按金及預付款項	459,299	309,119
Other receivables	其他應收款項	405,652	740,931
Amounts due from related parties	應收關連人士款項	317,089	888,544
Amounts due from non-controlling interests	應收非控股權益款項	52,743	2,875
		1,234,783	1,941,469

Amounts due from non-controlling interests and related parties, in which the ultimate controlling party has beneficial interests, are unsecured, interest-free and repayable on demand.

24. 已付按金、預付款項及其他應收款項

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Deposits paid and prepayments	已付按金及預付款項	459,299	309,119
Other receivables	其他應收款項	405,652	740,931
Amounts due from related parties	應收關連人士款項	317,089	888,544
Amounts due from non-controlling interests	應收非控股權益款項	52,743	2,875
		1,234,783	1,941,469

應收非控股權益及關連人士款項(最終控股方於其中擁有實益權益)為無抵押、免息及須按要求償還。

25. OTHER CURRENT ASSETS

Amount represented investments in wealth management product issued by financial institutions, which are either redeemable on demand or with maturities within twelve months with return based on performance of underlying assets. Such deposit is classified as loan and receivable recorded at cost. In the opinion of the directors of the Company, the carrying amount approximate to their fair values as of 31 December 2016 and 2015.

25. 其他流動資產

其他流動資產指對金融機構所發行理財產品的投資，可應要求予以贖回或於十二個月內到期，有關回報根據相關資產的表現而定。有關按金分類為按成本列賬的貸款及應收款項。本公司董事認為，截至二零一六年及二零一五年十二月三十一日，該等款項的賬面值與其公允價值相若。

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26. RESTRICTED BANK DEPOSITS

Amount mainly includes pledged deposits for letters of credit issued by a related party (see also *note 44(e)*) and performance deposits from contractors for construction contracts and bank loans of the Group. During the year, bank deposits amounted to RMB256,310,000 (2015: RMB256,310,000) of the Group was pledged for a bank borrowing utilised by an independent third party.

The effective interest rate of restricted bank deposits is in the range of 0.35% to 4.75% (2015: 0.35% to 5.23%) per annum.

27. BANK BALANCES AND CASH

As at 31 December 2016, included in bank balances and cash was a fixed deposit of RMB200,000,000 (2015: nil) with original maturity period of more than three months but within one year.

The effective interest rate of cash at banks is in the range of 0.01% to 1.56% (2015: 0.01% to 1.35%) per annum.

28. ACCOUNTS PAYABLE

Accounts payable mainly represent amounts due to contractors. Payment to contractors is made by reference of progress of the respective construction work and agreed milestones.

The following is an aged analysis of accounts payable presented based on the invoice date:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Within 1 month	一個月內	832,363	955,153
1 to 12 months	1至12個月	35,676	91,321
13 to 24 months	13至24個月	16,866	37,191
Over 24 months	24個月以上	36,533	18,631
		921,438	1,102,296

29. ACCRUALS, DEPOSITS RECEIVED AND OTHER PAYABLES

Receipts in advance	預收款項	217,355	3,627,073
Other payables and accruals	其他應付款項及應計費用	324,468	312,733
Amounts due to related parties	應付關連人士款項	-	50
Amounts due to non-controlling interests	應付非控股權益款項	4,715	4,493
		546,538	3,944,349

26. 受限制銀行存款

該筆款項主要包括一名關連人士發出的信用證的已質押存款(亦見附註44(e))、承包商建築合約的履約按金及本集團的銀行貸款。年內，本集團銀行存款人民幣256,310,000元(二零一五年：人民幣256,310,000元)已質押作為獨立第三方動用的銀行借貸的抵押。

受限制銀行存款實際年利率介乎0.35%至4.75%(二零一五年：0.35%至5.23%)。

27. 銀行結餘及現金

於二零一六年十二月三十一日，銀行結餘及現金包括原到期日為多於三個月但少於一年之定期存款人民幣200,000,000元(二零一五年：無)。

銀行現金的實際年利率介乎0.01%至1.56%(二零一五年：0.01%至1.35%)。

28. 應付賬款

應付賬款主要指應付承包商款項。應付承包商款項參考有關建設工程進度及協定進度作出。

應付賬款的賬齡按發票日期分析如下：

29. 應計費用、已收按金及其他應付款項

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Receipts in advance	預收款項	217,355	3,627,073
Other payables and accruals	其他應付款項及應計費用	324,468	312,733
Amounts due to related parties	應付關連人士款項	-	50
Amounts due to non-controlling interests	應付非控股權益款項	4,715	4,493
		546,538	3,944,349

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29. ACCRUALS, DEPOSITS RECEIVED AND OTHER PAYABLES (Cont'd)

Receipts in advance primarily consisted of sales proceeds received from customers.

Included in other payables and accruals at 31 December 2016 are deposits and retention money payable of RMB108,566,000 (2015: RMB115,534,000), which are expected to be settled after more than one year.

Amounts due to non-controlling interests and related parties, in which the ultimate controlling party has beneficial interests, are unsecured, interest-free and repayable on demand.

29. 應計費用、已收按金及其他應付款項 (續)

預收款項主要包括向客戶收取之銷售所得款項。

於二零一六年十二月三十一日，其他應付款項及應計費用包括存款及應付保留金人民幣108,566,000元（二零一五年：人民幣115,534,000元），預期將於超過一年後付清。

應付非控股權益及關連人士款項（最終控股方於其中擁有實益權益）為無抵押、免息及須按要求償還。

30. BORROWINGS

30. 借貸

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Borrowings comprise:	借貸包括：		
– Variable rate bank loans	– 浮息銀行貸款	8,228,366	6,540,535
– Fixed rate bank loans	– 固定利率銀行貸款	272,845	944,865
– Other borrowings	– 其他借貸	280,000	680,000
– Loans from non-controlling interests	– 非控股權益貸款	66,544	83,536
– Domestic corporate bond	– 境內公司債券	2,600,000	–
		11,447,755	8,248,936
Less: Front-end fee	減：前期費用	(30,488)	(15,055)
		11,417,267	8,233,881
Analysed as:	分析：		
– Secured	– 有抵押	8,597,491	8,150,345
– Unsecured	– 無抵押	2,819,776	83,536
		11,417,267	8,233,881
Borrowings repayable within a period of:	借貸須於以下期間內償還：		
– Not more than 1 year or on demand	– 一年內或按要求	3,580,323	1,676,275
– More than 1 year, but not exceeding 2 years	– 超過一年但少於兩年	2,062,633	2,786,866
– More than 2 years, but not exceeding 5 years	– 超過兩年但少於五年	4,022,903	1,794,137
– More than 5 years	– 五年以後	1,781,896	1,991,658
Total borrowings	借貸總計	11,447,755	8,248,936
Less: Amount due within one year shown under current liabilities	減：流動負債項下於一年內到期之款項	(3,580,323)	(1,676,275)
Less: Front-end fee	減：前期費用	(30,488)	(15,055)
Amount due after one year	於一年後到期之款項	7,836,944	6,557,606

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30. BORROWINGS (Cont'd)

All the Group's borrowings are denominated in the functional currencies of the relevant group companies (i.e. RMB and HKD) except loans from non-controlling interests of subsidiaries amounting to RMB66,544,000 (2015: RMB63,409,000), which are denominated in USD.

In 2015, an independent third party provided joint guarantees to the bank loans of the Group amounted RMB140,000,000. Certain secured bank loans with amounts of RMB1,370,000,000 (2015: RMB1,694,000,000) were secured by certain properties owned by an independent third party.

In 2015, a secured bank loan with an amount of RMB500,000,000 was jointly secured by certain properties owned by Ms. He Yaxing, the spouse of the ultimate controlling party.

Certain secured bank loans with aggregate amount of RMB678,000,000 (2015: RMB1,234,000,000) was jointly secured by properties owned by related companies controlled by Mr. Wong.

For bank loans denominated in HKD, the effective interest rates ranging from 2% to 4.25% (2015: 2% to 2.2%) per annum. For bank and other loans denominated in RMB, the effective interest rate was ranging from 4.35% to 8.95% (2015: 5.39% to 8.95%) per annum.

Loans from non-controlling interests are unsecured and interest-free. The loans were initially recognised at fair value and subsequently stated at amortised cost which was estimated by discounting the nominal value of the loans at effective interest rate of 2.08% (2015: 2.08% to 4.55%) per annum. The loans were fully repaid subsequent to the end of the reporting period.

On 26 August 2016, a subsidiary of the Company, Zhengxinglong Real Estate (Shenzhen) Co., Ltd. ("Zhengxinglong") issued a domestic corporate bond (the "Bond") with a principal amount of RMB2,600,000,000 and will be repayable in full by 26 August 2021. Zhengxinglong shall has an option to rise the coupon rate from 6.5% up to 7.5% per annum after the end of the third year ("coupon rate adjustment"). Zhengxinglong will make an announcement of the determination on the coupon rate adjustment and irrespective of whether adjustment will be made or not, the investor can exercise retractable option within 3 working days from the third anniversary of the issue date.

The Bond is listed in Shenzhen Stock Exchange. In the opinion of the directors, the fair values of the entitlement of coupon rate adjustment and investor's entitlement of selling back the Bond are insignificant at initial recognition and at the end of reporting period.

Management estimates the fair value of the Bond as at 31 December 2016 to be RMB2,535,000,000 with reference to the quoted market price of the Bond.

30. 借貸(續)

所有本集團借貸採用相關集團公司的功能貨幣(即人民幣與港元)計值, 附屬公司的非控股權益貸款人民幣66,544,000元(二零一五年: 人民幣63,409,000元)以美元計值除外。

於二零一五年, 獨立第三方為集團所借銀行貸款提供的連帶擔保為人民幣140,000,000元。若干有擔保銀行貸款人民幣1,370,000,000元(二零一五年: 人民幣1,694,000,000元)由獨立第三方擁有之若干物業作出抵押。

於二零一五年, 人民幣500,000,000元的有抵押銀行貸款由最終控股方之配偶何亞興女士擁有的若干物業作共同抵押。

若干有抵押銀行貸款總金額人民幣678,000,000元(二零一五年: 人民幣1,234,000,000元)由黃先生控制之關聯公司擁有的物業作共同抵押。

就以港元計值的銀行貸款而言, 實際年利率介乎2%至4.25%(二零一五年: 2%至2.2%)。就以人民幣計值的銀行及其他貸款而言, 實際年利率介乎4.35%至8.95%(二零一五年: 5.39%至8.95%)。

非控股權益之貸款為無抵押及免息。有關貸款按公允價值初步確認, 其後按攤銷成本列賬, 有關攤銷成本乃按2.08%(二零一五年: 2.08%至4.55%)之實際年利率貼現貸款面值進行估計。貸款已於報告期末後全數償還。

於二零一六年八月二十六日, 本公司之附屬公司正興隆房地產(深圳)有限公司(「正興隆」)發行境內公司債券(「該債券」), 本金額為人民幣2,600,000,000元, 而有關金額將於二零二一年八月二十六日全數償還。正興隆可選擇於第三年結束後將年票息率自6.5%上調至最多7.5%(「票息率調整」)。正興隆將就票息率調整的決定作出公告(不論是否將會作出調整), 而投資者可自發行日期第三週年當日起的三個工作天內行使回售選擇權。

該債券於深圳證券交易所上市。董事認為, 票息率調整權利及投資者回售該債券之權利之公允價值於初始確認及報告期末時並不重大。

經參考該債券之市場報價後, 管理層估計該債券於二零一六年十二月三十一日之公允價值為人民幣2,535,000,000元。

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31. SHARE CAPITAL

31. 股本

		2016 二零一六年			2015 二零一五年		
		Number of shares 股份數目	HK\$'000 千港元	RMB'000 人民幣千元	Number of shares 股份數目	HK\$'000 千港元	RMB'000 人民幣千元
Authorised share capital of the Company:	本公司法定股本：						
Ordinary shares of HK\$0.01 each	每股面值0.01港元的普通股	30,000,000,000	300,000	240,000	30,000,000,000	300,000	240,000
Issued and fully paid share capital of the Company:	本公司已發行及繳足股本：						
Ordinary shares of HK\$0.01 each At 1 January	每股面值0.01港元的普通股於一月一日	4,693,582,792	46,935	39,115	3,893,582,792	38,935	32,336
Arising from placing shares in 2015	因於二零一五年配售股份而產生	-	-	-	800,000,000	8,000	6,779
At 31 December	於十二月三十一日	4,693,582,792	46,935	39,115	4,693,582,792	46,935	39,115

32. RESERVES

32. 儲備

		Notes 附註	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Share premium	股份溢價	(i)	6,299,142	6,299,142
Convertible preference shares	可換股優先股	(ii)	5,959,114	5,959,114
Other reserve	其他儲備	(iii)	(11,235,356)	(11,262,576)
Exchange reserve	匯兌儲備	(iv)	66,011	63,717
Share option reserve (note 37)	購股權儲備(附註37)		128,404	-
Investment revaluation reserve	投資重估儲備	(v)	163,336	-
Statutory reserve	法定儲備	(vi)	147,427	66,373
Retained profits	保留盈利		7,397,319	6,716,192
			8,925,397	7,841,962

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32. RESERVES (Cont'd)

Notes:

The movements of the Group's reserves for the year are presented in the consolidated statement of changes in equity of the financial statements. The nature and purpose of the reserves are as follows:

- (i) Under the Companies Law (2011 Revision) of the Cayman Islands, the share premium account is distributable to shareholders of the Company provided that immediately following the date on which the dividend is proposed to be paid, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.
- (ii) On 30 November 2015, the Company issued convertible preference shares ("CPS") at issue price of HK\$2.06 per share, of which 3,413,473,023 CPS were issued to Mr. Wong for aggregate consideration of HK\$7,031,754,000 (equivalent of approximately RMB5,959,114,000) as consideration for the transaction.

Key terms of the CPS

- Holders of the CPS will be entitled to receive notices of and to attend the general meetings of the Company but are not permitted to vote unless a resolution is proposed to vary the rights of holders of the CPS or a resolution is proposed for the winding up of the Company;
- Holders of the CPS have the right to convert each CPS at any time into one ordinary share of the Company without the payment of any additional consideration. The holders may not exercise the conversion right if upon the conversion, the percentage of ordinary shares held by the public will fall below the minimum public float requirement under Rule 8.08 of the Listing Rules. The shares that are issued upon the exercise of the conversion right of the CPS are not subject to any restriction;
- The CPS cannot be redeemed by the Company;
- Holders of CPS will have priority over the holders of ordinary shares of the Company on the assets and funds of the Company available for distribution in a distribution of assets on liquidation, winding-up or dissolution of the Company;
- Subject to compliance with all applicable laws and the article of association of the Company, each CPS shall confer on its holder the right to receive a preferred distribution from the date of the issue of the CPS at a rate of 0.2% per annum, payable annually in arrear. Such preferred distribution is non-cumulative. The board of directors may, in its sole discretion, elect to defer or not to pay a preferred distribution. No interest accrues on any unpaid preferred distribution. If the board of directors of the Company elects to defer or not to pay a preferred distribution, the Company cannot pay any dividends, distributions or make any other payment to any ordinary shares.

