



GR PROPERTIES
國銳地產

GR PROPERTIES LIMITED

國銳地產有限公司

Stock Code 股份代號: 108

2016

Annual Report 年報

CONTENTS

Corporate Information
Chairman's Statement
Management Discussion and Analysis
Environmental, Social and Governance Report
Directors' Biographies
Corporate Governance Report
Report of the Directors
Independent Auditor's Report
Consolidated Financial Statements
Consolidated Statement of Profit or Loss
Consolidated Statement of Comprehensive Income
Consolidated Statement of Financial Position
Consolidated Statement of Changes in Equity
Consolidated Statement of Cash Flows
Notes to Financial Statements
Particulars of Investment Properties and Properties under Development
Five Year Financial Summary

目錄

	PAGE(S) 頁次
公司資料	2
主席報告	4
管理層討論及分析	8
環境、社會及管治報告	22
董事履歷	57
企業管治報告	63
董事局報告書	91
獨立核數師報告書	116
綜合財務報表	
綜合損益表	126
綜合全面收益表	127
綜合財務狀況表	128
綜合權益變動表	130
綜合現金流量表	131
財務報表附註	133
投資物業及發展中物業詳情	222
五年財務摘要	223



CORPORATE INFORMATION

公司資料

EXECUTIVE DIRECTORS

Mr. Wei Chunxian (*Chairman*)
Ms. Liu Shuhua (*Chief Executive Officer*)
Mr. Sun Zhongmin

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Tung Woon Cheung Eric
Mr. Guan Zheng Michael
(*appointed on 19 October 2016*)
Mr. Chui Tsan Kit
Mr. Mak Kwong Yiu
(*resigned on 19 October 2016*)

SECRETARY

Ms. Lui Mei Ka

AUDIT COMMITTEE

Mr. Tung Woon Cheung Eric
(*Chairman of the Audit Committee*)
Mr. Guan Zheng Michael
(*appointed on 19 October 2016*)
Mr. Chui Tsan Kit
(*appointed on 17 February 2015*)
Mr. Mak Kwong Yiu
(*resigned on 19 October 2016*)

NOMINATION COMMITTEE

Mr. Wei Chunxian
(*Chairman of the Nomination Committee*)
Mr. Tung Woon Cheung Eric
Mr. Guan Zheng Michael
(*appointed on 19 October 2016*)
Mr. Mak Kwong Yiu
(*resigned on 19 October 2016*)

REMUNERATION COMMITTEE

Mr. Guan Zheng Michael
(*appointed on 19 October 2016*)
(*Chairman of the Remuneration Committee*)
Mr. Tung Woon Cheung Eric
Mr. Chui Tsan Kit
Mr. Mak Kwong Yiu
(*resigned on 19 October 2016*)

執行董事

魏純暹先生(*主席*)
劉淑華女士(*行政總裁*)
孫仲民先生

獨立非執行董事

董煥樟先生
管征先生
(*於二零一六年十月十九日獲委任*)
徐燦傑先生
麥光耀先生
(*於二零一六年十月十九日辭任*)

秘書

雷美嘉女士

審核委員會

董煥樟先生
(*審核委員會主席*)
管征先生
(*於二零一六年十月十九日獲委任*)
徐燦傑先生
(*於二零一五年二月十七日獲委任*)
麥光耀先生
(*於二零一六年十月十九日辭任*)

提名委員會

魏純暹先生
(*提名委員會主席*)
董煥樟先生
管征先生
(*於二零一六年十月十九日獲委任*)
麥光耀先生
(*於二零一六年十月十九日辭任*)

薪酬委員會

管征先生
(*於二零一六年十月十九日獲委任*)
(*薪酬委員會主席*)
董煥樟先生
徐燦傑先生
麥光耀先生
(*於二零一六年十月十九日辭任*)

AUTHORISED REPRESENTATIVES

Ms. Liu Shuhua
Ms. Lui Mei Ka

AUDITORS

Ernst & Young

REGISTRAR

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

REGISTERED OFFICE

Suite 1603, 16th Floor
Wheelock House
20 Pedder Street
Central
Hong Kong

STOCK CODE

108

WEBSITE

www.grproperties.com.hk

授權代表

劉淑華女士
雷美嘉女士

核數師

安永會計師事務所

股票登記處

卓佳標準有限公司
香港皇后大道東183號
合和中心22樓

註冊辦事處

香港
中環
畢打街20號
會德豐大廈
16樓1603室

股份代號

108

網址

www.grproperties.com.hk



CHAIRMAN'S STATEMENT 主席報告

Dear Shareholders,

I am pleased to present, as the chairman of the board of directors (the "Board") of GR Properties Limited (the "Company", together with its subsidiaries, the "Group"), the report for the year ended 31 December 2016.

各位股東：

本人欣然以國銳地產有限公司(「本公司」，連同其附屬公司，統稱為「本集團」)董事局(「董事局」)主席的身份提呈截至二零一六年十二月三十一日止年度的報告。

FINANCIAL RESULTS

During the year ended 31 December 2016 (the "Year"), the Group recorded revenue of approximately HK\$140,178,000 (year ended 31 December 2015: approximately HK\$76,809,000). The loss before tax for the Year was approximately HK\$34,675,000 (year ended 31 December 2015: approximately HK\$18,414,000). The increase in revenue was contributed from the acquisition of Beijing AOCEAN Business Management Company Limited in May 2015, which contributed property management service income to the Group for full year during the Year. In addition, the Group acquired an office building, namely Boundary House, in London, United Kingdom (the "UK") in August 2016 which contributed stable rental income to the Group.

The increase in loss before tax for the Year was contributed from acquisition cost of stamp duty and direct legal and transaction costs incurred and exchange loss caused by the significant depreciation of Sterling Pounds ("£") arising from acquisition of Boundary House. For detailed analysis of financial results, please refer to the section "Management Discussion and Analysis".

財務業績

於截至二零一六年十二月三十一日止年度(「本年度」)，本集團錄得收入約140,178,000港元(截至二零一五年十二月三十一日止年度：約76,809,000港元)。本年度的稅前虧損約為34,675,000港元(截至二零一五年十二月三十一日止年度：約18,414,000港元)。收入增加乃由於二零一五年五月收購北京澳西商業管理有限公司，此舉為本集團於本年度全年貢獻物業管理服務收入。此外，本集團於二零一六年八月收購一棟位於英國(「英國」)倫敦的辦公樓宇，即Boundary House，此舉為本集團帶來穩定租金收入。

本年度稅前虧損增加乃由於收購Boundary House而產生的印花稅收購成本及直接律師費及交易成本以及英鎊(「英鎊」)大幅貶值導致的匯兌虧損。有關財務業績的詳細分析，請參閱「管理層討論及分析」一節。



CHAIRMAN'S STATEMENT

主席報告

REVIEW AND OUTLOOK

During the Year, the Group's operations are organised into business segments of (i) the property management segment in the People's Republic of China (the "PRC"); and (ii) the property development and investment segment in the UK and United States of America (the "USA"). In accordance with the future development strategy of the Group, the Group would like to tap into international markets such as the USA and Europe. This should give diversification and a hedge against our future domestic businesses, in order to bring good returns to the Shareholders.

During the year ended 31 December 2015, the Group has expanded into the property market in the USA and acquired a parcel of land located in Santa Monica, State of California, the USA for the purpose of property development. During the Year, the Group further acquired Boundary House in London, UK. The Board considers that this acquisition allows the Group to capture the opportunity to establish its position and engage in the property market in London, UK and for the Group to invest in income generating real estate with potential of capital appreciation of properties in the long terms and redevelopment potential in the future. The Board believe that after this acquisition, the Group will be able to broaden its income base through the stable rental incomes generated from Boundary House. This will also enhance the operation base of the Group.

The uncertainties surrounding the UK's withdrawal from the European Union ("EU") along with the subdued global economy have continued to pose the greatest challenges for the UK economy. In the short term, constrained business investments in conjunction with inflation caused by the sterling depreciation are likely to place pressure on real incomes and consumer spending, which is expected to endure throughout the period of negotiation. In the short to medium term, a period of heightened uncertainty is likely to prolong for several years, at least, until the future political and trading relationship with the EU becomes more apparent. Whilst diminished investor confidence and lower spending have undoubtedly contributed to the initial signs of slowdown of the real estate market, it is ambiguous as to what extent it will be impacted in the short to medium term. However, the Board currently intends to hold Boundary House for long term investment purpose and therefore considers that Brexit and short term fluctuation of sterling would not have material impact to the Group as a whole in long run.

回顧與展望

於本年度內，本集團的業務分為下列業務分部(i)位於中華人民共和國(「中國」)的物業管理分部；及(ii)位於英國及美利堅合眾國(「美國」)物業發展及投資分部。根據本集團的未來發展策略，本集團有意進軍美國及歐洲等國際市場。此舉將為我們未來的國內業務提供多樣性及對沖保護，以便向股東提供更佳回報。

截至二零一五年十二月三十一日止年度，本集團已拓展至美國房產市場，並收購美國加利福尼亞州聖莫尼卡市的一幅土地，以作物業發展用途。於本年度內，本集團進一步收購位於英國倫敦的Boundary House。董事局認為此項收購促使本集團抓取良機，鞏固其地位並進軍英國倫敦房產市場，並使本集團能投資於長期具有資本增值潛力並於日後具有重新開發潛力的創收型房地產。董事局認為，是項收購後，本集團將能通過Boundary House產生的穩定租金收入而拓寬收入基礎。此舉亦將改善本集團的業務基礎。

隨著全球經濟衰退，有關英國退出歐洲聯盟(「歐盟」)的不確定因素已對英國經濟造成嚴峻挑戰。短期內，業務投資受限，連同英鎊貶值導致的通貨膨脹可能對實際收入及消費者開支造成壓力，而預期實際收入及消費者開支於協商階段將保持不變。短期至中期而言，重大不確定性可能至少延續幾年之久，直至日後與歐盟的政治及貿易關係更明朗為止。儘管投資者信心降低及消費水平下降無疑導致房地產市場初步出現衰退跡象，但從短期至中期來看其將受影響的程度仍未可知。然而，董事局目前有意持有Boundary House作長期投資用途，因此認為英國退歐及英鎊短期變動將不會長期對本集團整體造成重大影響。

CHAIRMAN'S STATEMENT

主席報告

In 2017, in view of the stable and growing economy in the USA and the expectation of appreciation of United States Dollars, the Group plans to continue seeking investment opportunities for properties development and investment in the USA. At the same time, the Group will consider investments in the PRC and UK in order to diversify the risk of the Group. The Board will continue the strategy to expand the Group through acquisition of assets together with broadening the shareholders base through share placements or rights issue.

APPRECIATION

The Company turned to a new page in 2016. I would like to take this opportunity to express my heartfelt gratitude to the fellow members of the Board, and on behalf of the Board, the management and entire staff of the Group for their diligent work and contribution in the past year. Last but not the least, I would like to extend my sincerest appreciation to the investors and shareholders of the Company for their continuing confidence in and support for the Group over the years. In 2017, the business portfolio of the Group will continue to be optimised and rationalised to provide the Company's future development and business growth with a motive force. We will devote our best efforts to generate encouraging returns for our supportive shareholders.

Yours faithfully,
WEI CHUNXIAN
Chairman

Hong Kong, 31 March 2017

於二零一七年，鑒於美國經濟穩定增長及預期美元升值，本集團計劃繼續於美國尋求物業發展及投資機會。同時，本集團將考慮於中國及英國投資，以便分散本集團的風險。董事局將繼續執行策略，通過收購資產結合透過股份配售或供股拓寬股東基礎等方式拓展本集團的規模。

致謝

二零一六年，本公司揭開了新的一頁。本人謹藉此機會衷心感謝董事局全體同仁，並代表董事局感謝本集團的管理層及全體員工過去一年的努力工作和貢獻。最後，本人也誠意感謝本公司的投資者及股東多年以來一直對本集團的信心和支持。二零一七年，本集團的業務組合將持續優化及合理化，為本公司未來的發展及業務增長注入了原動力。我們將會傾盡全力，為一直支持我們的股東帶來豐碩的回報。

主席
魏純暹

香港，二零一七年三月三十一日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

1. OVERVIEW OF THE YEAR

Year 2016 is a remarkable year for the Company. Our management is pleased to share with our supportive shareholders that further to our expansion into the property market in the USA in 2015, in 2016, we have further extended our footprint into the property market in the UK.

1. 本年度總覽

二零一六年是本公司業績有所突破之一年。管理層欣然與一直支持我們之股東分享，繼我們於二零一五年進軍美國之物業市場後，於二零一六年，我們進一步將足跡伸展至英國之物業市場。





Placing of new shares under general mandate

On 21 April 2016, the Company and Southwest Securities (HK) Brokerage Limited (the “Placing Agent”) entered into a placing agreement, pursuant to which the Placing Agent, being an exclusive placing agent of the Company, agreed on a best-effort basis, to procure placees to subscribe for up to 105,578,910 placing shares at the placing price of HK\$1.00 per placing share (the “Placing”). The Placing was completed on 10 May 2016. The gross proceeds from the Placing were HK\$105,578,910, and the net proceeds from the Placing were approximately HK\$104,370,000 after deduction of all related costs, fees, expenses and commission incurred in the Placing. Upon completion of the Placing, the financial position of the Group has been strengthened. The proceeds therefrom are designated for supplementing the general working capital of the Group and providing funding for the Santa Monica Project, details of which are more particularly delineated in the paragraphs headed “Santa Monica Project” of section 2.2 of “Business Review” in this report.

根據一般授權配售新股份

於二零一六年四月二十一日，本公司與西證(香港)證券經紀有限公司(「配售代理」)訂立配售協議，據此，配售代理(作為本公司之獨家配售代理)同意盡力以每股配售股份1.00港元之配售價促使承配人認購最多105,578,910股配售股份(「配售事項」)。配售事項已經於二零一六年五月十日完成。配售事項之所得款項總額為105,578,910港元。經扣除配售事項招致之所有相關成本、費用、開支及佣金後，配售事項之所得款項淨額約為104,370,000港元。於配售事項完成後，本集團之財務狀況已經強化。有關所得款項指定用於補充本集團一般營運資金以及為聖莫尼卡市項目提供資金。有關詳情於本報告「業務回顧」第2.2節內「聖莫尼卡市項目」各段落進一步詳細描述。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

		Year ended 31 December 2016 截至 二零一六年 十二月三十一日 止年度 HK\$ 港元	Year ended 31 December 2015 截至 二零一五年 十二月三十一日 止年度 HK\$ 港元
Turnover	營業額	140,178,350	76,809,367
Loss for the year attributable to shareholders of the Company	歸屬於本公司股東的 本年度虧損	(36,819,169)	(18,152,360)
Assets and liabilities	資產和負債	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Total assets	資產總值	830,995,363	553,797,556
Total liabilities	負債總額	296,905,344	(100,913,224)
Net assets	資產淨額	534,090,019	452,884,332
Total debts	總債務	198,990,340	N/A不適用
Capital liquidity ratio*	資本流動比率*	1.08	2.73
Gearing ratio#	資產負債率#	37.3%	N/A不適用
* Bank balances and cash dividend by current liabilities			* 銀行結餘及現金除以流動負債
# Total debts divided by total equities			# 債務總額除以權益總額

2. BUSINESS REVIEW

During the Year, the Group's operations are organised into business units based on the nature of their operations. There are two reportable operating segments, including (i) the property management segment; and (ii) the property development and investment segment. The first segment is located in the PRC, the second segment is located in the USA, UK and the PRC.

2. 業務回顧

於本年度內，本集團根據經營業務之性質來劃分業務分部，並有以下兩個報告經營分部，包括(i)物業管理分部；及(ii)物業發展及投資分部。第一個分部位於中國，而第二個分部則位於美國、英國及中國。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

2.1 Property management segment

Subsequent to the completion of the acquisition of 北京澳西商業管理有限公司 (Beijing AOCEAN Business Management Company Limited*, or “AOCEAN Business Management”) in May 2015, the Group successfully engaged in the property management segment.

As at 31 December 2016, AOCEAN Business Management manages eight major residential and commercial property projects, all of which are located in Beijing, the PRC. The services provided by AOCEAN Business Management under the management agreements thereof include, inter alia (i) provision of heat supply and maintenance services of heat exchange stations and pipeline network; (ii) provision of management services to car parks such as maintenance of various facilities and equipment in the car parks; and (iii) provision of property management services to vacant properties and general management services such as repair and maintenance of the buildings and fire safety equipment and facilities to residential and commercial property projects.

Adhering to the principle of human-oriented, and seeing from the perspective of customers and market needs, AOCEAN Business Management has been improving and perfecting its management system and service products so as to embed management into services and provide quality services wholeheartedly. AOCEAN Business Management will be dedicated to establishing community service network, enhancing Online to Online (“O2O”) development for the community and providing attentive services in order to improve customer satisfaction.

2.1 物業管理分部

於二零一五年五月收購北京澳西商業管理有限公司(「澳西商業管理」)一事完成後，本集團已經成功從事物業管理業務。

於二零一六年十二月三十一日，澳西商業管理管理八個大型住宅及商用物業項目，全部位於中國北京。澳西商業管理根據有關管理協議所提供之服務計有(其中包括)：(i)提供供暖服務以及換熱站及輸送管道網絡之維修服務；(ii)提供停車場管理服務(例如維修停車場之各種設施及設備)；及(iii)提供有關空置物業之物業管理服務及一般管理服務(例如維修及保養有關樓宇以及住宅及商用物業項目的防火安全設備及設施)。

秉持以人為本的原則，並從客人及市場需要角度考量，澳西商業管理一直改善及完善其管理系統及服務產品，從而將管理與服務融為一體，並全心全意提供優質服務。澳西商業管理將致力建立社區服務網絡、提升社區之網上到網上營銷(「O2O」)發展，以及提供貼心服務，以提升客戶滿意度。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

2.2 Property development and investment segment

During the Year, the property development and investment segment is located in the USA, UK and the PRC.

Santa Monica Project

In August 2015, the Group acquired a parcel of land located in Santa Monica, the County of Los Angeles, State of California, the USA. The parcel of land has a total site area of approximately 40,615 square feet. According to the current entitlement of the parcel of land, the proposed development potential for the site is a mixed-use three stories development. The total gross floor area is estimated to be approximately 39,395 square feet for residential use, approximately 30,083 square feet for commercial use and approximately 75,000 square feet for parking. Total rentable/saleable floor area is estimated to be approximately 38,000 square feet for residential use and approximately 25,000 square feet for commercial use and 190 on-site subterranean parking spaces upon completion of the development. The development cost of the land will be funded by way of construction loan from bank in the USA and internal resources of the Company.

The construction of Santa Monica Project has started during the second half of 2016 and is expected to complete in 2018 for sale or for lease.

2.2 物業發展及投資分部

於本年度，物業發展及投資分部位於美國、英國及中國。

聖莫尼卡項目

於二零一五年八月，本公司收購一幅位於美國加利福尼亞州洛杉磯聖莫尼卡市之土地。該地佔地面積合共約為40,615平方呎。根據該幅土地目前的資格資料，建議進行為高三層的綜合用途開發。建築面積中估計約39,395平方呎作住宅用途，約30,083平方呎作商業用途及約75,000平方呎作停車位。發展完成後，可租／可售總佔地面積中估計約38,000平方呎住宅用途，約25,000平方呎作商業用途及用於建設190個地下停車位。土地開發成本將以美國銀行提供之建築貸款及本公司之內部資源作為資金。

聖莫尼卡項目已於二零一六年下半年開始建設，並預期將於二零一八年完工用於出售或租賃。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Board is of the opinion that leveraging on the Company's profound knowledge of and experience in the real estate sector and in accordance with our future development strategy, it is a good time to seize the opportunity to explore the property market in the USA. The property market in the USA is one with great development potential for property development business. Santa Monica in the State of California, the USA, is a city of booming tourism. It is situated at a prime location and purchase price is reasonable. The Board believes that the acquisition will strengthen the Company's current core business and enhance its competitiveness and sustainability in making profits in the long run.

Please refer to the announcements of the Company dated 9 March 2015, 1 April 2015 and 20 August 2015 and the circular of the Company dated 14 May 2015 for details of acquisition of the parcel of land located in Santa Monica.

Boundary House

In August 2016, the Group acquired an office building, Boundary House, in London, UK. Boundary House is located at the crossover between the increasingly vibrant Aldgate district popular with technology media telecommunications occupiers and the established city of London financial and insurance heartland. Boundary House is also close to numerous mainline and underground stations with convenient access of rail transportation, including the new Crossrail, which is a high speed train expected to be delivered and in service in 2018 connecting the East-West of London. Boundary House is an office building with a net internal floor area of approximately 45,062 square feet, which comprises a ground floor and seven upper floors, basement storage and seven car park spaces. Boundary House is fully occupied and is currently let to 12 office tenants under 14 subsisting leases with term expiring

董事局認為，憑藉本公司於房地產領域之深厚知識及經驗，及根據本公司未來發展策略，現時乃是抓住機會進軍美國物業市場之好時機。美國物業市場不僅在物業發展業務上的潛力巨大，美國加州聖莫尼卡市的旅遊業蓬勃，加上聖莫尼卡市開發項目之土地的地段處於優越位置及購買價合理。董事局認為收購事項將加強本公司現有核心業務並可提高長期盈利的競爭能力及可持續性。

有關收購一幅位於聖莫尼卡市之土地的詳情，請參閱本公司日期為二零一五年三月九日、二零一五年四月一日及二零一五年八月二十日的公佈及本公司日期為二零一五年五月十四日的通函。

Boundary House

於二零一六年八月，本集團收購英國倫敦之一座辦公樓宇 Boundary House。Boundary House坐落於日漸繁華的Aldgate區，該區域入駐多家科技、媒體及電信企業且為倫敦市著名的金融及保險地帶。Boundary House鄰近多條鐵路幹線及地鐵站，包括新的Crossrail(其預計將於二零一八年交付並投入服務、貫通倫敦東西的高速鐵路)，鐵路交通十分方便。Boundary House為一座辦公大樓，室內實用樓面面積約為45,062平方呎，由地面一層及以上七層樓、地庫儲物空間及七個停車位組成。Boundary House已全部出租，目前依據14份存續租約租予十二名辦公室租戶，租約期自二零一八年九月

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

between September 2018 and May 2023 (“Leases”). The car parking spaces, roof and basement are also let to five licensees under six licences with term either expiring before 2021 or on a term until determined by either party. The Leases can contribute approximately £1,300,000 rental income to the Group annually, disregarding the rent free period provided to tenants.

The Board considers that the acquisition of Boundary House could be a good investment opportunity for the Group to explore and invest in the UK property market. The Group currently intends to hold the property for investment purpose to receive rental income and engaged a local professional property manager to manage the property and the Leases. Taking into account the prime location of the property and the existing Leases, the Board believes that Boundary House could generate stable cash flow and income to the Company and may enjoy potential capital appreciation in the future. The Company will from time to time explore different options to enhance and maximise the value of Boundary House, including renewing the Leases upon expiry, rebalancing its tenant portfolio and property re-development.

Please refer to the announcements of the Company dated 11 July 2016 and 30 August 2016 and circular of the Company dated 1 August 2016 for details of acquisition of Boundary House.

至二零二三年五月屆滿(「租約」)。停車位、天台及地庫儲物空間亦依據六份特許租約租予五名承租人，其將於二零二一年之前到期或租期直至任何一方終止為止。租約每年可為本集團貢獻約1,300,000英鎊租金收入，除提供給租戶的免租期外。

董事局認為，收購Boundary House為本集團進軍及投資於英國物業市場之良好投資機會。本集團目前擬持有該物業作投資用途以收取租金收入，並計劃委聘當地專業物業經理管理該物業及該等租約。考慮到該物業之優越位置及已有該等租約存在，董事局相信，Boundary House將可為本公司提供穩定的現金流及收入，並可於未來享有潛在資本增值。本公司將不時探索不同選擇以提升及盡量提高Boundary House之價值，包括於該等租約到期時續租、調整租戶組合以及物業重建。

有關收購Boundary House的詳情，請參閱本公司日期為二零一六年七月十一日及二零一六年八月三十日的公佈及本公司日期為二零一六年八月一日的通函。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Fuzhou properties

Previously, the Group's property investment in the PRC was conducted through Faith Stand (China) Limited ("Faith Stand China") and 福建佳成置業發展有限公司(Jiacheng (Fujian) Investments Company Limited*, Jiacheng Fujian) by leasing out investment properties held by Faith Stand China and Jiacheng Fujian comprising shops, storerooms and car parking spaces located in two residential property development projects in Gulou District, Fuzhou, Fujian Province in the PRC (the "Properties"). During the Year, in view of the downturn of the property rental market in Fuzhou over the last few years where the Properties are located; and the loss-making position of Faith Stand China and Jiacheng Fujian in prior years, the Group had disposed of the Properties by way of disposal of the entire equity shares of Faith Stand China and Jiacheng Fujian to an independent third party. Details of the disposals are set out in the announcement dated 15 June 2016.

福州物業

之前，本集團之中國物業投資業務透過出租由信立(中國)有限公司(「信立(中國)」)及福建佳成置業發展有限公司(「福建佳成」)持有之投資物業由信立(中國)及福建佳成進行，有關物業包括位於中國福建省福州市鼓樓區兩個住宅物業發展項目之店舖、儲物室及停車位(「該等物業」)。於本年度，有鑒於該等物業位於福州市，而福州市之物業租賃市場於過去幾年不景氣；及信立(中國)及福建佳成各自於過往年度錄得虧損之狀況，故本集團已經以將信立(中國)及福建佳成之全部股本權益出售予獨立第三者之方式出售該等物業。有關出售事項之詳情載於日期為二零一六年六月十五日之公佈內。

3. FINANCIAL REVIEW

3.1 Financial analysis

During the Year, the Group achieved a revenue of approximately HK\$140,178,000 (year ended 31 December 2015: approximately HK\$76,809,000). The substantial increase in revenue is mainly attributable to the completion of acquisition of AOCEAN Business Management in May 2015. The property management segment reported segment revenue of approximately HK\$133,276,000 (year ended 31 December 2015: approximately HK\$70,086,000). In addition, the acquisition of Boundary House was completed in August 2016 which has contributed rental income of approximately HK\$3,691,000 to the Group during the Year.

3. 財務回顧

3.1 財務分析

本集團於本年度產生收入約140,178,000港元(截至二零一五年十二月三十一日止年度：約76,809,000港元)。收入顯著增加主要是由於在二零一五年五月完成收購澳西商業管理所致，且物業管理分部錄得分部收入約133,276,000港元(截至二零一五年十二月三十一日止年度：約70,086,000港元)。此外，收購Boundary House於二零一六年八月完成，其於本年度為本集團貢獻租金收入約3,691,000港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group recorded loss for the Year of approximately HK\$36,819,000 (year ended 31 December 2015: loss of approximately HK\$18,152,000). The increase in loss was mainly due to:

- (i) the recognition of fair value loss of investment property, Boundary House, of approximately HK\$9,155,000 during the Year. Boundary House was acquired by the Group in August 2016 with total cost of £29,687,000, comprising consideration of £27,780,000 and direct transaction cost of £1,907,000 and the fair value of Boundary House as at 31 December 2016 was estimated to be £28,750,000. The fair value loss recognised of £937,000 (equivalent to approximately HK\$9,155,000), in which the excess of cost over the fair value, was solely due to the capitalised acquisition cost of stamp duty and direct legal and transaction costs incurred.
- (ii) the exchange loss of approximately HK\$14,504,000 recognised during the Year. Such exchange loss was mainly caused by the significant depreciation of £ after the exit of UK from the European Union ("Brexit") on 23 June 2016. The Board currently intends to hold Boundary House for long term investment purpose and therefore considers that Brexit and short term fluctuation of £ would not have material impact to the Group as a whole in long run.

本集團於本年度內錄得虧損約36,819,000港元(截至二零一五年十二月三十一日止年度：虧損約18,152,000港元)。虧損增加乃主要由於：

- (i) 於本年度確認投資物業Boundary House之公平值虧損約9,155,000港元。本集團於二零一六年八月以成本總額29,687,000英鎊(包括代價27,780,000英鎊及直接交易成本1,907,000英鎊)收購Boundary House，且估計Boundary House於二零一六年十二月三十一日之公平值將為28,750,000英鎊。成本超過公平值而導致的已確認公平值虧損937,000英鎊(相當於約9,155,000港元)是僅由於資本化的釐印費以及直接法律及交易費用所致。
- (ii) 於本年度確認之匯兌虧損約14,504,000港元。該匯兌虧損乃主要由於英國於二零一六年六月二十三日退出歐盟(「英國脫歐」)之後英鎊(「英鎊」)大幅貶值所致。董事局目前計劃持有Boundary House以作長期投資用途，因此認為長遠來看英國脫歐及英鎊短期波動不會對本集團整體造成重大影響。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

During the Year, the Group has arranged construction loan for Santa Monica Project and complete the drawdown of loan of approximately HK\$5,268,000 as at 31 December 2016. In addition, the Group has borrowed a loan of £13,875,000 (equivalent to approximately HK\$132,264,000) as at 31 December 2016 with Boundary House being charged as security for the loan. As at 31 December 2015, the Group has no borrowings.

During the Year, the Company and Wintime Company Limited, an immediate holding company of the Company, entered into a shareholder loan facility agreement, pursuant to which Wintime Company Limited agrees to provide a facility with amount up to HK\$250,000,000 to the Company. This shareholder's loan is unsecured, interest bearing at 2% per annum and repayable on 36 months after drawdown.

3.2 Cash flow management and liquidity risk

Management of the Group's cash flows is the responsibility of the Group's treasury function at the corporate level. Our objective is to maintain a balance between continuity of funding and flexibility through a combination of internal resources, bank borrowings, debts and equity securities, where appropriate. We are comfortable with our present financial and liquidity position, and will continue to maintain a reasonable liquidity buffer to ensure sufficient funds are available to meet liquidity requirements at all times.

於本年度內，本集團已為聖莫尼卡項目安排建築貸款，並於二零一六年十二月三十一日完成動用貸款約5,268,000港元。此外，本集團於二零一六年十二月三十一日以Boundary House作貸款擔保取得一筆貸款13,875,000英鎊（相當於約132,264,000港元）。於二零一五年十二月三十一日，本集團並無借款。

於本年度，本公司與本公司之直接控股公司Wintime Company Limited訂立股東貸款融資協議，據此，Wintime Company Limited同意向本公司提供金額最高達250,000,000港元之融資。該股東貸款無抵押，按2%年利率計息，並須於提款後36個月償還。

3.2 現金流量管理及流動資金風險

本集團之現金流量管理由總部之資金部門負責。我們旨在透過結合內部資源、銀行借款、債務及股本證券（如適用），維持融資持續性與靈活性之間之平衡。我們對於目前之財務及資金流動狀況表示滿意，並將繼續維持合理緩衝資金，以確保隨時具有充裕資金應付流動資金需求。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The directors of the Company review the capital structure of the Group by using a gearing ratio, which is calculated on the basis of dividing the total debts by total equity. The review is conducted at least semi-annually and before each major financing or investment decision is made. The Group objective is to maintain a balance between continuity of funding and the flexibility through the use of borrowings including bank and other borrowings, shareholder's loan and other bond instruments, if any. The Group also monitors the current and expected liquidity requirements and its compliance with lending covenants regularly to ensure that it maintains sufficient working capital and adequate committed lines of funding to meet its liquidity requirement.