32. 儲備(續)

附註：

本集團儲備於年內的變動，於財務報表的綜合權益變動表中呈列。儲備的性質及目的如下：

- (i) 根據開曼群島公司法(二零一一年修訂版)，股份溢價賬可分派予本公司股東，惟緊隨擬派付股息日期後，本公司須有能力償還於日常業務過程中到期的債務。
- (ii) 於二零一五年十一月三十日，本公司按每股發行價2.06港元發行可換股優先股(「可換股優先股」)，其中3,413,473,023股可換股優先股發行予黃先生，總代價7,031,754,000港元(相當於約人民幣5,959,114,000元)，作為交易代價。

可換股優先股之主要條款

- 可換股優先股持有人將有權接獲通知並出席本公司股東大會，但不獲准投票，除非提呈修訂可換股優先股持有人之權利之決議案或提呈本公司清盤之決議案；
- 可換股優先股持有人有權(無支付任何額外代價)隨時將每股可換股優先股轉換為一股本公司普通股。倘行使兌換權導致公眾持有普通股之百分比低於上市規則第8.08條之最低公眾持股量規定，則持有人不得行使兌換權。於可換股優先股之兌換權獲行使時發行之股份毋須受任何限制；
- 可換股優先股不能由本公司贖回；
- 本公司因清算、清盤或解散而分派資產時，可換股優先股持有人較本公司普通股股東優先享有本公司可供分派之資產及資金；
- 待符合所有適用法律及本公司組織章程細則後，每股可換股優先股將賦予其持有人權利，自發行可換股優先股日期按每年0.2%之利率收取優先分派，並於每年年末支付。有關優先分派不可累積。董事會可全權酌情選擇遞延或不支付優先分派。任何未支付優先分派並不計息。倘本公司董事會選擇遞延或不支付優先分派，則本公司不會就任何普通股派付任何股息、分派或作出任何其他派付。

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32. RESERVES (Cont'd)

Notes: (Cont'd)

(ii) (Cont'd)

Key terms of the CPS (Cont'd)

The CPS are classified as equity instruments in the Group's consolidated financial statements as the Group does not have a contractual obligation to deliver cash or other financial assets arising from the issue of the CPS.

Up to the date of the authorisation for issue of the Group's consolidated financial statements for the year ended 31 December 2016, no CPS has been converted into ordinary shares of the Company.

(iii) Other reserve:

On 21 January 2014, China LVGEM, an independent third party and the then shareholders of the Company, including Belbroughton Limited, Mr. TAOCHAIFU Choofuang, Mr. TAO Richard, Mr. TAO Paul and Tian Xiang Business Limited (together, the "Vendors"), had entered into a conditional sale and purchase agreement (the "Sale and Purchase Agreement") for the acquisition of an aggregate of 858,800,792 ordinary shares of HK\$0.01 each (the "Acquisition Shares") of the Company (the "Acquisition"). The Acquisition Shares represented approximately 64.83% of the issued share capital of the Company and the Acquisition was completed as at 8 May 2014 ("Completion Date").

On 2 June 2015, Urban Thrive Holdings Limited ("Urban Thrive"), a wholly owned subsidiary of the Company (as the purchaser) and Mr. Wong (as the seller) entered into an agreement pursuant to which Mr. Wong conditionally agreed to sell and Urban Thrive conditionally agreed to purchase the entire equity interest in Green View Holding Company Limited ("Green View") and its subsidiaries (collectively referred to as the "Target Group") for a total consideration of HK\$13,785,000,000 (equivalent to approximately RMB11,682,204,000) (the "Transaction").

The Transaction was completed on 30 November 2015. Before the completion of the Transaction, agreements were signed between certain subsidiaries within the Target Group and certain entities controlled by Mr. Wong, pursuant to which certain subsidiaries of the Target Group (the "Disposal Group") would be disposed of to the entities controlled by Mr. Wong at a total consideration of RMB682,955,000 (the "Disposals"). Further details of the Disposals are set out in note 35(b).

32. 儲備(續)

附註:(續)

(ii) (續)

可換股優先股之主要條款(續)

由於本集團並無交付發行可換股優先股產生的現金或其他金融資產的合約責任，故可換股優先股獲分類為本集團綜合財務報表的股權工具。

截至授權刊發本集團截至二零一六年十二月三十一日止年度之綜合財務報表日期，可換股優先股並未轉換為本公司普通股。

(iii) 其他儲備：

於二零一四年一月二十一日，作為獨立第三方之中國綠景與本公司當時之股東，包括Belbroughton Limited、陶哲甫先生、陶家祈先生、陶錫祺先生及天祥事務有限公司(統稱「賣方」)就收購合共858,800,792股每股面值0.01港元之本公司普通股(「收購股份」)訂立有條件買賣協議(「買賣協議」)(「收購事項」)。收購股份佔本公司已發行股本約64.83%，收購事項已於二零一四年五月八日(「完成日期」)完成。

於二零一五年六月二日，本公司全資附屬公司城隆控股有限公司(「城隆」，作為買方)與黃先生(作為賣方)訂立一份協議，據此，黃先生有條件同意出售及城隆有條件同意購買綠景控股有限公司(「綠景」)及其附屬公司(統稱「目標集團」)之全部股權，總代價為13,785,000,000港元(相當於約人民幣11,682,204,000元)(「該交易」)。

該交易已於二零一五年十一月三十日完成。於該交易完成前，目標集團旗下之若干附屬公司與由黃先生控制之若干實體簽訂協議，據此，目標集團之若干附屬公司(「出售集團」)已被出售予黃先生控制之實體，總代價為人民幣682,955,000元(「出售事項」)。有關出售事項之進一步詳情載於附註35(b)。

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32. RESERVES (Cont'd)

Notes: (Cont'd)

(iii) Other reserve: (Cont'd)

Other reserve mainly comprise: Credit (debit) to other reserve		其他儲備主要包括： 其他儲備抵免(支出)	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
(1)	Consideration shares at HK\$2.06 (RMB1.65) per share issued for the Transaction deemed to be issued at the beginning of the earliest period presented	就該交易所發行每股面值2.06港元(人民幣1.65元)的代價股份(視作於最早呈報期初時發行)	(4,380,717)	(4,380,717)
(2)	CPS at HK\$2.06 (RMB1.65) per CPS issued for the Transaction deemed to be issued at the beginning of the earliest period presented	就該交易所發行每股可換股優先股面值2.06港元(人民幣1.65元)的可換股優先股(視作於最早呈報期初時發行)	(5,959,114)	(5,959,114)
(3)	Difference between the share capital and share premium of the Company and Target Group	本公司及目標集團股本及股份溢價差額	(433,106)	(433,106)
(4)	Transfer upon exercise of share options and conversion of convertible bonds	行使購股權及轉換可換股債券時轉撥	(2,105)	(2,105)
(5)	Transfer upon cancellation of vested share options	註銷已歸屬購股權時轉撥	(34)	(34)
(6)	Effect of the Acquisition	收購事項之影響	806,292	806,292
(7)	Transfer upon the Acquisition	收購事項後轉撥	191,563	191,563
(8)	Effect of the Disposals	出售事項之影響	(142,982)	(142,982)
(9)	Deemed distribution to Mr. Wong in relation to the consideration paid to Mr. Wong for the Transaction	就該交易向黃先生支付的代價視作分派予黃先生	(1,342,373)	(1,342,373)
(10)	Equity transactions upon acquisition of non- controlling interests	收購非控股權益後的權益交易	27,220	-
			(11,235,356)	(11,262,576)

(iv) The exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy set out in note 3.

(iv) 匯兌儲備包括換算海外業務的財務報表所產生的所有外匯差額。該儲備乃根據載列於附註3的會計政策處理。

(v) The movements of investment revaluation reserve of the Group are set out below:

(v) 本集團的投資重估儲備變動載列如下：

		2016 二零一六年 RMB'000 人民幣千元
At beginning of the year	年初	-
Available-for-sale financial assets:	可供出售金融資產：	
- Fair value changes during the year	- 年內公允價值變動	217,781
- Deferred tax related to fair value changes	- 有關公允價值變動的遞延稅項	(54,445)
		163,336

(vi) As stipulated by the relevant laws and regulations in the PRC, certain subsidiaries of the Company in the PRC are required to maintain a statutory reserve which is non-distributable other than upon the liquidation of the entity. Transfer to this reserve is made out of profit after tax of the subsidiaries' PRC statutory financial statements which are prepared in accordance with the accounting principles generally accepted in the PRC.

(vi) 根據相關中國法律及法規規定，本公司若干附屬公司須維持不可分派的法定儲備，惟該公司清盤則除外。此儲備乃由附屬公司按照中國普遍採納會計原則編製的中國法定財務報表中的除稅後盈利轉撥。

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33. ACQUISITION OF THE EXISTING GROUP

The Company and its subsidiary (before the completion of the Transaction) (the “Existing Group”) is deemed to have been acquired by the Target Group at the Completion Date. The total consideration of the Acquisition of HK\$1,007,864,525 (approximately RMB806,292,000) was paid in cash by China LVGEM to acquire approximately 75% of the aggregate issued share capital of the Company (the “Deemed Consideration”). The fair value of the identifiable assets and liabilities of the Existing Group at the Completion Date were as follows:

33. 收購現時集團

本公司及其附屬公司(於完成該交易前)(「現時集團」)被視為於完成日期由目標集團收購。中國綠景以現金支付收購事項之總代價為1,007,864,525港元(約人民幣806,292,000元)，以收購本公司已發行之股本總額約75% (「視作代價」)。現時集團於完成日期之可識別資產及負債公允價值如下：

		RMB'000 人民幣千元
Property, plant and equipment	物業、廠房及設備	7,317
Investment properties	投資物業	249,140
Deferred tax assets	遞延稅項資產	135
Properties under development for sale	發展中待售物業	369,987
Properties held for sale	待售物業	309,308
Other inventories	其他存貨	22
Accounts receivable	應收賬款	73
Deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項	39,249
Other current assets	其他流動資產	998
Tax recoverable	可回收稅項	18,974
Restricted bank deposits	受限制銀行存款	25,999
Bank balances and cash	銀行結餘及現金	379,530
Accounts payable	應付賬款	(50,629)
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款項	(362,348)
Borrowings	借貸	(86,520)
Convertible bonds	可換股債券	(34,523)
Deferred tax liabilities	遞延稅項負債	(59,714)
Net assets acquired	已收購資產淨值	806,998

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33. ACQUISITION OF THE EXISTING GROUP (Cont'd)

Goodwill was determined as the excess of the Deemed Consideration of the Acquisition and the amount of non-controlling interests of the subsidiaries of the Existing Group and 25% deemed non-controlling interest in the Existing Group over the fair values of the identifiable assets and liabilities acquired of the Existing Group as at the Completion Date, as follows:

		RMB'000 人民幣千元
Deemed Consideration	視作代價	806,292
Plus: Non-controlling interests of the subsidiaries of the Existing Group (Note)	加：現時集團附屬公司之非控股權益(附註)	40,745
Plus: 25% interest in the Existing Group (Note)	加：現時集團之25%權益(附註)	191,563
Less: Recognised net assets of the acquirees	減：被收購方之已確認資產淨值	(806,998)
Goodwill	商譽	231,602

Note: The non-controlling interests at the Completion Date were measured at their present ownership interests' proportionate share in the recognised amounts of the acquirees' identifiable assets at the Completion Date.

This Acquisition has been accounted for using the purchase method in accordance with HKFRS 3 *Business Combination*. Acquisition and related transaction costs have been excluded from the Deemed Consideration transferred and have been recognised as an expense directly. Goodwill arose in the Acquisition because the cost of the combination included a control premium, as well as the benefit of future market development and fund raising platform for the properties development business. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

34. ACQUISITIONS OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES

- (a) As detailed in the announcements issued by the Company dated 30 July 2015, 13 August 2015 and 22 March 2016, Jianmai Limited, an indirect 75%-owned subsidiary of the Company as the purchaser entered into an acquisition agreement on 30 July 2015, with Hanison Construction Holdings (BVI) Limited, an independent third party to the Group as the vendor and Sanney Limited, an independent third party to the Group as vendor's guarantor pursuant to which Jianmai Limited conditionally agreed to acquire from the vendor the entire issued share capital in Wisdom Concept Development Limited ("Wisdom Concept") for an aggregate consideration of HK\$710,000,000 (equivalent to RMB606,837,000). Wisdom Concept is engaging in property development in Hong Kong of which the main asset is a land held for development and thus the acquisition was regarded as acquisition of assets and liabilities through acquisition of a subsidiary. The acquisition was completed on 22 March 2016.

33. 收購現時集團(續)

商譽乃按收購事項之視作代價、現時集團附屬公司非控股權益金額及現時集團25%視作非控股權益，超出現時集團所收購可識別資產及負債於完成日期之公允價值之數額而釐定，詳情載列如下：

		RMB'000 人民幣千元
Deemed Consideration	視作代價	806,292
Plus: Non-controlling interests of the subsidiaries of the Existing Group (Note)	加：現時集團附屬公司之非控股權益(附註)	40,745
Plus: 25% interest in the Existing Group (Note)	加：現時集團之25%權益(附註)	191,563
Less: Recognised net assets of the acquirees	減：被收購方之已確認資產淨值	(806,998)
Goodwill	商譽	231,602

附註：於完成日期的非控股權益乃按其於被收購方可識別資產於完成日期的已確認金額中的現有所有權權益比例份額計量。

本收購事項根據香港財務報告準則第3號業務合併採用收購法入賬。收購事項及相關交易成本不包括所轉讓之視作代價，並已直接確認為開支。收購事項產生商譽乃由於計入控制溢價的合併成本以及未來市場開發的收益及物業開發業務平台所籌集的資金所致。由於該等收益並不符合可識別無形資產的確認標準，故此並未在商譽中獨立確認。

34. 透過收購附屬公司收購資產及負債

- (a) 誠如本公司於二零一五年七月三十日、二零一五年八月十三日及二零一六年三月二十二日刊發的公告所詳述，於二零一五年七月三十日，景邁有限公司(本公司間接擁有75%權益之附屬公司，作為買方)與本集團獨立第三方 Hanison Construction Holdings (BVI) Limited (作為賣方)及本集團獨立第三方駿生有限公司(作為賣方之擔保方)訂立收購協議，據此，景邁有限公司有條件同意向賣方收購聰勁發展有限公司(「聰勁」)之全部已發行股本，總代價為710,000,000港元(相當於人民幣606,837,000元)。聰勁於香港從事物業發展，其主要資產為持作開發土地，因此，該收購事項被視為透過收購一間附屬公司收購資產及負債。該收購事項於二零一六年三月二十二日完成。

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34. ACQUISITIONS OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES (Cont'd)

34. 透過收購附屬公司收購資產及負債(續)

(a) (Cont'd)

(a) (續)

Assets and liabilities recognised at the date of acquisition:

於收購日期確認之資產及負債：

		RMB'000 人民幣千元
Properties under development for sale	發展中待售物業	606,906
Other receivables	其他應收款項	6
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款項	(75)
Net assets acquired	已收購資產淨值	606,837
Net cash outflow arising on acquisition:		
收購帶來的現金流出淨額：		
		RMB'000 人民幣千元
Cash consideration paid	已付現金代價	606,837

(b) On 30 April 2015, Xingfu (China) Limited, an indirect wholly-owned subsidiary of the Company, and Crown Profit (HK) Industrial Limited, an independent third party of the Group, entered into a sale and purchase agreement, pursuant to which Xingfu (China) Limited conditionally agreed to purchase, and Crown Profit (HK) Industrial Limited conditionally agreed to sell and transfer, 10,000 shares in the issued share capital of HongKong Jiatian International Trading Development Limited, which represents its entire issued share capital, and its non-wholly owned subsidiary (collectively referred to as the "HongKong Jiatian Group"), for a total cash consideration of RMB145,200,000. HongKong Jiatian Group was engaged in property investment in the PRC through its non-wholly owned subsidiary and thus regarded as acquisition of assets and liabilities. The acquisition was completed on 4 May 2015.