At 31 December 2016, the Group had unutilised facilities of HK\$188,542,000 from Wintime. As at 31 December 2016, the Group has cash and cash equivalents of approximately HK\$247,495,000 and total debts of approximately HK\$198,990,000, which is considered as a healthy level of liquidity.

3.3 Foreign currency exposure

During the Year, the Group's business operations were principally in the PRC, UK and the USA and the main operational currencies are HK\$, RMB, £ and United States dollars ("US\$"). The Group's transactions were mainly denominated in RMB, £ and US\$. The majority of assets and liabilities are denominated in HK\$, RMB, £ and US\$. Any significant exchange rate fluctuations of foreign currencies against HK\$ may have financial impact to the Group. The Group does not have a foreign currency hedging policy at present. However, the Group will closely monitor the exchange rate movement trend and take corresponding measures in a timely manner to reduce foreign currency exchange risk and exposure.

本公司董事使用資產負債比率覆審本集團之資本架構。資產負債比率乃按債務總額除以權益總額計算。檢討於作出各重大融資或融資決定前至少每半年進行一次。本集團旨在通過使用借款(包括銀行及其他借款)、股東貸款及其他債券工具(如有)維持融資持續性與靈活性之間之平衡。本集團亦定期監察當前及預期的流動資金需求以及貸款保證契約之合規情況，確保維持充足營運資金及足夠融資額度以滿足流動資金需求。

於二零一六年十二月三十一日，本集團有未動用融資188,542,000港元，乃來自Wintime。於二零一六年十二月三十一日，本集團有現金及現金等價物約247,495,000港元及債務總額約198,990,000港元，因此流動資金水平被視為屬穩健狀態。

3.3 外幣風險

於本年度內，本集團之業務營運主要在中國、英國及美國境內，而主要營運貨幣為港元、人民幣、英鎊及美元(「美元」)。本集團之交易主要以人民幣、英鎊及美元為單位。大部分資產和負債均以港元、人民幣、英鎊及美元為單位。外幣兌港元如有任何重大匯率波動，可能會對本集團構成財務影響。本集團目前並無外幣對沖政策。然而，本集團將密切關注匯率變化趨勢，及時採取應對措施以減輕外匯風險及承擔。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

3.4 Human resources and remuneration policy

As at 31 December 2016, the total number of employees of the Group (excluding directors) was 347 (31 December 2015: approximately 320). Most of them were located in the PRC.

Remuneration offered by the Group was determined in accordance with the relevant policies in Hong Kong, the PRC and the USA and with reference to market trend, as well as individual competence and performance of the staff. Other related benefits included contributions to Mandatory Provident Fund Schemes, social insurance and medical insurance funds.

3.5 Final dividend

The Board resolved not to declare any final dividend for the Year (year ended 31 December 2015: Nil)

3.6 Pledge of assets

As at 31 December 2016, the Group had investment properties with an amount of HK\$405,199,030 and properties held for sale with an amount of HK\$104,716,441 to secure bank borrowings of HK\$137,532,003. Such bank borrowings comprise of the construction loan for Santa Monica Project and the loan with Boundary House being charged as security.

As at 31 December 2016, trade receivables of HK\$314,711 (2015: Nil) in total was pledged to secure a bank loan granted to the Group.

3.4 人力資源及薪酬政策

於二零一六年十二月三十一日，本集團之僱員(不包括董事)總數為347人(二零一五年十二月三十一日：約320人)，大部分在中國工作。

本集團提供之酬金乃根據香港、中國及美國有關政策，參考市場薪酬水平及員工個人能力、表現而釐定。其他有關福利包括強積金、社會保險基金及醫療保險基金供款。

3.5 末期股息

董事局議決不派發本年度之任何末期股息(截至二零一五年十二月三十一日止年度：無)。

3.6 資產抵押

截至二零一六年十二月三十一日，本集團將金額為405,199,030港元之投資物業及金額為104,716,441港元之持作出售物業，作為137,532,003港元銀行借款之抵押。該等銀行借款包括聖莫尼卡項目之建築貸款及以Boundary House作擔保之貸款。

於二零一六年十二月三十一日，貿易應收賬款合計314,711港元已抵押作為本集團獲授銀行貸款之擔保(二零一五年：零)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

As at 31 December 2016, deposits amounting to HK\$38,800,000 have been pledged to secure standby letter of credit issued to the general contractor for Santa Monica Project.

As at 31 December 2015, the Group did not pledge any of its assets.

3.7 Capital and other development related commitment and contingent liabilities

As at 31 December 2016 and 2015, the Group had no material contingent liabilities. As at 31 December 2016, the Group had contracted but not provided for commitments for development costs and capital expenditure in amount of approximately HK\$186,243,000 (2015: HK\$3,211,000).

3.8 Property valuations

Property valuations on the Group's investment properties located in the UK as at 31 December 2016 have been carried out by independent qualified professional valuers, Gerald Eve LLP. The property valuations were used in preparing 2016 annual results. The valuations were based on income capitalisation approach.

3.9 Significant investments and Material acquisitions and disposals of subsidiaries, associates and joint ventures

For significant investments held, their performance during the year and their future prospects, please refer to Section 2 "Business Review" in this report. Save as disclosed, the Group had no significant investments during the year.

於二零一六年十二月三十一日，金額為38,800,000港元之存款已抵押作為向聖莫尼卡項目總承包商出具之備用信用證之擔保。

於二零一五年十二月三十一日，本集團並無抵押任何資產。

3.7 資本及其他開發相關之承擔及或然負債

於二零一六年及二零一五年十二月三十一日，本集團並無任何重大或然負債。於二零一六年十二月三十一日，本集團就開發成本及資本開支有已訂約但未撥備承擔約186,243,000港元(二零一五年：3,211,000港元)。

3.8 物業估值

本集團於英國之投資物業於二零一六年十二月三十一日之物業估值，由獨立合資格專業估值師Gerald Eve LLP進行。物業估值用於編製二零一六年年度業績。估值乃根據收入資本化法而定。

3.9 重大投資及附屬公司、聯營公司及合營公司的重大收購及出售事項

有關本年度持有的重大投資及其表現及未來前景，請參閱本報告第2節「業務回顧」。除所披露者外，本集團於本年度內並無重大投資。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

During the Year, the Group had disposed of the entire equity interests, of Faith Stand China and Jiacheng Fujian, please refer to the paragraph headed “Fuzhou properties” of Section 2.2 of “Business Review” in this report. Save as disclosed, there were no other acquisitions and disposals of subsidiaries, associates and joint ventures during the Year.

4. FUTURE PROSPECT

Looking ahead, the global economy for 2017 will be full of uncertainties, especially, in the aftermath of the UK referendum for Brexit. In accordance with the future development strategy of the Group, the Group would like to tap into international markets such as the USA and Europe. This should give diversification and a hedge against our future domestic businesses, in order to bring good returns to the shareholders. The directors of the Company consider that the acquisition of Boundary House in the UK allows the Group to capture the opportunity to establish its position and engage in the property market in London, the UK and for the Group to invest in income generating real estate with the potential of capital appreciation of properties in the long term and re-development potential in the future. The directors of the Company believe that after the said acquisition, the Group will be able to broaden its income base through the stable rental incomes generated from the property. This will also enhance the operation base of the Group and optimise the investment properties portfolio of the Group.

於本年度，本集團已出售信立（中國）及福建佳成全部股權，請參閱本報告「業務回顧」第2.2節「福州物業」一段。除所披露者外，於本年度，附屬公司、聯營公司及合營公司概無任何其他收購及出售事項。

4. 未來展望

展望未來，二零一七年之環球經濟將會充滿不明朗因素，尤其英國脫歐公投造成之影響。根據本集團之未來發展策略，本集團擬進軍美國及歐洲等國際市場。這將帶來多樣化，並為我們日後之國內業務提供對沖作用，從而為股東提供回報。本公司董事認為，收購位於英國的Boundary House讓本集團可把握機遇，在英國倫敦確立地位，並藉此參與英國倫敦之物業市場，且可使本集團投資於可帶來收入且長遠而言具物業資本增值及具日後重建潛力之房地產。本公司董事相信，於上述收購事項後，藉著該物業產生之穩定租金收入，本集團之收入基礎將可擴大。此舉亦能鞏固本集團之經營基礎及優化本集團之投資物業組合。

Environmental, Social and Governance Report

環境、社會及管治報告

ABOUT THIS REPORT

This is our first Environmental, Social and Governance (“ESG”) Report (the “Report”) to outline our strategy, performance and achievements during the period from 1 January 2016 to 31 December 2016 (the “Reporting Period”). It also serves as a platform to enhance understanding, communication and interaction with different stakeholders. In preparation of the Report, we strictly follow the disclosure requirements of the Environmental, Social and Governance Reporting Guide set out in Appendix 27 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”). Unless otherwise stated, this Report mainly covers the sustainability initiatives and performance of our property management segment, we seek to expand the reporting scope to our property development and property investment segment in future. We take into account the valuable opinions from stakeholders with regard to the environmental and social matters that concern them.

For information about our corporate governance, please refer to the Cooperate Governance Report. We welcome any feedbacks and opinions with regards to this report and our sustainability performance. Please send us your comments to info@grproperties.com.hk.

關於本報告

本報告是我們的首份《環境、社會及管治報告》(「本報告」)，旨在概述我們於2016年1月1日至2016年12月31日期間(「匯報期間」)的可持續發展理念、實踐與成果，並作為各利益相關方對本集團的瞭解、溝通及互動的平台。在評估選定本報告範圍時，我們遵循香港聯合交易所有限公司證券上市規則附錄27之《環境、社會及管治報告指引》作出相關披露，除非特別說明，本報告匯報範圍主要集中於物業管理服務分部的可持續發展表現和措施，管理層日後將考慮加入物業發展及投資分部作為匯報範圍。我們選定本報告範圍時有參考持份者的意見。

有關企業管治方面的資料，請參閱本年報中的「企業管治報告」部份。我們歡迎各界就本報告及我們於可持續發展的表現提供寶貴的意見。請將您的意見發送至 info@grproperties.com.hk。

ABOUT GR PROPERTIES

Our Business

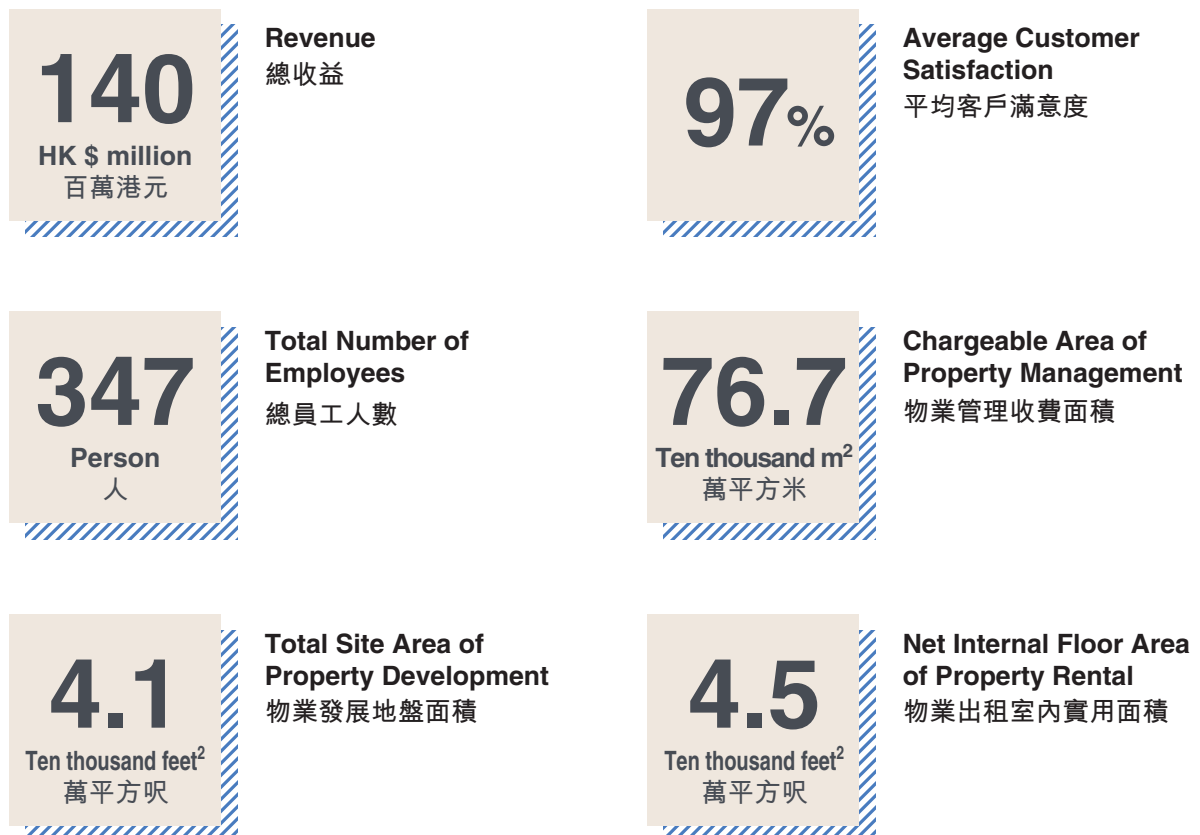
GR Properties Limited (“GR Properties”) is a listed company on Hong Kong Stock Exchange (“SEHK”) focusing on its core business in property management, property development and property investment. Our headquarters is located in Hong Kong and our business operations are in Mainland China, The United State of America and The United Kingdom. We operate 8 property management projects in Beijing. One of the projects, Kingdom Guorui, was rated as a 5-Star Demonstration Projects of Property Management in Beijing. We are also engaging in a property development project in Santa Monica, California, United States of America and a property investment project in London, United Kingdom. We strive to expand our business around the world and provide impetus for our business growth in the future.

關於國銳地產

我們的業務

國銳地產有限公司(「國銳地產」)是一家經營物業管理、物業發展及物業投資業務的香港上市集團。集團總部設於香港，業務遍及中國內地、美國及英國等地。我們於北京持有8個物業管理項目，當中金嶺項目被評為北京市五星級物業管理示範項目，另外我們於美國加利福尼亞州洛杉磯聖莫尼卡市進行1個物業發展項目以及並於1個英國倫敦經營辦公物業租賃項目。我們亦正積極地於世界各地拓展相關業務，為未來發展及業務增長注入原動力。

Business KPIs 業務關鍵績效指標



Environmental, Social and Governance Report

環境、社會及管治報告

Commitment to Quality

We deliver high quality service that excess our customer expectation. During the Reporting Period, we have renewed and upgraded our quality and environmental management certificate (Quality Management Certificate from GB/T19001-2008 to GB/T19001-2015; and Environmental Management Certificate from GB/T24001-2004 to GB/T24001-2015). We have also become a member of China Property Management Institute in October 2016, after going through a rigorous review by the Institute. In December 2016, our second project (Kingdom Guorui) successfully became a member of Jin Changan Building GK Properties Alliance, which recognise us for our superior quality of property management services.

優質服務

我們務求提供超越客戶期望的優質服務。於2016年，我們完成了質量、環境管理體系的更新(質量管理體系由GB/T19001-2008更新為GB/T19001-2015；環境管理體系由GB/T24001-2004更新為GB/T24001-2015)。本年10月份，我們通過中國物業管理協會嚴格的資質審查以及協會審議，正式成為中國物業管理協會的會員。本年12月份，集團管理的國銳•金嶺項目成功加入金鑰匙國際聯盟，這是我們第二個加入該組織的項目，標誌著我們的物業服務品質方面邁上了更高的臺階。



Environmental, Social and Governance Report

環境、社會及管治報告



2016 Highlights

- Successful renewal and upgrading of our quality, environmental management and occupational health certificate
- Golden Tower's restaurant rated as a B-class three-star restaurant
- Member of China Property Management Institute
- Member of Jin Changan Building GK Properties Alliance
- Jin Changan Building GK Properties Alliance's Taste and Service award
- Engaged as property manager of Beijing City Kunting project
- Acquisition of an office building in London, the United Kingdom at £27.78 million

STAKEHOLDER ENGAGEMENT

To balance the long-term interests among different stakeholders, we review various environmental, social and governance aspects. We collected and analysed opinions from our key stakeholder groups (including customers, suppliers, employees, government, shareholders, investors, business partners, environmental organisations and community) through formal questionnaire and informal conversations during our daily operations.

2016年大事記

- 順利通過質量、環境管理體系及職業健康認證更新審核
- 金長安餐廳成功評定為B級三星餐廳
- 正式成為中國物業管理協會會員單位
- 國銳金嶺項目加入金鑰匙國際聯盟
- 喜獲金鑰匙國際聯盟聯盟品味·品味服務獎及聯盟金英獎
- 中標北京城建·漫緹項目，簽署前期物業服務委託合同
- 斥資2,778萬英鎊收購倫敦辦公大樓

持份者參與

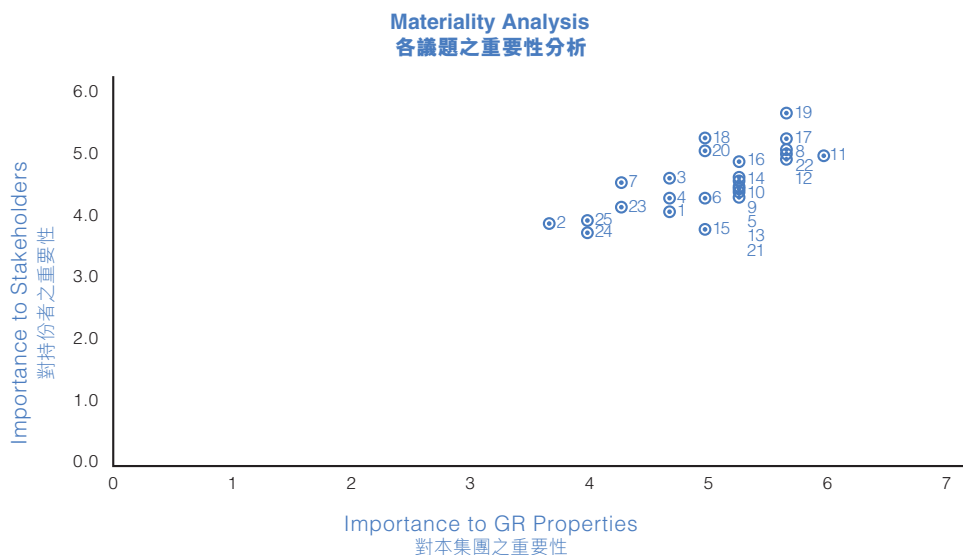
國銳地產的業務策略強調平衡各持份者的長遠利益，我們檢視各種環境、社會及管治議題。我們透過正式的問卷及非正式的日常討論，收集與我們業務相關的主要持份者(包括客戶、供應商、僱員、政府、股東、投資者、業務合作夥伴、環保組織和社區人士)的意見。

Environmental, Social and Governance Report

環境、社會及管治報告

The materiality matrix below serves as a tool to visualise the relative importance of each sustainability aspect with regard to our stakeholders as well as our business.

下表分析了集團管理層及各持份者最關注的議題：



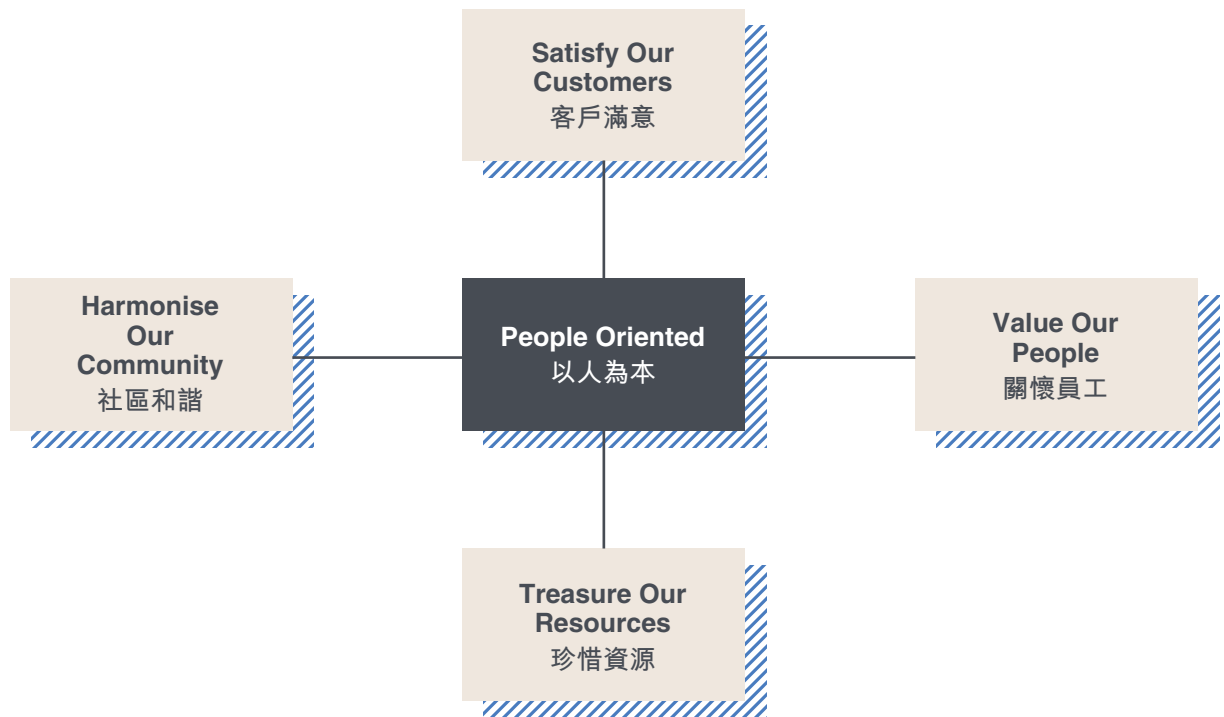
Aspects: 議題編號：	
1 Diversity and equal opportunity (age, sex, disability etc.) 多元化及均等機會(年齡、性別、傷殘等)	14 Supplier's environmental and social performance evaluation 供貨商環境及社會表現評估
2 Employee turnover rate 員工流失率	15 Carbon emission trade 碳交易機制
3 Occupational health and safety 職業健康及安全	16 Supplier selection 供貨商選擇程序
4 Training and development 培訓及發展	17 Anti-corruption practices 反舞弊腐敗
5 Child labour and forced labour prevention 防止童工及強制勞動	18 Emergency plan 災難應急預案
6 Employment relationship and employee communication 僱傭關係及員工溝通	19 Product safety 產品安全
7 Employee benefits/leisure activities 員工福利／康樂活動	20 Complaint handling 投訴處理
8 Sewage disposal 污水排放	21 Intellectual property rights 知識產權
9 Greenhouse gas emissions 溫室氣體排放	22 Consumer privacy 客戶／消費者私隱
10 Air emissions 廢氣排放	23 Research and development 技術研究與開發
11 Hazardous and non-hazardous waste management 危險及非危險廢物處理	24 Volunteer activities participation 參與義工活動
12 Energy and water conservation 節約能源及用水	25 Charity donation 慈善捐贈
13 Natural resource use (include energy and water) 天然資源利用(包括能源及用水)	

OUR SUSTAINABILITY VISION

We are in the business of building and managing homes and office where people live and work. “People oriented” has always been a paramount philosophy that underpins our approach to sustainable development. We put people in the centre of our business and we formulate our sustainable strategy that caters to the needs and expectations of people. We believe the key factors to maintain our quality services are: 1) Satisfy our customers; 2) Value our people; 3) Treasure our resources; and 4) Harmonise our community. These values are the key to create results that benefit all of our stakeholders.

我們的可持續發展理念

作為一家集物業管理、物業投資與物業發展於一身的公司，為人們提供居住和工作環境，我們明白到「以人為本」的重要性，我們的可持續發展理念均以「人」為出發點、以「人」為依歸，我們認為提供優質服務的關鍵在於：1)讓客戶稱心如意；2)讓員工持續進步，工作生活平衡；3)珍惜保護我們賴以為生的天然環境資源、讓資源生生不息；以及4)關懷我們所處社會、達致社區團結和諧。這些是締造我們集團與各持份者共贏的必要因素。



SATISFY OUR CUSTOMERS

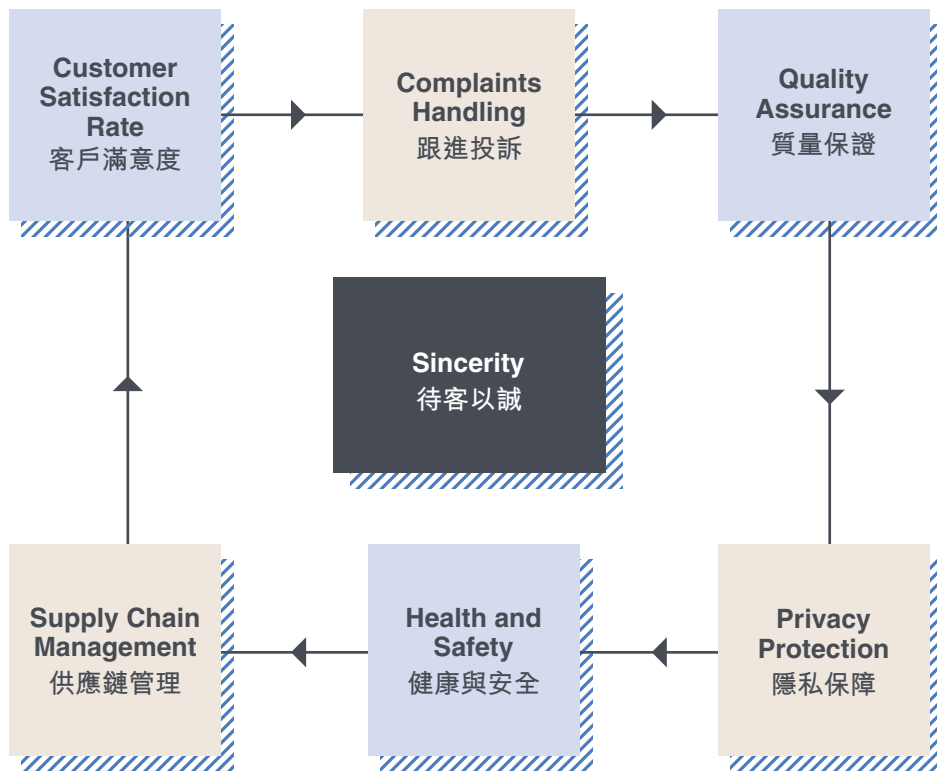
“Sincerity” is always the core value of GR Properties. We are keen to provide high quality service to our customers and we treat “Customers Satisfaction” as our standard in order to provide excellent experience to customers at every degree. We keep track of customer satisfaction level, follow up complaints until perfect, conduct self-criticism to seek for improvement, highly concern customers’ privacy, keep eyes on every health and safety issue, and choose our suppliers carefully.

客戶滿意

「待客以誠」是國銳地產一直以來尊崇的核心價值觀，我們以誠懇態度為客戶提供優質的服務，時刻以客戶滿意為標準。為提高住戶體驗，我們定期進行客戶滿意度調查、設立跟進到底的投訴處理程序、通過質量保證及進行定期自查、強調客戶私隱保護工作、時刻巡查以保證客戶健康與安全、嚴格挑選供應商等，我們銳意在不同層面均為客戶提供良好的體驗。

Environmental, Social and Governance Report

環境、社會及管治報告



2016 Performance Target

二零一六年度客戶服務目標

- Owner/customer satisfaction score of no less than 90 out of 100
業主／客戶綜合服務滿意度不低於90分
- 100% Complaint response rate
100%投訴回覆率
- 100% Satisfaction result in supplier evaluation
供方評價合格率100%
- Zero major accidents throughout the year
全年度無重大責任事故發生
- 100% inspection coverage according to our quality assurance program
進行100%全覆蓋品質檢查
- Review customer privacy protection procedure
檢討保障客戶私隱程序
- At least three times security patrols a day, security staff on duty in 24/7 basis
每日至少3次保安巡查，保證每日24小時、每週7天不空崗
- Daily fire patrol and monthly inspection of fire facilities
每日會進行防火巡查，每月檢查防火設施
- Review contingency plan
檢討應急預案
- Purchase public liability insurance for every project
為每個物業管理項目購買公眾責任保險
- On-site assessment to all new suppliers and at least 10% existing suppliers
走訪所有新供應商，以及覆核不少於10%的現有供應商

Environmental, Social and Governance Report

環境、社會及管治報告

Customer Satisfaction Rate

Understanding customer needs is the first step to provide excellent service. We actively collect customer opinions via different communication channels such as customers' feedback collected by our customer service team, security guards, cleaning workers and maintenance workers, regular customer visit, discussion forum, customer satisfaction survey, etc.

During the year, we carried out on-going investigation toward customer satisfaction, including conducting property management customer satisfaction survey to each and every household in each projects. The survey included 15 key performance indicators (KPIs) and they were classified into 5 main categories including event handling, environmental, security, customer service, and engineering services. We collected and analysed those customer satisfaction KPIs and reported to our quality assurance team, which will follow up and verify the results.

Our average customer satisfaction rate for the year 2016 was 97 out of 100, of which:

Event handling scored 97, environmental scored 95, security scored 96, customer service scored 98 and engineering services scored 96.

Customers sometimes present us compliments to recognise our services. We are not only proud of our service team but also treat it as a good opportunity to demonstrate best practice. We share these excellent customer experiences among staff so that it could become part of our common practice and corporate culture.

客戶滿意度

提供優質的服務首要瞭解客戶需求。我們積極建立不同溝通渠道收集客戶意見，包括管理員、保安員、清潔人員、工程人員於日常接觸客戶後紀錄客戶回饋意見、定期主動進行客戶走訪、舉行客戶座談會及定期進行客戶滿意度調查等工作。

於2016年，我們持續開展客戶滿意度調查工作，包括通過逐戶發送《物業服務滿意度調查表》收集各類客戶群體反饋，從管理服務、環境管理、安全管理、客戶服務及工程服務等五方面共15項指標全方位衡量客戶滿意度。調查書面報告上報品質部，品質部進行抽樣回訪核實報告內容。

2016年客戶總體滿意度達到97分，其中：

管理服務97分、環境管理95分、安全管理96分、客戶服務98分及工程服務96分。

我們的客戶對我們的服務感到滿意時，有時會透過贈送錦旗和感謝信以表揚我們物業管理團隊。我們認為這些表現優異的個案除值得表揚外，更是我們良好的學習機會。因此我們透過分享會定期與各項目員工分享這些優質客戶體驗，希望將這些優質客戶體驗推廣成為我們的常規和企業文化。

Environmental, Social and Governance Report

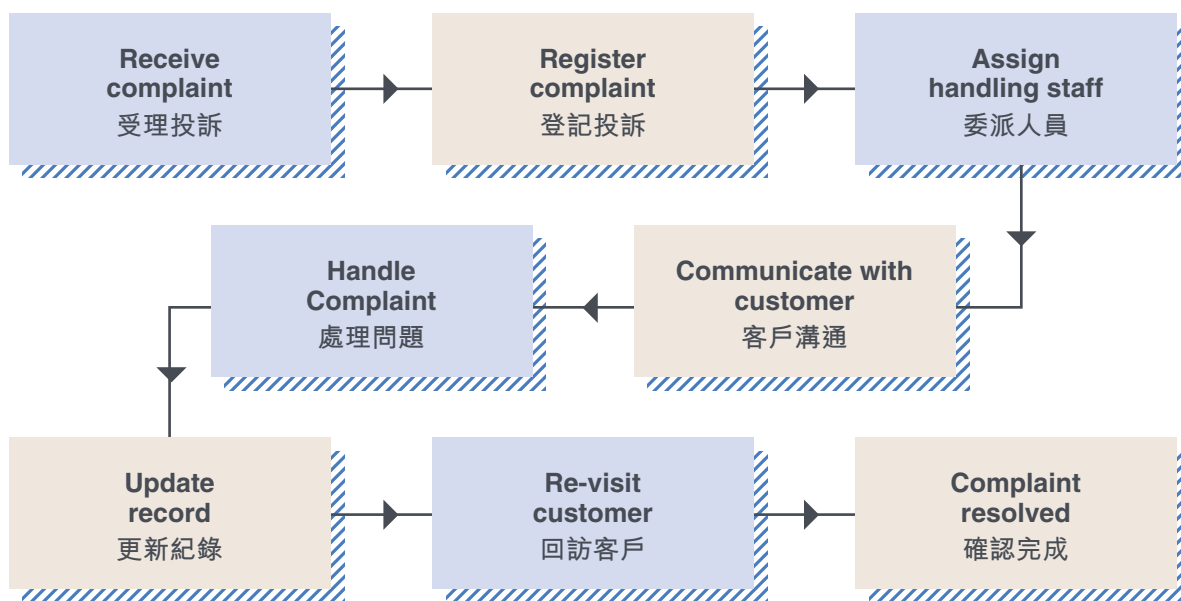
環境、社會及管治報告

Complaints Handling

Handling customer complaints provides us opportunities to improve our service quality, of which we are highly concerned about. We have established a 24-hour customer service hotline and a responsible team to handle feedback and complaint from customers. We record each complaint in our customer service system such that our customer service and responsible team can react and response timely. Customer service team is responsible for monitoring the whole process and making sure all issues are properly and promptly resolved. Each complaint case are re-visited by a separated member for evaluation to avoid further complaint from customer. Our standard complaint handling procedures are as follow:

跟進投訴

我們認為處理客戶投訴的過程為我們提供大量的改善服務品質機會，因此我們高度重視客戶投訴，我們設立了統一的24小時客戶服務熱線，供客戶反饋意見，並成立了項目組負責處理跟進客戶投訴，我們的客戶服務系統詳細紀錄每一宗投訴的跟進情況，並由客戶服務人員統一安排並監控整個處理過程，給予及時有效的解決與回應，問題處理完畢後將由另一人員負責進行客戶回訪，確認問題得到妥善處理，防止發生二次投訴。以下是我們處理投訴之標準流程：



During the year, we continued to provide training to raise staff awareness towards customer service. We standardised our complaint handling and processing procedure and reviewed the feedback mechanism. We display our complaint hotline at our front desk, lobby of each building and our online platform, encouraging our customer to provide their opinion to us. We demand 100% complaints response rate, resolve complaint cases (or provide concrete solution) with 4 hour after obtaining understanding from customer and follow up until no further complaining. Below is our performance in 2016:

於2016年度，我們繼續加強培訓工作，提高全體員工對客戶服務的意識，我們規範處理及接待客戶投訴流程，檢討客戶反饋問題的機制，並在社區物業管理處前台、各樓棟大堂和在線宣傳平台等地點以公告方式展示投訴方式。我們要求客戶投訴得到百份之百回覆，與客戶溝通瞭解問題後最長於4小時內完成處理投訴或提供有效解決方案，以及一直跟進直至客戶無進一步投訴。以下是我們於2016年度表現：

Environmental, Social and Governance Report

環境、社會及管治報告

- Complaint response rate at 100%
 - No unresolved complaint case after 4 hours from successful contact with customer
 - Complaint handling satisfaction rate at 100%¹
- ¹ Complaint handling satisfaction rate indicates whether further complaint is received from customer.
- 投訴回覆率100%
 - 處理投訴最長時間為與客戶溝通後4小時內
 - 投訴回訪滿意率100%(註1)
- 註1：投訴回訪滿意率表示客戶是否仍有進一步投訴

Quality Assurance

We deliver “Loyal, diligent, professional and comprehensive” services to our customers and we believe in the philosophy of “provide quality services, add values to the property”. In order to provide world-class service to our customers, we need to ensure the services we provided are professional, standardised and considerate. We therefore established clear objectives to our 4 basic functions:

質量保證

我們向客戶提供「忠誠、勤奮、專業、綜合」的服務，我們堅持「服務優質、物業增值」的經營理念。為向客戶提供一流的居住及辦公環境，我們要確保我們的服務專業、規範化和人性化。我們的物業管理服務主要劃分為以下四大基礎職能模塊：

Customer service 客服
<ul style="list-style-type: none"> • Understand customer needs. Resolve problems they encountered. 了解客戶需要，解決客戶遇到的問題。
Engineering 工程
<ul style="list-style-type: none"> • Maintain, repair and upgrade public equipment and facilities. 保養、維修與升級各類公共設備、設施
Environment 環境
<ul style="list-style-type: none"> • Keep our environment clean and green. 保持公共地方環境清潔衛生、進行綠化養護。
Security 秩序
<ul style="list-style-type: none"> • Ensure safety and traffic in order. Quickly handle fires and other emergencies. 維持治安、交通秩序、快速處理消防和其他突發事件。

To fulfill our commitment to quality service, we defined clear roles and responsibilities for all staff, established a series of management system and working mechanism, educated our staff to build a strong mind-set towards customer service and enforce on-going improvement. We defined “Six Clear Principles” to achieve our ultimate goal of “understanding our customers’ needs, fulfilling our customers’ needs and exceeding our customers’ expectation”.

為履行向客戶提供一流服務的承諾，我們設置明確職能，使各員工能各盡其責。我們亦制定了一系列的管理制度和work mechanism，並從思想上培養員工的客戶服務意識，規範其待客言行舉止，不斷完善流程化的客戶服務體系，並透過實施「六有原則」實現「瞭解客戶需求、滿足客戶需求、超越客戶需求」的最終目標。

Environmental, Social and Governance Report

環境、社會及管治報告

<p>Clear Task</p> <p>有工作任務</p>	<p>We assign clear tasks to ensure delivery of our property management services, including move-in process, record keeping, decoration, facilities maintenance, safety, environment and hygienic.</p> <p>我們有明確的管理服務工作任務，包括入住管理、檔案管理、外觀、設備運行、設施維護、保安環境及衛生等方面。</p>
<p>Clear Standard</p> <p>有任務標準</p>	<p>We define appropriate standard level for each project to adapt different needs of different customer type, personalise our one-stop property management service.</p> <p>我們根據物業項目性質的不同，設計最適合的物業管理服務標準，滿足不同性質項目的客戶需要，向客戶提供個性化的一站式物業管理服務。</p>
<p>Clear Timeframe</p> <p>有工作週期</p>	<p>We manage our quality through regular internal inspection. Each working task have their own inspection frequency to deliver stable and consistent services.</p> <p>定期進行內部綜合服務品質巡查，是我們能始終保持一流服務品質的重要因素，我們為每項工作訂立固定明確的週期，提供穩定一致的服務。</p>
<p>Clear Responsibility</p> <p>有責任人</p>	<p>We delegate responsibility to each level, project director, customer service, engineer, environmental and security supervisor have their own responsibility and accountability.</p> <p>我們有明確清晰的責任人制度，每個項目設有項目總監，各工作範疇分別有客服主管、工程主管、環境主管及秩序主管，保證問責性。</p>
<p>Clear Monitoring</p> <p>有監督檢查</p>	<p>We perform full inspection to our projects each year, we identify and rectify problems and deficiencies to maintain excellent service quality.</p> <p>我們每年都會對旗下各物業管理項目進行100%全覆蓋檢查，找出存在的問題和不足，確保服務質量和滿足客戶需求。</p>
<p>Clear Result</p> <p>有工作結果</p>	<p>We take appropriate actions to address the problem we identified through customer feedback and our regular inspection, to ensure all issues are properly and promptly resolved.</p> <p>對於進行定期巡查或收到客戶反映的問題，我們會迅速採取相應措施，務求第一時間妥善解決問題。</p>

Privacy Protection

We formulated privacy protection policy and defined guidelines to handle customers' private information. In handling customer privacy information, we "set classification, define security level, keep confidential, disclose cautiously". We restrict access right to our customer's privacy information (such as contact information, full name, identity, etc.), to allow only staff who need the information to perform their duty. If we need to provide customer information to third parties, we, unless required by laws or regulations, must obtain consent from the customers, our supervisors will also review the reasonableness and appropriateness when approving such request.

私隱保障

我們制定了信息保密管理制度及指引處理客戶私隱資料，我們實行「合理劃分、確立密級、妥善保密、適當公開」原則，針對客戶檔案資料進行專人專崗管理，客戶信息範圍包括個人的聯繫方式、姓名等，僅允許員工取得其工作所需信息，保障客戶信息的安全。除非法例要求，如需向客戶以外的人員提供信息的，須徵得客戶同意，並匯報上級主管考慮其合理性及適當性後，方可提供。

Environmental, Social and Governance Report

環境、社會及管治報告

We keep training our staff to increase their awareness to customer privacy, avoid sensitive information leakage and protect our customer privacy information. During the Reporting Period, no complaints regarding breach of privacy or leakage of customers' data were received.

Health and Safety

To ensure the health and safety of the owners and tenants, we have put a lot effort to ensure we strictly follow health and safety related laws and regulations, including Fire Prevention Law of the People's Republic of China, Production Safety Law of the People's Republic of China, Road Traffic Safety Law of the People's Republic of China, Measures of Beijing Municipality for Safety Management and Supervision of Elevators and Regulations on Safety Supervision Over Special Equipment. We developed a serial of policies and procedures to prevent disasters from happening.

We put slogan for fire safety and security to increase the awareness of owners and tenants. In addition to regular security patrol, we have installed closed-circuit television cameras in public areas to enable 24-hour and real-time monitoring by our security centre. We also implement access control to restrict salespersons, hawkers and people who distribute promotional materials from entering our managing areas.

To ensure safety of drinking water, we engage independent laboratory to perform annual testing in accordance with the "standards for drinking water quality". The testing inspects 22 important items including color, turbidity, taste and smell, visible substance, pH value, total hardness, volatile phenolic compounds, sulphate, chlorides, nitrate nitrogen, ammonia nitrogen, nitrite nitrogen, iron, manganese, copper, lead, oxygen consumption, free residual chlorine, total coliform, thermotolerant coliform, escherichia coli, aerobic plate count, etc. During the Reporting Period, all of our projects obtained satisfactory results.

同時，我們還加強員工培訓，不斷增強其保護客戶信息的意識，避免客戶信息洩露，切實有效保護客戶隱私。於報告期內，我們沒有任何違反或關於資料涉漏的個案，也並未收到任何來自外界人士或監管機構有關集團被證實未能保障客戶隱私及遺失客戶資料的投訴。

健康與安全

為保障業主及租戶的健康與安全，我們一直嚴格遵循相關國家法律法規及行業條例，包括《中華人民共和國消防法》、《中華人民共和國安全生產法》、《中華人民共和國道路交通安全法》、《北京市電梯安全監督管理辦法》以及《特種設備安全監察條例》。我們制定了一系列安全管理制度，著重於事前預防方面，進行嚴格管控，防患於未然。

我們在各物業項目範圍內設置警示標識，張貼防火防盜標語，增強業主及租戶安全意識。保安方面，除了秩序維護員會經常巡查外，我們亦已於公共區域安裝閉路電視，由24小時值班的保安人員進行實時監控，我們亦實施門禁制度，嚴禁推銷、叫賣、派發廣告的人士進入我們管理的物業項目範圍。

為保障居民飲用水安全，我們每年均會委任獨立化驗機構，按照國家《生活飲用水衛生標準》為我們所有項目的生活飲用水進行檢測，包括色度、渾濁度、臭和味、肉眼可見物、pH值、總硬度、揮發酚類、硫酸鹽、氯化物、硝酸鹽氮、氨氮、亞硝酸鹽氮、鐵、錳、銅、鉛、耗氧量、遊離餘氯、總大腸菌群、耐熱大腸菌群、大腸埃希氏菌、菌落總數等22項飲用水衛生指標檢測項目，本年度所有項目均符合所有檢測標準。

Environmental, Social and Governance Report

環境、社會及管治報告

For fire safety, we conduct daily fire patrol and inspect the fire equipment monthly. Once a safety risk is identified, remedial actions must be taken immediately. Maintenance work that involves the use of flames must obtain our approval in advance and we will assess the competency of the workers by inspecting the validity of their license. Our customer service and security team will visit the site from time to time during their operation.

For road safety, we register every vehicles when they enter and leave our parking area. We do not allow vehicles loaded with flammable, explosive or dangerous items to enter. We comply with all relevant safety regulations and requirements to the use of elevator. Our elevator safety officer is responsible for the safety management in day-to-day operation. The officer conducts daily inspection and carries out repair and maintenance work when necessary. We have also appointed professional inspection company to perform annual examination and repair once an issue is identified.

We have developed 29 contingency plans to address different kind of disaster. Emergency response teams (including control centre, action team, order and security team, equipment protection team, customer assistance team and quality management dispatch centre, etc.) will be formulated immediately in accordance with our contingency plan. They should be properly control and manage the situation to minimise the loss and damage. Our response teams have clear duty and responsibility to ensure our contingency plan carry out smoothly. When handling the emergency situation, we need our response teams to communicate smoothly, response quickly, handle effectively and have clear responsibility. We perform fire drills and emergency trainings regularly to ensure all staff have in-depth understanding of our designated protection procedures and evacuation means. By doing so we increase our abilities to handle different types of emergency situations and protect the safety of our customers and their properties.

To provide further protection to our customers, we purchased public liability insurance for all projects, which covers more than 30 common accidents, offering both preventive and compensating protection to our customers. It strengthens our ability of preventing and controlling public security and reduce the risks to acceptable level.

防火方面，我們每日會進行防火巡查，每月檢查防火設施，一旦發現安全隱患會馬上追蹤改善。需要明火的作業須事前向我們提出申請辦理證件，作業人員必須持有有效證件工作，我們的客服管家及項目安全員亦會於明火工作期間到現場巡視檢查。

交通安全方面，我們規定車輛進出停車場須憑證卡通行，裝載易燃、易爆、危險品的車輛一律不得進入停車場。另外，所有我們使用的電梯均符合國家有關電梯安全管理規定，我們有專門的電梯安全管理員，對電梯安全運行管理負責，每天對電梯進行巡視檢查、維護及保養，每年由專業檢測機構進行檢驗，發現問題立即處理。

為了及時、妥善地處理突發的重大災害事故，公司制定了29項應急預案，一旦發生重大災害事故，我們的項目部工作人員將迅速成立應急小組(包括領導小組、應急處理小組、秩序維護小組、設備保障小組、客服協助小組及品質管理部調度中心等)，各有明確的職責分工，確保應急處理工作有序進行。我們要求處理重大災害事故時信息暢通、反應快捷、處置有效、責任明確。我們定期進行各種災害演習及應急培訓，使轄區內全體工作人員深入瞭解突發事件時的有關防護及緊急疏散方法，提高緊急避險、自救自護和應變能力，保障客戶生命、財產安全。

為進一步保障客戶的利益，我們為各物業項目購買公眾責任保險，保障範圍包括30餘種常見的意外事故，我們希望可達到災前防範、災後補償的作用，加強我們預防和控制公眾安全隱患的能力，進一步降低風險至可接受程度。

Environmental, Social and Governance Report

環境、社會及管治報告

Supply Chain Management

GR Properties actively seek for business partners and suppliers who share common sustainability vision with us. We expect our business partners and suppliers to operate with integrity, treating their employees fairly and complying with all applicable laws and regulations. We have more than 50 active suppliers providing different services include security, cleaning, heat supply, elevator maintenance, security, decoration, pipeline maintenance, etc. We try our best to use local products and services as many as possible to reduce the carbon emissions from transportation. More than 90% of our suppliers are local suppliers.

We maintain long-term, mutually beneficial relationship with our business partners and we expect excellent sustainability performance, as well as high quality products and services from suppliers. We have established a highly transparent and prudent supplier assessment and selection procedure and published procurement information on our official website to openly invite qualify suppliers to participate in our tendering. We assess our suppliers and perform site visits to verify their product and service quality. We ask at least five qualified suppliers to participate in each tendering and formulate tendering committee, with members from procurement department, operation department, engineering department and project director. We perform tender opening and evaluation at the same time and assess tenders immediately to avoid misconduct and ensure fairness during the whole tendering process. We have a probation period of 1-2 month to successful tender to monitor and assess their service quality and efficiency before confirming further cooperation.

We maintain a “Qualified Supplier List”, by evaluating monthly their product and service quality. Only those with satisfactory performance could remain in our “Qualified Supplier List”, participate in our tendering process and develop long term relationship with us. For those suppliers with unacceptable performance, violating our contract terms or integrity agreement, we will remove them from our “Qualified Supplier List” and prohibit them from tendering by putting them into “Prohibited Supplier List”. We also source new suppliers in the market each year and compare them with our existing suppliers to ensure our suppliers provide high quality goods and services.

供應鏈管理

國銳地產積極尋求有共同可持續發展理念的業務夥伴及供應商。我們期望我們的業務合作夥伴及供應商誠信經營、公平對待員工及遵守所有適用的法律法規。現時與我們經常合作的供應商約有50多個，服務類別涵蓋保安、保潔、供暖、電梯維保、保安、裝飾裝潢和管道維修等。在可行的情況下，我們盡量會選用本地的產品及服務，減少運輸過程帶來的碳排放，我們的供應商超過90%為本地供應商。

我們致力於與業務夥伴建立持久和互惠互利的合作關係，亦要求供應商在可持續發展方面表現優異，以及提供優質產品與服務。我們通過設立高度透明且嚴謹的評估及甄選程序，在官方網站上公開採購信息，廣泛接受優秀的供應商報名參加相關招標，我們會核實供應商的資質，並對其經營場所實地考察。我們要求至少邀請五家以上符合條件的供應商參加競標。設置招投標工作小組，由採購專員組織，招投標負責人、經營管理部負責人、項目負責人代表和工程事務部主管等參與。開標與評標同步，現場對標書進行綜合考核，杜絕黑箱操作，確保招標過程公平。對於入選的供應商，我們亦需要進行一至兩個月試用期，從服務品質和提供服務及時性等方面對其進行綜合性評估及監察，覆核通過之後方可與其進一步開展合作。

我們實行供應商名冊管理制度，每月對合作供應商進行履約評價，全面保證供應商提供的產品與服務安全。對於合作履約良好的供應商，列入《合格供應商名冊》，可參與項目投標，提供長期合作機會；對於不能有效履約、違反廉潔合作協議的供應商，實行嚴格的淘汰制度，列入《不合格供應商名冊》，不得參與項目投標。我們亦會每年尋找新的供應商，與現有合作供應商進行比較，確保只與優質的供應商合作。

Environmental, Social and Governance Report

環境、社會及管治報告

VALUE OUR PEOPLE

As a service provider, human resource is the most valuable asset to us. Recruiting and retaining talent with strong affinity and professional knowledge are critical to maintain our service of high quality level. We offer an ideal career development platform to our employees with highly competitive salary package, various training resources, as well as healthy and safe work environment. We treat our employees like family members and respect their views and opinions. We have open and transparent communication channel, listen to their voice humbly. We offer equal and non-discriminating opportunities to all staff and take necessary steps to improve staff accommodation and food quality, striving to become the best employer.

Employee Overview

As at 31 December 2016, we have a total of 347 employees in Hong Kong, Mainland China and the United States. Most of our male staff was in engineering related roles while most of our female staff was in customer service and supporting roles.

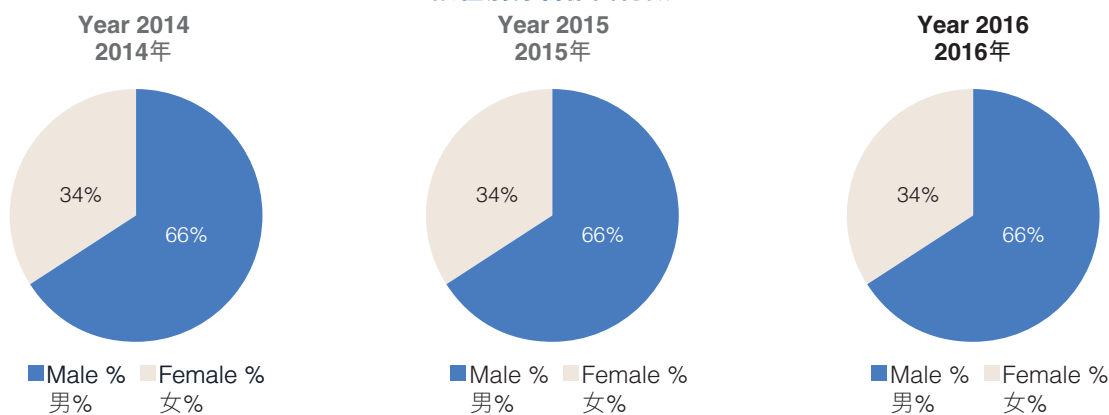
關懷員工

我們是服務型企業，員工是我們最寶貴的資產，吸引並挽留極具親和力且專業素質的人才，對維持我們高品質的服務極為重要。我們為員工搭建理想的職業發展平台，制定具競爭力的薪酬體系，投放各類培訓資源，提供安全健康的工作環境。我們視員工為家庭的一份子，尊重員工意見，為此我們建立公開透明的溝通機制，傾聽員工心聲，我們提倡平等機會、非歧視的用人原則，持續改善員工的住宿水平及飲食質量，致力於成為最佳僱主。

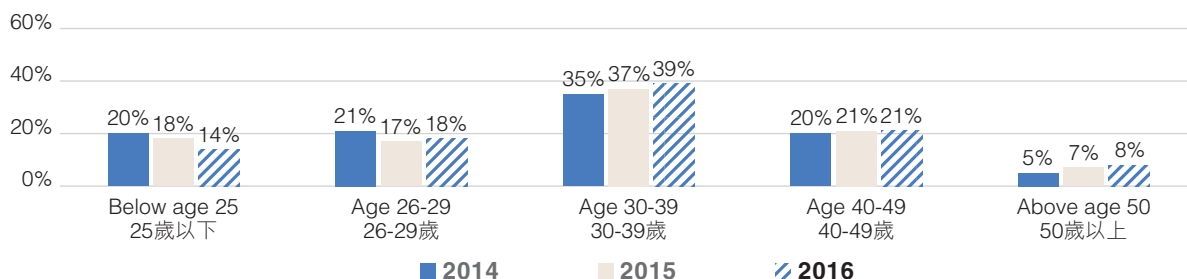
員工概況

截至二零一六年十二月三十一日，本公司於香港、中國大陸以及美國地區共聘請347人。工程部以男性員工佔多數，客服及後勤人員則以女性員工佔多數。

Total workforce by gender
按性別分析僱員總數

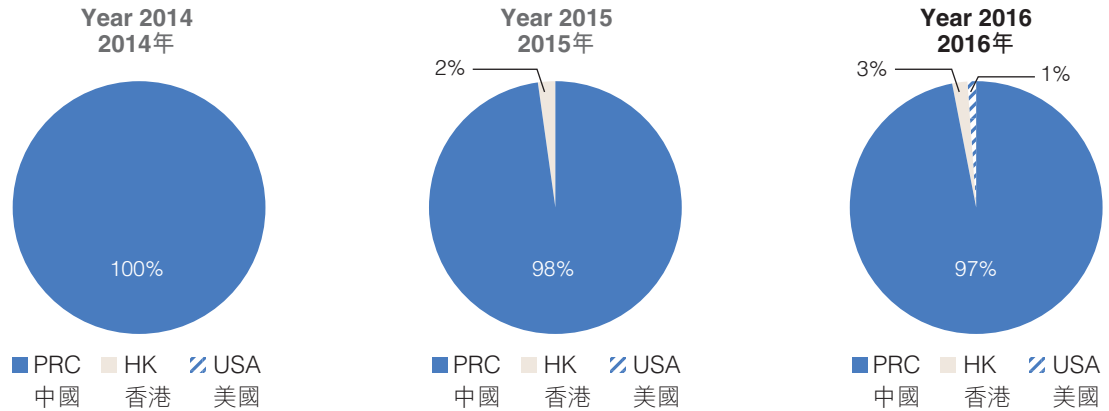


Total workforce by age group
按年齡段分析僱員總數

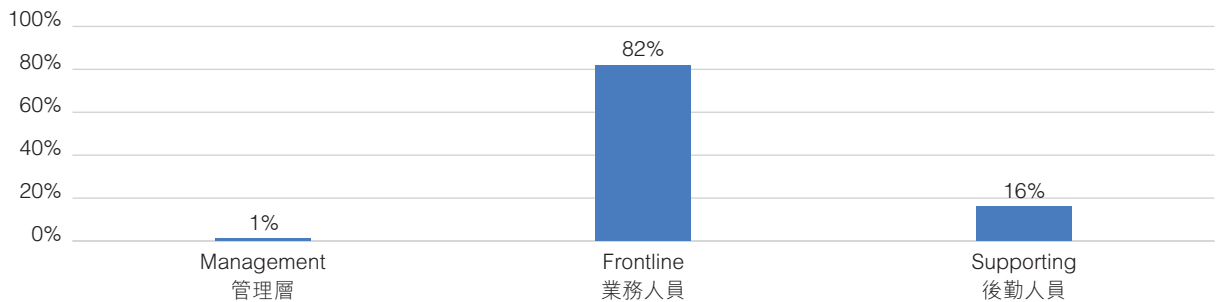


Environmental, Social and Governance Report 環境、社會及管治報告

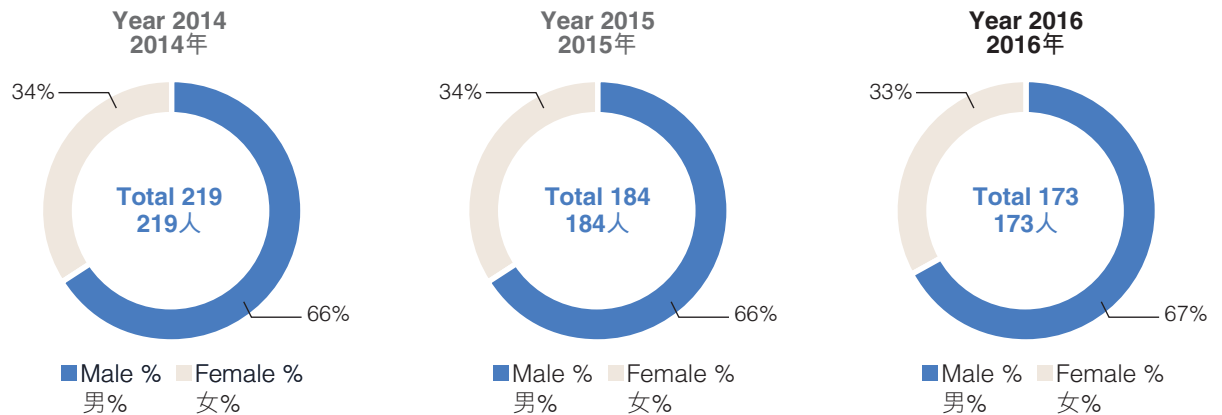
Total workforce by geographical region 按地區分析僱員總數



Total workforce by employment type 2016年按僱傭類型分析僱員總數



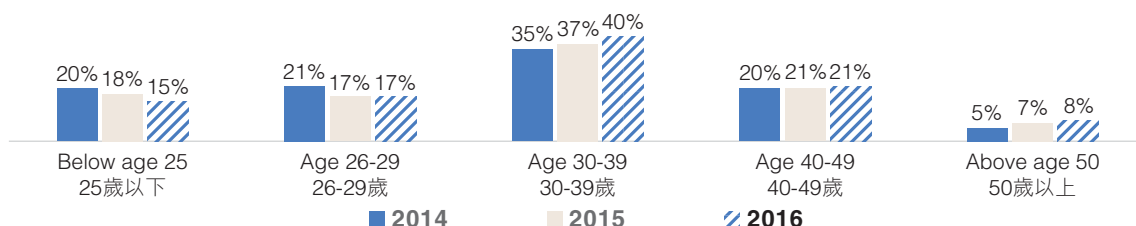
Employee turnover rate by gender 按性別分析員工流失率



Environmental, Social and Governance Report

環境、社會及管治報告

Employee turnover rate by age group
按年齡段分析員工流失率



Employee Protection

We comply with all applicable local labour law and regulations in each of our business locations, including those relevant to employment contract, social securities or staff insurance, as well as prevention against child labour and forced labour.

Through the transparent and interactive communication channels, our employees can provide feedback or lodge complaint to high level management regarding injustice or unfair treatment (including their appraisal result or evaluation of their work). Employee complaints are collected and reviewed by headquarters, appropriate actions or investigation will be made on case-by-case basis. We do not tolerate any types of harassment or discrimination in our workplace. Employees are encouraged to report to headquarters via our complaint hotline. During the Reporting Period, we did not receive any complaints about discrimination or workplace harassment.

Recruitment and Retention

Attracting and retaining our talents is always critical factor to sustain our business growth. Every year, we refill our talent pool through professional recruitment website, campus recruitment and regional large-scale job fair. We adopt "Competency First" as our recruitment policy. Abilities, qualifications and affinity are the major factors we concern while other factors such as age, gender, race and nationality will not be included in our assessment criteria.