(b) 於二零一五年四月三十日，興富(中國)有限公司(本公司之間接全資附屬公司)與冠潤(香港)實業有限公司(本集團獨立第三方)訂立買賣協議，據此，興富(中國)有限公司有條件同意購買而冠潤(香港)實業有限公司有條件同意出售及轉讓香港佳田國際貿易發展有限公司已發行股本中之10,000股股份，即其全部已發行股本；連同其非全資附屬公司(以下統稱「香港佳田集團」)，視作收購資產與負債總現金代價為人民幣145,200,000元。香港佳田集團透過其非全資附屬公司於中國從事物業投資。該收購事項於二零一五年五月四日完成。

Assets and liabilities recognised at the date of acquisition:

於收購日期確認之資產及負債：

		RMB'000 人民幣千元
Investment properties	投資物業	227,890
Other receivables	其他應收款項	164
Bank balances	銀行結餘	13
Accounts payable	應付賬款	(1,500)
Accruals, deposits received and other payables	應計費用、已收按金及其他應付款項	(2,967)
Borrowings	借貸	(30,000)
Net assets acquired	已收購資產淨值	193,600

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34. ACQUISITIONS OF ASSETS AND LIABILITIES THROUGH ACQUISITION OF SUBSIDIARIES (Cont'd)

(b) (Cont'd)

Non-controlling interests:

The non-controlling interests (25%) in non-wholly owned subsidiary of HongKong Jiatian International Trading Development Limited recognised at the acquisition date were measured by reference to the proportionate share of recognised amounts of net assets and amounted to RMB48,400,000.

Net cash outflow arising on acquisition:

		RMB'000 人民幣千元
Cash consideration paid	已付現金代價	145,200
Less: Bank balances acquired	減：已收購銀行結餘	(13)
		145,187

35. DISPOSAL OF SUBSIDIARIES

(a) Disposal of a subsidiary in 2016

On 26 April 2016, the Group as the vendor entered into a sale and purchase agreement with 惠州市曼哈房地產開發有限公司 (Huizhou Manha Real Estate Development Co., Ltd.*) an independent third party of the Group, as the purchaser to dispose of the entire equity interests in a wholly-owned subsidiary, Huizhou LVGEM Real Estate Development Co., Ltd. ("Huizhou LVGEM") at a consideration of RMB54,798,000. Huizhou LVGEM was engaged in property development in Huizhou, the PRC. The disposal was completed on 10 August 2016.

Net assets of the above subsidiary at the date of disposal were as follows:

		RMB'000 人民幣千元
Net assets disposed of:	已出售資產淨值：	
Properties under development for sale	發展中待售物業	36,419
Bank balances and cash	銀行結餘及現金	39
		36,458
Gain on disposal of a subsidiary (included in "other income")	出售一間附屬公司收益(計入「其他收入」)	18,340
Total consideration	總代價	54,798

34. 透過收購附屬公司收購資產及負債(續)

(b) (續)

非控股權益：

於收購日期確認之香港佳田國際貿易發展有限公司於全資附屬公司的非控股權益(25%)，乃參考按比例分佔資產淨值的確認金額計量，其金額為人民幣48,400,000元。

收購帶來的現金流出淨額：

35. 出售附屬公司

(a) 於二零一六年出售一間附屬公司

於二零一六年四月二十六日，本集團(作為賣方)與本集團獨立第三方惠州市曼哈房地產開發有限公司(作為買方)訂立買賣協議，以出售全資附屬公司惠州綠景房地產開發有限公司(「惠州綠景」)的全部股權，代價為人民幣54,798,000元。惠州綠景於中國惠州從事物業發展。該出售事項於二零一六年八月十日完成。

於出售日期，上述附屬公司的資產淨值如下：

* For identification purpose only 僅供識別

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35. DISPOSAL OF SUBSIDIARIES (Cont'd)

(a) Disposal of a subsidiary in 2016 (Cont'd)

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

		RMB'000 人民幣千元
Total cash consideration received	已收總現金代價	54,798
Bank balances and cash disposed of	已出售銀行結餘及現金	(39)
Net cash inflow on disposal	出售的現金流入淨額	54,759

(b) Disposal of subsidiaries in 2015

As disclosed in note 32(iii), agreements were signed between certain subsidiaries of the Target Group and certain entities controlled by Mr. Wong, pursuant to which certain subsidiaries of the Target Group would be disposed of the entities controlled by Mr. Wong at a total consideration of RMB682,955,000.

On 13 May 2015, the Target Group as the vendor entered into a sale and purchase agreement (the ("Shenzhen Wanghaiyikang Disposal Agreement") with Shenzhen Jinshunlai Investment Development Co., Ltd. as the purchaser to dispose of the entire equity interests in a 90%-owned subsidiary, Shenzhen Wanghaiyikang Industrial Development Co., Ltd. ("Shenzhen Wanghaiyikang") at a consideration of RMB25,240,000. Shenzhen Wanghaiyikang disposed of certain investment properties to an independent third party before the completion of the Shenzhen Wanghaiyikang Disposal Agreement, since then, it became a shell company with no property holding or active business. The disposal was completed on 13 May 2015.

On 13 May 2015, the Target Group as the vendor entered into a sale and purchase agreement with Shenzhen LVGEM Entity Management Group Co., Ltd. as the purchaser to dispose of the entire equity interests in a wholly-owned subsidiary, Shenzhen Lvsheng Investment Development Co., Ltd. ("Shenzhen Lvsheng"), and its subsidiary (collectively referred to as the "Shenzhen Lvsheng Group") at a consideration of RMB381,230,000. Shenzhen Lvsheng Group holds the industrial factory area in Nanshan district in Shenzhen, the PRC. The disposal was completed on 13 May 2015.

On 29 May 2015, the Target Group as the vendor entered into a sale and purchase agreement with Jinling Holdings Limited as the purchaser to dispose of the entire equity interests in a wholly-owned subsidiary, Jin Xin Investments (Hong Kong) Limited ("Jin Xin"), and its subsidiaries (collectively referred to as the "Jin Xin Group") at a consideration of RMB276,485,000. Jin Xin Group was engaged in property development in Zhuhai, the PRC, through its subsidiaries. The disposal was completed on 29 May 2015.

35. 出售附屬公司(續)

(a) 於二零一六年出售一間附屬公司(續)

有關出售事項的現金及現金等價物現金流入淨額分析如下：

		RMB'000 人民幣千元
Total cash consideration received	已收總現金代價	54,798
Bank balances and cash disposed of	已出售銀行結餘及現金	(39)
Net cash inflow on disposal	出售的現金流入淨額	54,759

(b) 於二零一五年出售附屬公司

誠如附註32(iii)所披露，目標集團若干附屬公司與黃先生控制之若干實體訂立協議，據此，目標集團之若干附屬公司將出售予黃先生控制之若干實體，總代價為人民幣682,955,000元。

於二零一五年五月十三日，目標集團(作為賣方)與深圳市金順來投資發展有限公司(作為買方)訂立一份買賣協議(「深圳旺海怡康出售協議」)，以出售其持有90%權益之附屬公司深圳市旺海怡康實業發展有限公司(「深圳旺海怡康」)之全部股權，代價為人民幣25,240,000元。於完成深圳旺海怡康出售協議之前，深圳旺海怡康向獨立第三方出售若干投資物業，自此，其成為空殼公司而無持有物業或經營業務。出售事項已於二零一五年五月十三日完成。

於二零一五年五月十三日，目標集團(作為賣方)與深圳市綠景企業管理集團有限公司(作為買方)訂立一份買賣協議，以出售其於全資附屬公司深圳市綠景投資發展有限公司(「深圳綠景」)及其附屬公司(統稱「深圳綠景集團」)之全部股權，代價為人民幣381,230,000元。深圳綠景持有中國深圳市南山區之工廠區。出售事項已於二零一五年五月十三日完成。

於二零一五年五月二十九日，目標集團(作為賣方)與金凌集團有限公司(作為買方)訂立一份買賣協議，以出售其於全資附屬公司金信投資(香港)有限公司(「金信」)及其附屬公司(統稱「金信集團」)之全部股權，代價為人民幣276,485,000元。金信集團於中國珠海透過其附屬公司從事物業發展。出售事項已於二零一五年五月二十九日完成。

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35. DISPOSAL OF SUBSIDIARIES (Cont'd)

(b) Disposal of subsidiaries in 2015 (Cont'd)

The difference of RMB90,671,000 between the aggregate consideration of RMB682,955,000 and the carrying amount of assets and liabilities of the disposed subsidiaries as mentioned above of RMB773,626,000 was considered as a deemed distribution to Mr. Wong and debited against other reserves of the Group.

The aggregate consideration was satisfied by (i) RMB100,260,000 offset against the amount due to the ultimate controlling party; (ii) RMB582,695,000 settled against dividend declared to the ultimate controlling party by the Target Group (see note 11).

Net assets of the above subsidiaries at the date of disposal were as follows:

		RMB'000 人民幣千元
Net assets disposed of:	已出售資產淨值：	
Property, plant and equipment	物業、廠房及設備	28,898
Available-for-sale investments	可供出售投資	4,500
Deferred tax assets	遞延稅項資產	2,587
Properties under development for sale	發展中待售物業	558,591
Properties held for sale	待售物業	247,146
Tax recoverable	可收回稅項	239
Accounts and other receivables, deposits and prepayments	應收賬款及其他應收款項、按金及預付款項	247,912
Bank balances and cash	銀行結餘及現金	16,139
Accounts and other payables, accruals and deposits received	應付賬款及其他應付款項、應計費用及已收按金	(310,181)
Tax liabilities	稅項負債	(9,191)
Deferred tax liabilities	遞延稅項負債	(13,014)
		773,626
Release of non-controlling interests	解除非控股權益	(11,327)
Exchange reserve released on disposal	出售時解除之匯兌儲備	63,638
Loss on disposal of subsidiaries (included in "other reserve")	出售附屬公司虧損(計入「其他儲備」)	(142,982)
Total consideration	總代價	682,955

An analysis of the net cash outflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

35. 出售附屬公司(續)

(b) 於二零一五年出售附屬公司(續)

總代價人民幣682,955,000元與上文所述已出售附屬公司之資產及負債賬面值人民幣773,626,000元的差額人民幣90,671,000元被認為黃先生的分派及計入本集團的其他儲備。

總代價將按以下方式支付：(i)人民幣100,260,000元與應付最終控股方款項抵銷；(ii)人民幣582,695,000元由目標集團向最終控股方宣派之股息抵銷(見附註11)。

於出售日期，上述附屬公司的資產淨值如下：

		RMB'000 人民幣千元
Total cash consideration received	已收總現金代價	-
Bank balances and cash disposed of	已出售銀行結餘及現金	(16,139)
Net cash outflow on disposal	出售的現金流出淨額	(16,139)

An analysis of the net cash outflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

有關出售附屬公司的現金及現金等價物現金流出淨額分析如下：

		RMB'000 人民幣千元
Total cash consideration received	已收總現金代價	-
Bank balances and cash disposed of	已出售銀行結餘及現金	(16,139)
Net cash outflow on disposal	出售的現金流出淨額	(16,139)

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36. CONVERTIBLE BONDS AND DERIVATIVE FINANCIAL INSTRUMENTS

36. 可換股債券及衍生金融工具

(a) Convertible bonds

(a) 可換股債券

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Net carrying amount as at 1 January	於一月一日的賬面淨值	-	-
Issue of convertible bonds (the "CB 2018")	發行可換股債券(「二零一八年可換股債券」)	550,530	-
Interest expense	利息開支	13,258	-
Interest paid	已付利息	(4,602)	-
Net carrying amount as at 31 December	於十二月三十一日的賬面淨值	559,186	-

On 6 November 2016, the Company entered into a Convertible Bonds Subscription Agreement (the "Agreement") with a third party, Chance Talent Management Limited (the "Subscriber"). Pursuant to the Agreement, the Subscriber agreed to acquire the CB 2018 with aggregate principal amount of US\$100 million at interest rate of 5.5% per annum, payable by the Company semi-annually in arrears from the issue date. The maturity date is on the second anniversary of the issue date. The CB 2018 were issued to the Subscriber on 18 November 2016.

The bondholder has the right to convert the CB 2018 in whole or in part into shares at any time on or after the issue date of the CB 2018 up to the respective maturity. 281,159,420 new shares will be issued upon full conversion of the CB 2018 based on the initial conversion price of HK\$2.76.

The CB 2018 will be redeemed on maturity at a value equal to the amount equal to the aggregate of (a) the aggregate principal amount of such outstanding CB 2018; (b) any accrued but unpaid interest on such outstanding CB 2018 on the redemption date (other than default interest); and (c) (if the sum of the amounts referred to above (a) and (b) fall short of making up an internal rate of return of 8% on the aggregate principal amount of CB 2018) such additional amount which would make up an internal rate of 8% on the aggregate principal amount of CB 2018.

Further details of the terms and conditions of the CB 2018 were disclosed in the announcements of the Company dated 6 November 2016, 8 November 2016 and 18 November 2016 respectively.

於二零一六年十一月六日，本公司與一名第三方 Chance Talent Management Limited (「認購人」) 訂立一份可換股債券認購協議(「該協議」)。根據該協議，認購人同意收購本金總額為1億美元、按年利率5.5%計息的二零一八年可換股債券，利息自發行日期起於每半年末由本公司支付。到期日為發行日期起計滿兩週年。二零一八年可換股債券於二零一六年十一月十八日發行予認購人。

債券持有人有權於二零一八年可換股債券發行日期當日或之後至相關到期日止隨時將全部或部份二零一八年可換股債券轉換為股份。281,159,420股新股份將於二零一八年可換股債券獲悉數轉換後按初步兌換價2.76港元發行。

二零一八年可換股債券將於到期日贖回，價值等同相等於下列總和之金額(a)有關未轉換二零一八年可換股債券之本金總額；(b)任何有關未轉換二零一八年可換股債券於贖回日期之應計但未付利息(違約利息除外)；及(c) (倘上文(a)及(b)項所述款項之總和不足以令內部回報率達二零一八年可換股債券本金總額之8%)將令內部回報率達二零一八年可換股債券本金總額8%之有關額外金額。

二零一八年可換股債券的條款及條件的進一步詳情於本公司日期分別為二零一六年十一月六日、二零一六年十一月八日及二零一六年十一月十八日的公告內披露。

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36. CONVERTIBLE BONDS AND DERIVATIVE FINANCIAL INSTRUMENTS (Cont'd)

(a) Convertible bonds (Cont'd)

The CB 2018 contains two components, debt component and derivative component. The effective interest rates of the debt component is 19.98% per annum. The derivative component is measured at fair value with changes in fair value recognised in profit and loss.