保障員工

公司嚴格遵守《勞工合同法》及相關法律規定，與全部在職員工簽訂勞動合同，為所有符合規定的員工提供「五險一金」（醫療、養老、失業、生育、工傷等各項保險和公積金）或商業保險，抵制使用童工與強制勞工行為。

本公司設有極具透明度的雙向溝通渠道。員工擁有申訴權，對於不公正待遇、包括對績效考核的評定以及工程質量的認定等均可提出異議。員工的申訴統一報送至公司總部，並由總部委派職能部門進行覆核。我們對工作場所騷擾和歧視採取零容忍的態度。所有員工均可以直接通過撥打總部統一投訴電話通道進行投訴。本集團在本年度內並未收到任何有關歧視、職場騷擾的投訴。

吸納與挽留人才

我們的業務不斷發展，求才若渴，如何吸引和留住人才成為我們的重大挑戰。本公司通過專業招聘人才網站、校園招聘與區域性大型招聘會吸納人才。我們奉行「唯才是用」的人力資源政策，在招聘過程中，唯有應聘者的能力、資質與親和力將是我們考核重點，其他因素如年齡、性別、種族、國籍等並不會被列入我們的考核準則。

Environmental, Social and Governance Report

環境、社會及管治報告

Out management approach to employees at different stages of the employment cycle

針對員工各階段的管理工作

Employee status 員工狀態	Our task 管理工作
New staff 新員工	Provide systematic training to help them familiarise to the new working environment and our culture. 給予新員工系統性培訓，協助他們融入新的工作環境與公司文化。
Ordinary staff 普通員工	Provide internal referrals and promotion opportunity, encourage staff mobility and bring their career forward. 提供內部推薦、選拔的機會，提升流動性，鼓勵員工積極向上。
Outstanding staff 傑出員工	Reward outstanding talents through promotion and better remuneration packages. 提供晉升機會，並在薪酬待遇方面予以提升。
Resigned employees 提出離職員工	Communicate and understand the reasons behind the resignation and try our best to retain talents. 進行內部溝通和尋訪，瞭解其離職原因，盡力挽留優秀人才。

Training and development

To enhance our staff quality and transform our talent into our business advantage, we provide comprehensive training programmes to our staff so that they can cope with different kinds of challenges at work. We facilitate our staff development through constant improvement to our training and development programmes, regularly review and improve our training materials. In addition to our in-house training, we provide our staff with external courses, outreach trainings, seminars and invite external speakers to share with us the latest market update. We also encourage our staff to pursue external academic or professional qualifications.

During the Reporting Period, we provided more than 12,400 hours of internal training to our employees. We offer different types of training programs to satisfy needs at different level and types of employee, including orientation training, financial/customer service/security/engineering skill training, emergency and fire safety training, equipment maintenance training, regulatory and compliance training, leadership and management skills training as well as team building activities.

培訓及發展

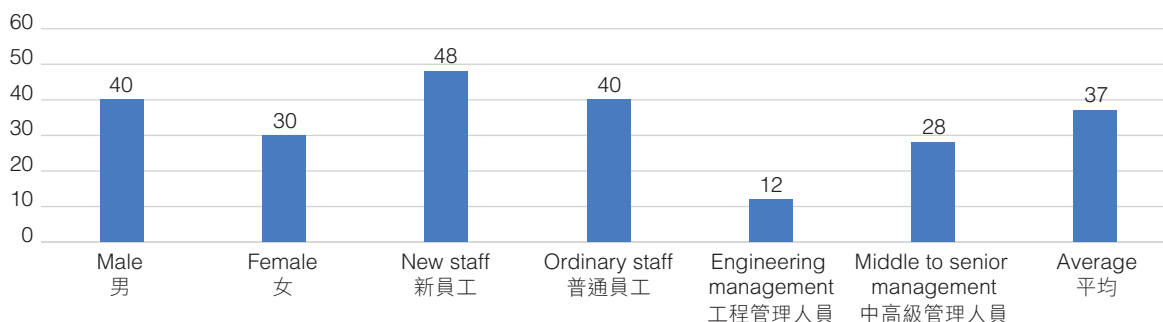
為提升員工素質並將人才優勢轉化為企業優勢，我們為員工提供全面的培訓課程，以確保員工能應付他們工作上不同的挑戰。我們透過不斷完善員工培訓內容與發展體系，定期檢討及改善相關教材來輔助員工發展。除內部培訓外，我們亦經常為員工提供外部培訓課程、外展培訓、講座及邀請講者到公司進行演講，亦鼓勵員工進修或考取專業資格。

於2016年度，我們為員工提供超過12,400小時內部培訓。針對不同工作級別和類別的員工，我們提供不同的培訓項目，包括入職培訓、財務／客服／安保／工程崗位培訓、突發事件及消防安全處理培訓、常規設備養護培訓、物業法規培訓、領導力與管理能力培訓、核心團隊建設培訓等。

Environmental, Social and Governance Report

環境、社會及管治報告

**Average training hours completed per employee
by gender and employee category**
按性別和級別分類員工平均培訓時數



Workplace Safety

We commit to minimise the occupational risk and continuously improve the safety measures to secure a safety and healthy working environment. Every of our projects has appointed a safety officer and the head of engineering department is responsible for safety of our frontline workers. Through routine safety inspections, we ensure safety measures are in place, protective equipment is used correctly and safety procedures are indeed implemented. Tasks with high risk or require professional skill (such as tasks related to high-voltage electricity) are outsourced to professional and competent service providers. On-site workers are required wear protective equipment and safety reflective jacket. We will provide equipment to staff to prevent cold or heat stroke according to different weather conditions.

Work-related injury and fatalities

職工安全

我們致力在將員工在工作上需要面對的風險減至最低，透過不斷完善安全管理制度，為所有員工營造安全和健康的工作環境。我們各個項目均設有安全負責人，工程事務部將負責整體工程人員安全。我們通過例行巡查等形式，確保安全保護檢查措施運作正常、安全裝備有正確使用、安全程序有確實執行。安全風險和專業性要求較高的工作(例如與高壓電力有關工作)，我們會外判到專業、合資格的工程公司進行，工程作業人員亦會配備防護裝備、穿著有安全反光條的工衣。根據季節的變換，我們亦會為員工提供防寒、防中暑裝備。

工傷事故概況

	2014 2014年	2015 2015年	2016 2016年
Number of work-related fatalities 因工作關係而死亡的人數	Nil 0人	Nil 0人	Nil 0人
Rate of work-related fatalities 因工作關係而死亡比率	0.0%	0.0%	0.0%
Lost days due to work injury (excluding leave due to trivial illness) 因工傷損失工作日數(不包括非工傷之一般病假)	0 day 0天	0 day 0天	0 day 0天

Environmental, Social and Governance Report

環境、社會及管治報告

Work Life Balance

We pay attention to both physical and mental health of our employees. We offer annual health check and purchase employee accident insurance to provide protection and support. We also help our employees to achieve work-life balance. We, in addition to the annual leave, marriage leave, maternity leave provided, we invest in staff facilities, staff quarters and provide entertainment (such as computer, TV, etc.) in the staff lounge. We also hold birthday parties, festival celebration, outdoor company activities and visit frontline staff. We hope to keep our employees in best shape to face their challenges of work. We review regularly our employee benefits and satisfaction and seek for different ways to enhance our support.

工作與生活平衡

我們重視員工的身心健康，每年為員工提供年度身體檢查，並為員工購買意外傷害保險，加強對員工的保障和支持。為了鼓勵員工在工作與生活之間取得平衡，我們除提供年假、婚假、生育假等福利外，亦增加了對員工設施的投資，建立設施齊全的員工宿舍，並在宿舍設置娛樂區（配置電腦、電視等）、舉辦生日會、節日慶祝活動、組織前線員工慰問活動、戶外拓展活動等，讓員工在工作之餘取得生活上的平衡，以放鬆的心情迎接工作上的挑戰。我們亦定期檢討員工福利及滿意程度，時刻尋找不同的方式加強對員工的支持。

TREASURE OUR RESOURCES

We value and treasure our environment and our scattered natural resources. We emphasise the importance of resource saving and reduction of pollution. We actively promote green management, implement green procurement, participate in various environmental activities and promote green life, such that we can contribute to environmental and resource sustainability. We have implemented the following policies to reduce emissions and increase efficiency of resource usage:

珍惜資源

我們珍惜可貴的社區和自然環境，以及我們所有不多的各類天然資源，因此我們強調對資源的保護和減低對社區和自然環境的污染。透過積極推動綠色管理、綠色採購、參與各類環境保護活動和推廣綠色生活，我們希望保障環境和資源的可持續性，我們為減低排放和有效利用資源，我們訂立了以下政策：

Category 範疇	Policy 政策
Green management 綠色管理	<ul style="list-style-type: none"> • Provide training for employees to raise their awareness; • 為員工提供環保相關培訓，旨在提升對環境保護事宜的關注 • Achieve waste reduction and effective use of energy and water resources by encouraging behavioral change; • 鼓勵通過改善行為習慣達到減少廢棄物產量及妥善利用能源和水資源等 • Regularly inspect and repair equipment to reduce the waste caused by damage; • 定期檢查機電供給水設備，並適時保養維修，減少因設備損壞失修的虛耗 • Establish plans and guidelines for energy and water saving; and • 制訂節約能源和節約用水的計劃與指引 • Review the efficiency of resources usage and our performance in environmental protection. • 適時舉行會議，檢討本公司使用天然資源的效率和環境保護工作的表現

Environmental, Social and Governance Report

環境、社會及管治報告

Category 範疇	Policy 政策
Green equipment 綠色設備	<ul style="list-style-type: none"> • Install regional lighting control, such as voice or infrared sensor, to turn off unnecessary lighting automatically; • 提供區域燈光控制，引入聲控或紅外線感應系統，避免非必要的虛耗 • upgrade lighting system and use high efficiency LED lamps; • 為固有燈光系統升級，安裝高能源效益的LED燈具 • Install rainwater recycling system; and • 開發雨水回收系統 • Upgrade to non-negative pressure fresh water supply system to save energy. • 改造節能的無負壓淡水供應系統
Environmental awareness 環保意識	<ul style="list-style-type: none"> • Install sub-meter and implement “user / polluter-pays” policy to encourage water and electricity savings; and • 安裝水電分表，實踐「用／污者自付」的原則，按實用量向租戶收取費用，鼓勵節約 • Display tips, warm reminder and guidelines in the public area to promote environmental protection awareness. • 於公共地方貼出提示，鼓勵改善行為習慣向租戶提供節能省水減排減廢的可行指引

Result Sharing

成果分享

- We purchase at least national level II energy efficient equipment in order to reduce energy consumption since 1st January 2016.
自2016年1月1日起，為減少能源使用，國銳地產所有管轄區域新設備採購均採用國家二級節能環保設備。
- Install heat re-cycling system in the “Fortune Street” and “North Garden” projects, upgrading our boiler to reduce emission of exhaust gas and greenhouse gas.
在財滿街與北花園項目中建立鍋爐餘熱回收系統，通過對鍋爐系統的升級改造，控制廢氣以及溫室氣體的排放。
- Upgrade to non-negative-pressure water supply system to save energy in the “Ego Act Living” project
對北京易購空間進行無負壓淡水供應系統進行改造，減少能源使用。

Environmental, Social and Governance Report

環境、社會及管治報告

Comply to Environmental Laws and Regulations

We comply with all environmental law and regulations in each of our business locations including laws and regulations relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste that have a significant impact on us. We continuously educate our staff to ensure strictly follow all relevant laws and regulations and avoid damaging the natural environment. We try our best to achieve an environmental protection performance which is higher than regulation requirement in order to minimise the impact to the environment. In 2016, we did not receive any complaint or charge in relation to environmental laws and regulations.

Emissions

Our main emissions are living garbage and exhaust gas (greenhouse gases and air pollutants such as nitrogen oxides, sulfur dioxide and particles), which comes from using of mobile vehicles, air conditioning and heat supply to residents. Our business also brings indirect emissions of greenhouse gas from our use of electricity. We actively optimise our operation to increase the efficient of energy and water usage and reduce emissions.

環境保護條例遵循性

我們嚴格遵守各營運所在地的環境保護條例，包括與廢氣及溫室氣體排放、向水及土地排污、有害及無害廢棄物的產生有關的對我們產生重大影響的條例，我們持續教導所有員工，業務運作過程不得違反任何相關環境法例，亦不得任意破壞自然環境。在可行的情況下，我們盡力達到比相關法規要求更高的環保績效指標，減少我們業務為環境帶來影響。於本報告的匯報期，我們並沒有收到任何有關違反環保條例的投訴或控告。

排放物

我們業務產生的主要排放物是生活垃圾和廢氣(包括溫室氣體及氮氧化物，二氧化硫及顆粒等空氣污染物)，廢氣排放來自汽車排放、空調排放以及為住戶供暖時燃燒天然氣所產生的廢氣，而我們使用電力時亦會帶來間接的溫室氣體排放。我們積極優化我們的管理模式，力求更有效使用能源和水資源，同時盡可能減少廢氣、生活垃圾和溫室氣體排放對環境帶來的影響。

	Living garbage 生活垃圾 (Tonnes) (公噸)
Total 總量	1,872
Intensity ² (per household) 密度(註2)(每戶)	0.239

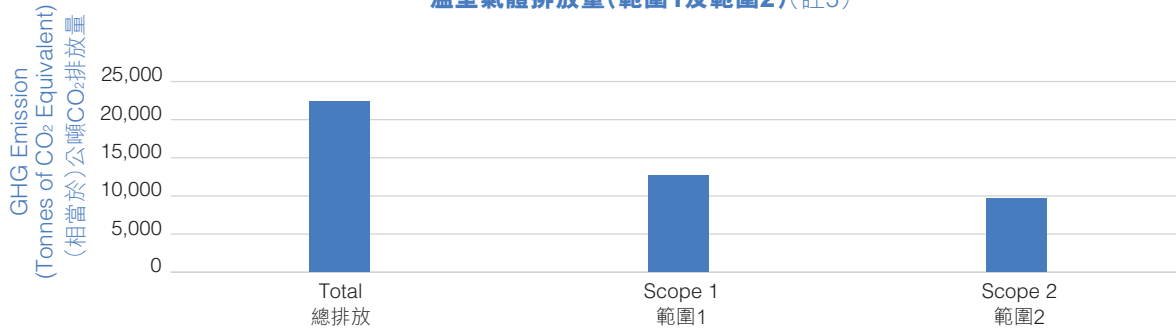
² Intensity is calculated as the total emission divided by the average household. In 2016, the average number of household is 7,848.

註2：密度計算按總排放量除以本公司旗下項目的年內平均住戶數，本年度的平均住戶數為7,848戶。

Environmental, Social and Governance Report

環境、社會及管治報告

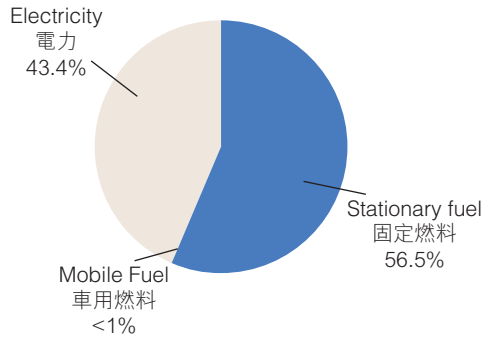
Greenhouse Gas Emissions (Scope 1&2)³
溫室氣體排放量(範圍1及範圍2)(註3)



³ Prepared in accordance with the Guideline to Account for and Report on Greenhouse Gas Emission and Removal for Buildings in Hong Kong (2010 Edition) Published by the Environmental Protection Department and the Electrical and Mechanical Services Department. Covering scope 1 (direct greenhouse gas emission) and scope 2 (Energy indirect emissions). We did not include the emission related to use of refrigerants due to lack of information.

註3：根據機電工程署及環境保護署制訂的《香港建築物的溫室氣體排放及減除的核算和報告指引》(2010年版)，包括範圍1(直接溫室氣體排放)及範圍2(使用能源間接引致的溫室氣體排放，如電力和煤氣)，另外由於資料不足，未有包括製冷劑相關之排放。

Distribution of greenhouse gas emissions⁴
溫室氣體排放量分佈(註4)



⁴ The total emission equivalent to approximately 22,400 tonnes of Carbon Dioxide.

註4：總排放量相當於約22,400公噸CO₂。

Environmental, Social and Governance Report

環境、社會及管治報告

Use of Resources

Our business consumes water, electricity and natural gas to provide lighting, water supply, heat supply, elevators and escalators to our customers. We tried our best to adopt latest technology and equipment to optimise our energy and resources saving. We require our project managers to submit energy saving plan each year to enhance our control towards energy saving. We also incorporated energy saving and emission reduction as our regular appraisal KPI.

資源使用

我們的業務主要使用的天然資源為水、電以及天然氣，主要是由於照明、供水、供暖以及電梯、扶手電梯所產生。我們盡可能使用最新技術和設備以優化我們的節能效果，我們亦要求各項目總經理每年提交節能方案，於各方面盡力控制能源消耗，把節能、減排定為各項目定期考核項目。

	Energy 能源總和 (MV) (兆焦耳)	Natural Gas 天然氣 (M ³) (立方米)	Electricity 用電 (kWh) (千瓦·時)	Water 用水 (M ³) (立方米)
Total 總量	277,922,000 277,922,000	6,538,000 6,538,000	9,263,600 9,263,600	134,000 134,000
Intensity ⁵ (per sq. meter) 密度(註5)(每平方米)	362.35 362.35	8.52 8.52	12.08 12.08	0.17 0.17
Intensity ⁶ (per household) 密度(註6)(每戶)	35,413.04 35,413.04	833.10 833.10	1,180.33 1,180.33	17.07 17.07

⁵ Intensity is calculated as the total emission divided by the total chargeable area of our projects, in 2016 the total chargeable area is approximately 767 thousand square meters.

註5：密度計算按總排放量除以本公司旗下項目的總物業管理收費面積，本年度的總物業收費面積約為76.7萬平方米。

⁶ Intensity is calculated as the total emission divided by the average household. In 2016, the average number of household is 7,848.

註6：密度計算按總排放量除以本公司旗下項目的年內平均住戶數，本年度的平均住戶數為7,848戶。

Environmental, Social and Governance Report

環境、社會及管治報告

Our major energy and water saving initiatives is as follow: 以下是我們主要的節能方式：

1. Lighting 1. 照明	2. Water supply 2. 供水	3. Heat Supply 3. 供暖	4. Elevators and escalators 4. 電梯、扶梯
<ul style="list-style-type: none"> • Install regional lighting control, such as voice or infrared sensor, to turn off unnecessary lighting automatically • Upgrade lighting system and use high efficiency LED lamps <ul style="list-style-type: none"> • 採用照明控制裝置(如電子控制器、傳感器、公區照明採用延時或聲光控開關) • 優化燈光節能改造，更換照明裝置，部分現有節能燈光源轉用更加節能的LED光源 	<ul style="list-style-type: none"> • Install water level controller, variable speed pump and multiple speed pump • Upgrade to non-negative-pressure water supply system • Install automatic faucet, adjust flushing water to appropriate amount of water • Collect rain water for irrigation <ul style="list-style-type: none"> • 加裝水位控制器，改變變頻器供水設備裝置、更換多級變頻泵 • 改造無負壓水泵 • 公共衛生間洗手盆更換為自閉節水龍頭，墩坑沖水器調至適量水量 • 收集雨水作灌溉用途 	<ul style="list-style-type: none"> • Recycle heat for heat supply and upgrade boiler • Install automated temperature control <ul style="list-style-type: none"> • 餘熱回收系統、鍋爐升級改造 • 採用供暖自動控溫裝置 	<ul style="list-style-type: none"> • Group control elevator system • automate stand-by mode during non-peak hours <ul style="list-style-type: none"> • 採用電梯群控系統 • 在非繁忙時段，扶手電梯將自動進入低能耗待命狀態

Environmental, Social and Governance Report

環境、社會及管治報告

Avoid, Reduce, Reuse, Recycle

We adopt “1A3R” (Avoid, Reduce, Reuse, Recycle) principle in managing waste. We encourage our customer to reuse pots by providing small green plants for their adoption. We install recycling bin in public areas, encourage owners and talent to separate their waste before disposal. We collect and transfer the recycled waste to proper collector/recycler to make good use of the waste.

Green Procurement

We give higher priority to environmental friendly suppliers and also give higher priority to products with higher energy efficiency. In order to protect our environment and save our cost at the same time. We try our best to use local products and services as many as possible to reduce the carbon emissions from transportation. More than 90% of our suppliers are local suppliers.

We select equipment with energy label indicated as high efficient (at least grade 2). In 2016, we installed heat recycling system in the “Fortune Street” and “North Garden” projects, upgrading our boiler to reduce emission of exhaust gas and greenhouse gas.

HARMONISE OUR COMMUNITY

Anti-corruption

Integrity is our first priority, we require all of our staffs, customers, suppliers and business partners to strictly abide all relevant laws and regulations including criminal law, tendering and bidding law, contract law, etc. In 2016, we did not receive any complaint or charge to us or our employee in corruption.

We established code of conduct and distributed to all staff, we communicate our requirement towards integrity and ethic during orientation training, we remind those requirements to our existing staffs from time to time during our daily operations and training. Integrity and ethic also included as an important element in our annual appraisal and we have zero tolerant to violation to integrity and ethical requirements.

避免、減少、重用、回收

我們採用「1A3R」的廢棄物管理原則，即盡可能避免(Avoid)或減少(Reduce)製造廢物，充分利用物料，尋求重用(Reuse)和回收(Recycle)的可行性。我們鼓勵花盆重新利用，提供小盆栽予客戶領養。我們在各個項目的公共地方均設置垃圾分類指示及回收箱，鼓勵業主及租戶將廢物分類並回收循環再造。我們將後續回收與處理部分，交於專業的第三方機構合理的利用並處理生活垃圾。

綠色採購

我們在採購方面會優先考慮與支持環保的供應商合作，亦優先考慮採購高能源效益產品，在保護環境節省資源同時亦帶來降低成本的好處。在可行的情況下，我們儘量會選用本地的產品及服務，減少運輸過程帶來的碳排放，我們的供應商超過90%為本地供應商。

我們採購的製冷設備均為現時市面上達到二級節能標準的品牌型號。並且，我們於2016年度亦對財滿街、北花園項目的鍋爐進行升級改造工程以減少廢氣和溫室氣體排放。

社區和諧

反貪污

國銳地產一向以來重視誠信建設，要求所有員工、客戶、供應商以及其他合作夥伴嚴格遵守《中國人民共和國刑法》、《中華人民共和國招投標法》和《中華人民共和國合同法》等相關法律法規的規定。於2016年度，並無發生指控本集團或其員工貪污之訴訟案件。

我們制定了員工道德行為準則並派發予所有員工，我們會在新員工入職培訓時向所有新員工講解公司對員工誠信和道德方面的要求，亦會於日常工作及培訓中提醒現有員工，誠信和道德是作為員工考核的其中一個重要項目，對於違反誠信和道德要求的員工，公司會嚴肅處理，絕不姑息。

Environmental, Social and Governance Report

環境、社會及管治報告

When we invite our supply for tendering, we will include an “Integrity Commitment” as appendix to our invitation, communicate our requirement towards integrity. All tender participant must agree to comply before submitting their tender. According to the Integrity Commitment, we will immediately terminate their contract and report to relevant authority once we have found any corruption incidents (such as providing or receiving bribes) or other misconducts.

We established conflict of interest disclosure policy and whistle blowing policy that we require all employees to report their conflict of interest, and we encourage them to report any fraud or misconduct they have noticed to our Audit Committee.

Community Investment

We are closely related to our community, interaction with the community is part of our work, we educate our staff to provide support to our community, neighbourhoods and wherever we can offer our help. We focus our contribution to 3 main areas: health, charitable activities and environmental protection education.

In 2016, a family member of the employee of our outsourced service provider was suffering from acute leukemia, results in financial difficulty and unaffordable medical expenses. Our project team take immediate action and organise donation to help the family.

我們在向供應商發出招標邀請時，會加入《廉政承諾書》作為各項招標邀請的附件，向所有投標人傳達國銳地產的誠信要求，供應商必須確認《廉政承諾書》的內容才有資格參加投標。根據廉政協議，一旦我們發現任何貪污舞弊事件（例如向內部人員提供或收取賄賂）等違反規定行為，我們將立即撤換有關供應商，以及向相關公安部門通報。

我們亦設有利益申報機制及舉報機制，要求所有員工就其與公司存在利益衝突的情況進行申報，以及鼓勵員工在發現違法違規行為時向獨立於營運的審計委員會進行舉報。

社區投資

社區與我們關係密切，與社區互動是我們工作的一部份，我們教育員工必須向我們所管理的社區、鄰近的社區，以致我們能力所及的社區提供支援。我們的社區關注工作主要集中於三個範疇：健康、慈善公益活動，以及環保教育工作。

於2016年，我們其中一位外包服務供應商的職工子女患上急性白血病，由於其家庭經濟困難，無力支付高額醫療費用，整個家庭陷入困境。我們的相關物業項目團隊在獲悉此事後，迅速採取行動，自發組織公益捐款，幫助該家庭度過難關。

Environmental, Social and Governance Report

環境、社會及管治報告

HKEX ESG REPORTING GUIDE INDEX TABLE

聯交所ESG報告指引內容索引

Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵業績指標		Chapter/Comment 章節／聲明	Page 頁數
A. Environmental A. 環境			
Aspect A1: Emissions 層面A1：排放物			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. 有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Comply to Environmental Laws and Regulations Emissions 環境保護條例遵循性排放物	43-44 43-44
KPI A1.1 關鍵績效指標A1.1	The types of emissions and respective emissions data. 排放物種類及相關排放數據。	Emissions 排放物	43-44 43-44
KPI A1.2 關鍵績效指標A1.2	Greenhouse gas emissions in total (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 溫室氣體總排放量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	Emissions 排放物	44 44
KPI A1.3 關鍵績效指標A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生有害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	We do not generate hazardous waste during our operation. 本集團於營運過程並無產生有害廢棄物。	N/A 不適用
KPI A1.4 關鍵績效指標A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility). 所產生無害廢棄物總量(以噸計算)及(如適用)密度(如以每產量單位、每項設施計算)。	Emissions 排放物	43 43

Environmental, Social and Governance Report

環境、社會及管治報告

Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵業績指標		Chapter/Comment 章節／聲明	Page 頁數
KPI A1.5 關鍵績效 指標A1.5	Description of measures to mitigate emissions and results achieved. 描述減低排放量的措施及所得成果。	Treasure our resources 珍惜資源	41-47 41-47
KPI A1.6 關鍵績效 指標A1.6	Description of how hazardous and non-hazardous wastes are handled, reduction initiatives and results achieved. 描述處理有害及無害廢棄物的方法、減低產生量的措施及所得成果。	Avoid, reduce, reuse, recycle 避免、減少、重用、回收	47 47
Aspect A2: Use of Resources 層面A2：資源使用			
General Disclosure 一般披露	Policies on the efficient use of resources, including energy, water and other raw materials 有效使用資源(包括能源、水及其他原材料)的政策。	Treasure our resources 珍惜資源	41-47 41-47
KPI A2.1 關鍵績效 指標A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility). 按類型劃分的直接及／或間接能源(如電、氣或油)總耗量(以千個千瓦時計算)及密度(如以每產量單位、每項設施計算)。	Use of resources 資源使用	45 45
KPI A2.2 關鍵績效 指標A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility). 總耗水量及密度(如以每產量單位、每項設施計算)。	Use of resources 資源使用	45 45
KPI A2.3 關鍵績效 指標A2.3	Description of energy use efficiency initiatives and results achieved. 描述能源使用效益計劃及所得成果。	Use of resources 資源使用	46 46
KPI A2.4 關鍵績效 指標A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved. 描述求取適用水源上可有任何問題，以及提升用水效益計劃及所得成果。	Use of resources 資源使用	46 46
KPI A2.5 關鍵績效 指標A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced. 製成品所用包裝材料的總量(以噸計算)及(如適用)每生產單位佔量。	We do not produce products 不適用，我們沒有銷售產品	N/A 不適用

Environmental, Social and Governance Report

環境、社會及管治報告

Subject Areas, Aspects, General Disclosures and KPIs		Chapter/Comment	Page
主要範疇、層面、一般披露及關鍵業績指標		章節／聲明	頁數
Aspect A3: The Environment and Natural Resources			
層面A3：環境及天然資源			
General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	Avoid, reduce, reuse, recycle Green procurement	47
一般披露	減低發行人對環境及天然資源造成重大影響的政策。	避免、減少、重用、回收 綠色採購	47
KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Avoid, reduce, reuse, recycle Green procurement	47
關鍵績效指標A3.1	描述業務活動對環境及天然資源的重大影響及已採取管理有關影響的行動。	避免、減少、重用、回收 綠色採購	47
B. Social			
B. 社會			
Employment and Labour Practices			
僱傭及勞工常規			
Aspect B1: Employment			
層面B1：僱傭			
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employee overview Employee protection Recruitment and retention	36-38
一般披露	有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	員工概況 保障員工 吸納與挽留人才	36-38
KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Employee overview	36-37
關鍵績效指標B1.1	按僱傭類型、年齡組別及地區劃分的僱員總數。	員工概況	36-37
KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Employee overview Most of our employee, and area employee turnover located in PRC	37-38
關鍵績效指標B1.2	按年齡組別及地區劃分的僱員流失比率。	員工概況 我們大部分員工集中於中國大陸，因此大部份僱員流失集中於中國大陸	37-38

Environmental, Social and Governance Report

環境、社會及管治報告

Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵業績指標		Chapter/Comment 章節／聲明	Page 頁數
Aspect B2: Health and Safety 層面B2：健康與安全			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards. 有關提供安全工作環境及保障僱員避免職業性危害的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Workplace safety We fully comply with relevant laws and regulations 職工安全 我們完全遵守所有與員工健康與安全相關的法律及規例	40 40
KPI B2.1 關鍵績效指標B2.1	Number and rate of work-related fatalities. 因工作關係而死亡的人數及比率。	Workplace safety No work-related fatalities during 2016 職工安全 於二零一六年並無發生因工作關係導致死亡的事件	40 40
KPI B2.2 關鍵績效指標B2.2	Lost days due to work injury. 因工傷損失工作日數。	Workplace safety No work-related injury during 2016 職工安全 於二零一六年並無發生因工傷損失工作日數的事件	40 40
KPI B2.3 關鍵績效指標B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored. 描述所採納的職業健康與安全措施，以及相關執行及監察方法。	Workplace safety 職工安全	40 40

Environmental, Social and Governance Report

環境、社會及管治報告

Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵業績指標		Chapter/Comment 章節／聲明	Page 頁數
Aspect B3: Development and Training 層面B3：發展及培訓			
General Disclosure 一般披露	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. 有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。	Training and development 培訓及發展	39-40
KPI A3.1 關鍵績效指標A3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management). 按性別及僱員類別(如高級管理層、中級管理層等)劃分的受訓僱員百分比。	Training and development 培訓及發展	39-40
KPI A3.2 關鍵績效指標A3.2	The average training hours completed per employee by gender and employee category. 按性別及僱員類別劃分，每名僱員完成受訓的平均時數。	Training and development 培訓及發展	39-40
Aspect B4: Labour Standards 層面B4：勞工準則			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour. 有關防止童工或強制勞工的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	We comply with all relevant laws and regulations relating to preventing child and forced labour. 本集團並無發現於報告期內有任何違反有關防止童工或強制勞工的相關準則、規則及規例之事宜。	N/A 不適用
KPI A4.1 關鍵績效指標A4.1	Description of measures to review employment practices to avoid child and forced labour. 描述檢討招聘慣例的措施以避免童工及強制勞工。	We review our human resource practices annually to ensure compliance with relevant laws and regulations relating to preventing child and forced labour. 本集團每年檢討人力資源運作以確保全面遵守《僱傭條例》及其他有關童工及強制勞工的條例。	N/A 不適用

Environmental, Social and Governance Report

環境、社會及管治報告

Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵業績指標		Chapter/Comment 章節／聲明	Page 頁數
KPI A4.2 關鍵績效 指標A4.2	Description of steps taken to eliminate such practices when discovered. 描述在發現違規情況時消除有關情況所採取的步驟。	Once discovered child and forced labour, we will establish response team to protect the victim, take discipline action and inform local welfare department to ensure proper follow up. 我們會在發現違規童工或強制勞工時立即成立專責處理小組，保護有關童工或強制勞工，處罰有關員工／供應商，以及通知當地社會福利部門，確保問題盡快妥善地處理。	N/A 不適用
Operating Practices 營運慣例			
Aspect B5: Supply Chain Management 層面B5：供應鏈管理			
General Disclosure 一般披露	Policies on managing environmental and social risks of the supply chain. 管理供應鏈的環境及社會風險政策。	Supply Chain Management 供應鏈管理	35 35
KPI B5.1 關鍵績效 指標B5.1	Number of suppliers by geographical region. 按地區劃分的供應商數目。	Supply Chain Management Over 90% of our supplier are local supplier 供應鏈管理 我們的供應商超過90%為本地供應商	35 35
KPI B5.2 關鍵績效 指標B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored. 描述有關聘用供應商的慣例，向其執行有關慣例的供應商數目、以及有關慣例的執行及監察方法。	Supply Chain Management 供應鏈管理	35 35

Environmental, Social and Governance Report

環境、社會及管治報告

Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵業績指標		Chapter/Comment 章節／聲明	Page 頁數
Aspect B6: Product Responsibility 層面B6：產品責任			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress. 有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Quality assurance Privacy protection Health and safety We have complied with all relevant laws and regulations 質量保證 私隱保障 健康與安全 我們已遵守所有健康與安全、廣告、標籤及私隱事宜相關的法律及規例。	31-34 31-34
KPI B6.1 關鍵績效指標B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons. 已售或已運送產品總數中因安全與健康理由而須回收的百分比。	We do not produce products 不適用，我們沒有銷售產品	N/A 不適用
KPI B6.2 關鍵績效指標B6.2	Number of products and service related complaints received and how they are dealt with. 接獲關於產品及服務的投訴數目以及應對方法。	Complaint handling 跟進投訴	30 30
KPI B6.3 關鍵績效指標B6.3	Description of practices relating to observing and protecting intellectual property rights. 描述與維護及保障知識產權有關的慣例。	Our business does not involve intellectual property rights. 不適用，我們業務沒有涉及知識產權	N/A 不適用
KPI B6.4 關鍵績效指標B6.4	Description of quality assurance process and recall procedures. 描述質量檢定過程及產品回收程序。	We do not produce products 不適用，我們沒有銷售產品	N/A 不適用
KPI B6.5 關鍵績效指標B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored. 描述消費者資料保障及私隱政策，以及相關執行及監察方法。	Privacy protection 私隱保障	32-33 32-33

Environmental, Social and Governance Report

環境、社會及管治報告

Subject Areas, Aspects, General Disclosures and KPIs 主要範疇、層面、一般披露及關鍵業績指標		Chapter/Comment 章節／聲明	Page 頁數
Aspect B7: Anti-corruption 層面B7：反貪污			
General Disclosure 一般披露	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering. 有關防止賄賂、勒索、欺詐及洗黑錢的： (a) 政策；及 (b) 遵守對發行人有重大影響的相關法律及規例的資料。	Anti-corruption We comply with all relevant laws and regulations relating to bribery, extortion, fraud and money laundering 反貪污 我們遵守所有有關防止賄賂、勒索、欺詐及洗黑錢相關法律及規例	47-48 47-48
KPI B7.1 關鍵績效指標B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases. 於報告期內對發行人或其僱員提出並已審結的貪污訴訟案件的數目及訴訟結果。	No concluded legal cases regarding corrupt practices brought against us or our employees in 2016 於報告期內，並無發生指控本集團或其員工貪污之訴訟案件。	N/A 不適用
KPI B7.2 關鍵績效指標B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored. 描述防範措施及舉報程序，以及相關執行及監察方法。	Anti-corruption 反貪污	47-48 47-48
Aspect B8: Community Investment 層面B8：社區投資			
General Disclosure 一般披露	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests. 有關以社區參與來瞭解營運所在社區需要和確保其業務活動會考慮社區利益的政策。	Community Investment 社區投資	48 48
KPI B8.1 關鍵績效指標B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport). 專注貢獻範疇(如教育、環境事宜、勞工需求、健康、文化、體育)。	Community Investment 社區投資	48 48
KPI B8.2 關鍵績效指標B8.2	Resources contributed (e.g. money or time) to the focus area. 在專注範疇所動用資源(如金錢或時間)。	Not disclose this year 本年度暫不披露有關資料	N/A 不適用

EXECUTIVE DIRECTORS

Mr. Wei Chunxian, aged 53, was appointed as an executive director and the Chairman of the Company on 17 February 2014. He also acts as the Chairman of the Nomination Committee of the Company. Mr. Wei is also a director of certain subsidiaries of the Company, namely Rui Cheng Investment Company Limited, Rui Shing Investment Company Limited, Rui Hua Investment Limited and Rui Shen Investment Limited (each a Hong Kong subsidiary of the Company), GR USA Holdings Limited, GR UK Holdings Limited and GR Properties UK Limited (each a British Virgin Islands subsidiary of the Company), GR Properties USA Inc. (a USA subsidiary of the Company). In addition, he is also the President of GR Properties USA Inc. and East Pacific Properties LLC (each a US subsidiary of the Company).

Mr. Wei graduated from the Department of Architecture, Beijing University of Civil Engineering and Architecture (北京建築工程學院) in 1985 and was conferred a Bachelor of Engineering degree in architecture. Thereafter, Mr. Wei obtained the senior engineer qualification in 1995. Mr. Wei has more than 10 years of management experience in the real estate sector, and is currently a director of Beijing Guorui Holdings Company Limited* (北京國銳控股有限公司) who is primarily responsible for its product planning and market strategies. Save as disclosed herein, Mr. Wei did not hold in the past three years any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Wei is a director and the beneficial owner of Wintime Company Limited ("Wintime"), the controlling shareholder (as defined in the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules")) of the Company. As at the date of this report, Wintime held 492,814,591 shares in the Company, representing approximately 54.91% interest in the issued share capital of the Company. Wintime is a wholly-owned subsidiary of Winluck Global Limited. The entire issued share capital of Winluck Global Limited is beneficially owned by Mr. Wei. As such, Mr. Wei was deemed to be interested in the said 492,814,591 shares in the Company under Part XV of the Securities and Futures Ordinance. Save as disclosed herein, Mr. Wei does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company within the meaning of the Listing Rules.

* The English name is an unofficial translation for identification purpose only

執行董事

魏純暹先生，現年五十三歲，於二零一四年二月十七日獲委任為本公司執行董事及主席。其亦擔任本公司提名委員會主席。魏先生亦出任本公司若干附屬公司（即銳誠投資有限公司、銳勝投資有限公司、銳華天地投資有限公司及銳申投資有限公司（均為本公司之香港附屬公司）、GR USA Holdings Limited、GR UK Holdings Limited及GR Properties UK Limited（均為本公司之英屬處女群島附屬公司）、GR Properties USA Inc.（為本公司之美國附屬公司））之董事。此外，魏先生亦為GR Properties USA Inc.及East Pacific Properties LLC（均為本公司之美國附屬公司）之總裁。

魏先生於一九八五年畢業於北京建築工程學院建築系，取得建築工程學士學位。其後，魏先生於一九九五年獲得高級工程師資格。魏先生在房地產業擁有逾十年的管理經驗，現任北京國銳控股有限公司董事，主要負責其產品規劃及市場策略。除本文所披露者外，魏先生於過去三年並無在其證券於香港或海外任何證券市場上市的其他公眾公司中擔任任何董事職務。

魏先生是本公司控股股東（按香港聯合交易所有限公司證券上市規則（「上市規則」）所界定）Wintime Company Limited（「Wintime」）的董事及實益擁有人。於本報告日期，Wintime持有492,814,591股本公司股份，相當於本公司已發行股本約54.91%權益。Wintime為Winluck Global Limited之全資附屬公司。Winluck Global Limited之全部已發行股本由魏先生實益擁有。因此，根據《證券及期貨條例》第XV部，魏先生被視為於上述492,814,591股本公司股份中擁有權益。按上市規則的涵意，除本文所披露者外，魏先生與本公司任何其他董事、高層管理人員、主要股東或控股股東概無任何關係。

DIRECTORS' BIOGRAPHIES

董事履歷

Mr. Sun Zhongmin, aged 50, was appointed as an executive director of the Company on 17 February 2014.

Mr. Sun has been involved in the real estate sector since 1992. He has been engaged in preliminary work of real estate projects and is conversant with the procedures for various formalities and the relevant requirements. Mr. Sun is currently a director of Beijing Guorui Holdings Company Limited* (北京國銳控股有限公司). Save as disclosed herein, Mr. Sun did not hold in the past three years any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Sun is the beneficial owner of 47,510,510 shares in the Company, representing approximately 5.29% interest in the issued share capital of the Company.

Mr. Sun does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company within the meaning of the Listing Rules.

Ms. Liu Shuhua, aged 40, was appointed as an executive director and Chief Executive Officer of the Company on 17 February 2014. Ms. Liu is also a director of certain subsidiaries of the Company, namely Rui Cheng Investment Company Limited, Rui Shing Investment Company Limited, Rui Hua Investment Limited and Rui Shen Investment Limited (each a Hong Kong subsidiary of the Company), GR USA Holdings Limited, GR UK Holdings Limited and GR Properties UK Limited (each a British Virgin Islands subsidiary of the Company), GR Properties USA Inc. (a USA subsidiary of the Company).

孫仲民先生，現年五十歲，於二零一四年二月十七日獲委任為本公司執行董事。

孫先生自一九九二年起投身房地產業。彼一直從事房地產項目之前期工作，並熟悉不同手續及相關規定。孫先生現任北京國銳控股有限公司董事。除本文所披露者外，孫先生於過去三年並無在其證券於香港或海外任何證券市場上市的其他公眾公司中擔任任何董事職務。

孫先生為47,510,510股本公司股份之實益擁有人，相當於本公司已發行股本約5.29%權益。

按上市規則所界定，孫先生與本公司任何其他董事、高層管理人員、主要股東或控股股東概無任何關係。

劉淑華女士，現年四十歲，於二零一四年二月十七日獲委任為本公司執行董事兼行政總裁。劉女士亦出任本公司若干附屬公司(即銳誠投資有限公司、銳勝投資有限公司、銳華天地投資有限公司及銳申投資有限公司(均為本公司之香港附屬公司)、GR USA Holdings Limited、GR UK Holdings Limited及GR Properties UK Limited(均為本公司之英屬處女群島附屬公司)、GR Properties USA Inc.(為本公司之美國附屬公司))之董事。

* The English name is an unofficial translation for identification purpose only

DIRECTORS' BIOGRAPHIES

董事履歷

Ms. Liu graduated from the Central University of Finance and Economics (中央財經大學) in 1998 and was conferred a Bachelor of Economics degree in accountancy. Thereafter, Ms. Liu obtained the intermediate accountant qualification in 2004. Ms. Liu has been engaged in financial field for more than 10 years, including financial management work in real estate development enterprises. She is currently a director of Beijing Guorui Holdings Company Limited* (北京國銳控股有限公司). Save as disclosed herein, Ms. Liu did not hold in the past three years any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Ms. Liu does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company within the meaning of the Listing Rules.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Tung Woon Cheung Eric, aged 46, was appointed as an independent non-executive director of the Company on 17 February 2014. He also acts as the Chairman of the Audit Committee and a member of each of the Company's Remuneration Committee and Nomination Committee.

Mr. Tung graduated from York University, Toronto, Canada with a bachelor's honours degree in administrative studies. Being an experienced Hong Kong certified public accountant and a U.S. certified public accountant (practising), he has gathered many years of experience in the financial and capital markets. Mr. Tung is the assistant president and general manager of the finance department of Beijing Enterprises Holdings Limited (a company listed on the Main Board of the Stock Exchange, stock code: 392), an executive director, the chief financial officer and company secretary of Beijing Enterprises Water Group Limited (a company listed on the Main Board of the Stock Exchange, stock code: 371), an independent non-executive director of South China Financial Holdings Limited (a company listed on the Main Board of the Stock Exchange, stock code: 619), as well as the company secretary of Biosino Bio-Technology and Science Incorporation (a company listed on the Growth Enterprise Market of the Stock Exchange, stock code: 8247). Save as disclosed herein, Mr. Tung did not hold in the past three years any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas.

劉女士於一九九八年畢業於中央財經大學，並取得會計學經濟學士學位。其後，劉女士於二零零四年取得中級會計師資格。劉女士從事財務業超過十年，包括房地產開發企業的財務管理工作。彼現任北京國銳控股有限公司之董事。除本文所披露者外，劉女士於過去三年並無在其證券於香港或海外任何證券市場上市的其他公眾公司中擔任任何董事職務。

按上市規則所界定，劉女士與本公司任何其他董事、高層管理人員、主要股東或控股股東概無任何關係。

獨立非執行董事

董渙樟先生，現年四十六歲，於二零一四年二月十七日獲委任為本公司獨立非執行董事。其亦擔任本公司審核委員會主席以及本公司薪酬委員會及提名委員會成員。

董先生畢業於加拿大多倫多約克大學，持有管理學榮譽學士學位。董先生為饒富經驗的香港註冊會計師及美國註冊會計師(執業)，在金融及資本市場累積多年經驗。董先生現任北京控股有限公司(聯交所主板上市公司，股份代號：392)之總裁助理兼財務部總經理、北控水務集團有限公司(聯交所主板上市公司，股份代號：371)之執行董事、財務總監兼公司秘書、南華金融控股有限公司(聯交所主板上市公司，股份代號：619)之獨立非執行董事，以及中生北控生物科技股份有限公司(聯交所創業板上市公司，股份代號：8247)之公司秘書。除本文所披露者外，董先生於過去三年並無在其證券於香港或海外任何證券市場上市的其他公眾公司中擔任任何董事職務。

DIRECTORS' BIOGRAPHIES

董事履歷

Mr. Tung does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company within the meaning of the Listing Rules.

Mr. Guan Zheng Michael, aged 42, has been appointed as an independent non-executive director of the Company on 19 October 2016. He also acts as the Chairman of the Remuneration Committee and a member of each of the Audit Committee and Nomination Committee of the Company. Mr. Guan has over 15 years of extensive experience in capital markets, cross-border mergers and acquisitions and private equity investments in China and Europe. Mr. Guan was most recently a Managing Director, Corporate Finance at Edmond de Rothschild Securities (UK) Limited in London. Mr. Guan obtained a master's degree in business administration from The University of Oxford in 2001.

Mr. Guan did not hold in the past three years any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Guan does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company within the meaning of the Listing Rules.

Mr. Chui Tsan Kit, aged 48, was appointed as an independent non-executive director of the Company on 17 February 2015. He also acts as a member of each of the Audit Committee and Remuneration Committee of the Company. Mr. Chui has extensive experience in financial services. He was an honorary assistant professor of the Department of Computer Science, Faculty of Engineering at the University of Hong Kong and an adjunct associate professor of the Department of Marketing, Faculty of Business Administration at the Chinese University of Hong Kong. He is currently a TV host and a radio host on business and finance-related programmes. Moreover, he is an author of various financial books, and a columnist for various newspapers and financial magazines.

按上市規則所界定，董先生與本公司任何其他董事、高層管理人員、主要股東或控股股東概無任何關係。

管征先生，四十二歲，於二零一六年十月十九日獲委任為本公司獨立非執行董事。彼亦擔任本公司薪酬委員會主席及審核委員會及提名委員會委員。管先生於中國及歐洲的資本市場、跨國併購及私募股份方面擁有逾15年經驗。管先生近期擔任倫敦Edmond de Rothschild Securities (UK) Limited企業融資部董事總經理。於二零零一年，管先生獲牛津大學工商管理碩士學位。

於過往三年，管先生並無在證券在任何香港或海外證券市場上市之任何公眾公司擔任任何董事職務。

管先生與上市規則涵義內之本公司任何董事、高級管理層或主要股東或控股股東概無任何關係。

徐燦傑先生，現年四十八歲，於二零一五年二月十七日獲委任為本公司獨立非執行董事。彼亦擔任本公司審核委員會及薪酬委員會委員。徐先生擁有豐富的金融服務經驗。其曾為香港大學工程學院計算機科學系榮譽助理教授以及香港中文大學工商管理學院市場學系兼任副教授。其目前為電視台及電台多個有關商業及財經的節目的主持人。此外，其為多本財經書籍的作者，並為多份報章及財經雜誌的專欄作家。

DIRECTORS' BIOGRAPHIES

董事履歷

Mr. Chui's past working experience included being the chief strategic officer of Zhongtai Financial International Limited (formerly known as "Qilu International Holdings Limited"), the chief executive of China Galaxy International Wealth Management (Hong Kong) Co Limited, a sales director of investment services of ICBC International Holdings Limited, a senior manager of the derivatives division, global market of Bank of China (Hong Kong) Limited, as well as an associate director of retail operations of Sun Hung Kai Financial Limited. Mr. Chui was appointed as independent non-executive director of GET Holdings Limited (a company listed on the Growth Enterprise Market of the Stock Exchange, stock code: 8100) with effect from 23 April 2015. Save as disclosed herein, Mr. Chui did not hold in the past three years any directorship, in other public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Chui obtained a Master of Science degree in Engineering (Electronic Commerce) from the University of Hong Kong in 2000, a Master of Business Administration degree and a Master of Laws degree in Chinese Business Law from The Chinese University of Hong Kong in 2002 and 2010 respectively, and a Master of Science degree in Investment Management from the Hong Kong University of Science and Technology in 2004. Furthermore, he was awarded an Honorary Doctor of Business Administration by the York University of the USA in 2010. Professionally, Mr. Chui is a Chartered Wealth Manager of the International Academy of Financial Management, a Certified E-Commerce Consultant of the US Institute of E-Commerce Consultants, a Certified Financial Consultant of the US Institute of Financial Consultants and a Senior Commercial E-Business Specialist of China General Chamber of Commerce.

Mr. Chui does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company within the meaning of the Listing Rules.

徐先生過往的工作經歷包括擔任中泰金融國際有限公司(前稱為「齊魯國際控股有限公司」)的首席策略總監、中國銀河國際財富管理(香港)有限公司行政總裁、工銀國際控股有限公司投資服務的銷售總監、中國銀行(香港)有限公司全球市場部衍生產品交易處高級經理，以及新鴻基金融有限公司分銷業務聯席董事。徐先生已獲委任為智易控股有限公司(聯交所創業板上市公司，股份代號：8100)之獨立非執行董事，由二零一五年四月二十三日起生效。除本文所披露者外，徐先生於過去三年並無在其證券於香港或海外任何證券市場上市的其他公眾公司中擔任任何董事職務。

徐先生於二零零零年取得香港大學電子商業工學碩士學位，分別於二零零二年及二零一零年取得香港中文大學工商管理碩士學位及法律學(中國商業法)碩士學位，以及於二零零四年取得香港科技大學投資管理學碩士學位。此外，徐先生於二零一零年獲美國約克大學頒授榮譽工商管理博士學位。專業資格方面，徐先生為國際金融管理學會的特許財富管理師(Chartered Wealth Manager of the International Academy of Financial Management)、美國註冊電子商務顧問學會的註冊電子商務顧問(Certified E-Commerce Consultant of the US Institute of E-Commerce Consultants)、美國註冊財務顧問學會的註冊財務顧問師(Certified Financial Consultant of the US Institute of Financial Consultants)，以及中國商業聯合會的高級商業電子商務師。

按上市規則所界定，徐先生與本公司任何其他董事、高層管理人員、主要股東或控股股東概無任何關係。

DIRECTORS' BIOGRAPHIES

董事履歷

Mr. Mak Kwong Yiu, (resigned as an independent non-executive director of the Company on 19 October 2016) aged 42, was appointed as an independent non-executive director of the Company on 17 February 2014. Before his resignation, he also acted as the Chairman of the Remuneration Committee and a member of each of the Company's Audit Committee and Nomination Committee.

Mr. Mak graduated from the Hong Kong University of Science and Technology with a Bachelor of Business Administration degree in Finance in November 1996 and a Master of Business Administration degree in November 2004. Mr. Mak earned the Chartered Financial Analyst designation in September 2000 and has been a U.S. certified public accountant since May 2002 and a member of the Hong Kong Institute of Certified Public Accountants since May 2003. Mr. Mak acted as an executive director and the chief executive officer of Convoy Financial Holdings Limited (formerly known as "Convoy Financial Services Holdings Limited", a company listed on the Main Board of the Stock Exchange, stock code: 1019) between 16 March 2010 and 31 March 2016). Mr. Mak acted as an independent non-executive director of Lerado Group (Holding) Company Limited (a company listed on the Main Board of the Stock Exchange, Stock code: 1225) between 25 April 2014 and 2 November 2015. Mr. Mak also acted as an executive director of Interactive Entertainment China Cultural Technology Investments Limited (formerly known as "China Mobile Games and Cultural Investment Limited" and "Computech Holdings Limited" (a company listed on the Growth Enterprise Market of the Stock Exchange, stock code: 8081), between 30 July 2008 and 28 April 2014. Save as disclosed herein, Mr. Mak did not hold in the past three years any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Mr. Mak does not have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders of the Company within the meaning of the Listing Rules.

麥光耀先生(於二零一六年十月十九日辭任本公司獨立非執行董事)，現年四十二歲，於二零一四年二月十七日獲委任為本公司獨立非執行董事。於退任前，彼亦擔任本公司薪酬委員會主席以及本公司審核委員會及提名委員會成員。

麥先生畢業於香港科技大學，於一九九六年十一月取得金融專業的工商管理學士學位，並於二零零四年十一月取得工商管理碩士學位。麥先生於二零零零年九月取得特許金融分析師資格，並自二零零二年五月起成為美國執業會計師，自二零零三年五月起成為香港會計師公會會員。於二零一零年三月十六日至二零一六年三月三十一日期間，麥先生曾擔任康宏金融控股有限公司(前稱為「康宏理財控股有限公司」)(聯交所主板上市公司，股份代號：1019)的執行董事兼行政總裁。於二零一四年四月二十五日至二零一五年十一月二日期間，麥先生亦曾擔任隆成集團(控股)有限公司(聯交所主板上市公司，股份代號：1225)之獨立非執行董事。於二零零八年七月三十日至二零一四年四月二十八日期間，麥先生亦曾擔任互娛中國文化科技投資有限公司(前稱為「中國手遊文化投資有限公司」及「駿科網絡訊息有限公司」)(聯交所創業板上市公司，股份代號：8081)的執行董事。除本文所披露者外，麥先生於過去三年並無在其證券於香港或海外任何證券市場上市的其他公眾公司中擔任任何董事職務。

按上市規則所界定，麥先生與本公司任何其他董事、高層管理人員、主要股東或控股股東概無任何關係。

CORPORATE GOVERNANCE CODE

The Board is committed to maintaining and ensuring high standards of corporate governance practice. The Company stresses the importance of maintaining the quality of the Board by ensuring that the directors possess a wide range of expertise and the effective implementation of an accountability system, so as to ensure that business activities and decision making processes are regulated in a proper manner. The Company's corporate governance practices are based on the principles and code provisions in the Corporate Governance Code (the "CG Code") as set out in Appendix 14 to the Listing Rules.

The Company will seek to improve its management and raise its control level to enhance the Company's competitiveness and operating efficiency, to ensure its sustainable development and to generate greater returns for the shareholders.

A. BOARD

A.1. The Board's Role and Delegation

The primary role of the Board is to maximise long-term shareholder's benefit. It assumes the responsibility for providing effective and responsible leadership and control of the Company, and directing and supervising the Company's affairs in the pursuit of the Group's strategic objectives.

To enhance efficiency, the Board has delegated the Chief Executive Officer the day-to-day leadership and the management of the Group.

企業管治守則

董事局致力維持及確保實施高水準之企業管治常規，本公司著重透過確保董事俱備不同專長及有效實行問責制度，保持董事局的質素，確保業務運作及決策過程均受到適當規範。本公司的企業管治常規乃基於上市規則附錄14所載企業管治守則（「企業管治守則」）中的原則及守則條文。

本公司將尋求改善其管理及加強監控水平，藉以提高本公司之競爭力及營運效率，確保得以持續發展及為股東帶來更豐厚回報。

A. 董事局

A.1. 董事局角色及權力轉授

董事局的主要角色是為股東爭取最大之長遠利益，肩負給予既有效又負責任的領導及監控本公司的責任，同時統管並監督本公司事務朝著本集團的策略性目標發展。

為提升效率，董事局已將本集團日常領導及管理的權力轉授予行政總裁。

CORPORATE GOVERNANCE REPORT

企業管治報告

A.2. Board Composition

At present, the Board comprises three executive directors and three independent non-executive directors. The directors of the Company during the year ended 31 December 2016 and up to the date of this report were:-

Executive Directors

Mr. Wei Chunxian (*Chairman*)
Ms. Liu Shuhua (*Chief Executive Officer*)
Mr. Sun Zhongmin

Independent Non-executive Directors

Mr. Tung Woon Cheung Eric
Mr. Guan Zheng Michael
(*appointed on 19 October 2016*)
Mr. Chui Tsan Kit
Mr. Mak Kwong Yiu
(*resigned on 19 October 2016*)

On 19 October 2016, due to his own decision to devote more time to his other business commitments, Mr. Mak Kwong Yiu tendered his written resignation as an independent non-executive director upon expiry of the director's service contract to the Board. He also resigned as a member of each of the Audit Committee and the Nomination Committee of the Board and resigned as chairman of the Remuneration Committee of the Board. Mr. Guan Zheng Michael was appointed as an independent non-executive director and a member of each of the Audit Committee and the Nomination Committee and chairman of the Remuneration Committee of the Board on the even date.

A.2. 董事局組成

目前，董事局包括三名執行董事及三名獨立非執行董事。於本年度內及截至二零一六年十二月三十一日止年度直至本報告日期，本公司董事如下：

執行董事

魏純暹先生(*主席*)
劉淑華女士(*行政總裁*)
孫仲民先生

獨立非執行董事

董煥樟先生
管征先生
(*於二零一六年十月十九日獲委任*)
徐燦傑先生
麥光耀先生
(*於二零一六年十月十九日辭任*)

由二零一六年十月十九日起，由於其本身決定投放更多時間處理其他事務，麥光耀先生已經提交書面辭呈予董事會而於其董事服務合約屆滿後辭任獨立非執行董事。其亦辭任董事局審核委員會及提名委員會各自之成員並辭任董事局薪酬委員會主席一職。同日，管征先生已經獲委任為獨立非執行董事以及董事局審核委員會及提名委員會各自之成員及薪酬委員會主席。

CORPORATE GOVERNANCE REPORT

企業管治報告

The biographical details of the current directors are set out on pages 57 to 62 of this annual report. The Board possesses a balance of skills and experience which are appropriate for the requirements of the business of the Company. The opinions raised by the independent non-executive directors of the Company in the Board meetings facilitate the maintenance of good corporate governance practices. All independent non-executive directors have the appropriate professional qualifications and accounting and related financial management expertise as required by Rule 3.10 of the Listing Rules. A balanced composition of executive and independent non-executive directors also generates a strong independence element on the Board, which allows independent and objective decision making process for the best interests of the Company. The Company will review the composition of the Board regularly to ensure the Board possesses the appropriate and necessary expertise, skills and experience to meet the developmental needs of the business of the Group.

In compliance with Rule 3.10A of the Listing Rules, the Company has appointed three independent non-executive directors, representing more than one-third of the Board. All independent non-executive directors are free from any business or other relationship with the Company. The Company has received from each independent non-executive director, who were in the Board during the year, an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and the Company considers the independent non-executive directors to be independent.

The Board's primary functions are to set corporate policy and overall strategy for the Group and to provide effective oversight of the management of the Group's business and affairs. Apart from its statutory responsibilities, the Board also approves the strategic plans, key operational issues, investments and loans, reviews the financial performance of the Group and evaluates the performance and compensation of senior management. These functions are either carried out directly by the Board or through committees established by the Board. The Board is also responsible to maintain an effective risk management and internal control system.

各在任董事之履歷載於本年報第57頁至第62頁。董事局成員具備經營本公司業務所需之各種技能及經驗。本公司之獨立非執行董事於董事局會議上提出之意見有助維持良好之企業管治常規。全體獨立非執行董事均擁有適當之專業資格及會計及相關的財務管理專長，符合上市規則第3.10條之規定。執行董事及獨立非執行董事之均衡分配比例亦大大提升董事局之獨立性，可有效發揮獨立判斷及客觀地為本公司之最佳利益制訂決策。本公司將定期檢討董事局之組成，確保董事局擁有適當及所需之專長、技能及經驗，以滿足本集團之業務發展需求。

遵照《上市規則》第3.10A條，本公司已經委任三名獨立非執行董事，佔董事局成員人數超過三分之一。所有獨立非執行董事均無參與本公司之任何業務，與本公司亦不存在其他關係。本公司已接獲各於本年度內服務董事局的獨立非執行董事根據上市規則第3.13條就其獨立身份而發出之年度確認聲明，本公司認為各獨立非執行董事均屬獨立人士。

董事局之主要職能為制訂本集團之企業政策及整體策略，並提供有效監督本集團之業務及事務管理事宜。除其法定責任外，董事局亦負責批准本集團之策略計劃、主要營運措施、投資及貸款、審閱本集團之財務表現及評估高層管理人員之表現及薪酬。此等職能由董事局直接執行或通過由董事局成立之委員會執行。董事局亦負責維持有效風險管理及內部監控系統。

CORPORATE GOVERNANCE REPORT

企業管治報告

Regular Board meetings are held at least four times a year to approve the annual and interim results, and to review the business operation and the internal control system of the Group. Apart from these regular meetings, Board meetings are also held to approve major issues. At least 14 days' notice of each regular meeting is given to all directors. Agendas and accompanying Board papers are sent not less than three days before the date of Board meetings to ensure that the directors are given sufficient time to review the same. Draft minutes of Board meetings and Board committee meetings are circulated to directors for their review and comment. All the said minutes are kept by the company secretary of the Company and are open for inspection at any reasonable time on reasonable notice by any director.