(b) Derivative financial instruments

Net carrying amount as at 1 January	於一月一日的賬面淨值	-	-
Embedded derivatives at the date of issue of convertible bonds	於可換股債券發行日期的嵌入式衍生工具	135,518	-
Gain arising on changes in fair value	公允價值變動產生的收益	(15,022)	-
Net carrying amount as at 31 December	於十二月三十一日的賬面淨值	120,496	-

The methods and assumptions applied for the valuation of the CB 2018 at initial recognition and at 31 December 2016 were as follows:

The fair value of the derivative financial instruments at initial recognition and as at 31 December 2016 derived by using the Binomial Option Pricing Model were approximately RMB135,518,000 and RMB120,496,000, respectively, which were determined by the directors of the Company with reference to the valuation performed by Asset Appraisal Limited, a firm of independent professional valuers with appropriate qualifications and recent experiences in the valuation of similar derivative instruments with reference to market values. During the year ended 31 December 2016, the Group recognised the fair value change of RMB15,022,000 in the consolidated statements of profit or loss.

The inputs used in the Binomial Option Pricing Model adopted by the independent professional valuer in determining the fair values at the respective dates were as follows:

	At date of issue	At 31 December 2016
Share price	HK\$2.49	HK\$2.39
Exercise price	HK\$2.76	HK\$2.76
Expected dividend yield	0.40%	0.42%
Volatility	52.35%	52.18%
Risk free interest rate	0.783%	1.025%

36. 可換股債券及衍生金融工具(續)

(a) 可換股債券(續)

二零一八年可換股債券包括兩個部分(債務部分及衍生工具部分)。債務部分的實際利率為每年19.98%。衍生工具部分按公允價值及於損益中確認的公允價值變動計量。

(b) 衍生金融工具

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
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於初步確認及於二零一六年十二月三十一日對二零一八年可換股債券進行估值時所應用的方法及假設如下：

衍生金融工具於初步確認及於二零一六年十二月三十一日採用二項式期權定價模型衍生之公允價值分別約為人民幣135,518,000元及人民幣120,496,000元，有關金額乃本公司董事參考中誠達資產評估顧問有限公司進行的估值而釐定，該公司乃擁有適當資格的獨立專業估值師，且在參考市價評估同類衍生工具方面擁有近期經驗。截至二零一六年十二月三十一日止年度，本集團於綜合損益表中確認公允價值變動人民幣15,022,000元。

獨立專業估值師於各日期釐定公允價值時所採納的二項式期權定價模型中所用的輸入數據如下：

	At date of issue	At 31 December 2016		於發行日期	於二零一六年十二月三十一日
Share price	HK\$2.49	HK\$2.39	股價	2.49港元	2.39港元
Exercise price	HK\$2.76	HK\$2.76	行使價	2.76港元	2.76港元
Expected dividend yield	0.40%	0.42%	預期股息率	0.40%	0.42%
Volatility	52.35%	52.18%	波幅	52.35%	52.18%
Risk free interest rate	0.783%	1.025%	無風險利率	0.783%	1.025%

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37. SHARE-BASED EMPLOYEE COMPENSATION

The share option scheme adopted by the Company on 14 November 2005 expired on 13 November 2015. On 2 June 2016, the Company adopted a new share option scheme (the “Scheme”) at the annual general meeting of the Company held on 2 June 2016.

Pursuant to the Scheme, the board of directors may, at its discretion, invite any executive or non-executive directors including independent non-executive directors or any employees (whether full-time or part-time) of the Company, its subsidiaries and associated companies; any discretionary objects of a discretionary trust established by any employees, executive or non-executive directors of each member of the Group or its associated companies; any consultants, professional and other advisers to each member of the Group or its associated companies (or persons, firms or companies proposed to be appointed for providing such services); any chief executives or substantial shareholders of the Company; any associates of any director, chief executive or substantial shareholder of the Company; and any employees (whether full-time or part-time) of substantial shareholders of the Company, provided that the board of directors may have absolute discretion to determine whether or not one falls within the above categories, (together, the “Participants” and each a “Participant”), to take up options (“Option(s)”) to subscribe for shares at a price determined in accordance with the paragraph below.

In determining the basis of eligibility of each Participant, the board of directors would take into account such factors as the board of directors may at its discretion consider appropriate.

The Scheme shall be valid and effective for a period of ten years commencing on the date on which the Scheme is adopted, after which period no further Options will be granted but in all other respects the provisions of the Scheme shall remain in full force and effect, and Options which are granted during the life of the Scheme may continue to be exercisable in accordance with their terms of grant.

The exercise price of a share in relation to each Option granted under the Scheme shall be a price solely determined by the board of directors and notified to a Participant and shall be at least the highest of:

- (a) the closing price of the Company’s shares as stated in the Stock Exchange’s daily quotations sheet on the business day on which an offer is accepted by the grantee or if such date of acceptance by the grantee is not a business day, the immediately preceding business day;

37. 以股份支付的僱員薪酬

本公司於二零零五年十一月十四日採納之購股權計劃已於二零一五年十一月十三日屆滿。於二零一六年六月二日，本公司於二零一六年六月二日舉行之本公司股東週年大會上採納新購股權計劃（「該計劃」）。

根據該計劃，董事會可酌情邀請本公司、其附屬公司及聯營公司的任何執行或非執行董事，包括獨立非執行董事或任何僱員（不論全職或兼職）；本集團各成員公司或其聯營公司的任何僱員、執行或非執行董事所設立的全權信託的任何全權受益人；本集團各成員公司或其聯營公司的任何諮詢人、專業人士及其他顧問（或擬委任以提供該等服務的人士、商行或公司）；本公司任何主要行政人員或主要股東；本公司任何董事、主要行政人員或主要股東的任何聯繫人；及本公司主要股東的任何僱員（不論全職或兼職），惟董事會可全權酌情釐定有關人士是否屬於上述類別（上述人士均稱為及合稱「參與者」），以接納購股權（「購股權」），並根據下文確定的價格認購股份。

於釐定各參與者的資格標準時，董事會將考慮其可能酌情認為恰當的因素。

該計劃自獲採納日期起計有效期為十年，在限期後不會再授出購股權，惟在所有其他方面，該計劃的條文仍具有十足效力及作用，於該計劃期限內授出的購股權可按其授出條款繼續行使。

根據該計劃授出之各購股權之股份行使價格將為僅由董事會釐定及告知參與者之價格，以及將為以下之最高者：

- (a) 於要約獲承授人接納的營業日（或如要約獲承授人接納當日並非營業日，則為緊接該日前的營業日）聯交所日報表所報的本公司股份收市價；

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37. SHARE-BASED EMPLOYEE COMPENSATION (Cont'd)

- (b) a price being the average of the closing prices of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date on which an offer is accepted by the grantee (provided that the new issue price shall be used as the closing price for any business day falling within the period before listing of the shares where the Company has been listed for less than five business days as at the date on which an offer is accepted by the grantee); and
- (c) the nominal value of a Company's share.

The total number of shares, which may be issued upon exercise of all Options to be granted under the Scheme and any other share option scheme of the Company shall not in aggregate exceed 10% of the total number of shares in issue on the date of commencement of dealings in the shares on the Stock Exchange ("Scheme Mandate Limit"), unless the Company obtains an 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 any other provisions of the Scheme, the maximum number of the 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 total number of shares in issue from time to time.

Unless approved by the shareholders, 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.

Offer of an option ("Offer") shall be deemed to have been accepted by any Participant (the "Grantee") who accepts an Offer in accordance with the terms of the Scheme and the option to which the Offer relates shall be deemed to have been granted and to have taken effect when the duplicate of the offer letter comprising acceptance of the Offer duly signed by the Grantee together with a remittance in favour of the Company of HK\$1.00 by way of consideration for the granting thereof is received by the Company within 30 days from the date upon which the Offer is made.

On 28 June 2016, the Company granted share options under the Scheme to certain Participants which will enable the Grantees to subscribe for a total of 285,800,000 ordinary shares of HK\$0.01 each in the share capital of the Company.

37. 以股份支付的僱員薪酬(續)

- (b) 緊接要約獲承授人接納前五個營業日聯交所日報表所報的本公司股份平均收市價(惟倘本公司於要約獲承授人接納當日前已上市的天數少於五個營業日,則新發行價應用作股份上市前期間任何營業日的收市價);及
- (c) 一股本公司股份面值。

因行使根據該計劃及本公司任何其他購股權計劃授出的所有購股權可發行的股份總數,合共不得超過於聯交所開始買賣當日已發行股份總數的10%(「計劃授權限額」),惟本公司取得股東的批准則除外。計算該10%限額並不計及根據該計劃條款已失效的購股權。

儘管該計劃另有任何其他規定,於行使該計劃及本公司任何其他購股權計劃的已授出但尚未行使的所有未行使購股權時,最多可發行的股份數目不得超過不時已發行股份總數的30%。

除非獲股東批准,於任何十二個月期間因行使授予每名參與者的購股權(包括已行使及尚未行使的購股權)而已發行及將予發行的股份總數,不得超過已發行股份總數的1%。

任何參與者(「承授人」)凡按照該計劃的條款接納購股權要約(「要約」),即被視為接納要約,而當載有接納要約的要約書副本由承授人妥為簽署,並在本公司作出要約當日起30日內,接獲承授人在接納購股權時須向本公司支付1.00港元作為授出購股權的代價後,與要約有關的購股權即被視為已授出並生效。

於二零一六年六月二十八日,本公司根據該計劃向若干參與者授出購股權,使承授人能夠認購本公司股本中合共285,800,000股每股面值0.01港元的普通股。

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37. SHARE-BASED EMPLOYEE COMPENSATION (Cont'd)

Details of the Options granted by the Company pursuant to the Scheme and the Options outstanding as at 31 December 2016 were as follows:

		Date of grant (dd/mm/yyyy)	Exercisable period (dd/mm/yyyy)	Number of options 購股權數目				Exercise price per share HK\$	
				Balance at 1 January 2016	Granted during the year	Exercised during the year	Lapsed during the year		Balance at 31 December 2016
		授出日期 (日/月/年)	行使期間 (日/月/年)	於二零一六年一月一日的結餘	於年內授出	於年內行使	於年內失效	於二零一六年十二月三十一日的結餘	每股行使價 港元
Executive directors (Note 1)	執行董事 (附註1)	28/06/2016	28/06/2016 – 27/06/2026	-	15,600,000	-	-	15,600,000	1.846
Executive directors (Note 2)	執行董事 (附註2)	28/06/2016	28/06/2017 – 27/06/2026	-	15,600,000	-	-	15,600,000	1.846
Executive directors (Note 3)	執行董事 (附註3)	28/06/2016	28/06/2018 – 27/06/2026	-	20,800,000	-	-	20,800,000	1.846
Employees (Note 1)	僱員 (附註1)	28/06/2016	28/06/2016 – 27/06/2026	-	70,140,000	-	-	70,140,000	1.846
Employees (Note 2)	僱員 (附註2)	28/06/2016	28/06/2017 – 27/06/2026	-	70,140,000	-	-	70,140,000	1.846
Employees (Note 3)	僱員 (附註3)	28/06/2016	28/06/2018 – 27/06/2026	-	93,520,000	-	-	93,520,000	1.846
				-	285,800,000	-	-	285,800,000	

Note 1: The option was vested immediately on the date of grant

Note 2: The option granted are subject to the vesting period from the date of grant up to 27 June 2017

Note 3: The option granted are subject to the vesting period from the date of grant up to 27 June 2018

The closing price of the Company's shares immediately before 28 June 2016, the date of grant, was HK\$1.820.

There are no performance condition for the Options to vest.

The fair values of the Options determined at the date of grant using the Binomial model were HK\$276,156,000 (equivalent to approximately RMB236,030,000). During the year ended 31 December 2016, the Group recognised the total expense of RMB128,404,000 in relation to share options granted by the Company.

The following assumptions were used to calculate the fair values of share options:

Grant date share price	HK\$1.820
Exercise price	HK\$1.846
Expected life	8 to 10 years
Expected volatility	64.787%
Dividend yield	0.55%
Risk free interest rate	0.965%

37. 以股份支付的僱員薪酬(續)

本公司根據該計劃授出及於二零一六年十二月三十一日尚未行使的購股權詳情如下：

附註1：購股權於授出日期即時歸屬

附註2：所授出的購股權受自授出日期起至二零一七年六月二十七日止之歸屬期所規限

附註3：所授出的購股權受自授出日期起至二零一八年六月二十七日止之歸屬期所規限

本公司股份於緊接二零一六年六月二十八日(授出日期)前的收市價為1.820港元。

購股權並無表現條件需予歸屬。

於授出日期以二項式模型釐定的購股權公允價值為276,156,000港元(相當於約人民幣236,030,000元)。截至二零一六年十二月三十一日止年度，本集團就本公司授出之購股權確認總開支人民幣128,404,000元。

以下假設乃用於計算購股權的公允價值：

於授出日期的股價	1.820港元
行使價	1.846港元
預期年期	8至10年
預期波幅	64.787%
股息率	0.55%
無風險利率	0.965%

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37. SHARE-BASED EMPLOYEE COMPENSATION (Cont'd)

The Binomial model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the best estimate of the directors of the Company. Changes in variables and assumptions may result in changes in the fair value of the Options.

38. RETIREMENT BENEFIT SCHEME

Hong Kong

The Group has joined a Mandatory Provident Fund Scheme (the "MPF Scheme") for its employees in Hong Kong. The MPF Scheme is registered with the Mandatory Provident Fund Scheme Authority under the Mandatory Provident Fund Scheme Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rule of the MPF Scheme, the employer and its employees are each required to make contributions to the MPF Scheme at rates specified in the rules. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions under the MPF Scheme.

The retirement benefit scheme contributions arising from the MPF Scheme charged to the consolidated statement of profit or loss represent contributions payable to the funds by the Group at rates specified in the rules of the scheme.

PRC

The employees of the Group's subsidiaries in the PRC are members of a state-managed retirement benefit scheme operated by the government of the PRC. The subsidiaries are required to contribute a certain percentage of the salaries of their employees to the state-managed retirement benefit scheme. The only obligation of the Group with respect to the retirement benefit scheme is to make the required contributions under the scheme.

During the year, the retirement benefit scheme contributions amounted to RMB12,857,000 (2015: RMB10,373,000). No forfeited contributions has been used to reduce the level of contributions in both years.

39. CAPITAL RISK MANAGEMENT

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing properties commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristic of the underlying assets.

The Group monitors capital on the basis of the net debt to equity ratio. For this purpose the net debt is defined as borrowings less cash and cash equivalents. The Group's goal in capital management is to maintain a net debt to equity ratio at a reasonable level. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares, return capital to shareholders, raise new debt financing or sell assets to reduce debts.

The Group's overall strategy in capital management remains unchanged from prior year.

37. 以股份支付的僱員薪酬(續)

二項式模型已用於估計購股權的公允價值。用於計算購股權公允價值的可變因素及假設乃根據本公司董事最佳估計得出。可變因素及假設的變動可能導致購股權公允價值出現變動。

38. 退休福利計劃

香港

本集團已參加一項為其在香港之僱員設立之強制性公積金計劃(「強積金計劃」)。強積金計劃已根據強制性公積金計劃條例在強制性公積金計劃管理局註冊。強積金計劃之資產與本集團之資產分開處理，由獨立受託人管理之基金持有。根據強積金計劃之規則，僱主及僱員須分別按規則指定之比率對強積金計劃供款。本集團就強積金計劃承擔之責任僅限於根據強積金計劃規定作出指定供款。

自綜合損益表中扣除有關強積金計劃之退休福利計劃供款乃本集團按該計劃規則訂明之比率須撥入基金之供款額。

中國

本集團中國附屬公司之僱員參與中國政府營運之國家管理退休福利計劃。附屬公司須按僱員薪金之若干比率向國家管理退休福利計劃供款。本集團就該退休福利計劃承擔之責任僅限於根據該計劃作出指定供款。

年內，退休福利計劃供款為人民幣12,857,000元(二零一五年：人民幣10,373,000元)。概無利用沒收供款減低兩個年度內之供款水平。

39. 資本風險管理

本集團管理資本的主要目標是保障本集團可持續經營能力，以不斷為股東提供回報及為其他利益相關方帶來利益。方法包括依照風險水平釐定物業價格，及以合理的成本進行融資。

本集團根據經濟狀況的變動及相關資產的風險特性管理資本結構並作出相應調整。

本集團按淨負債權益比率的基準監察其資本。就此而言，淨負債的定義為借貸減現金及現金等價物。本集團資本管理的目標為將淨負債權益比率維持於合理的水平。為維持或調整資本結構，本集團可調整派付予股東的股息款額、發行新股份、退還股本予股東、籌集新債務融資或出售資產減債。

自上年度起，本集團資本管理的整體策略維持不變。

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40. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES

40. 財務風險管理的政策及目標

Categories of financial instruments

金融工具類別

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Financial assets	金融資產		
Loans and receivables (including bank balances and cash)	貸款及應收款項(包括銀行結餘及現金)	5,532,338	4,316,888
Available-for-sale investments	可供出售投資	561,048	343,267
Financial liabilities	金融負債		
Financial liabilities measured at amortised cost	按攤銷成本計量的金融負債	13,227,074	9,653,453
Derivative financial instruments	衍生金融工具	120,496	-

The Group is exposed to a variety of financial risks: currency risk, interest rate risk, credit risk and liquidity risk. The Group's overall risk management focuses on unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group currently does not have any written risk management policies and guidelines. However, the directors of the Company meets periodically to analyse and formulate strategies to manage and monitor financial risks.

本集團承受多種財務風險：貨幣風險、利率風險、信貸風險及流動資金風險。本集團的整體風險管理重點在於金融市場的不可預測性，並尋求將對本集團財務表現的潛在不利影響降至最低。本集團現時並無任何明文的風險管理政策及指引。然而，本公司董事定期召開會議，以分析及制定措施以管理及監控財務風險。

The Group is not engaged in the trading of financial assets for speculative purposes. The most significant financial risks to which the Group is exposed are described below.

本集團並無從事以投機為目標的金融資產買賣。本集團所面對的最主要財務風險載列如下。

40.1 Currency risk

40.1 貨幣風險

The Group reports its results in RMB. The Group's primary foreign currency exposure arises from its property development and investment activities in the PRC. The functional currency of these operations is RMB and most of the financial instruments are denominated in RMB. No foreign currency risk has been identified for the financial assets and financial liabilities in the PRC as they were denominated in a currency same as the functional currencies of the group entities to which these transactions relate.

本集團的業績以人民幣呈列。本集團的主要外匯風險來自其於中國的物業發展及投資活動。該等業務的功能貨幣為人民幣，而大部分金融工具亦以人民幣列值。由於位於中國的金融資產及金融負債乃以與該等交易所涉及的集團實體功能貨幣相同的貨幣列值，故並無就位於中國的金融資產及金融負債確認外匯風險。

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date as follows:

本集團以外幣計值之貨幣資產及貨幣負債於報告日期之賬面值如下：

		Assets 資產		Liabilities 負債	
		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
USD	美元	332,423	76	625,731	63,409
HKD	港元	123,741	184,331	672,983	145,827

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40. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

40.1 Currency risk (Cont'd)

Sensitivity analysis

The Group is mainly exposed to the currency of HKD and USD.

The following table details the Group's sensitivity to a 5% increase and decrease in RMB against the relevant foreign currency. 5% is the sensitivity rate used when reporting foreign currency risk internally to directors of the Company's assessment of the reasonably possible change in foreign exchange rates.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items assuming the balances at the end of the reporting period outstanding for the whole year and adjusts their translation at the year end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit where RMB strengthen 5% against the relevant currency. For a 5% weakening of RMB against the relevant currency, there would be an equal and opposite impact on the profit, and the balances below would be negative.

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
USD	美元		
Profit or loss	損益	1,467	2,375
HKD	港元		
Profit or loss	損益	2,746	(1,444)

In the management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

40.2 Interest rate risk

The Group has significant borrowings (see note 30 for details) with floating interest rate which are exposed to cash flow interest-rate risk. Loans from non-controlling interests (see note 30 for details), certain bank loans and certain other borrowings, restricted bank deposits and bank balances carried at fixed rate expose the Group to fair value interest rate risk. During the year, the Group has not hedged its cash flow and fair value interest rate risks.

40. 財務風險管理的政策及目標(續)

40.1 貨幣風險(續)

敏感度分析

本集團主要面臨港元及美元貨幣風險。

下表詳述本集團對人民幣兌相關外幣增減5%的敏感度。5%為向本公司董事內部匯報外幣風險時所使用的敏感度比率，反映本公司董事對外幣匯率出現合理可能變動之評估。

敏感度分析僅包括以外幣折算之尚未支付貨幣項目(假設報告期末尚未結算結餘於整個年度未結算)，並於年結時以外幣匯率變動5%作匯兌調整。下列之正數數字反映人民幣兌有關外幣升值5%時，盈利會有所增加。人民幣兌有關外幣貶值5%時，盈利將構成等值及相反影響，而下列結餘將為負數。

管理層認為，由於年末風險不反映年內風險，故敏感度未能代表內在的外幣風險。

40.2 利率風險

本集團有以浮息利率計算的重大借貸(詳情見附註30)承受現金流量利率風險。來自非控股權益貸款(詳情見附註30)、若干銀行貸款及若干其他借貸、受限制銀行存款及固定利率銀行結餘使本集團承受公允價值利率風險。年內，本集團並無對沖其現金流量及公允價值利率風險。

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40. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

40.2 Interest rate risk (Cont'd)

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for variable-rate borrowings at the end of the reporting period. The analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 (2015: 50) basis point increase or decrease is used when reporting interest rate risk internally to directors of the Company's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 (2015: 50) basis points higher/lower and all other variables were held constant, the Group's post-tax profit for the year would decrease/increase by approximately RMB32,649,000 (2015: RMB11,105,000).

Sensitivity analysis on bank deposits is not presented as the directors of the Company consider that the Group's exposure to interest rate fluctuations on bank deposits is insignificant.

40.3 Credit risk

As at 31 December 2016, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position and the amount of contingent liabilities in relation to financial guarantee issued by the Group as disclosed in note 43.

The Group's credit risk is primarily attributable to its accounts and other receivables, amounts due from related companies and amount of contingent liabilities in relation to the financial guarantees provided by the Group. The amounts presented in the consolidated statement of financial position are net of allowances for bad and doubtful debts, estimated by the Group's management based on prior experience and their assessment of the current economic environment.

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers, except for as at 31 December 2016 and amounts due from related parties of RMB317,089,000 (2015: RMB888,544,000). The credit risk on liquid funds is limited because the funds have been deposited with various creditworthy financial institutions located in Hong Kong and in the PRC.

40. 財務風險管理的政策及目標(續)

40.2 利率風險(續)

敏感度分析

以下敏感度分析乃根據浮息銀行貸款於報告期末未面對之利率風險釐定。分析乃假設報告期末負債餘額於整個年度尚未償還而編製。向本公司董事內部申報利率風險時採用50(二零一五年:50)個基點增減,反映本公司董事對利率合理可能出現之變動之評估。

倘利率增加/減少50(二零一五年:50)個基點而所有其他變數維持不變,本集團年度之除稅後盈利將減少/增加約人民幣32,649,000元(二零一五年:人民幣11,105,000元)。

銀行存款之敏感度分析並未呈列,因本公司董事認為利率浮動風險對本集團銀行存款並不重大。

40.3 信貸風險

於二零一六年十二月三十一日,由於交易方未有履行責任及本集團提供財務擔保而對本集團造成財務損失的最大信用風險承擔由綜合財務狀況報表所載各確認金融資產的賬面值及與本集團所發出財務擔保有關係的或然負債金額而產生,於附註43中作出披露。

本集團信貸風險主要來自有關本集團提供財務擔保之應收賬款及其他應收款項、應收關聯公司款項及或然負債款項。綜合財務狀況報表所示金額已扣除呆壞賬撥備,由本集團管理層根據過往經驗及對當時經濟環境的評估作出估計。

本集團並無重大集中之信貸風險,且其他交易方及客戶數目眾多,能夠分散風險,惟於二零一六年十二月三十一日應收關聯方款項人民幣317,089,000元(二零一五年:人民幣888,544,000元)。由於資金存放於香港及中國具良好信譽的金融機構,故有關流動資金的信貸風險有限。

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40. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

40.4 Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In the opinion of the directors of the Company, the Group does not have any significant liquidity risk exposure.

The Group's policy is to regularly monitor its liquidity requirements to ensure that the Group maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term financial liabilities.

The following tables show the remaining contractual maturities at the end of the reporting period of the non-derivative financial liabilities, based on undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting period) and the earliest date the Company can be required to pay.

Specifically, for term loans which contain a repayment on demand clause which can be exercised at the bank's sole discretion, the analysis shows the cash outflow based on the earliest period in which the Group can be required to pay, that is if the lenders were to invoke their unconditional rights to call the loans with immediate effect. The maturity analysis for other bank borrowings is prepared based on the scheduled repayment dates.

	Weighted average effective interest rate	Less than 1 year or on demand	After 1 years but less than 2 years	After 2 years but less than 5 years	After 5 years	Total contractual undiscounted cash flows	Carrying amount
	加權平均實際利率	一年內或按要求的RMB'000 人民幣千元	一年以上兩年以內RMB'000 人民幣千元	兩年以上五年以內RMB'000 人民幣千元	五年後RMB'000 人民幣千元	未折現合約現金流量總額RMB'000 人民幣千元	賬面值RMB'000 人民幣千元
2016							
Non-derivative financial liabilities							
Accounts payable		921,438	-	-	-	921,438	921,438
Accruals and other payables		220,617	108,566	-	-	329,183	329,183
Bank and other borrowings	5.62%	4,169,624	2,559,298	4,705,079	1,849,577	13,283,578	11,350,723
Loans from non-controlling interests		66,544	-	-	-	66,544	66,544
Debt component of convertible bonds	19.98%	38,177	727,707	-	-	765,884	559,186
Financial guarantee contracts (note 44)		2,479,495	-	-	-	2,479,495	-
		7,895,895	3,395,571	4,705,079	1,849,577	17,846,122	13,227,074

40. 財務風險管理的政策及目標(續)

40.4 流動資金風險

於管理流動資金風險時，本集團監控及維持現金及現金等價物達到管理層認為充足的水平，以便為本集團業務提供資金及減低現金流量波動的影響。本公司董事認為，本集團並無任何重大流動資金風險。

本集團的政策為定期監控其流動資金需要，以確保本集團維持充裕現金儲備來滿足其短期及長期金融負債的流動資金需要。

下表列示按未折現現金流量(包括按合約利率或(如為浮息)按報告期末的現行利率計算的利息金額)可能須還款的最早日期呈列的本公司於報告期末的非衍生金融負債的餘下合約期限。

具體而言，對於涵蓋銀行可全權酌情行使的按要求償還條款的定期貸款，有關分析按本集團可被要求還款的最早期間(即倘貸方擬行使其無條件權利要求即時償還貸款)呈列現金流出，其他銀行借貸的到期日分析則按計劃還款日期編製。

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40. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

40. 財務風險管理的政策及目標(續)

40.4 Liquidity risk (Cont'd)

40.4 流動資金風險(續)

	Weighted average effective interest rate	Less than 1 year or on demand	After 1 years but less than 2 years	After 2 years but less than 5 years	After 5 years	Total contractual undiscounted cash flows	Carrying amount
	加權平均實際利率	一年內或按要 求	一年以上 兩年以內	兩年以上 五年以內	五年後	未折現合約 現金流量總額	賬面值
		RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元	RMB'000 人民幣千元
2015	二零一五年						
Non-derivative financial liabilities	非衍生金融負債						
Accounts payable	應付賬款	-	1,102,296	-	-	1,102,296	1,102,296
Accruals and other payables	應計費用及其他應付款項	-	201,742	115,534	-	317,276	317,276
Bank and other borrowings	銀行及其他借貸	6.55%	2,122,940	3,185,253	2,024,136	2,076,240	9,408,569
Loans from non-controlling interests	非控股權益貸款	-	63,409	-	-	20,127	83,536
Financial guarantee contracts (note 44)	財務擔保合約(附註44)	-	2,140,334	-	-	-	2,140,334
			5,630,721	3,300,787	2,024,136	2,096,367	13,052,011
							9,653,453

The amounts included above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on the expectations at the end of the reporting period, the Group considers that it is more likely than not that no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

上述計入財務擔保合約的款項為倘交易對方追討有關擔保，本集團根據安排就全部擔保須支付的最高金額。按照報告期末預期，本集團認為根據安排須要繳付該款項的可能性很低。然而，這估計可能會改變，取決於持有已擔保財務應收賬款的交易對方遭受信貸損失而按擔保條款追討的可能性。

The table that follows summarises the maturity analysis of term loans with a repayment on demand clause based on agreed scheduled repayments set out in the loan agreements. The amounts include interest payments computed using contractual rates. As a result, these amounts were greater than the amounts disclosed in the "on demand" time band in the maturity analysis contained in as above. Taking into account the Group's financial position, the directors do not consider that it is probable that the banks will exercise their discretion to demand immediate repayment. The directors believe that such term loans will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

下表概述附有按要求償還條款的定期貸款按貸款協議載列的議定還款日期的到期日分析。該等金額包括按合約利率計算的利息款項。因此，該等金額較以上所載到期日分析中「按要求」時間範圍內披露的金額為高。鑒於本集團的財務狀況，董事認為銀行不大可能行使其酌情權要求即時還款。董事相信該等定期貸款將按貸款協議所載的既定還款日期償還。

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40. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

40.4 Liquidity risk (Cont'd)

Maturity analysis of term loans subject to a repayment on demand clause based on scheduled repayments is as follows:

		On demand	Less than 6 months	6 to 12 months	1 to 5 years	Total undiscounted cash flows	Carrying amount
		按要求	少於六個月	六個月至十二個月	一年至五年	未折現現金流量總額	賬面值
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
31 December 2016	二零一六年 十二月三十一日	249	43,902	45,217	-	89,368	87,609
31 December 2015	二零一五年 十二月三十一日	-	299	299	847	1,445	1,365

40.5 Price risk

The Group is exposed to price risk in connection with the available-for-sale investments, which are public listed equity securities in the PRC. The Group closely monitors the fluctuation of the price and assesses the impact on the Group's financial statements.

If price of equity securities has been 5% higher/lower and all other variables were held constant, the Group's investment revaluation reserve would increase/decrease by approximately RMB21,039,000 (2015: nil). The available-for-sale investments were measured at cost less impairment in 2015.