A.3. Chairman and Chief Executive Officer

Code provision A.2.1 of the Corporate Governance Code stipulates that the roles of the chairman and the chief executive of an issuer should be separate and should not be performed by the same individual. With effect from 17 February 2014, Mr. Wei Chunxian and Ms. Liu Shuhua have been appointed as Chairman and Chief Executive Officer (the "CEO") of the Company respectively. There is a clear division of responsibilities between the Chairman and the CEO, in that the Chairman provides leadership for the Board and bears the primary responsibility for the functioning of the Board, by ensuring its effective operation, while the CEO is authorised and responsible for the management of the day-to-day business of the Group as well as the implementation of the strategies approved by the Board.

董事局每年至少舉行四次例會，議程包括批准全年及中期業績，以及檢討本集團之業務運作及內部監控系統。除此等例會外，董事局亦就批准重大事項召開會議。全體董事於每次例會舉行之前獲發至少14日通知。議程及有關文件於董事局會議舉行日期之前至少三日寄予董事，確保董事有充份時間審閱。董事獲分發董事局會議及董事委員會會議之草擬會議記錄以供審閱批註。上述所有會議記錄均由本公司之公司秘書保管，可供任何董事於任何合理時間內在發出合理通知後公開查閱。

A.3. 主席及行政總裁

《企業管治守則》守則條文第A.2.1條規定，發行人的主席與行政總裁的角色應有區分，並不應由一人同時兼任。由二零一四年二月十七日起，魏純暹先生及劉淑華女士分別獲委任為本公司主席及行政總裁（「行政總裁」）。主席與行政總裁之職責有清楚分工，其中主席領導董事局，其承擔之主要職責為確保董事局有效運作而履行其職能，而行政總裁則獲授權負責本集團之日常業務管理，以及實施獲董事局批准之策略。

A.4. Appointment and Re-Election of Directors

The procedures and process of appointment and removal of directors are laid down in the Company's Articles of Association (the "Articles").

All directors (including independent non-executive directors) have entered into service contracts or letters of appointment (as the case may be) with the Company for a term of one year, which is terminable by either party by giving no less than three months' or one month notice in advance to each other (as the case may be), subject to retirement from office by rotation and re-election at annual general meeting.

Pursuant to Article 77 of the Articles, any director appointed by the Board shall hold office only until the next following general meeting and shall then be eligible for election but shall not be taken into account in determining the directors or the number of directors who are to retire by rotation at such meeting.

According, Mr. Guan Zheng Michael shall hold office only until the next following general meeting and, being eligible, will offer himself for re-election.

Pursuant to Article 81 of the Articles, at every annual general meeting one-third of the directors for the time being or, if their number is not a multiple of three, then the nearest number to but not less than one-third shall retire from office by rotation provided that every director shall be subject to retirement by rotation at least once every three years.

Pursuant to Article 83 of the Articles, a retiring director shall be eligible for re-election.

Pursuant to Articles 81 and 83 of the Articles, Mr. Sun Zhongmin and Mr. Chui Tsan Kit will retire by rotation at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

A.4. 董事委任及重選

董事委任及罷免之程序及過程載於本公司組織章程細則(「細則」)。

各董事(包括獨立非執行董事)已經與本公司訂有服務合約或聘用函件(視屬何情況而定)，為期一年，並可由任何一方向對方發出不少於三個月或一個月(視情況而定)之事先通知予以終止，並須於股東週年大會上輪流退任及重選。

根據細則第77條，任何獲董事局委任之董事之任期應直至再下一次股東大會及屆時可重選連任，惟不應用作釐定於該大會上輪值退任之董事或董事數目。

因此，管征先生任職僅直至下一屆股東大會為止，且符合資格並願意膺選連任。

根據細則第81條，於每屆股東週年大會上，當時為數三分之一(或如董事數目並非三或三之倍數，則最接近但不少於三分之一之數目)之董事須輪值退任，惟每位董事須至少每三年輪席退任一次。

根據細則第83條，退任董事將合資格膺選連任。

遵照細則第81條及第83條規定，孫仲民先生及徐燦傑先生於即將召開之股東週年大會上輪流退任，而彼等各自均符合資格並願意膺選連任。

CORPORATE GOVERNANCE REPORT

企業管治報告

A.5. Board Diversity Policy

The Board has adopted a board diversity policy (the "Board Diversity Policy") in September 2013 which sets out the approach to achieve diversity on the Board.

The Company recognises and embraces the benefits of having a diversified Board and sees increasing diversity at Board level as an essential element in supporting the attainment of the Company's strategic objectives and sustainable development.

The Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, length of service, professional experience, skills and knowledge. The Company will also take into consideration its own business model and specific needs from time to time. All Board appointments will be based on meritocracy and candidates will be considered against objective criteria, having due regard to the benefits of diversity on the Board.

The Nomination Committee has set the measurable objectives based on several focused areas: age, cultural and educational background, length of service, professional experience, skills and knowledge for the implementation of Board diversity of the Company.

As at the date of this report, the Board comprises 6 directors, amongst them, 3 are independent non-executive directors, thereby promoting critical review and control of the management process. The Board is also characterised by significant diversity in terms of professional experience, skills and knowledge.

Having reviewed the Board Diversity Policy and the Board's composition, the Nomination Committee considered that the requirements of the Board Diversity Policy had been met.

A.5. 董事局成員多元化政策

董事局已經於二零一三年九月採納董事局成員多元化政策（「董事局成員多元化政策」），當中列出董事局成員多元化達標的方法。

本公司明白及認同董事局成員多元化的好處，並將董事局成員更多元化視作為達到本公司策略目標及可持續發展提供支持的必要元素。

本公司通過考慮多項因素尋求達到董事局成員多元化，包括（但不限於）性別、年齡、文化及教育背景、服務年期、專業經驗、技能及知識。本公司亦將不時考慮其本身的業務模式及特定需要。所有董事局委任將根據用人唯才原則進行，會根據客觀準則考慮候選人，當中考慮到董事局成員多元化的好處。

提名委員會已經制定可計量目標，專注於多個範疇：年齡、文化及教育背景、服務年期、專業經驗、技能及知識，以執行本公司之董事局成員多元化政策。

於本報告日期，董事局包括6名董事，其中3名為獨立非執行董事，因此能促進批判性審閱及控制管理過程。董事局在從專業經驗、技能和知識方面亦非常多元化。

經回顧董事局成員多元化政策及董事局組成後，提名委員會認為已經符合董事局成員多元化政策之規定。

CORPORATE GOVERNANCE REPORT

企業管治報告

A.6. Induction and Continuing Development for Directors

Pursuant to the CG Code which has come into effect from 1 April 2012, all directors and the company secretary 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.

Reading materials on relevant topics have been issued to directors where appropriate. All directors are encouraged to attend relevant training courses. Newly appointed director has received formal and tailored induction and training on his appointment, so as to ensure that he has appropriate understanding of the business and operations of the Group and that he is fully aware of his responsibilities and obligations under the Listing Rules and the relevant regulatory requirements.

According to the records maintained by the Company, the directors received the following training with an emphasis on the roles, functions and duties of a director of a listed issuer in compliance with the requirements of the CG Code on continuous professional development during the year:

Directors	董事	Read materials 閱讀材料	Attended seminars/ briefings 出席研討會/ 簡介會
<i>Executive Directors</i>			
Mr. Wei Chunxian	魏純暹先生	✓	✓
Mr. Sun Zhongmin	孫仲民先生	✓	✓
Ms. Liu Shuhua	劉淑華女士	✓	✓
<i>Independent Non-executive Directors</i>			
Mr. Tung Woon Cheung Eric	董煥樟先生	✓	✓
Mr. Guan Zheng Michael	管征先生	✓	✓
Mr. Chui Tsan Kit	徐燦傑先生	✓	✓

During the year, all directors confirmed that they have complied with the CG Code.

A.6. 董事就任須知及持續發展

根據由二零一二年四月一日起生效之《企業管治守則》，所有董事及公司秘書應參與持續專業發展，以發展並更新其知識及技能，以確保其繼續在具備全面資訊及切合所需的情況下對董事會作出貢獻。

在適當時候已向董事發給有關課題之閱讀材料。我們亦鼓勵所有董事參加相關培訓課程。新委任的董事均已經在受委任時獲得正式兼特為其而設的就任須知及培訓，以確保其對本集團的運作及業務均有適當的理解，以及完全知道本身在《上市規則》及有關監管規定下的職責及責任。

根據本公司所保存之記錄，於本年度內，遵照《企業管治守則》有關持續專業發展之規定，董事已接受以下培訓，其中著重上市公司董事的角色、職能及責任：

於本年度內，所有董事確認，彼等均已遵守《企業管治守則》。

CORPORATE GOVERNANCE REPORT

企業管治報告

A.7. Directors' Attendance Record of Board and General Meetings

There were five board meetings and two general meetings held during the year under review. The attendance of the directors at the board meetings and the general meetings was as follows:

Directors	董事	Note 附註	No. of meetings attended/ held during the tenure of the directors 董事任期內出席/ 舉行會議次數	
			Board meeting 董事局會議	General meeting 股東大會
<i>Executive Directors</i>				
Mr. Wei Chunxian (<i>Chairman</i>)	魏純暉先生(主席)		5/5	1/2
Mr. Sun Zhongmin	孫仲民先生		5/5	2/2
Ms. Liu Shuhua	劉淑華女士		5/5	2/2
<i>Independent Non-executive Directors</i>				
Mr. Tung Woon Cheung Eric	董煥樟先生		5/5	2/2
Mr. Guan Zheng Michael	管征先生	(a)	0/0	1/1
Mr. Chui Tsan Kit	徐燦傑先生		5/5	2/2
Mr. Mak Kwong Yiu	麥光耀先生	(b)	4/5	1/1

(a) Appointed on 19 October 2016

(b) Resigned on 19 October 2016

(a) 於二零一六年十月十九日獲委任

(b) 於二零一六年十月十九日辭任

The Company has complied with the code provisions set out in the CG Code as stated in Appendix 14 of the Listing Rules throughout the year ended 31 December 2016.

截至二零一六年十二月三十一日止年度，本公司已遵守上市規則附錄十四所載之《企業管治守則》內所載之守則條文。

A.8. Compliance with Code for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules. Having made specific enquiry to all directors of the Company, all the directors of the Company have confirmed that they have complied with the required standards and provisions as set out in the Model Code throughout the year ended 31 December 2016. The Company is not aware of any non-compliance with the Model Code regarding the trading of the Company’s securities for the year.

A.9. Corporate Governance Functions

The Board is responsible for performing the corporate governance functions set out in provision D.3.1 of the CG Code.

During the year, the Board reviewed the training and continuous professional development of directors and senior management, the compliance of the Model Code and the Company’s compliance with the CG Code.

A.10. Directors’ and Officers’ Insurance

The Company has arranged appropriate insurance cover in respect of potential legal actions against its directors and officers.

A.8. 遵守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」)。在向所有董事作出特定查詢後，本公司全體董事確認，截至二零一六年十二月三十一日止年度內，彼等均已遵守標準守則所載的規定標準及條文。本公司並不知悉本年度內，就買賣本公司證券方面有違反標準守則之情況。

A.9. 企業管治職能

董事局負責履行《企業管治守則》守則條文第D.3.1條所載的企業管治職責。

於本年度內，董事局已檢討董事及高級管理人員的培訓及持續專業發展；遵守《標準守則》的情況；及本公司遵守《企業管治守則》的情況。

A.10. 董事及高級人員之保險

本公司已經就其董事及高級人員可能會面對的法律行動作適當的投保安排。

CORPORATE GOVERNANCE REPORT

企業管治報告

B. BOARD COMMITTEES

As part of good corporate governance, the Board has set up an Audit Committee, a Nomination Committee and a Remuneration Committee, for overseeing particular aspects of the Company's affairs. All Board committees have been established with defined written terms of reference, which are posted on the websites of the Company and the Stock Exchange. All the Board committees should report to the Board on their decisions or recommendations made.

B.1. Audit Committee

The Board set up the Audit Committee in July 1999 with specific written terms of reference (which have been revised subsequently to cope with changes) which clearly deal with its authority and duties. The Audit Committee's role is to review the Group's financial reporting, internal controls and corporate governance issues and to make relevant recommendations to the Board.

During the year, the Audit Committee consisted of three independent non-executive directors. With effect from 19 October 2016 following the resignation of Mr. Mak Kwong Yiu and the appointment of Mr. Guan Zheng Michael as independent non-executive director, Mr. Tung Woon Cheung Eric acted as Chairman with Mr. Guan Zheng Michael and Mr. Chui Tsan Kit acted as members.

B. 董事局轄下的委員會

作為良好企業管治的一部分，董事局已經成立審核委員會、提名委員會及薪酬委員會，以監督本公司事務的個別方面。所有董事局轄下的委員會均已制訂界定書面職權範圍，其載於本公司及聯交所之網站。所有董事局轄下的委員會均應向董事局匯報其決定及作出的建議。

B.1. 審核委員會

董事局於一九九九年七月成立審核委員會，並有書面職權範圍(因應其後變更曾經修訂)清晰確定其權力及職責。審核委員會負責審閱本集團之財務申報、內部監控及企業管治等問題，並向董事局提供有關建議。

於本年度內，審核委員會包括三名獨立非執行董事。由二零一六年十月十九日起，於麥光耀先生辭任及管征先生獲委任為獨立非執行董事後，董煥樟先生擔任主席，管征先生及徐燦傑先生則擔任成員。

CORPORATE GOVERNANCE REPORT

企業管治報告

The corporate governance functions performed during the year included the following:

- (a) to develop and review an issuer's policies and practices on corporate governance and make recommendations to the Board;
- (b) to review and monitor the training and continuous professional development of directors and senior management;
- (c) to review and monitor the issuer's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct applicable to employees and directors; and
- (e) to review the issuer's compliance with the code and disclosure in the Corporate Governance Report.

In discharging its responsibilities, the Audit Committee has performed the following tasks during the year:

- (i) reviewed the effectiveness of the audit process in accordance with the applicable standards;
- (ii) reviewed the draft interim and annual financial statements and the related draft results announcements;
- (iii) reviewed the change in accounting standards and assessed the potential impacts on the Group's consolidated financial statements;
- (iv) discussed with the management the relevant issues including financial, operational and compliance controls and risk management functions and ensured that the management has discharged its duty to have an effective internal control system including the adequacy of resources, qualifications and experience of staff of the Group's accounting and financial reporting function, and their training programmes and budget; and
- (v) made recommendation on the appointment or reappointment of the external auditor and approved their terms of engagement.

於本年度內所履行的企業管治職能包括以下各項：

- (a) 制定及覆審發行人的企業管治政策及常規，並向董事局提出建議；
- (b) 覆審及監察董事及高級管理人員的培訓及持續專業發展；
- (c) 覆審及監察發行人在遵守法律及監管規定方面的政策及常規；
- (d) 制定、覆審及監察僱員及董事的操守準則；及
- (e) 覆審發行人遵守《守則》的情況及在《企業管治報告》內的披露。

就履行其職責而言，審核委員會於本年度已進行如下工作：

- (i) 根據適用準則覆審審核過程之成效；
- (ii) 審閱已草擬之中期及全年財務報表及相關之草擬業績公佈；
- (iii) 審閱會計準則之變動及評估可能對本集團綜合財務報表產生之潛在影響；
- (iv) 與管理層討論有關事項，包括財務、營運及遵守監控以及風險管理等工作及確保管理層履行其責任令本集團擁有有效的內部監控系統(包括本集團在會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算又是否充足)；及
- (v) 就委聘或續聘外聘核數師提供建議及批准委聘條件。

CORPORATE GOVERNANCE REPORT

企業管治報告

All members of the Audit Committee possess in-depth experience in their profession. All of them possess appropriate professional qualifications or accounting or related financial management expertise as required under Rule 3.21 of the Listing Rules.

The Audit Committee held two meetings during the year under review and the attendance of its members was as follows:

審核委員會各成員在其專業範疇均擁有豐富經驗。彼等全部均根據《上市規則》第3.21條之規定，具備適當專業資格，或具備適當的會計或相關的財務管理專長。

於回顧年度內曾舉行兩次審核委員會會議。其成員的出席情況如下：

Members of Audit Committee	審核委員會成員	<i>Note</i> <i>附註</i>	No. of meetings attended/ held during the tenure of the directors 董事任期內出席/ 舉行會議次數
Mr. Tung Woon Cheung Eric (Chairman)	董煥樟先生 (主席)		2/2
Mr. Guan Zheng Michael	管征先生	(a)	0/0
Mr. Chui Tsan Kit	徐燦傑先生		2/2
Mr. Mak Kwong Yiu	麥光耀先生	(b)	2/2
(a)	Appointed on 19 October 2016	(a)	於二零一六年十月十九日獲委任
(b)	Resigned on 19 October 2016	(b)	於二零一六年十月十九日辭任

B.2. Nomination Committee

The Board set up the Nomination Committee in March 2007 with specific written terms of reference (which have been revised subsequently to cope with changes) which clearly deal with its authority and duties. The Nomination Committee's roles are principally to review the structure, size and composition of the Board on a regular basis and make recommendations to the Board regarding any proposed changes; identify individuals suitably qualified to become Board members and make recommendations to the Board in this regard; and assess the independence of independent non-executive directors.

B.2. 提名委員會

董事局於二零零七年三月成立提名委員會，並有書面職權範圍(因應其後變更曾經修訂)清晰確定其權力及職責。提名委員會之職責主要包括：定期審閱董事局規定的架構、大小及組成及就任何建議修訂向董事局提供建議；物色合資格成為董事的合適人選，並就此向董事局提供建議；及評估獨立非執行董事的獨立性。

CORPORATE GOVERNANCE REPORT

企業管治報告

In respect of code provision A.5.1 of the CG Code, the Nomination Committee of the Company is chaired by the Chairman of the Board and comprises a majority of independent non-executive directors.

On 17 February 2014, Mr. Wei Chunxian was appointed as Chairman, whilst Mr. Tung Woon Cheung Eric and Mr. Mak Kwong Yiu were appointed as members of the Nomination Committee, respectively, on the even date.

On 19 October 2016, Mr. Mak Kwong Yiu resigned. Mr. Guan Zheng Michael was appointed as a member of the Nomination Committee with effect from 19 October 2016.

The work performed by the Nomination Committee during the year included the following:

- i) to review the structure, size and diversity (including without limitation, gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of services) of the Board and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- ii) to assess on the independence of the independent non-executive Directors; and
- iii) to make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors and to identify individuals suitably qualified to become Board members.

有關《企業管治守則》守則條文第A.5.1條，本公司提名委員會由董事局主席擔任主席，成員以獨立非執行董事佔大多數。

於二零一四年二月十七日，魏純暹先生獲委任為提名委員會主席，而董煥樟先生及麥光耀先生則獲委任為提名委員會成員。

於二零一六年十月十九日，麥光耀先生辭任。管征先生獲委任為提名委員會一員，由二零一六年十月十九日起生效。

於本年度內，提名委員會所進行之工作包括以下各項：

- i) 檢討董事局之架構、人數及成員多元化(包括但不限於性別、年齡、文化及教育背景、民族、專業經驗、技能、知識及服務任期)，並就任何為配合本公司策略而擬對董事局作出之變動提出建議；
- ii) 評核獨立非執行董事之獨立性；及
- iii) 就董事之委任或重新委任，以及董事繼任計劃向董事局提出建議，並物色具備合適資格可擔任董事局成員之人士。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Nomination Committee held one meeting during the year under review and the attendance of its members was as follows:

於回顧年度內曾舉行一次提名委員會會議。其成員的出席情況如下：

Members of Nomination Committee	提名委員會成員	<i>Note</i> <i>附註</i>	No. of meetings attended/ held during the tenure of the directors 董事任期內出席/ 舉行會議次數
Mr. Wei Chunxian (<i>Chairman</i>)	魏純暹先生(主席)		1/1
Mr. Tung Woon Cheung Eric	董煥樟先生		1/1
Mr. Guan Zheng Michael	管征先生	(a)	0/0
Mr. Mak Kwong Yiu	麥光耀先生	(b)	1/1
(a)	Appointed on 19 October 2016	(a)	於二零一六年十月十九日獲委任
(b)	Resigned on 19 October 2016	(b)	於二零一六年十月十九日辭任

B.3. Remuneration Committee

The Board set up the Remuneration Committee in May 2005 with specific written terms of reference (which have been revised subsequently to cope with changes) which clearly deals with its authority and duties. The Remuneration Committee's role is to make recommendations to the Board on the remuneration policy and structure for directors and senior management and to ensure that they are fairly rewarded for their individual contribution to the Group's overall performance, having regard to the interests of shareholders. The principal duties of the Remuneration Committee include determining the specific remuneration packages of all executive directors and senior management with reference to corporate goals and objectives resolved by the Board from time to time. No director or any of his/her associates may be involved in any decisions as to his/her own remuneration.

In accordance with Rule 3.25 of the Listing Rules, the Remuneration Committee is chaired by an independent non-executive director and comprising a majority of independent non-executive directors.

B.3. 薪酬委員會

董事局於二零零五年五月成立薪酬委員會，並有書面職權範圍(因應其後變更曾經修訂)清晰確定其權力及職責。薪酬委員會之職責為就董事及高層管理人員之薪酬政策及架構向董事局提供建議，並確保在顧及股東利益之餘，對本集團整體表現有所貢獻之董事及高層管理人員均獲得公平回報。薪酬委員會之主要職責包括參考董事局不時議決之公司目標及宗旨釐定全體執行董事及高層管理人員之薪酬待遇。概無董事或其任何聯繫人士可參與有關其本身薪酬之任何決定。

根據上市規則第3.25條，薪酬委員會由獨立非執行董事出任主席，大部分成員均為獨立非執行董事。

CORPORATE GOVERNANCE REPORT

企業管治報告

On 17 February 2014, Mr. Mak Kwong Yiu was appointed as Chairman, whilst Mr. Tung Woon Cheung Eric was appointed as member of the Remuneration Committee, respectively, on the even date. On 17 February 2015, Mr. Chui Tsan Kit was appointed as member of Remuneration Committee.

On 19 October 2016, Mr. Mak Kwong Yiu resigned. Mr. Guan Zheng Michael was appointed as a member of the Remuneration Committee with effect from 19 October 2016.

The work performed by the Remuneration Committee during the year included the following:

- (i) reviewed and recommended the remuneration package of the independent non-executive directors of the Company; and
- (ii) reviewed and approved the remuneration package for the executive directors and management of the Company.

The Remuneration Committee held one meeting during the year under review and the attendance of its members was as follows:

於二零一四年二月十七日，麥光耀先生獲委任為薪酬委員會主席，而董渙樟先生及黃繼東先生則獲委任為薪酬委員會成員。於二零一五年二月十七日，徐燦傑先生獲委任為薪酬委員會委員。

於二零一六年十月十九日，麥光耀先生辭任。管征先生獲委任為薪酬委員會成員，於二零一六年十月十九日起生效。

於本年度內，薪酬委員會所進行之工作包括以下各項：

- (i) 檢討及建議本公司獨立非執行董事的薪酬待遇；及
- (ii) 檢討及批准本公司執行董事及管理人員的薪酬待遇。

於回顧年度內曾舉行一次薪酬委員會會議。其成員的出席情況如下：

Members of Remuneration Committee		<i>Note</i>	No. of meetings attended/ held during the tenure of the directors
		<i>附註</i>	董事任期內出席/ 舉行會議次數
Mr. Guan Zheng Michael (<i>Chairman</i>)	管征先生(主席)	(a)	0/0
Mr. Tung Woon Cheung Eric	董渙樟先生		1/1
Mr. Chui Tsan Kit	徐燦傑先生		1/1
Mr. Mak Kwong Yiu	麥光耀先生	(b)	1/1
(a)	Appointed on 19 October 2016	(a)	於二零一六年十月十九日獲委任
(b)	Resigned on 19 October 2016	(b)	於二零一六年十月十九日辭任

C. RESPONSIBILITY FOR PREPARATION AND REPORTING OF ACCOUNTS

The directors of the Company acknowledge their responsibility for preparing the accounts which were prepared in accordance with statutory requirements and applicable accounting standards. A statement by the auditor about their reporting responsibilities is set out on pages 116 to 125 of this annual report.

The directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

D. RISK MANAGEMENT AND INTERNAL CONTROL

Risk Management Structure

The Board of directors is responsible to maintain an effective risk management and internal control system, in order to safeguard the interest of the Company and shareholders as a whole. However, the risk management and internal control systems were designed to manage rather than eliminate all risks exposure of the Group. It does not provide an absolute shield against inherent limitations such as unpredictable risks, uncontrollable events such as natural catastrophes, fraud, and errors of judgement, but it may provide reasonable, but not absolute, assurance against material misstatements or losses.

The Company established an Enterprise Risk Management framework in order to implement effective risk management. Our risk management structure is simple and clear, which has categorical duties.

C. 編製及呈報賬目之責任

本公司董事明白彼等須負責根據法例規定及適用會計準則編製賬目。核數師就其呈報責任而發出之聲明載於本年報第116頁至第125頁。

董事並不知悉有關任何事件或情況之重大不明朗因素為可能對本公司按持續經營基準繼續營業的能力構成重大疑問。

D. 風險管理及內部監控

風險管理架構

董事會有責任維持有效之風險管理及內部監控系統，以保障本公司及其股東的整體利益。然而，本集團制定的風險管理及內部監控系統旨在管理而非消除所有本集團需面對的風險。該等系統無法完全排除不可預測風險及不可控制事件（例如自然災害、欺詐及判斷失誤）等固有限制，只能就不會有重大的失實陳述或損失作出合理而非絕對的保證。

本公司通過建立企業風險管理框架，以落實有效的風險管理工作。本集團的風險管理架構簡單明確，責任清晰。

Board of Directors

The Board plays an important role in the Group's risk management and internal control systems. The Board is responsible for establishing the risk management framework and risk management policies, and the relevant policies are aiming to assess and determine the Group's business strategies and defining the risk tolerance. The Board, with assistance from the Audit Committee, monitors risk management and internal control system in an on-going manner and reviews, at least annually, the effectiveness of the risk management and internal control system.

Audit Committee

Audit Committee stands at the highest level of the risk management and internal control system below the Board. The Audit Committee assists the Board in overseeing the Group's risk management and internal control systems by providing advice and support in respect of all risk matters, including on-going monitoring of the implementation of risk management procedures, reviewing the Group's risk register, reviewing and approving the internal control review plans and results.

Management

The management of the Group is responsible for identifying and on-going monitoring strategic, operational, financial, reporting and compliance risks associated with the daily operations of the Group. The Management reports to the Board and Audit Committee on the relevant risks and their changes. The management also formulate various internal control measures to mitigate the risks, and rectify internal control deficiencies they identified in a timely manner.

董事會

董事會是本集團風險管理及內部監控系統的總負責機構。董事會負責建立清晰的風險管理框架及風險管理政策，有關政策旨在評估及釐定本集團的業務戰略及定義風險承受程度。董事會授權審核委員會，並在其協助下持續監督本集團風險管理及內部監控系統，並且每年至少覆審一次本集團風險管理及內部監控系統的有效性。

審核委員會

審核委員會為僅次於董事會的最高風險管理及內部監控系統負責機構，向董事會就所有風險事宜提供建議及支持，包括監督集團的整體風險管理程序的執行、審閱集團的主要風險名單、審批內部監控覆核計劃及審閱內部監控覆核結果等。

管理層

本集團管理層負責於日常營運過程中識別並持續監測集團所面對的戰略、營運及財務、報告和合規風險，向董事會及審核委員會匯報有關風險以及其變化情況。管理層亦制定各種紓緩風險的內部監控措施，並透過各途徑收集內部監控缺失資訊並及時執行整改。

CORPORATE GOVERNANCE REPORT

企業管治報告

Independent Professional Internal Control Advisor

To ensure the independence of the internal control review, the Group has outsourced the internal audit function to an independent professional internal control advisor (the “Internal Control Advisor”), whose work scope includes reviewing the effectiveness of the Group’s risk management procedures and effectiveness of the internal control systems. The Internal Control Advisor formulates the internal control review plan based on risk assessment and gets approval from Audit Committee, and will communicate with the Audit Committee about the review results directly.

Risk Management Procedures

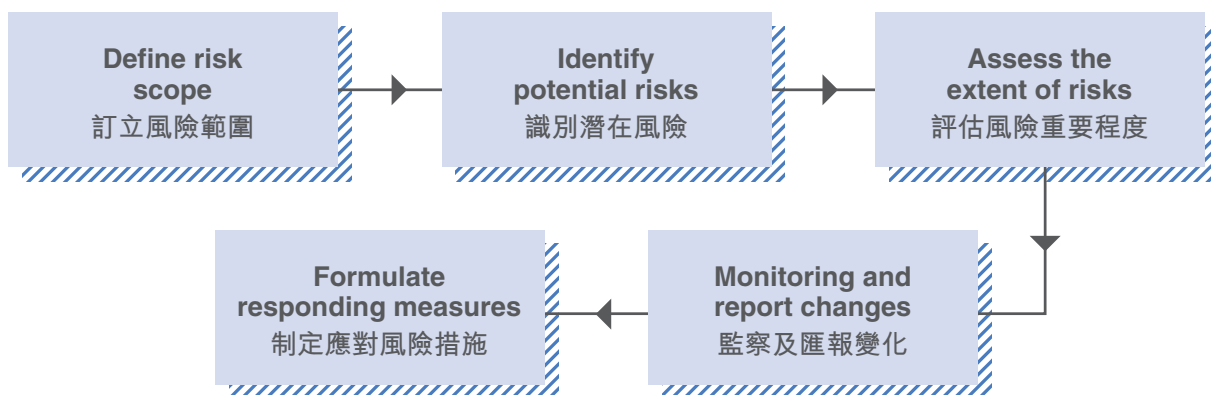
The Group has established the Enterprise Risk Management framework so as to effectively manage all kinds of risks faced by the Group. The Enterprise Risk Management framework defined the procedures for identifying, assessing, responding to and monitoring risks and their changes. Through regular discussion with each operating function, the Group strengthened the understanding of risk management so that all employees will understand and report the risks timely which enhanced the Group’s ability to identify and manage risks.

第三方專業內控顧問

為保證內部監控覆核的獨立性，本集團將內部審核功能外判至第三方專業內控顧問(下稱「內控顧問」)，工作內容包括檢討本集團風險管理程序，以及內部監控系統有效性。內控顧問的內部監控覆核以風險評估為基礎制定，並由審核委員會審批，內控顧問亦會直接向審核委員會報告有關的覆審結果。

風險管理程序

本集團建立了企業風險管理框架以有效地管理本集團所面對的各種風險。該企業風險管理框架定義了本集團識別、評估、應對和監測風險及其變化的程序。本集團透過定期研討加強各職能部門其對風險管理的認識，從而讓所有員工理解並及時匯報風險，加強本集團風險管理的能力。



In the course of risk identification, the Management liaise with each operating function, collect significant risk factors that affect the Group from the bottom to the top, in various aspects including strategic, operational, financial, reporting and complying aspects. After establishing risk assessment scope, the Management will assess the potential impact and possibilities of the risks and prioritise the risks, and make appropriate internal control measures are then developed to mitigate the risks identified and monitor the changes of risks in an on-going manner.