40.6 Fair value measurement of financial instrument

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

40. 財務風險管理的政策及目標(續)

40.4 流動資金風險(續)

附有按要求償還條款的定期貸款按既定還款日期的到期日分析如下：

40.5 價格風險

本集團承受與可供出售投資相關之價格風險，有關可供出售投資為於中國的公開上市股權證券。本集團密切監察價格浮動及評估有關浮動對本集團財務報表之影響。

倘股權證券價格增加/減少5%，而所有其他變數維持不變，本集團之投資重估儲備將增加/減少約人民幣21,039,000元（二零一五年：無）。於二零一五年，可供出售投資按成本扣除減值計量。

40.6 金融工具的公允價值計量

本附註提供有關本集團如何釐定多項金融資產及金融負債公允價值的資料。

按經常性基準以公允價值計量的本集團金融資產及金融負債的公允價值

本集團部分金融資產及金融負債於各報告期末按公允價值計量。下表提供有關如何釐定該等金融資產及金融負債公允價值的資料（尤其是所採用的估值技術及輸入數據）。

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40. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

40. 財務風險管理的政策及目標(續)

40.6 Fair value measurement of financial instrument (Cont'd)

40.6 金融工具的公允價值計量(續)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Cont'd)

按經常性基準以公允價值計量的本集團金融資產及金融負債的公允價值(續)

Financial assets/ financial liabilities	金融資產/ 金融負債	Fair value as at 31 December 於十二月三十一日的公允價值		Fair value hierarchy 公允價值等級	Valuation technique(s) and key input(s) 估值技術及主要輸入數據	Significant unobservable input(s) 主要不可觀察輸入數據
		2015 二零一五年 RMB'000 人民幣千元	2016 二零一六年 RMB'000 人民幣千元			
Derivative financial instruments	衍生金融工具	-	120,496	Level 3 第三級	Binomial option pricing model The fair value is estimated based on the risk free rate, discount rate, share price, volatility of the share price of the Company, dividend yield and exercise price. 二項式期權定價模式 公允價值乃按無風險利率、貼現率、股價、本公司股價波幅、股息率及行使價釐定。	Volatility of the share price determined by reference to the historical share price of the Company. (Note) 經參考本公司歷史股價後釐定的股價波幅。(附註)
Available-for-sale investments	可供出售投資	-	561,048	Level 1 第一級	Quoted bid price in an active market. 於活躍市場之買入價報價。	N/A 不適用

Note: The higher the volatility of the share price of the Company, the higher the fair value of the derivative financial instruments, and vice versa. For the volatility of the share price of the Company used in the fair value measurement for derivative financial instruments, please refer to note 36.

附註：本公司股價波幅愈高，衍生金融工具的公允價值則愈高，反之亦然。有關衍生金融工具公允價值計量所採用的本公司股價波幅，請參閱附註36。

There is no transfer between different levels of the fair value hierarchy for the years ended.

於截至該等年度期間，公允價值等級各級之間概無轉移。

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40. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES (Cont'd)

40.6 Fair value measurement of financial instrument (Cont'd)

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Cont'd)

Reconciliation of Level 3 fair value measurements

		Conversion option derivative 兌換期權 衍生工具 RMB'000 人民幣千元
As at 1 January 2015, 31 December 2015 and 1 January 2016	於二零一五年一月一日、二零一五年十二月三十一日及二零一六年一月一日	-
Issue	發行	135,518
Fair value gain recognised in profit or loss	於損益確認的公允價值收益	(15,022)
As at 31 December 2016	於二零一六年十二月三十一日	120,496

Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

The directors of the Company consider that the carrying amounts of financial assets and liabilities recorded as amortised cost in the consolidated financial statements approximate to their fair values.

The fair value of such financial assets and financial liabilities (categories within Level 3 hierarchy) are determined in accordance with general accepted pricing models based on discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

40. 財務風險管理的政策及目標(續)

40.6 金融工具的公允價值計量(續)

按經常性基準以公允價值計量的本集團金融資產及金融負債的公允價值(續)

第三級公允價值計量的對賬

		Conversion option derivative 兌換期權 衍生工具 RMB'000 人民幣千元
As at 1 January 2015, 31 December 2015 and 1 January 2016	於二零一五年一月一日、二零一五年十二月三十一日及二零一六年一月一日	-
Issue	發行	135,518
Fair value gain recognised in profit or loss	於損益確認的公允價值收益	(15,022)
As at 31 December 2016	於二零一六年十二月三十一日	120,496

並非按經常性基準以公允價值計量(但須作出公允價值披露)的金融資產及金融負債的公允價值

本公司董事認為，於綜合財務報表內按攤銷成本列賬的金融資產及負債的賬面值與其公允價值相若。

有關金融資產及金融負債的公允價值(第三級等級範圍內的類別)乃根據基於貼現現金流量分析的一般公認定價模式釐定，其中最重要的輸入數據為反映交易對手信貸風險的貼現率。

41. COMMITMENTS

(a) Capital and other commitments

At the end of the reporting period, the Group has the following commitments:

Contracted but not provided for:	已訂約但未撥備：		
- Investment properties under development and properties under development for sale	- 在建投資物業及發展中待售物業	926,526	1,520,840
- Acquisition of equity interest (Note)	- 收購股權(附註)	1,890,000	-
		2,816,526	1,520,840

41. 承擔

(a) 資本及其他承擔

於報告期末，本集團有以下承擔：

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Contracted but not provided for:		
- Investment properties under development and properties under development for sale	926,526	1,520,840
- Acquisition of equity interest (Note)	1,890,000	-
	2,816,526	1,520,840

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41. COMMITMENTS (Cont'd)

(a) Capital and other commitments (Cont'd)

Note: On 11 November 2016, Zone Asia Investments (HK) Limited ("Purchaser"), an indirect wholly-owned subsidiary of the Company, entered into the sales and purchase agreement with an independent third party ("Vendor"), pursuant to which the Vendor has agreed to sell and the Purchaser has agreed to purchase 100% equity interest in Apex at the consideration of RMB2,100 million. Apex held 100% interest in of Zhu Hai Kai Wei Zhi Ye Limited ("珠海凱威置業有限公司") which is engaged in property development in the PRC. A deposit of RMB210,000,000 has been paid as at 31 December 2016 (note 19).

(b) Operating lease arrangements

(i) The Group had future aggregate minimum lease receipts under non-cancellable operating leases in respect of land and buildings which are receivable as follows:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Within one year	一年內	418,318	396,608
In the second to fifth years	第二至五年	781,172	724,945
Over five years	多於五年	183,692	303,129
		1,383,182	1,424,682

The Group leases out its investment properties under operating lease arrangements which run for initial periods of less than one year to eighteen years (2015: less than one year to eighteen years) or expire at dates as mutually agreed between the Group and the respective tenants, without an option to renew the lease terms at the expiry date. The terms of the leases generally also require the tenants to pay security deposits.

(ii) The Group had future aggregate minimum lease payments under non-cancellable operating leases in respect of land and buildings which are payable as follows:

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Within one year	一年內	21,900	26,033
In the second to fifth years	第二至五年	75,552	77,819
Over five years	多於五年	25,137	42,881
		122,589	146,733

The Group leases a number of properties under operating lease arrangements which run for initial periods of one year to eight years (2015: one year to eight years) or expire at dates as mutually agreed between the Group and the respective landlords, without an option to renew the lease terms at the expiry date.

41. 承擔(續)

(a) 資本及其他承擔(續)

附註：於二零一六年十一月十一日，崇亞投資(香港)有限公司(「收購方」)為本公司之間接全資附屬公司)與獨立第三方(「賣方」)訂立買賣協議，據此，賣方已同意出售而收購方已同意購買Apex的100%股權，代價為人民幣21億元。Apex於珠海凱威置業有限公司擁有100%權益，珠海凱威置業有限公司於中國從物業開發。於二零一六年十二月三十一日，已支付按金人民幣210,000,000元(附註19)。

(b) 經營租賃安排

(i) 本集團根據不可撤銷經營租賃應收土地及樓宇的未來最低租金收入總額如下：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Within one year	一年內	418,318	396,608
In the second to fifth years	第二至五年	781,172	724,945
Over five years	多於五年	183,692	303,129
		1,383,182	1,424,682

本集團根據經營租賃安排出租其投資物業，初步為期少於一年至十八年(二零一五年：少於一年至十八年)或按本集團與相關租戶共同協定的日期屆滿，惟並無附帶於屆滿日續租的選擇權。租約條款一般亦規定租戶支付保證按金。

(ii) 本集團根據不可撤銷經營租賃應付土地及樓宇的未來最低租金費用總額如下：

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Within one year	一年內	21,900	26,033
In the second to fifth years	第二至五年	75,552	77,819
Over five years	多於五年	25,137	42,881
		122,589	146,733

本集團根據經營租賃安排租賃多項物業，初步為期一年至八年(二零一五年：一年至八年)或按本集團與相關業主共同協定的日期屆滿，惟並無附帶於屆滿日續租的選擇權。

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42. PLEDGE OF ASSETS

At the end of the reporting period, the Group had pledged the following assets to secure banking facilities granted to the Group.

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Properties under development for sale	發展中待售物業	2,329,077	1,296,425
Properties held for sale	待售物業	-	341,228
Investment properties	投資物業	8,979,534	8,762,610
Property, plant and equipment	物業、廠房及設備	273,241	-
Pledged deposits	抵押存款	1,123,098	413,032
		12,704,950	10,813,295

43. CONTINGENT LIABILITIES

The Group provided guarantees in respect of mortgage facilities granted by certain banks in connection with the mortgage loans entered into by purchasers of the Group's properties. Pursuant to the terms of the guarantees, if there is default of the mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage loans together with any accrued interest and penalty owned by the defaulted purchasers to the banks.

The Group's guarantee period commences from the dates of grant of the relevant mortgage loans and ends upon the earlier of the buyer obtained the individual property ownership certificate and the full settlement of mortgage loans by the buyer.

The maximum outstanding amount of guarantees given to banks for mortgage facilities granted to the purchasers of the Group's properties, at the end of the reporting period is RMB2,479,495,000 (2015: RMB2,140,334,000).

The directors of the Company consider that it is not probable that the Group will sustain a loss under these guarantees as during the periods under guarantees, the Group can take over the ownerships of the related properties and sell the properties to recover any amounts paid by the Group to the banks. The Group has not recognised any deferred income in respect of these guarantees as its fair value is considered to be minimal by the directors. The directors also consider that the fair market value of the underlying properties is able to cover the outstanding mortgage loans guaranteed by the Group in the event the purchasers default payments to the banks.

42. 資產抵押

於報告期末，本集團已抵押以下資產擔保本集團獲授之銀行融資。

43. 或然負債

本集團為若干銀行就本集團物業買方訂立的按揭貸款而授出的按揭融資提供擔保。根據擔保條款，倘該等買方拖欠按揭付款，則本集團須負責償還尚未償付的按揭貸款連同違約買方應付銀行的任何應計利息及罰金。

本集團的擔保期由相關按揭貸款授出日期起，直至買家取得個人房產權證及悉數清償按揭貸款(以較早者為準)時為止。

於報告期末，就本集團物業買方獲授的按揭融資而向銀行作出擔保的最高尚未償還金額為人民幣2,479,495,000元(二零一五年：人民幣2,140,334,000元)。

本公司董事認為本集團於擔保期間不大可能因該等擔保而遭受虧損，而本集團可接管有關物業的所有權並將之出售，以收回本集團向銀行支付的任何金額。由於董事認為該等擔保的公允價值微不足道，故本集團並未就該等擔保確認任何遞延收入。董事亦認為，倘買方拖欠償還銀行貸款，相關物業的公允市價足以彌補本集團所擔保的未償還按揭貸款。

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44. RELATED PARTY TRANSACTIONS

(a) Transactions with related parties

The Group had the following transactions with a related party:

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Development cost charged by Shenzhen Forsafe System Technology Co., Ltd., an entity controlled by ultimate controlling party	1,570	895
深圳市賦安安全系統有限公司 (一家由最終控股方控制之實體) 收取的開發成本費用		

(b) Balance with related parties

Details of the balances with related parties at the end of the reporting period are disclosed in the consolidated statement of financial position and notes 16, 24, 29 and 30.

(c) Key management personnel compensation

The directors are of the opinion that the key management personnel were solely the directors of the Company. Remuneration paid to the Company's directors is disclosed in note 10.

(d) Guarantees provided by related parties

Certain secured bank loan with amounts of RMB678,000,000 (2015: RMB1,234,000,000) was jointly secured by properties owned by related companies controlled by Mr. Wong.

During the year ended 31 December 2015, a secured bank loan with an amount of RMB500,000,000 was jointly secured by certain properties owned by Ms. He Yaxing, the spouse of the ultimate controlling party.

(e) Pledged deposits for letters of credit issued by the immediate holding company

During the year ended 31 December 2015, the Group placed pledged deposits of RMB195,000,000 for the letters of credit issued by the immediate holding company of the Company. There is no pledged deposits for letters of credit issued by the immediate holding company in current year.

44. 關聯方交易

(a) 與關聯方進行的交易

本集團與關聯方進行的交易如下：

	2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
	1,570	895

(b) 關聯方之結餘

於報告期末與關聯方之結餘詳情於綜合財務狀況報表及附註16、24、29及30中披露。

(c) 主要管理人員薪酬

董事認為，主要管理人員僅包括本公司董事。已付本公司董事的薪酬於附註10中披露。

(d) 關聯方提供的擔保

若干金額為人民幣678,000,000元(二零一五年：人民幣1,234,000,000元)之有抵押銀行貸款由黃先生控制的關聯公司擁有之物業作共同抵押。

截至二零一五年十二月三十一日止年度，金額為人民幣500,000,000元的有抵押銀行貸款由何亞興女士(最終控股方之配偶)擁有的若干物業作共同抵押。

(e) 直接控股公司發出的信用證提供抵押存款

截至二零一五年十二月三十一日止年度，本集團就本公司的直接控股公司發出之信用證存入抵押存款人民幣195,000,000元。本年度概無就直接控股公司發出之信用證存入抵押存款。

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45. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

45. 本公司財務狀況表

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Non-current assets	非流動資產		
Investments in subsidiaries	於附屬公司的投資	3,381,353	101,030
Amount due from a subsidiary	應收一間附屬公司款項	8,766,102	-
		12,147,455	101,030
Current assets	流動資產		
Amounts due from subsidiaries	應收附屬公司款項	1,013,326	12,193,501
Deposits paid, prepayments and other receivables	已付按金、預付款項及其他應收款項	2,893	2,457
Bank balances and cash	銀行結餘及現金	306,918	86,120
		1,323,137	12,282,078
Current liabilities	流動負債		
Accruals and other payables	應計費用及其他應付款項	12,753	(15,402)
Amounts due to subsidiaries	應付附屬公司款項	4,472	-
Borrowings	借貸	86,767	-
		103,992	(15,402)
Net current assets	流動資產淨額	1,219,145	12,266,676
Total assets less current liabilities	總資產減流動負債	13,366,600	12,367,706
Non-current liabilities	非流動負債		
Convertible bonds	可換股債券	559,186	-
Derivative financial instruments	衍生金融工具	120,496	-
		679,682	-
Net assets	資產淨額	12,686,918	12,367,706
Capital and reserves	資本及儲備		
Share capital	股本	39,115	39,115
Reserves	儲備	12,647,803	12,328,591
Total equity	總權益	12,686,918	12,367,706