Main features of our risk management and internal control systems

Maintain an effective internal control system (operational level)

- Establish clear internal control policies and procedures, clearly define the responsibilities, authorities and accountabilities of each key position;
- Establish code of conduct, convey to all employee the Group's requirements on integrity and ethic;
- Establish whistle blowing mechanism, encourage employees to report incidents of misconduct or fraud;
- Establish appropriate level of information technology assess rights, avoid leakage of price sensitive information;
- Establish inside information disclosure policy, including reporting channels and responsible person of disclosure, unified response to external enquiries and obtain advice from professional financial advisors or the Stock Exchange, if necessary.

在進行風險識別時，管理層與各營運職能部門溝通，由下而上方式收集對本集團有影響的重大風險因素，包括戰略、營運及財務、報告和合規等各個範疇。在建立風險評估範圍後，管理層根據風險的潛在影響與發生機會判斷風險的重要程度，制定應對有關風險的內控措施，並對風險的變化情況進行持續監察和匯報。

風險管理及內部監控系統主要特點

維持有效的內控系統(營運層面)

- 設有明確的內部監控政策和程序，清晰界定各部門及職位的職責、授權及問責性；
- 設有員工行為守則，傳遞本集團對於員工誠信及道德價值方面的要求；
- 設有舉報機制，鼓勵僱員舉報涉嫌行為失當或舞弊的事件；
- 設置適當的資訊科技權限，防止股價敏感消息外泄。
- 設有內幕消息匯報政策，包括設立匯報渠道及信息披露負責人，統一回應外界查詢，並在需要時諮詢專業財務顧問或聯交所意見。

CORPORATE GOVERNANCE REPORT

企業管治報告

In 2016, the Board has reviewed the effectiveness of internal control policies and procedures, including those related to financial reporting and Listing Rule compliance and the Management also conveyed confirmation of the effectiveness of the risk management and internal control systems to the Board and the Audit Committee. The Board has considered the adequacy of resources, staff qualifications and experience, training programmes and budget of the accounting, internal audit and financial reporting functions during the evaluation of the review of risk management and internal control systems.

On-going risk monitoring (risk management level)

Based on the risk management framework and risk management policies established by the Board, the Management communicate with each operating function, collect significant risk factors that affect the Group from the bottom to the top. The Group has established a risk register to record the risks identified, the Management will assess the potential impact and possibilities of each major risk and develop relevant internal control measures.

In 2016, the Management conducted evaluation of risk management structure and procedures and submitted a risk assessment report to the Board and Audit Committee, including a 3-years internal control review plan, to enable the Board and Audit Committee to effectively monitor the major business risks of the Group and know about how the Management responses to and mitigates such risks.

Procedures and internal controls for the handling and dissemination of inside information

We established appropriate level of information technology assess rights, avoiding leakage of price sensitive information. We also establish inside information disclosure policy, including reporting channels and responsible person of disclosure, unified response to external enquiries and obtain advice from professional financial advisors or the Stock Exchange, if necessary, in order to ensure compliance with the Listing Rules requirements regarding handling and dissemination of inside information.

於二零一六年，董事會已覆審內部監控政策和程序的有效性，包括財務報告及遵守《上市規則》規定的程序，而管理層亦已向董事會及審核委員會確認風險管理及內部監控系統有效性。董事會在檢討風險管理及內部監控程序時，已考慮在會計、內部審核及財務匯報職能方面的資源、員工資歷及經驗，以及員工所接受的培訓課程及有關預算是否足夠。

持續監察風險(風險管理層面)

管理層根據董事會建立的風險管理框架及風險管理政策，與各營運職能部門溝通，由下而上方式收集對本集團有影響的重大風險資訊及持續監察風險的變化。本集團建立風險登記冊記錄已識別的風險，定期評估每項主要風險對本集團的潛在影響及發生的可能性，制定相關內控措施。

於二零一六年，管理層進行了風險管理架構及程序的檢討，並向董事會及審核委員會提交風險評估報告，以及未來三年的內控覆核計劃，讓董事會及審核委員會更有效地監察本集團的主要業務風險以及了解管理層如何應對及減低該等風險。

處理及發佈內幕消息的程序和內部監控措施

我們已設置適當的資訊科技權限，防止股價敏感消息外泄，並設有內幕消息匯報政策，包括設立匯報渠道及信息披露負責人，統一回應外界查詢，並在需要時諮詢專業財務顧問或聯交所意見，以確保符合上市規則對於處理及發佈內幕消息的要求。

CORPORATE GOVERNANCE REPORT

企業管治報告

Independent review

The Group has outsourced the Internal Control Advisor to conduct an internal control review, reviewed the effectiveness of the Group's risk management and internal control systems and submitted the internal review report to the Audit Committee.

In 2016, the Internal Control Advisor has completed the internal control review work during the year. The review aimed at the transaction incurred during the period from 1 January 2016 to 31 December 2016, and the scope of the review included the effectiveness of the internal control measures in corporate level and operational level. The Internal Control Advisor has reported the results of the internal control review work to the Audit Committee.

The Management has established remediation and improvement plan for internal control weaknesses identified. Nothing has come to the Audit Committee's or Board's attention to believe that risk management and internal control systems of the Group are inadequate or ineffective.

Principle risks and changes of the Group

The following are the principal risks and changes faced by the Group:

獨立覆核

本集團已將內審職能外包至內控顧問，對本集團的風險管理及內部監控系統進行獨立覆核，覆審本集團風險管理和內部監控系統的有效性，並向審核委員會提交內控覆核報告。

於二零一六年，內控顧問已完成以本年度的內控覆核工作，覆核針對二零一六年一月一日至二零一六年十二月三十一日期間發生的交易，覆核範圍包括企業層面及營運層面的內控措施有效性。內控顧問亦已向審核委員會匯報內控覆核工作結果。

對於發現的內控問題或不足之處，管理層已制定糾正措施及改善方案。審核委員會及董事會未有注意到任何事件令他們相信現時的風險管理及內部監控系統存在重大不足。

本集團的主要風險及變動

以下各項為本集團的主要風險及其變動情況：

Risk 風險	Description 描述	Key Risk Mitigations 主要風險緩解措施	Changes 變動
Economic downturn 經濟下行	Affected by economic downturn, the number of people who are able to purchase or rent the property decreased. We may need to lower selling price or rental rate or may even not be able to sell or lease. We might also be unable to increase our property management/other additional service fee due to the overall worse economic conditions. 受總體經濟所影響令有能力購買或承租物業的人減少，本集團或需要下調售價／租金，甚至無法出售／出租。亦可能因總體經濟較差而難以提高管理費用／其他額外服務的費用。	— Regularly analyse overall economic changes, adjust business strategies, and communicate quickly with managers in business areas through video conferencing to implement recommended improvements — 定期分析總體經濟轉變、調整業務策略，並通過視像會議快速與各業務區域管理人員溝通落實應變工作 — Conduct due diligence and understand local economy and property market outlook before acquisition of new property investment projects — 收購新的物業投資項目時進行盡職調查，瞭解當地經濟及物業市場前景	Decreasing 減少

CORPORATE GOVERNANCE REPORT

企業管治報告

Risk 風險	Description 描述	Key Risk Mitigations 主要風險緩解措施	Changes 變動
Human Resources 人力資源	<p>Insufficient staff or incompetency of our staff might affect our ability to provide quality service to meet our customers' demands. In addition, labour costs in mainland China are expected to increase which might also decrease our profits or competitiveness.</p> <p>集團人員若在數量及質量上不足，無法高品質的服務水平滿足客戶要求。另外，中國內地的勞動力成本預期繼續增加亦可能會削弱公司的利潤或競爭力。</p>	<p>— Be close to the pay market dynamics, control the wastage rate</p> <p>— 緊貼薪酬市場動態，控制流失率</p> <p>— Recruitment planning every year, timely replenishment of staff turnover</p> <p>— 每年進行招聘規劃，及時補充流失人手</p> <p>— Provide adequate training for staff to improve staff service standards</p> <p>— 為員工提供充足培訓，提升員工服務水準</p>	Increasing 增加
Brand Name 品牌	<p>If we fail to maintain our service level in customer service, engineering, cleaning or security, customers may lose confidence which will have a very negative impact on our Company's reputation and image.</p> <p>集團若未能維持服務水平，在客戶服務、工程質量、清潔或保安工作中出現重大問題，使客戶失去信任，對聲譽及形象造成極為負面的影響。</p>	<p>— Daily self-examination to maintain and enhance the quality of service and engineering</p> <p>— 日常進行服務質量自查維持及提升服務和工程質量水平</p> <p>— Investigate customers' satisfaction, monitor the latest ratings for each project, follow up timely on customers' complaints</p> <p>— 調查客戶滿意度，監察各項目的最新評級，及早就客戶關注事項進行跟進</p> <p>— Provide regular training for staff to ensure that employees have sufficient capacity to deal with problems</p> <p>— 定期培訓員工，確保員工有足夠能力處理問題</p>	Decreasing 減少

CORPORATE GOVERNANCE REPORT

企業管治報告

Risk 風險	Description 描述	Key Risk Mitigations 主要風險緩解措施	Changes 變動
Outsourcing 外包	<p>Failure by service providers and contractors to proceed projects to their completion on time and on the unsatisfactory quality of the work may incur extra cost to the Group in order to complete the work.</p> <p>服務供應商及承建商若未能妥善完成工作或其工作品質未如理想，可能會影響客戶對我們服務的滿意程度，或令我們需要增加額外成本以完成有關工作。</p>	<ul style="list-style-type: none"> — Conduct strict assessment and follow due tender procedures in selecting outsourcing service providers. — 在選擇外包服務供應商時進行嚴謹的評估及招標工作 — Our project manager and legal staff would review the terms of a outsourcing agreement to ensure the duty and responsibility of each party therein are clearly defined and stated. — 項目經理和法務人員審查外包合同條款，確保各方職責條文清晰明確 — Evaluate and update performance by outsourcing service providers on regular basis to ensure their service standards meet the Group's requirements. — 定期跟進外包服務供應商表現，確保其服務水平符合集團要求 	No Change 無變化

CORPORATE GOVERNANCE REPORT

企業管治報告

Risk 風險	Description 描述	Key Risk Mitigations 主要風險緩解措施	Changes 變動
Natural disasters 自然災害	Inappropriate handling of emergency situations triggered by natural disasters (e.g. fire, electric shock, traffic accident etc.) or epidemic outbreaks may lead to substantial/numerous claims and liabilities against the Group and damage to our reputation, in addition to human casualties and direct losses on assets. 若集團不當處理突如其來的自然災害(例如火災、觸電、交通意外等)或傳染病爆發事件，除可能引致人命傷亡及直接資產損失外，亦可能令本集團面對大量／高額索償、法律責任，以及破壞集團聲譽等。	<ul style="list-style-type: none"> — Put in place various contingency plans and strategies and with designated persons-in-charge to deal with specific risks, and conduct of regular disaster drills. 制定各種緊急應對預案及策略，訂立風險應對負責人，並定期進行防災演練 — Periodic checks on equipment for emergency and regular inspections would be conducted so that any source of severe hazards could be identified as early as possible. 定期檢查防災設備，以及進行日常巡查，及早發現重大危險源 — Maintain third party liability insurance to diversify our risk exposure and review the scope and amount insured regularly. 購買第三者責任保險以分散風險，定期檢討保障範圍和保額 	No change 無變化

CORPORATE GOVERNANCE REPORT

企業管治報告

Risk 風險	Description 描述	Key Risk Mitigations 主要風險緩解措施	Changes 變動
Occupational health and safety 職業健康與安全	<p>Failure by the Group to put in place appropriate emergency equipment, formulate and oversee the implementation of various safety procedures that result in injuries of our employees in work may incur liability to the Group against any compensation, give adverse effect to our reputation and cause an outflow of talents.</p> <p>集團若未能提供合適防護設備、制定並監督各種安全程序的執行，引致員工在工作時受傷，集團可能需要負上賠償責任、對公司的聲譽造成負面影響，以及引起人才流失。</p>	<ul style="list-style-type: none"> — Put in place various work safety procedures, strictly observe and implement precautionary measures for all duties and procedures that are hazardous in nature. Designated persons would be appointed to oversee the implementation of such measures. — 制定安全工作程序，落實執行各種帶有危險性質工作時應使用的防護措施，並指派監督人員檢查執行情況 — Provide training on safety and raise the awareness of our employees on occupational safety. — 提供安全培訓，增強員工對職業安全的意識 — Conduct regular inspection on safety equipment to ensure they are in good working conditions. — 定期檢查安全設備，確保設備運作正常 	Decreasing 減少

CORPORATE GOVERNANCE REPORT

企業管治報告

Risk 風險	Description 描述	Key Risk Mitigations 主要風險緩解措施	Changes 變動
Interest rate 利率	The Group holds borrowings on floating interest. This may increase the cost and have an effect on profits due to the increase in interest rates. 集團持有以浮動利息計算的借款，因此或會受利率上升所影響而增加成本，影響利潤。	<ul style="list-style-type: none"> — Closely monitor the interest rate, and report to the management timely on the interest rate changes — 密切監察利率狀況，及時向管理層匯報最新利率變化 — Formulate policy and take measures to reduce interest rate risk — 制定應對政策應對及採取措施降低利率風險 	Increasing 增加
Foreign exchange rate 匯率	The Group holds assets and liabilities denominated in Hong Kong dollars, Renminbi, US dollars and GBP. Foreign exchange rate fluctuations may bring exchange losses to the Company. 集團持有以港元、人民幣、美元及英鎊計價之資產及負債。外匯匯率波動或會為本公司帶來匯兌損失。	<ul style="list-style-type: none"> — Actively monitor the fluctuation in foreign exchange rate change, consider all necessary actions (such as reduce loan/investment, hedging). — 持續監察匯率風險，並制定相關應對政策（如減少借貸／投資、考慮對沖等） — Perform sensitivity analysis to quantify currency exposure — 定期進行敏感度分析，量化有關風險 	Increasing 增加

CORPORATE GOVERNANCE REPORT

企業管治報告

Risk 風險	Description 描述	Key Risk Mitigations 主要風險緩解措施	Changes 變動
Relevant politics, policies and regulations on real estate 有關房地產的相關政治、政策及法規	Changes in politics, policies and regulations on real estate might increase our operating expenses. If we breach relevant regulatory and governing requirements, such as lack of ability to adjust the operational procedures timely, the Group may incur losses due to penalty, suspension or interruption of operation 各種政策、法規及監管要求轉變或會增加集團營運開支。若集團違反相關法規及監管要求(包括因未能及時調節營運程序導致)亦可能會令本集團蒙受罰款、阻斷或妨礙營運而引起損失。	— Actively monitor changes of laws and regulations associated with the business of the Group. — 積極監察與本集團業務相關的法律法規變動 — Consult legal staff or legal advisors to ensure the Group's compliance with policy, regulatory and governing requirements. — 諮詢法務人員或法務顧問確保本集團符合政策、法規及監管(包括牌照)要求	No change 無變化

E. COMPANY SECRETARY

During the year, the company secretary of the Company has taken not less than 15 hours of relevant professional training.

E. 公司秘書

在本年度，本公司的公司秘書已參加不少於15小時的相關專業培訓。

F. AUDITORS' REMUNERATION

The Company's external auditor is Ernst & Young. (including any entity that is under common control, ownership or management with Ernst & Young or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of the audit firm nationally or internationally). The remuneration paid/ payable to Ernst & Young in respect of audit services and permissible audit related and non-audit services for the year ended 31 December 2016 amounted to approximately HK\$1,250,000 and HK\$952,000 respectively. The non-audit services of HK\$952,000 comprised (i) accounting and tax advisory services relating to due diligence for acquisition of approximately HK\$650,000; (ii) agree-upon procedures on interim financial information of approximately HK\$200,000; and (iii) other and tax services of approximately HK\$102,000.

F. 核數師之酬金

本公司之外聘核數師為安永會計師事務所(包括與安永會計師事務所受共同控制或由其擁有或管理之任何實體或合理及知道所有有關資料的知情第三者斷定為在有關國家或國際上屬該核數師行一部分之任何實體)。於截至二零一六年十二月三十一日止年度內，就核數以及允許的核數相關及非核數服務已付/應付安永會計師事務所的薪酬分別約為1,250,000港元及952,000港元。952,000港元的非核數服務包括：(i)有關收購的盡職調查之會計及稅務諮詢服務約650,000港元；(ii)中期財務資料的協定程序約200,000港元及(iii)其他及稅務服務約102,000港元。

G. COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

Pursuant to the Companies Ordinance, a general meeting of shareholders of the Company can be convened by a written request signed by shareholders holding at least 5% of the total rights of all the shareholders having a right to vote at that meeting, stating the nature of the business to be dealt with at that meeting, and deposited at the Company's registered office. The rights of shareholders and the procedures for demanding a poll on resolutions at shareholders' meetings are contained in the Company's constitutional documents. Details of such rights to demand a poll and the poll procedures are included in all related circulars to shareholders and will be explained during the proceedings of meetings.

Poll results will be posted on the website of the Company and the Stock Exchange on the same day of the shareholders' meeting.

The general meeting of the Company provides a forum for communication between the shareholders and the Board. The Chairman of the Board, as well as the Chairmen of the Audit Committee, Nomination Committee and Remuneration Committee or in their absence, other members of the respective committees, normally attend the annual general meeting and other relevant shareholders' meetings to answer shareholders' queries at the shareholders' meetings.

Separate resolutions are proposed at shareholders' meetings on each substantial issue, including election of individual directors.

The Company continues to enhance communication and relations with its investors. Enquiries from investors are dealt with in an informative and timely manner.

H. CONSTITUTIONAL DOCUMENT

During the year ended 31 December 2016, the Company had not amended its constitutional document.

G. 與股東及投資者溝通

根據《公司條例》，佔全體有權在股東大會上表決的股東的總表決權最少5%的股東可藉簽署書面要求召開本公司股東大會，要求須述明有待在有關股東大會上處理的事務的一般性質及存放於公司的註冊辦事處。股東於股東大會要求以投票表決決議案之權利及其程序載於本公司之公司章程。有關要求投票表決的權利及投票表決程序將載於致股東相關通函，並將於大會期間再作解釋。

投票表決結果將於股東大會當日於本公司及聯交所網站刊載。

本公司股東大會為股東與董事局提供溝通機會。董事局主席及審核委員會、提名委員會及薪酬委員會主席（若彼等缺席，則相關委員會的其他成員）一般會出席股東週年大會及其他有關股東大會，以在股東大會上回答股東提問。

股東大會上，將就重要事項（包括推選個別董事）提呈獨立決議案。

本公司不斷加強與投資者之間的溝通及關係。本公司會及時處理投資者的查詢，為投資者提供相關資料。

H. 組織章程文件

截至二零一六年十二月三十一日止年度，本公司並無修改其組織章程文件。

REPORT OF THE DIRECTORS

董事局報告書

The board of directors (the “Board”) hereby present its report and the audited consolidated financial statements of GR Properties Limited (the “Company”) and its subsidiaries (collectively, the “Group”) for the year ended 31 December 2016.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The Group is principally engaged in the property development and investments in the PRC, the USA and the UK, and the provision of property management services in Beijing, the PRC. Details of the principal activities of the subsidiaries are set out in note 1 to the consolidated financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group’s principal business activities are exposed to a variety of key risks including credit risk, interest rate risk, liquidity risk, operational risk and market risk.

The Group’s business and profitability growth during the Year is affected by the volatility and uncertainty of macro-economic conditions in Hong Kong, the PRC, the USA and the UK. The divergence of monetary policies in major advanced economies of global nations is expected to continue to contribute partly to the volatility of fund and trade flows and that of asset prices in Hong Kong, the PRC, the USA and the UK.

In particular, the potential impact on economic activities and real estate prices is also affected by political and economic developments in Hong Kong, the PRC, the USA and the UK. The long term business and profitability growth of the Group is expected to continue to be affected by the changes in macro-economic variables, including unemployment rates, real gross domestic product growth, consumer and asset price indexes and credit demand, and also qualitative factors such as political and economic policy developments of Hong Kong, the PRC, the USA and the UK.

RESULTS AND APPROPRIATION

The Group’s loss for the year ended 31 December 2016 and the Group’s financial position at that date are set out in the consolidated financial statements on pages 126 to 129.

* For identification purpose only

董事局(「董事局」)謹此提呈其報告書以及國銳地產有限公司(「本公司」)及其附屬公司(統稱為「本集團」)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。

主要業務

本公司之主要業務為投資控股。本集團主要於中國、美國及英國從事物業發展及投資，以及在中國北京提供物業管理服務。附屬公司主要業務之詳情載於綜合財務報表附註1內。

主要風險及不確定因素

本集團的主要業務活動面臨多項重大風險，包括信貸風險、利率風險、流動資金風險、營運風險及市場風險。

於本年度內，本集團的業務及收益率增長受香港、中國、美國及英國宏觀經濟狀況波動及不確定之影響。預期全球主要發達經濟體貨幣政策的分歧仍將為資金及貿易往來以及香港、中國、美國及英國資產價格波動的部分因素。

尤其是，對經濟活動及房地產價格的潛在影響亦受香港、中國、美國及英國政治及經濟發展之影響。預計本集團長期業務及收益率增長將持續受失業率、實際國內生產總值增長、消費者及資產價格指數及信貸需求等宏觀經濟變量變動以及香港、中國、美國及英國政治及經濟政策發展等定性因素的影響。

業績及溢利分配

本集團截至二零一六年十二月三十一日止年度之虧損及本集團於當天之財務狀況，載於綜合財務報表第126頁至第129頁。

REPORT OF THE DIRECTORS

董事局報告書

The Board did not recommend the payment of final dividend for the Year (2015: Nil). No interim dividend was declared for the Year (2015: Nil).

BUSINESS REVIEW

Business review of the Group for the year ended 31 December 2016 has been stated in Chairman's Statement on pages 4 to 7 and Management Discussion and Analysis on pages 8 to 21.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The environmental policies and performance of the Group are set out in Environmental, Social and Governance Report on page 22 to 56.

KEY RELATIONSHIPS WITH EMPLOYEES, CUSTOMERS AND SUPPLIERS

An account of the key relationships of the Group with its employees, customers and suppliers is contained in the Environmental, Social and Governance Report on page 22 to 56.

SUMMARY OF FINANCIAL INFORMATION

A summary of the published results and assets, liabilities and equity of the Group for the last five financial years/period, as extracted from the audited consolidated financial statements for the year ended 31 December 2016 and the annual report of the Company for the year ended 31 December 2015 are set out on pages 223 to 224. This summary does not form part of the audited consolidated financial statements.

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

The Group recognises the importance of compliance with regulatory requirements and the risk of non-compliance. The Group has been allocating system and staff resources to ensure ongoing compliance with rules and regulations and to maintain strong working relationships with regulators through effective communications. During the year ended 31 December 2016, the Board is not aware of any material non-compliance with the relevant laws and regulations that had a significant impact on the Group.

董事局並無建議派付本年度末期股息(二零一五年：無)。概無於本年度派發中期股息(二零一五年：無)。

業務審視

本集團截至二零一六年十二月三十一日止年度之業務審視載於第4頁至第7頁「主席報告」以及第8頁至第21頁「管理層討論及分析」。

環境政策及表現

本集團的環境政策及表現載於第22至56頁的環境、社會及管治報告內。

與僱員、客戶及供應商的主要關係

本集團與其僱員、客戶及供應商的主要關係的賬目載於第22頁至第56頁的環境、社會及管治報告。

財務資料概要

本集團過去五個財政年度／期間之已刊發業績以及資產、負債和權益的概要(節錄自本公司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及截至二零一五年十二月三十一日止年度之年報)，載於第223頁至第224頁。此概要並不構成經審核綜合財務報表的一部分。

遵守相關法律及法規

本集團明白遵守監管規定的重要性及不合規的風險。本集團一直分配系統及人力資源確保持續遵守規則及法規以及透過有效溝通維持與監管機構的穩固工作關係。於截至二零一六年十二月三十一日止年度，董事會並不知悉任何嚴重違反對本集團產生重大影響的相關法律及法規的情況。

SHARE CAPITAL

Details of movement in the Company's share capital during the year is set out in note 26 to the consolidated financial statements.

During the Year, the Company placed new ordinary shares of 105,578,910 shares with net proceeds from the placing of approximately HK\$104,370,000. The placing price of HK\$1.00 per share represents a discount of approximately 9.09% to the closing price of HK\$1.10 per share as quoted on the Stock Exchange on 21 April 2016. The placing shares will be placed to not less than six placees who and whose ultimate beneficial owners are not connected with or acting in connect with the directors, chief executive or substantial shareholders (as defined in the Listing Rules) of the Company or any of its subsidiaries or any of their respective associates (as defined in the Listing Rules) and whom are not connected persons of the Company. The details of the placing are set out in the Company's announcements dated 21 April 2016 and 10 May 2016 and Management Discussion and Analysis on page 9 of this annual report.

During the Year, the Company completed capital reduction of HK\$700,000,000, the details of which are set out in the Company's circular dated 21 October 2016.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

DISTRIBUTABLE RESERVES

The Company had no reserve available for cash distribution/or distribution in specie as at 31 December 2016 in accordance with the provisions of section 291, 297 and 299 of the Hong Kong Companies Ordinance.

Movements of the reserves in the Group and the Company during the Year are set out on page 130 and in Note 28 to the consolidated financial statements.

MAJOR CUSTOMERS AND SUPPLIERS

For the year ended 31 December 2016, less than 30% of the Group's revenue was attributable to the Group's five largest customers, and less than 30% of the Group's purchases were attributable to the Group's five largest suppliers.

股本

本公司股本及可轉換債券於本年度內之變動詳情，分別載於綜合財務報表附註26內。

於本年度內，本公司使用配售所得款項淨額約104,370,000港元配售105,578,910股新普通股份。每股1.00港元配售價相當於二零一六年四月二十一日聯交所報價的每股1.10港元收市價的約9.09%折價。配售股份將配售予不少於六名承配人，彼等之最終實益擁有人並非與本公司董事、行政總裁或主要股東(定義見上市規則)或其任何附屬公司或彼等各自任何聯繫人(定義見上市規則)及並非本公司關連人士的人士有關連或一致行動。配售的詳情載於本公司日期為二零一六年四月二十一日及二零一六年五月十日的公佈及本年報第9頁管理層討論及分析。

於本年度內，本公司完成資本減值700,000,000港元，詳情載於本公司日期為二零一六年十月二十一日的通函內。

購買、贖回或出售本公司上市證券

於本年度內，本公司或其任何附屬公司概無購買、贖回或出售任何本公司上市證券。

可供分派儲備

於二零一六年十二月三十一日，根據香港《公司條例》第291、297及299條之條文，本公司並無儲備可供用作現金分發及/或實物分發。

本集團及本公司於本年度內的儲備變動載於第130頁及綜合財務報表附註28中。

主要客戶及供應商

於截至二零一六年十二月三十一日止年度內，本集團五個最大的客戶所佔本集團收入的百分比少於30%，而本集團五個最大的供應商所佔本集團的購貨額百分比少於30%。

REPORT OF THE DIRECTORS

董事局報告書

None of the Directors of the Company, or any of their close 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 top five customers and suppliers.

CHARITABLE DONATIONS

During the year ended 31 December 2016 and 2015, the Group did not make any charitable donations.

DIRECTORS

The Directors of the Company during the Year were:

Executive directors:

Mr. Wei Chunxian (*Chairman*)
Ms. Liu Shuhua (*Chief Executive Officer*)
Mr. Sun Zhongmin

Independent non-executive directors:

Mr. Tung Woon Cheung Eric
Mr. Guan Zheng Michael
(*appointed on 19 October 2016*)
Mr. Chui Tsan Kit
Mr. Mak Kwong Yiu
(*resigned on 19 October 2016*)

In accordance with Articles 81 and 83 of the Company's Articles of Association, Mr. Sun Zhongmin and Mr. Chui Tsan Kit will retire at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

According to Article 77 of the Articles of Association, any Director appointed by the Board to fill a casual vacancy shall hold office only until the next following general meeting and shall then be eligible for election. Accordingly, Mr. Guan Zheng Michael shall hold office only until the forthcoming AGM and, being eligible, will offer himself for re-election.

The Company has received written annual confirmations of independence from all independent non-executive directors and as at the date of this report all of them are considered to be independent.

概無本公司董事或任何彼等各自之緊密聯繫人或任何股東(據董事所知擁有5%以上的本公司已發行股本者)在本集團五個最大客戶及五個最大供應商中擁有任何實益權益。

慈善捐贈

截至二零一六年及二零一五年十二月三十一日止年度，本集團並無作出任何慈善捐贈。

董事

於本年度內，本公司董事如下：

執行董事：

魏純暹先生(主席)
劉淑華女士(行政總裁)
孫仲民先生

獨立非執行董事：

董煥樟先生
管征先生
(於二零一六年十月十九日獲委任)
徐燦傑先生
麥光耀先生
(於二零一六年十月十九日辭任)

遵照本公司之組織章程細則第81條及第83條規定，孫仲民先生及徐燦傑先生於即將召開之股東週年大會上退任，而彼等各自均符合資格並願意膺選連任。

根據組織章程細則第77條，任何由董事局委任以填補臨時空缺之董事任期僅直至下一屆股東大會為止，且屆時符合資格膺選連任。因此，管征先生之任期僅直至應屆股東週年大會為止，且符合資格並願意膺選連任。

本公司已收到各獨立非執行董事有關其獨立身份之書面年度確認，於本報告日期，本公司認為彼等確屬獨立人士。

REPORT OF THE DIRECTORS

董事局報告書

BOARD CHANGES AND CHANGES IN DIRECTORS' INFORMATION

Information required to be disclosed pursuant to Rule 13.51B(1) of the Rules Governing The Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") is set out as follows:

Board changes

On 19 October 2016:

- Mr. Guan Zheng Michael succeeded Mr. Mak Kwong Yiu to act as independent non-executive director of the Company.

DIRECTORS' BIOGRAPHIES

The biographical details of the directors of the Company are set out on pages 57 to 62 of this annual report.

DIRECTORS' SERVICE CONTRACTS

No director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' REMUNERATION

The directors' fees are subject to shareholders' approval at general meetings. Other emoluments are determined by the Board with reference to directors' duties, responsibilities and performance and the results of the Group as well as the recommendation of the Remuneration Committee.

Further details of the Company's Remuneration Committee are set out in the corporate governance report on pages 76 to 77 of this annual report.

DIRECTORS OF SUBSIDIARIES

Other than the directors named under the paragraph headed "DIRECTORS" above, the persons who have served on the boards of the subsidiaries of the Company as at 31 December 2016 and up to the date of this report included Mr. Chen Gang and Ms. Huang Fei.