HUANG Jingshu
黃敬舒
DIRECTOR
董事

DENG Chengying
鄧承英
DIRECTOR
董事

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45. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Cont'd)

Note:

Details of the movement in the Company's share capital and reserves are set out below:

45. 本公司財務狀況表(續)

附註：

本公司股本及儲備變動之詳情載列如下：

		Share capital	Share premium	Convertible preference share	Share option reserve	Exchange reserve	Contributed surplus	Retained profits	Total
		股本	股份溢價	可換股優先股	購股權儲備	匯兌儲備	實繳盈餘	保留盈利	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
Balance as at 1 January 2015	於二零一五年一月一日之結餘	11,070	463,134	-	-	948	(18)	84,498	559,632
Loss for the year	年度虧損	-	-	-	-	-	-	(44,310)	(44,310)
Exchange differences arising from translation	匯兌產生的換算差額	-	-	-	-	29,217	-	-	29,217
Arising from issue of placing shares (note 31)	發行配售股份而產生(附註31)	6,779	1,476,557	-	-	-	-	-	1,483,336
Arising from the Transaction (defined in note 32 (iii))	自該交易產生(定義見附註32(iii))								
- issue of consideration shares	- 發行代價股份	21,266	4,359,451	-	-	-	-	-	4,380,717
- issue of convertible preference shares	- 發行可換股優先股	-	-	5,959,114	-	-	-	-	5,959,114
Balance as at 31 December 2015	於二零一五年十二月三十一日之結餘	39,115	6,299,142	5,959,114	-	30,165	(18)	40,188	12,367,706
Profit for the year	年度盈利	-	-	-	-	-	-	230,924	230,924
Recognition of equity-settled share-based payments	確認以股權結算以股份支付之付款	-	-	-	128,404	-	-	-	128,404
Dividend declared and made	已宣派及派付之股息	-	-	-	-	-	-	(40,116)	(40,116)
Balance as at 31 December 2016	於二零一六年十二月三十一日之結餘	39,115	6,299,142	5,959,114	128,404	30,165	(18)	230,996	12,686,918

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46. PARTICULAR OF PRINCIPAL SUBSIDIARIES

Particulars of the principal subsidiaries, each of which is a limited liability company, as at 31 December 2016 and 2015 are as follows:

46. 主要附屬公司的詳情

於二零一六年及二零一五年十二月三十一日主要附屬公司(均為有限公司)的詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足 普通股/ 註冊資本	Effectively attributable equity interest		Principal activities (Place of operations) 主要業務(營業地點)
			Directly 直接	Indirectly 間接	
LVGEM (Suzhou) Real Estate Investment Company Limited 綠景(蘇州)地產投資有限公司	HK 香港	156 shares of HK\$1 each 156股每股面值1港元之股份	-	100% (2015: 100%) (二零一五年: 100%)	Administration vehicle of the Group (HK) 處理本集團行政工作(香港)
Prosper View Group Limited* ("PVGL") 協朗集團有限公司*(「協朗」)	HK 香港	10,000 shares of HK\$1 each 10,000股每股面值1港元之股份	-	51% (2015: 51%) (二零一五年: 51%)	Investment holding (HK) 投資控股(香港)
Suzhou Garden Villa Development & Management Co., Ltd. 蘇州錦華苑建設發展管理有限公司	PRC (Note (a)) 中國(附註(a))	US\$20,550,000 20,550,000美元	-	95% (2015: 95%) (二零一五年: 95%)	Properties development and investment (PRC) 物業發展及投資(中國)
Suzhou New Heritage GF Limited ("SNHGF") 蘇州新禧地產有限公司(「蘇州新禧」)	PRC (Note (b)) 中國(附註(b))	US\$26,600,000 26,600,000美元	-	61%# (2015: 61%#) (二零一五年: 61%#)	Properties development and investment (PRC) 物業發展及投資(中國)
Suzhou New Heritage WZA Limited 蘇州新興地產有限公司	PRC (Note (b)) 中國(附註(b))	US\$8,000,000 8,000,000美元	-	100% (2015: 100%) (二零一五年: 100%)	Properties development and investment (PRC) 物業發展及投資(中國)
New Heritage WJA Limited 吳江新澤地產有限公司	PRC (Note (b)) 中國(附註(b))	US\$13,000,000 13,000,000美元	-	100% (2015: 100%) (二零一五年: 100%)	Properties development and investment (PRC) 物業發展及投資(中國)
Shenzhen LVGEM Asset Management Co., Ltd. 深圳市綠景資產管理有限公司	PRC (Note (b)) 中國(附註(b))	RMB6,000,000 人民幣6,000,000元	-	100% (2015: 100%) (二零一五年: 100%)	Property management service (PRC) 物業管理服務(中國)
Shenzhen LVGEM Hotel Co., Ltd. 深圳市綠景酒店有限公司	PRC (Note (b)) 中國(附註(b))	RMB10,000,000 人民幣10,000,000元	-	100% (2015: 100%) (二零一五年: 100%)	Hotel operation services (PRC) 酒店營運服務(中國)
Shenzhen LVGEM Jiyuan Property Management Service Co., Ltd. 深圳市綠景紀元管理服務有限公司	PRC (Note (b)) 中國(附註(b))	RMB500,000 人民幣500,000元	-	100% (2015: 100%) (二零一五年: 100%)	Property management service (PRC) 物業管理服務(中國)
Shenzhen LVGEM Marketing Co., Ltd. 深圳市綠景房地產策劃有限公司	PRC (Note (b)) 中國(附註(b))	RMB1,000,000 人民幣1,000,000元	-	100% (2015: 100%) (二零一五年: 100%)	Consultancy services (PRC) 顧問服務(中國)
Shenzhen LVGEM Property Management Co., Ltd. 深圳市綠景物業管理有限公司	PRC (Note (b)) 中國(附註(b))	RMB5,000,000 人民幣5,000,000元	-	100% (2015: 100%) (二零一五年: 100%)	Property management services (PRC) 物業管理服務(中國)
Shenzhen LVGEM Real Estate Development Co., Ltd. 深圳市綠景房地產開發有限公司	PRC (Note (b)) 中國(附註(b))	RMB150,000,000 人民幣150,000,000元	-	100% (2015: 100%) (二零一五年: 100%)	Property development (PRC) 物業發展(中國)
Yiyang Zhonghe Real Estate Co., Ltd. 益陽中核置業有限公司	PRC (Note (b)) 中國(附註(b))	RMB30,000,000 人民幣30,000,000元	-	100% (2015: 100%) (二零一五年: 100%)	Property development (PRC) 物業發展(中國)

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46. PARTICULAR OF PRINCIPAL SUBSIDIARIES (Cont'd)

46. 主要附屬公司的詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ establishment 註冊成立/ 成立地點	Issued and fully paid ordinary share capital/ registered capital 已發行及繳足 普通股本/註冊資本	Effectively attributable equity interest		Principal activities (Place of operations) 主要業務(營業地點)
			Directly 直接	Indirectly 間接	
Zhengxinglong Real Estate (Shenzhen) Co., Ltd. 正興隆房地產(深圳)有限公司	PRC (Note (b)) 中國(附註(b))	HK\$40,000,000 40,000,000港元	-	100% (2015: 100%) (二零一五年: 100%)	Property development (PRC) 物業發展(中國)
LVGEM Investment LLC LVGEM Investment LLC	United States 美國	US\$500,000 500,000美元	-	100% (2015:-) (二零一五年:-)	Hotel operation services (United States) 酒店營運服務(美國)
Wisdom Concept Development Limited 聰勁發展有限公司	HK 香港	2 shares of HK\$1 each 2股每股面值1港元之股份	-	75% (2015:-) (二零一五年:-)	Property development (HK) 物業發展(香港)
Jianmai Limited ("Jianmai") 景邁有限公司(「景邁」)	BVI 英屬維爾京群島	200 shares of US\$1 each 200股每股面值1美元之股份	-	75% (2015: 75%) (二零一五年: 75%)	Investment holding (HK) 投資控股(香港)

* The Group has an effective interest of 51% (2015: 51%) in PVGL. In the opinion of the directors, the Group has the power to control over the relevant activities of PVGL and its subsidiary and PVGL and its subsidiary are consolidated in the financial statements of the Group accordingly.

* 本集團擁有協朗的51% (二零一五年: 51%) 實際股權。董事認為，本集團有權控制協朗及其附屬公司的相關業務，因此協朗及其附屬公司已在本集團財務報表中綜合入賬。

Approximate percentage.

概約百分比

Notes:

附註:

- (a) This subsidiary is registered as a Sino-foreign cooperative joint venture under the PRC law.
- (b) These subsidiaries are registered as wholly foreign owned enterprises under the PRC law.
- (c) Except for Zhengxinglong, which issued the Bond on 26 August 2016 as disclosed in note 30, none of the remaining subsidiaries had issued any debt securities at the end of the reporting period.
- (d) The official names of the PRC subsidiaries are in Chinese. The English translation of the names is for reference only.

- (a) 該附屬公司根據中國法律登記為中外合資合營公司。
- (b) 該等附屬公司根據中國法律登記為外資獨資企業。
- (c) 除正興隆(如附註30所披露，其於二零一六年八月二十六日發行該債券)外，於報告期末，其餘附屬公司概無發行任何債務證券。
- (d) 中國附屬公司之官方名稱為中文，英文譯名僅供參考。

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

本公司董事認為，上表列出之本公司附屬公司，主要影響本集團本年度之業績或為本集團資產及負債之主要組成部分。董事認為詳細交待其他附屬公司之詳情會令篇幅過於冗長。

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46. PARTICULAR OF PRINCIPAL SUBSIDIARIES (Cont'd)

Material non-controlling interests

Summarised consolidated financial information of PVGL and its subsidiary and Jianmai and its subsidiary that have material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Name of subsidiary 附屬公司名稱		Proportion of equity interest held by non-controlling interests 非控股權益持有的股權比例		Total comprehensive income (expenses) allocated to non-controlling interests 分配給非控股權益的綜合收入(支出)總額		Accumulated non-controlling interests 累計非控股權益	
		2016 二零一六年	2015 二零一五年	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元	2016 RMB'000 人民幣千元	2015 RMB'000 人民幣千元
PVGL and its subsidiary	協朗及其附屬公司	49%	49%	6,320	(224)	35,494	29,175
Jianmai and its subsidiary	景邁及其附屬公司	25%	25%	(2,866)	(49)	156,538	(49)
Individually immaterial subsidiaries with non-controlling interests	個別不屬重大並擁有 非控股權益的附屬公司	N/A 不適用	N/A 不適用	3,600	3,423	41,120	62,967
				7,054	3,150	233,152	92,093

46. 主要附屬公司的詳情(續)

重大非控股權益

有關協朗及其附屬公司以及景邁及其附屬公司(其擁有重大非控股權益)之綜合財務資料概要載列如下。下表所載財務資料概要指於集團內公司間對銷前之金額。

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46. PARTICULAR OF PRINCIPAL SUBSIDIARIES (Cont'd)

46. 主要附屬公司的詳情(續)

Material non-controlling interests (Cont'd)

重大非控股權益(續)

(i) PVGL and its subsidiary

(i) 協朗及其附屬公司

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Current assets	流動資產	290,185	287,013
Non-current assets	非流動資產	781	805
Current liabilities	流動負債	(99,876)	(114,651)
Non-current liabilities	非流動負債	(66,544)	(66,321)
Equity	權益	124,546	106,846
Equity attributable to owners of the Company	本公司股東應佔權益	72,438	59,540
Equity attributable to non-controlling interests	非控股權益應佔權益	52,108	47,306
		124,546	106,846
Revenue	收益	157,895	68,306
Other income	其他收入	2,999	3,913
Expenses	開支	(143,194)	(63,464)
Profit for the year	年度盈利	17,700	8,755
Profit attributable to owners of the Company	本公司股東應佔盈利	12,899	7,004
Profit attributable to the non-controlling interests	非控股權益應佔盈利	4,801	1,751
Profit for the year	年度盈利	17,700	8,755
Other comprehensive expense attributable to owners of the Company and for the year	本公司股東應佔及年度其他全面開支	-	(7,462)
Total comprehensive income (expense) attributable to owners of the Company	本公司股東應佔全面收益(開支)總額	12,899	(458)
Total comprehensive income attributable to the non-controlling interests	非控股權益應佔全面收益總額	4,801	1,751
Total comprehensive income for the year	年度全面收益總額	17,700	1,293
Net cash from operating activities	經營活動所得現金淨額	112,233	132,746
Net cash from (used in) investing activities	投資活動所得(所用)現金淨額	72,989	(57,055)
Net cash inflow	現金流入淨額	185,222	75,691

Note: As at 31 December 2016, the Group held 51% (2015: 51%) equity interest in PVGL, which indirectly held 80% (2015: 80%) equity interest in SNHGF. In addition, the Group also indirectly held the remaining 20% (2015: 20%) equity interest in SNHGF. Therefore, the Group effectively held 61% (2015: 61%) in SNHGF.

附註：於二零一六年十二月三十一日，本集團持有協朗51%股權(二零一五年：51%)，協朗間接持有蘇州新綉80%股權(二零一五年：80%)。此外，本集團亦間接持有蘇州新綉餘下20%股權(二零一五年：20%)。因此，本集團實際持有蘇州新綉61%(二零一五年：61%)股權。

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46. PARTICULAR OF PRINCIPAL SUBSIDIARIES (Cont'd)

Material non-controlling interests (Cont'd)

(ii) Jianmai and its subsidiary

		2016 二零一六年 RMB'000 人民幣千元	2015 二零一五年 RMB'000 人民幣千元
Current assets	流動資產	702,260	-
Non-current assets	非流動資產	-	60,169
Current liabilities	流動負債	(76,109)	(60,365)
Equity	權益	626,151	(196)
Revenue	收益	-	-
Other income	其他收入	2	-
Expenses	開支	(11,464)	(196)
Total comprehensive expense for the year	年度全面開支總額	(11,462)	(196)
Net cash outflow used in operating activities	經營活動的現金流出淨額	(712,581)	-
Net cash inflow from financing activities	融資活動的現金流入淨額	551,137	60,169
Net cash outflow used in investing activities	投資活動的現金流出淨額	-	(60,169)
Net cash outflow	現金流入淨額	(161,444)	-

47. COMPARATIVE FIGURES

Certain comparative figures from statement of profit or loss have been reclassified to conform with the current year's presentation.

46. 主要附屬公司的詳情(續)

重大非控股權益(續)

(ii) 景邁及其附屬公司

47. 比較數據

若干比較數據已自損益表重新分類，以符合本年度之呈列方式。

Financial Summary

財務概要

A summary of the results and of the assets and liabilities of the Group for the last five financial years, as extracted from the published audited financial statements for the year ended 31 December 2012, 2013 and 2014, as below. For the year ended 31 December 2015 and 2016 which extracted from the annual report 2016 was restated as appropriate, is set out below.

本集團過去五個財政年度之業績以及資產及負債(摘錄自截至二零一二年、二零一三年及二零一四年十二月三十一日止年度之已刊發經審核財務報表)如下。截至二零一五年及二零一六年十二月三十一日止年度乃摘錄自二零一六年年報，並經重列(如適用)。

		Year ended 31 December 截至十二月三十一日止年度				
		2012 二零一二年 RMB'000 人民幣千元 (restated) (經重列)	2013 二零一三年 RMB'000 人民幣千元 (restated) (經重列)	2014 二零一四年 RMB'000 人民幣千元 (restated) (經重列)	2015 二零一五年 RMB'000 人民幣千元 (restated) (經重列)	2016 二零一六年 RMB'000 人民幣千元
RESULTS	業績					
Revenue	收益	217,682	169,922	5,245,348	1,210,270	4,590,162
Profit from operation	經營盈利	10,198	2,839	3,115,202	853,975	2,259,932
Finance costs	融資成本	(1,550)	(1,462)	(218,322)	(262,868)	(406,500)
Share of results of joint ventures	應佔合營公司業績	-	-	(40)	(30)	(9)
Share of results of associates	應佔聯營公司業績	16,334	15,878	-	-	-
Profit before tax	除稅前盈利	24,982	17,255	2,896,840	591,077	1,853,423
Income tax expense	所得稅開支	(12,584)	(20,984)	(1,148,266)	(166,492)	(1,044,757)
Profit (loss) for the year	年度盈利(虧損)	12,398	(3,729)	1,748,574	424,585	808,666
Attributable to the owners of the Company	本公司股東應佔	6,566	(11,790)	1,746,606	417,780	802,291
		At 31 December 於十二月三十一日				
		2012 二零一二年 RMB'000 人民幣千元 (restated) (經重列)	2013 二零一三年 RMB'000 人民幣千元 (restated) (經重列)	2014 二零一四年 RMB'000 人民幣千元 (restated) (經重列)	2015 二零一五年 RMB'000 人民幣千元 (restated) (經重列)	2016 二零一六年 RMB'000 人民幣千元
ASSETS AND LIABILITIES	資產及負債					
Non-current assets	非流動資產	422,856	427,083	13,111,211	13,606,921	14,399,166
Current assets	流動資產	870,442	1,074,418	8,749,437	10,385,006	11,525,352
Current liabilities	流動負債	(358,027)	(524,590)	(5,188,827)	(7,193,427)	(5,816,445)
Non-current liabilities	非流動負債	(113,174)	(120,161)	(8,594,173)	(8,825,330)	(10,910,409)
Net assets	資產淨值	822,097	856,750	8,077,648	7,973,170	9,197,664
Capital and reserves attributable to the owners of the Company	本公司股東應佔股本及儲備	744,774	778,660	8,009,418	7,881,077	8,964,512

List of Principal Properties

主要物業

1. INVESTMENT PROPERTIES

投資物業

Properties	Interest Attributable to the Group	Approximate Total Gross Floor Area (square meter)	Type	Lease Term
物業	本集團應佔權益	概約總建築面積 (平方米)	類別	租期
<p>1866-Zoll Center located at the eastern side of Meilong Road and the southern side of Zhongmei Road Bao'an District Shenzhen City Guangdong Province The PRC</p> <p>位於中國廣東省深圳市寶安區梅隴路東側及中梅路南側的1866佐隴中心</p>	100%	54,360	Commercial 商業	70 years from 31 August 2004 to 30 August 2074 二零零四年八月三十一日至二零七四年八月三十日，為期70年
<p>Chanson Zoll Center located at the western side of Minzhi Road Minzhi Community Bao'an District Shenzhen City Guangdong Province The PRC</p> <p>位於中國廣東省深圳市寶安區民治社區民治路西側的香頌佐隴中心</p>	100%	36,890	Commercial 商業	70 years from 6 August 2010 to 5 August 2080 二零一零年八月六日至二零八零年八月五日，為期70年
<p>Various commercial units of LVGEM Chanson Meilu Garden located at the western side of Minzhi Road Minzhi Community Bao'an District Shenzhen City Guangdong Province The PRC</p> <p>位於中國廣東省深圳市寶安區民治社區民治路西側的香頌美廬園多個商業單位</p>	100%	330	Commercial 商業	70 years from 6 August 2010 to 5 August 2080 二零一零年八月六日至二零八零年八月五日，為期70年
<p>Various commercial units of City Garden located at the western side of Longxiang Avenue and the eastern side of Huangge Road Longguang District Shenzhen City Guangdong Province The PRC</p> <p>位於中國廣東省深圳市龍崗區龍翔大道西側及黃閣路東側的城市立方花園多個商業單位</p>	100%	4,810	Commercial 商業	70 years from 22 February 2001 to 21 February 2071 二零零一年二月二十二日至二零七一年二月二十一日，為期70年

List of Principal Properties

主要物業

1. INVESTMENT PROPERTIES (Cont'd)

投資物業(續)

Properties	Interest Attributable to the Group	Approximate Total Gross Floor Area (square meter)	Type	Lease Term
物業	本集團應佔權益	概約總建築面積 (平方米)	類別	租期
<p>Various commercial units and car parking spaces of Hongwan Garden located at the northern side of North Ring Avenue and the eastern side of Meilin Road Futian District Shenzhen City Guangdong Province The PRC</p> <p>位於中國廣東省深圳市福田區北環大道北側及梅林路東側的虹灣花園多個商業單位及多個車位</p>	100%	51,230	Commercial 商業	70 years from 16 December 2011 to 15 December 2081 二零一一年十二月十六日至 二零八一年十二月十五日， 為期70年
<p>Various commercial units of LVGEM Hotel located at the western side of Xinzhou Road and the northern side of Xinzhou Sixth Road Futian District Shenzhen City Guangdong Province The PRC</p> <p>位於中國廣東省深圳市福田區新洲路西側及新洲六路北側的綠景錦江花園酒店多個商業單位</p>	100%	4,410	Commercial 商業	70 years from 30 December 2003 to 29 December 2073 二零零三年十二月三十日至 二零七三年十二月二十九日， 為期70年
<p>Various commercial units of Lanwan Peninsula Community located at the northern side of Furong Road Futian District Shenzhen City Guangdong Province The PRC</p> <p>位於中國廣東省深圳市福田區福榮路北側的藍灣半島社區多個商業單位</p>	100%	2,810	Commercial 商業	70 years from 20 September 2001 to 19 September 2071 二零零一年九月二十日至 二零七一年九月十九日， 為期70年
<p>Various commercial units, office units and car parking spaces of Tower A of NEO Urban Commercial Complex located at the junction of Shennan Boulevard and Xiangmihu Road Futian District Shenzhen City Guangdong Province The PRC</p> <p>位於中國廣東省深圳市福田區深南大道及香蜜湖路交匯處的NEO都市商務綜合體A座多個商業單位、辦公單位及車位</p>	100%	108,360	Commercial 商業	50 years from 8 May 2005 to 7 May 2055 二零零五年五月八日至 二零五五年五月七日， 為期50年

List of Principal Properties

主要物業

1. INVESTMENT PROPERTIES (Cont'd)

投資物業(續)

Properties	Interest Attributable to the Group	Approximate Total Gross Floor Area (square meter)	Type	Lease Term
物業	本集團應佔權益	概約總建築面積 (平方米)	類別	租期
<p>Various commercial units and car parking spaces of Tower B and Tower C of NEO Urban Commercial Complex located at the junction of Shennan Boulevard and Xiangmihu Road Futian District Shenzhen City Guangdong Province The PRC</p> <p>位於中國廣東省深圳市福田區深南大道及香蜜湖路交匯處的NEO都市商務綜合體B座及C座多個商業單位及車位</p>	100%	26,100	Commercial 商業	70 years from 26 February 2002 to 25 February 2072 二零零二年二月二十六日至二零七二年二月二十五日，為期70年
<p>Various commercial units of Phase II of LVGEM Garden located at the western side of Xinzhou Road and the northern side of Fuqiang Road Futian District Shenzhen City Guangdong Province The PRC</p> <p>位於中國廣東省深圳市福田區新洲路西側及福強路北側的綠景花園二期多個商業單位</p>	100%	20,610	Commercial 商業	70 years from 5 February 2001 to 4 February 2071 二零零一年二月五日至二零七一年二月四日，為期70年
<p>Various commercial units and car parking spaces of Mangrove Luxury Garden located at the junction of Shazui Road and Jindi First Road Futian District Shenzhen City Guangdong Province The PRC</p> <p>位於中國廣東省深圳市福田區沙嘴路與金地一路交匯處的紅樹灣壹號多個商業單位及車位</p>	100%	29,950	Commercial 商業	50 years from 23 November 2012 to 22 November 2062 二零一二年十一月二十三日至二零六二年十一月二十二日，為期50年
<p>Various commercial units and ancillary units of LVGEM Garden Estate located at No. 1185 Jin Dao Tian Road Luohu District Shenzhen City Guangdong Province The PRC</p> <p>位於中國廣東省深圳市羅湖區金稻田路1185號的綠景山莊多個商業單位及配套單位</p>	100%	3,820	Commercial 商業	70 years from 9 March 1998 to 8 March 2068 一九九八年三月九日至二零六八年三月八日，為期70年

List of Principal Properties

主要物業

1. INVESTMENT PROPERTIES (Cont'd)

投資物業(續)

Properties	Interest Attributable to the Group	Approximate Total Gross Floor Area (square meter)	Type	Lease Term
物業	本集團應佔權益	概約總建築面積 (平方米)	類別	租期
A parcel of land and blocks located at Yi Jia Industrial Park, Fuqian Road, Guanlan Street Bao'an District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市寶安區觀瀾街道福前路 位於溢佳工業園一幅土地和多個房屋	89%	37,420	Industrial 工業	50 years from 8 July 2002 to 7 July 2052 二零零二年七月八日至二零零五年七月七日，為期50年
The Shopping Arcade of Phase I and various commercial units of Phase V of Suzhou Garden Villa located at 98 Shi Shan Road New District Suzhou City Jiangsu Province The PRC 位於中國江蘇省蘇州市新區獅山路98號錦華苑第一期購物商場及第五期各類商舖	95%	11,020	Commercial 商業	70 years from 19 October 1992 to 18 October 2062 一九九二年十月十九日至二零六二年十月十八日，為期70年
Garden Court Plaza located at No. 1333 Binhe Road New District Suzhou City Jiangsu Province The PRC 位於中國江蘇省蘇州市新區濱河路1333號錦麗商業中心	95%	4,480	Commercial 商業	70 years from 16 January 1995 to 15 January 2065 一九九五年一月十六日至二零六五年一月十五日，為期70年
Villa J101 of Phase I of Suzhou Garden Villa located at No. 98 Shishan Road New District Suzhou City Jiangsu Province The PRC 位於中國江蘇省蘇州市新區獅山路98號錦華苑第一期J101別墅	95%	270	Residential 住宅	70 years from 19 October 1992 to 18 October 2062 一九九二年十月十九日至二零六二年十月十八日，為期70年
Flat 1A of Jin Guo Tower, Flats 1A, 8C, 9C, 10B, 10D, 11C, 12A, 12B, 17B, 17C, 18B to 18D, 19C and 20C of Jin Xing Tower of Phase II of Suzhou Garden Villa located at No. 98 Shishan Road New District Suzhou City Jiangsu Province The PRC 位於中國江蘇省蘇州市新區獅山路98號錦華苑第二期錦國樓1A錦興樓1A、8C、9C、10B、10D、11C、12A、12B、17B、17C、18B至18D、19C及20C室	95%	2,520	Residential 住宅	70 years from 19 October 1992 to 18 October 2062 一九九二年十月十九日至二零六二年十月十八日，為期70年

List of Principal Properties

主要物業

1. INVESTMENT PROPERTIES (Cont'd)

投資物業(續)

Properties	Interest Attributable to the Group	Approximate Total Gross Floor Area (square meter)	Type	Lease Term
物業	本集團應佔權益	概約總建築面積 (平方米)	類別	租期
Flats 1B, 1D and 1F of Jin Bon Tower of Phase III of Suzhou Garden Villa located at No. 98 Shishan Road New District Suzhou City Jiangsu Province The PRC 中國江蘇省蘇州市新區獅山路98號錦華苑第三期錦邦樓1B、1D及1F室	95%	480	Residential 住宅	70 years from 19 October 1992 to 18 October 2062 一九九二年十月十九日至二零六二年十月十八日，為期70年

2. PROPERTIES UNDER DEVELOPMENT FOR SALE

發展中待售物業

Properties	Interest Attributable to the Group	Approximate Total Site Area (sq.m.)	Approximate Total Gross Floor Area (sq.m.)	Type	Estimated Date of Completion	Progress
物業	本集團應佔權益	概約總地盤面積 (平方米)	概約總建築面積 (平方米)	類別	預計完成日期	進展狀況
Residential and commercial units of Mangrove Luxury Garden located at the southeast corner of the intersection of Shazui Road and Jindi Road Futian District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市福田區沙嘴路和金地一路交匯處東南側的紅樹灣壹號住宅及商業項目	100%	24,420	305,450	Residential/ Commercial 住宅/商業	2017 二零一七年	Under construction 工程進行中
Residential and commercial units of LVGEM International Garden located at the northwest of Juzhou Park, Hexi Road, Huazhou County, Maoming Guangdong Province The PRC 位於中國廣東省茂名化州市河西路橘洲公園西北側的綠景國際花城住宅及商業項目	100%	714,530	2,715,210	Residential/ Commercial 住宅/商業	2019 二零一九年	Under construction 工程進行中

List of Principal Properties

主要物業

2. PROPERTIES UNDER DEVELOPMENT FOR SALE (Cont'd)

發展中待售物業(續)

Properties	Interest Attributable to the Group	Approximate Total Site Area (sq.m.)	Approximate Total Gross Floor Area (sq.m.)	Type	Estimated Date of Completion	Progress
物業	本集團應佔權益	概約總地盤面積 (平方米)	概約總建築面積 (平方米)	類別	預計完成日期	進展狀況
Residential, commercial and industrial complex located at Liguang Village, Guanlan Town Bao'an District Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市寶安區觀瀾鎮黎光村的住宅及商業	100%	271,200	949,200	Residential/ Commercial 住宅/商業	2019 二零一九年	Demolition and relocation plan in progress 進行拆遷 計劃方案
Office, SOHO and retail arcade to be situated at Ta Yun Road West, Yue Lai Xi East, Economic Development Zone, Wuzhong District, Suzhou, Jiangsu Province, the PRC 位於中國江蘇省蘇州市吳中區經濟開發區塔韻路西側越來溪東側辦公室大樓、小型辦公室、家居辦公室及零售商場	100%	14,590	81,840	Commercial/ Office 商業/辦公室	2018 二零一八年	Under construction 工程進行中
Residential, commercial and industrial complex located at No. 4088 Qiaoxiang Road in Nanshan District, Shenzhen City Guangdong Province The PRC 位於中國廣東省深圳市南山區僑香路4088號的住宅、商業及工業於一體的綜合性項目	100%	10,860	97,210	Residential/ Commercial/ Industrial complex 住宅/商業/ 工業綜合體	2020 二零二零年	Planning stage 設計階段
Villa located at Deep Bay Road near Mong Tseng Village and Mong Tseng Wai, Lau Fau Shan, Yuen Long, New Territories, Hong Kong 位於香港元朗流浮山深灣路近輞井村輞井圍的別墅	75%	82,400	23,880	Villa 別墅	2022 二零二二年	Planning stage 設計階段



綠景(中國)地產投資有限公司

LVGEM (CHINA) REAL ESTATE INVESTMENT COMPANY LIMITED

(於開曼群島註冊成立之有限公司)

(Incorporated in the Cayman Islands with limited liability)

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