董事局變動及董事資料變動

根據香港聯合交易所有限公司證券上市規則(「上市規則」)第13.51B(1)條須披露的資料載列如下：

董事局變動

於二零一六年十月十九日：

- 管征先生承接麥光耀先生擔任本公司獨立非執行董事。

董事履歷

本公司董事之履歷詳情載於本年度報告第57頁至第62頁。

董事之服務合約

擬在下次股東週年大會上重選連任之董事均無與本公司訂立本集團在一年內不可在不予賠償(法定賠償除外)的情況下終止之服務合約。

董事薪酬

董事袍金須獲得股東在股東大會上批准，方可作實。其他薪酬由本公司董事局經參考董事職責、責任及表現及本集團業績以及薪酬委員會之建議後釐定。

有關本公司薪酬委員會之進一步詳情，載於本年報企業管治報告第76頁至第77頁。

附屬公司董事

除上文「董事」一段內所載之董事外，於二零一六年十二月三十一日及截至本報告日期，擔任本公司附屬公司董事者包括陳崗先生及黃菲女士。

REPORT OF THE DIRECTORS

董事局報告書

EMOLUMENT POLICY

The emolument of each of the directors and the employees of the Group is on the basis of their merit, qualification, competence and experience in the industry, the profitability of the Group as well as remuneration benchmarks from other local and international companies and prevailing market conditions, executive directors and employees also participate in bonus arrangements which are determined in accordance with the performance of the Group and the individual's performance.

PERMITTED INDEMNITY PROVISION

Article 137 of the Company's Articles of Association provides that every Director, executive Director, manager, secretary, officer and auditor of the Company shall be indemnified out of the funds of the Company against all liabilities incurred by him as such Director, executive Director, manager, secretary, officer and auditor in defending any proceedings, whether civil or criminal, to the extent permitted by the Companies Ordinance. The Company has also maintained Directors and officers liability insurance during the Year.

MANAGEMENT CONTRACTS

Other than the service contracts of the Directors, the Company has not entered into any contract with any individual, firm or body corporate to manage or administer the whole or any substantial part of any business of the Company during the Year.

REMUNERATION PAYABLE TO THE MEMBERS OF SENIOR MANAGEMENT BY BAND

Pursuant to Code Provision B.1.5 of the CG Code, for the remuneration payable to the members of the senior management by band for the Year, please refer to Directors' emoluments and the five highest paid employees, as required to be disclosed pursuant to Appendix 16 to the Listing Rules, in notes 8 and 9 respectively to the consolidated financial statements.

薪酬政策

董事及本集團僱員各自之薪酬乃根據其才幹、資歷、能力及行業經驗、本集團之利潤以及其他本地及國際公司之薪酬標準及當前市場狀況而釐定。執行董事及僱員亦可參與獎金安排，其根據本集團表現及個人表現釐定。

獲准許彌償條文

本公司組織章程細則第137條規定，本公司每名董事、執行董事、經理、秘書、高級職員及核數師須就彼作為董事、執行董事、經理、秘書、高級職員及核數師對任何訴訟程序（無論民事或刑事）抗辯而產生的所有責任從本公司資金獲得彌償，惟須獲公司條例批准。本公司亦於本年度內購買董事及高級職員責任保險。

管理合約

除與董事訂立的服務合約外，本公司並未與任何個人、公司或法團訂立任何合約以管理或執行本公司年內任何業務的全部或任何重要部分。

應付高級管理層成員薪酬範圍

根據企業管治守則守則條文第B.1.5條，有關本年度應付高級管理層成員薪酬範圍，請參閱根據上市規則附錄16分別於綜合財務報表附註8及9披露的董事薪酬及五位最高薪僱員。

DIRECTORS' INTERESTS IN CONTRACTS AND CONTRACT OF SIGNIFICANCE

Details of the continuing connected transactions and significant related party transactions are disclosed in this report and in note 33 to the consolidated financial statement. Save for the above, no director nor a connected entity of a director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the holding companies of the Company, or any of the Company's subsidiaries or fellow subsidiaries was a party during the year.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

At 31 December 2016, the interests and short positions of the directors and the chief executive and their associates in the shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) (a) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

董事於合約及重大合約中之權益

有關持續關連交易及重大關連方交易之詳情載在本報告及綜合財務報表附註33內披露。除上文所述者外，在本年度內，概無董事或董事的有關連實體在由本公司控權公司或本公司的任何附屬公司或同系附屬公司訂立的、就本集團的業務而言屬重大的任何交易、安排或合約中，有直接或間接的具相當分量的利害關係。

董事及最高行政人員於股份及相關股份之權益及淡倉

於二零一六年十二月三十一日，董事及最高行政人員以及彼等之聯繫人士於本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份中擁有：(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之權益及淡倉（包括根據證券及期貨條例之該等條文被當作或被視作擁有之權益或淡倉）；或(b)根據證券及期貨條例第352條須予記入該條文所述登記冊之權益及淡倉；或(c)根據聯交所證券上市規則（「上市規則」）內所載上市發行人董事進行證券交易之標準守則（「標準守則」）須知會本公司及聯交所之權益及淡倉如下：

REPORT OF THE DIRECTORS

董事局報告書

LONG POSITION IN THE ORDINARY SHARES OF THE COMPANY:

於本公司普通股之好倉：

Name of Director	Capacity	Number of shares held	Approximate percentage of the Company's issued share capital 佔本公司已發行股本之概約百分比 (%)
董事姓名	身份	持有股份數目	
Mr. Sun Zhongmin 孫仲民先生	Beneficial owner 實益擁有人	47,510,510	5.29
Mr. Wei Chunxian 魏純暹先生	Interest of controlled corporation 受控法團之權益	492,814,591 (Note) (附註)	54.91

Note: The shares are held by Wintime Company Limited. Wintime Company Limited is a wholly-owned subsidiary of Winluck Global Limited. The entire issued share capital of Winluck Global Limited is beneficially owned by Mr. Wei Chunxian. Each of Winluck Global Limited and Mr. Wei Chunxian is deemed to be interested in the Shares held by Wintime Company Limited under the SFO.

附註：有關股份由Wintime Company Limited持有。Wintime Company Limited為Winluck Global Limited之全資附屬公司。Winluck Global Limited之全部已發行股本由魏純暹先生實益擁有。根據證券及期貨條例，Winluck Global Limited與魏純暹先生各自被視為於Wintime Company Limited所持有之股份中擁有權益。

LONG POSITION IN UNDERLYING SHARES OF THE COMPANY:

Save as disclosed herein, as at 31 December 2016, none of the directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the shares of the Company and its associated corporations (within the meaning of Part XV of the SFO) (a) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year ended 31 December 2016 were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any of the Directors or their respective spouse or minor children under the age of 18, or were any such rights exercised by them; or was the Company, its holding companies, or any of its subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

To the best of the directors' knowledge, as at 31 December 2016, the following persons (not being directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares which would fall to be disclosed to the Company and the Stock Exchange 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:

於本公司相關股份之好倉：

除本報告所披露者外，於二零一六年十二月三十一日，本公司董事及最高行政人員概無於本公司及其相關法團（定義見證券及期貨條例第XV部）之股份中擁有或被視作擁有：(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之任何權益或淡倉（包括根據證券及期貨條例之該等條文被當作或被視作擁有之權益或淡倉）；或(b)根據證券及期貨條例第352條須予記入該條文所述登記冊之任何權益或淡倉；或(c)根據上市規則內所載上市發行人董事進行證券交易之標準守則須知會本公司及聯交所之任何權益或淡倉。

董事收購股份或債權證之權利

於截至二零一六年十二月三十一日止年度內任何時間，任何董事或彼等各自之配偶或未滿18歲之未成年子女概無獲授予任何權利使其能藉收購本公司股份或債權證而獲取利益，或已行使任何有關權利；本公司、其控股公司或其任何附屬公司或同系附屬公司亦並非任何安排的其中一方，且該等安排使董事獲取任何其他法人團體之有關權利。

主要股東及其他人士於股份及相關股份之權益及淡倉

就董事所知，於二零一六年十二月三十一日，以下本公司董事或最高行政人員以外的人士，在股份及相關股份中擁有或被視為擁有權益或淡倉，而此等權益或淡倉根據《證券及期貨條例》第XV部第2及第3分部須向本公司及聯交所披露，或一如本公司根據《證券及期貨條例》第336條而備存的登記冊所載錄者：

REPORT OF THE DIRECTORS

董事局報告書

LONG POSITIONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY:

於本公司股份及相關股份之好倉：

Name	Notes	Number of shares held, capacity and nature of interest 持有股份數目、身份及權益性質			Total	Approximate percentage of the Company's issued share capital 佔本公司已發行股本之概約百分比 (%)
		Directly beneficially owned 直接實益擁有	Through a controlled corporation 透過受控制法團			
Wintime Company Limited	(a)	492,814,591	—	492,814,591	54.91	
Winluck Global Limited	(b)	—	492,814,591	492,814,591	54.91	

Notes:

附註：

- | | |
|--|---|
| <p>(a) Wintime Company Limited holds 492,814,591 shares directly.</p> <p>(b) Winluck Global Limited is deemed to be interested in the 492,814,591 shares by virtue of its controlling interests in its wholly-owned subsidiary, Wintime Company Limited. Mr. Wei Chunxian is deemed to be interested in the 492,814,591 shares by virtue of his entire equity interests in Winluck Global Limited.</p> | <p>(a) Wintime Company Limited 直接持有 492,814,591 股股份。</p> <p>(b) Winluck Global Limited 於其全資附屬公司 Wintime Company Limited 中擁有控股權益，因此，Winluck Global Limited 被視為於 492,814,591 股股份中擁有權益。魏純暹先生擁有 Winluck Global Limited 之全部股本權益，因此，魏純暹先生被視為於 492,814,591 股股份中擁有權益。</p> |
|--|---|

Save as disclosed above, at 31 December 2016, the directors and the chief executive of the Company were not aware of any other person (other than the directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the shares or underlying shares which would fall to be disclosed to the Company and the Stock Exchange 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.

除上文所披露者外，於二零一六年十二月三十一日，本公司董事及最高行政人員不知悉任何其他本公司董事或最高行政人員以外的人士，在股份及相關股份中擁有或被視為擁有權益或淡倉，而此等權益或淡倉根據《證券及期貨條例》第XV部第2及第3分部須向本公司及聯交所披露，或一如本公司根據《證券及期貨條例》第336條而備存的登記冊所載錄者。

SHARE OPTIONS

On 7 November 2016, the Company conditionally adopted the Share Option Scheme, pursuant to which the Board may, at its discretion, grant options to any Directors and any employee of the Company or the Group or any person, who, in the absolute opinion of the Board, have contributed or will contribute to the Company or the Group. The purpose of the Share Option Scheme is to (i) incentivise and reward those who have contributed or may contribute to the development of the Group; and (ii) attract and retain skilled and experienced personnel and motivate them to strive for the future development of the Group by providing them with an opportunity to acquire proprietary interests in the Company thereby linking their interest with that of the Group. Unless otherwise determined by the Board in the relevant offer letter to a grantee, there is no minimum period for which any share option ("Option") must be held before it can be exercised and no performance target which needs to be achieved by a grantee before the options can be exercised. Under the Share Option Scheme, the Board will have absolute discretion in determining the subscription price (subject to the Listing Rules) in respect of any Option. The Board is of the view that the flexibility given to the Board will place the Group in a better position to incentivise or reward the Participants and retain human resources that are valuable to the growth and development of the Group as a whole.

The subscription price shall be such price determined by the Board in its absolute discretion and notified to the Participant in the offer and shall be at least the higher of (i) the closing price of a share as stated in the daily quotations sheet issued by the Stock Exchange on the date of offer of the grant; and (ii) the average closing price of the shares as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the date of offer of the grant. The consideration payable for acceptance of the option by each Participant is HK\$1.00 which shall be received by the Company within such time as may be specified in the offer (which shall not be later than 21 days from, and inclusive of, the date of offer). If the Participant does not accept such grant of option pursuant to the procedures specified in the respective offer letter or notice within the stipulated time frame, such option shall be regarded as unaccepted and lapsed.

購股權

於二零一六年十一月七日，本公司有條件採納購股權計劃。據此，董事會可酌情向其全權認為對本公司或本集團作出或將作出貢獻之本公司或本集團或任何人士任何董事及任何僱員授予購股權。購股權計劃之目的(i)鼓勵及嘉許對本集團發展曾作出貢獻或可能會作出貢獻的人士；及(ii)吸引及挽留具有技能及經驗的人員，透過提供收購本公司產權權益的機會激勵彼等努力為本集團未來發展付出，以便將其利益與本集團利益連成一陣線。除非董事會於寄予承授人之相關要約函件另有界定，任何購股權（「購股權」）在其可予行使前毋須持有最短期限，且承授人無需於購股權可予行使前達到任何表現目標。根據購股權計劃，董事會將擁有絕對酌情權釐定任何購股權之認購價（受上市規則所規限）。董事會認為，董事會獲授之靈活性將令本集團得以更好地激勵或獎勵參與者並挽留對本集團之整體增長及發展具有寶貴意義之人力資源。

認購價須為董事會全權酌情釐定之有關價格，並於要約時通知參與者，且不低於(i)聯交所於授出要約日期發出之每日報價表所示之每股收市價；及(ii)聯交所於緊接授出要約日期前五個營業日發出之每日報價表所示之股份平均收市價之較高者。各參與者接納購股權時應付之代價為1.00港元其將由本公司於要約可能註明的時間內接獲（不得遲於要約日期起計二十一日（包括當日））。倘參與者並無在指定時限內按照相關要約函件或通告上列明之程序接納有關授出購股權，則有關購股權須被視為不獲接納且失效。

REPORT OF THE DIRECTORS

董事局報告書

Based on the 897,420,738 shares in issue as at the date of adoption of the Share Option Scheme, the maximum number of shares to be issued upon the exercise of options that may be granted under the Share Option Scheme are 89,742,073 shares, being 10% of the shares in issue as at the date of adoption of the Share Option Scheme. 89,742,073 shares represents 10% of the issued shares of the Company as at the date of this annual report. Subject to the obtaining of Shareholders' approval with respect to the adoption of the Share Option Scheme, pursuant to Rule 17.03 of the Listing Rules, the total number of shares which may be issued upon the exercise of all options to be granted under the Share Option Scheme must not, in aggregate, exceed 10% of the shares in issue as at the date of approval of the Share Option Scheme. The Board shall not grant any options which would result in the maximum aggregate number of shares which may be issued upon exercise of all outstanding options granted but yet to be exercised under the Share Option Scheme and any other share option schemes adopted by the Company exceeding, in aggregate, 30% of the shares in issue from time to time. The total number of shares issued and to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of the Company to each Participant (including both exercised and outstanding options) in any 12-month period shall not exceed 1% of the total number of shares in issue (the "Individual Limit"). Any further grant of options to a Participant which would result in the shares issued and to be issued upon exercise of all options granted and to be granted to such Participant (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant exceeding the Individual Limit shall be subject to approval of the Shareholders in general meeting with such Participant and his close associates (or his associates if such Participant is a connected person) abstaining from voting. An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period as the Board may determine which shall not exceed 10 years from the date of grant subject to the provisions of early termination thereof.

The Share Option Scheme will remain in force for a period of 10 years commencing from the date of adoption of the Share Option Scheme.

No options were granted, outstanding, lapsed, exercised or cancelled during the Year.

根據於購股權計劃採納日期已發行之897,420,738股股份計算，於購股權計劃採納日期，根據購股權計劃可能授出之購股權獲行使而將予發行之股份最高數目為89,742,073股股份，即已發行股份之10%。於本年報日期，89,742,073股股份相當於本公司已發行股份的10%。待取得股東就採納購股權計劃之批准後，按照上市規則第17.03條，根據購股權計劃將授出之所有購股權獲行使而可能發行之股份總數，合共不得超過本公司於批准購股權計劃當日已發行股份之10%。董事會不得授出任何購股權，導致根據購股權計劃及本公司採納之任何其他購股權計劃已授出但尚未行使之所有購股權獲行使而可能發行之股份最高數目合共超過不時已發行股份之30%。於任何12個月期間，根據本公司購股權計劃及任何其他購股權計劃向各參與者授出之購股權(包括已行使及尚未行使購股權)獲行使而發行及將予發行之股份總數，不得超過已發行股份總數之1%(「個人上限」)。如向某參與者進一步授出購股權，將導致於直至及包括該次進一步授出購股權當日止12個月期間，向及將向該參與者授出之全部購股權(包括已行使、已註銷及尚未行使購股權)獲行使而發行及將予發行之股份超過個人上限，則須經股東於股東大會上批准，而該參與者及其緊密聯繫人(或倘該參與者為關連人士，則其聯繫人)須於該股東大會上放棄投票。購股權可於董事會可能釐定而不得超過授出日期起計十年期間內，在有關提前終止條文之規限下隨時根據購股權計劃之條款行使。

購股權計劃有效日期自購股權計劃採納日期起計十年。

概無購股權於年內獲授出、尚未行使、失效、獲行使或註銷。

CONNECTED TRANSACTION AND CONTINUING CONNECTED TRANSACTIONS

During the year ended 31 December 2016, the Group entered into certain transactions which constituted connected transaction(s) continuing connected transactions (as defined in the Listing Rules) of the Company, the details of which are set out below.

A. Continuing connected transactions subject to the reporting, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

During the year ended 31 December 2016, 北京澳西物業管理有限公司 (Beijing AOCEAN Property Management Company Limited* or "AOCEAN Property Management"), a wholly-owned subsidiary of the Company, provided heat supply and maintenance services to a total of 9,308 property units of Beijing Guorui Property (Note) and Beijing Guolong (Note) with a total floor area of approximately 829,000 square metres.

(1) Beijing Guorui Property Heat Supply Services Agreements

Date: 27 November 2015

Parties: (i) AOCEAN Property Management
(ii) Beijing Guorui Property (Note)

Original term: 1 April 2014 to 15 September 2015 (with no automatic renewal clause)

New term: 16 September 2015 to 15 September 2018 (both days inclusive)

Location: Fortune Street Phase One* (財滿街一期), Fortune Street Phase Two* (財滿街二期) and Rui City International Building* (銳城國際大廈) in Chaoyang District, Beijing, and Kingdom Guorui* (國銳•金嶺) in Daxing District, Beijing.

Provision of services: AOCEAN Property Management's responsibilities include (i) overlooking the daily operation and provision of repair and maintenance services of the heat exchange station and facilities and the pipeline network; and (ii) ensuring that the heat supplied complies with governmental guidelines and standards, etc.

關連交易及持續關連交易

於截至二零一六年十二月三十一日止年度內，本集團進行若干構成本公司關連交易及持續關連交易(按《上市規則》之定義)之交易，有關詳情載列如下。

A. 須遵守《上市規則》第十四A章有關申報、公告及獨立股東批准規定的持續關連交易

於截至二零一六年十二月三十一日止年度內，北京澳西物業管理有限公司(「澳西物業管理」)(其為本公司之全資附屬公司)為北京國銳(附註)及北京國隆(附註)合共9,308個物業單位(總樓面面積約829,000平方米)提供供暖及維修服務。

(1) 北京國銳供暖服務協議

日期：二零一五年十一月二十七日

訂約方：(i) 澳西物業管理
(ii) 北京國銳(附註)

原有年期：二零一四年四月一日至二零一五年九月十五日(並無自動續約條文)

新年期：二零一五年九月十六日至二零一八年九月十五日(首尾兩日包括在內)

地點：北京朝陽區財滿街一期、財滿街二期及銳城國際大廈以及北京市大興區國銳•金嶺

提供之服務：澳西物業管理之責任包括：
(i) 監督日常運作、提供維修保養換熱站及設施以及管路網絡之服務；及(ii) 確保所提供之暖氣符合政府指引及標準等

REPORT OF THE DIRECTORS

董事局報告書

Fees:	Residential properties: RMB30 per square meter per heat supply season, payable on annual basis	費用：	住宅物業：每個供暖季節每平方米人民幣30元，其須每年支付
	Commercial properties: RMB42 and RMB47 per square meter per heat supply season, payable on annual basis in respect of the original term and new term, respectively		商用物業：於原年期及新年期分別為每個供暖季節每平方米人民幣42元及人民幣47元，其須每年支付
Transaction amount during 16 September 2015 to 15 September 2016:	RMB1,249,108 (equivalent to approximately HK\$1,486,494)	二零一五年九月十六日至二零一六年九月十五日交易金額：	人民幣1,249,108元(相當於約1,486,494港元)
Transaction amount during 16 September 2016 to 31 December 2016:	RMB458,225 (equivalent to approximately HK\$523,171)	二零一六年九月十六日至二零一六年十二月三十一日交易金額：	人民幣458,225元(相當於約523,171港元)
Annual cap:	Original term: Not applicable (as this constitutes a continuing connected transaction pursuant to Rule 14A.60(1) of the Listing Rules)	全年上限：	原有年期： 不適用(因為其構成《上市規則》第14A.60(1)條之持續關連交易)
	New term: For the three years ending 15 September 2018 are RMB1,466,000, RMB2,291,000 and RMB4,258,000, respectively		新年期： 截至二零一八年九月十五日止三個年度：分別為人民幣1,466,000元、人民幣2,291,000元及人民幣4,258,000元

* For identification purpose only

* 僅供識別

REPORT OF THE DIRECTORS

董事局報告書

(2) Beijing Guolong Heat Supply Services Agreements

Date:	27 November 2015
Parties:	(i) AOCEAN Property Management (ii) Beijing Guolong (Note)
Original term:	1 April 2014 to 15 September 2015 (with no automatic renewal clause)
New term:	16 September 2015 to 15 September 2018 (both days inclusive)
Location:	North Garden* (北花園) at Gaobeidian, Chaoyang District, Beijing.
Provision of services:	AOCEAN Property Management's responsibilities include (i) overlooking the daily operation and provision of repair and maintenance services of the heat exchange station and facilities and the pipeline network; and (ii) ensuring that the heat supplied complies with governmental guidelines and standards, etc. AOCEAN Property Management charges the individual owners/tenants of the property units directly for those units which are occupied. Beijing Guolong will be responsible for the fees of the vacant units within the aforesaid property project
Fees:	RMB30 per square meter per heat supply season, payable on annual basis

(2) 北京國隆供暖服務協議

日期：	二零一五年十一月二十七日
訂約方：	(i) 澳西物業管理 (ii) 北京國隆(附註)
原有年期：	二零一四年四月一日至二零一五年九月十五日(並無自動續約條文)
新年期：	二零一五年九月十六日至二零一八年九月十五日(首尾兩日包括在內)
地點：	北京朝陽區高碑店北花園
提供之服務：	澳西物業管理之責任包括： (i)監督日常運作、提供維修保養換熱站及管路網絡之服務；及(ii)確保所提供之暖氣符合政府指引及標準等 有關已佔用物業單位，澳西物業管理直接向物業單位之個別業主／租戶收取費用。北京國隆將負責上述物業項目內空置單位之費用。
費用：	每個供暖季節每平方米人民幣30元，其須每年支付

REPORT OF THE DIRECTORS

董事局報告書

Transaction amount during 16 September 2015 to 15 September 2016: RMB3,259,000 (equivalent to approximately HK\$3,807,000)

二零一五年九月十六日至二零一六年九月十五日交易金額：人民幣3,259,000元(相當於約3,807,000港元)

Transaction amount during 16 September 2016 to 31 December 2016: RMB1,964,000 (equivalent to approximately HK\$2,294,000)

二零一六年九月十六日至二零一六年十二月三十一日交易金額：人民幣1,964,000元(相當於約2,294,000港元)

Annual cap: Original term: Not applicable (as this constitutes a continuing connected transaction pursuant to Rule 14A.60(1) of the Listing Rules)

全年上限：原有年期：不適用(因為其構成《上市規則》第14A.60(1)條之持續關連交易)

New term: For the three years ending 15 September 2018 are RMB3,351,000, RMB3,159,000 and RMB3,217,000, respectively

新年期：截至二零一八年九月十五日止三個年度：分別人民幣3,351,000元、人民幣3,159,000元及人民幣3,217,000元

* For identification purpose only

* 僅供識別

During the year ended 31 December 2015, each of Beijing Guorui Property and Beijing Guolong renewed its property management agreement with AOCEAN Property Management for the management of the vacant units within their residential and commercial property projects.

於截至二零一五年十二月三十一日止年度內，北京國銳及北京國隆各自與澳西物業管理續訂其物業管理協議，內容有關管理其住宅及商業物業項目內之空置單位。

REPORT OF THE DIRECTORS

董事局報告書

(3) Beijing Guorui Property Management Agreements

Date of Agreement:	27 November 2015
Parties:	(i) AOCEAN Property Management (ii) Beijing Guorui Property (<i>Note</i>)
Original term:	1 January 2015 to 31 December 2015
New term:	1 January 2016 to 31 December 2018 (with no automatic renewal clause)
Location:	Fortune Street Phase One* (財滿街一期), Fortune Street Phase Two* (財滿街二期), Rui City International Building* (銳城國際大廈), and GOLDEN TOWER* (金長安大廈) in Chaoyang District, Beijing, and Kingdom Guorui* (國銳•金嶺) in Daxing District, Beijing
Provision of services:	AOCEAN Property Management is responsible for (i) safekeeping of the keys of the vacant units; (ii) carrying out monthly inspections of the vacant units and keeping records accordingly; (iii) carrying out monthly cleaning of the vacant units; and (iv) inspecting the vacant units during bad weather conditions, etc.
Fees:	The management fee ranges from RMB2.25 to RMB9.4 per square meter per month for different property units
Transaction amount during 1 January 2016 to 31 December 2016:	RMB4,243,647 (equivalent to approximately HK\$4,958,520)
Annual cap:	Original term: Not applicable (as this constitutes a continuing connected transaction pursuant to Rule 14A.60(1) of the Listing Rules) New term: For the three years ending 31 December 2018 are RMB4,481,000, RMB6,858,000 and RMB7,497,000, respectively

* For identification purpose only

(3) 北京國銳物業管理協議

協議日期:	二零一五年十一月二十七日
訂約方:	(i) 澳西物業管理 (ii) 北京國銳(<i>附註</i>)
原有年期:	二零一五年一月一日至二零一五年十二月三十一日
新年期:	二零一六年一月一日至二零一八年十二月三十一日(並無自動續約條文)
地點:	北京朝陽區財滿街一期、財滿街二期、銳城國際大廈及金長安大廈以及北京市大興區國銳•金嶺
提供之服務:	澳西物業管理負責:(i)保管空置單位之鑰匙;(ii)每月視察空置單位及作出相應記錄;(iii)每月清潔空置單位;及(iv)於惡劣天氣狀況下視察空置單位等
費用:	視乎不同物業單位,管理費介乎每平方米每月人民幣2.25元至人民幣9.4元之間
二零一六年一月一日至二零一六年十二月三十一日交易金額:	人民幣4,243,647元(相等於約4,958,520港元)
全年上限:	原有年期: 不適用(因為其構成《上市規則》第14A.60(1)條之持續關連交易) 新年期: 截至二零一八年十二月三十一日止三個年度,分別為人民幣4,481,000元、人民幣6,858,000元及人民幣7,497,000元

* 僅供識別

REPORT OF THE DIRECTORS

董事局報告書

(4) Beijing Guolong Property Management Agreement

Date of Agreement:	27 November 2015
Parties:	(i) AOCEAN Property Management (ii) Beijing Guolong (<i>Note</i>)
Original term:	1 January 2015 to 31 December 2015
New term:	1 January 2016 to 31 December 2018 (with no automatic renewal clause)
Location:	North Garden* (北花園) at Gaobeidian, Chaoyang District, Beijing.
Provision of services:	AOCEAN Property Management is responsible for (i) safekeeping of the keys of the vacant units; (ii) carrying out monthly inspections of the vacant units and keeping records accordingly; (iii) carrying out monthly cleaning of the vacant units; and (iv) inspecting the vacant units during bad weather conditions, etc.
Fees:	RMB2.25 per square meter per month
Transaction amount during 1 January 2016 to 31 December 2016:	RMB2,031,750 (equivalent to approximately HK\$2,374,013)
Annual cap:	Original term: Not applicable (as this constitutes a continuing connected transaction pursuant to Rule 14A.60(1) of the Listing Rules) New term: For the three years ending 31 December 2018 are RMB3,003,000, RMB2,642,000 and RMB2,907,000, respectively

* For identification purpose only

(4) 北京國隆物業管理協議

協議日期:	二零一五年十一月二十七日
訂約方:	(i) 澳西物業管理 (ii) 北京國隆 (<i>附註</i>)
原有年期:	二零一五年一月一日至二零一五年十二月三十一日
新年期:	二零一六年一月一日至二零一八年十二月三十一日 (並無自動續約條文)
地點:	北京朝陽區高碑店北花園
提供之服務:	澳西物業管理負責:(i)保管空置單位之鑰匙;(ii)每月視察空置單位及作出相應記錄;(iii)每月清潔空置單位;及(iv)於惡劣天氣狀況下視察空置單位等
費用:	每平方米每月人民幣2.25元
二零一六年一月一日至二零一六年十二月三十一日交易金額:	人民幣2,031,750元(相等於約2,374,013港元)
全年上限:	原有年期: 不適用(因為其構成《上市規則》第14A.60(1)條之持續關連交易) 新年期: 截至二零一八年十二月三十一日止三個年度,分別為人民幣3,003,000元、人民幣2,642,000元及人民幣2,907,000元

* 僅供識別

REPORT OF THE DIRECTORS

董事局報告書

During the year ended 31 December 2015, Beijing Guorui Property entered into a property management agreement with AOCEAN Property Management in respect of the management of the sales office and ancillary areas of Kingdom Guorui* (國銳•金嶺) at Beijing Economic and Technological Development Area, Daxing District, Beijing.

(5) Kingdom Guorui Sales Office Management Agreement

Date of Agreement: 27 November 2015

Parties: (i) AOCEAN Property Management
(ii) Beijing Guorui Property (Note)

Term: 8 October 2015 to 7 October 2018

Location: Kingdom Guorui* (國銳•金嶺) — sales office and ancillary areas at Beijing Economic and Technological Development Area, Daxing District, Beijing

Provision of services: AOCEAN Property Management is responsible for (i) welcoming and arranging customers to visit the show flats; (ii) coordinating services related to sales activities; (iii) the security, hygiene and concierge services of the property; (iv) the daily operation, management and maintenance of the common parts including the restaurants, bars and other amenities facilities and common facilities; (v) maintenance of the hygiene and security of the common parts of the property; (vi) refuse collection and disposal; and (vii) maintenance and management of the greenery of the property, and so on.

Fees: Beijing Guorui Property shall bear the following expenses, disbursements, costs and fees, which are paid by AOCEAN Property Management in advance and settled between the parties quarterly:

- the expenses incurred in the course of providing services to the property, including all supplies, materials and labour costs;
- disbursements including the costs incurred for external wall cleaning, floor brightening, maintenance of the exterior greenery as well as power charges and replacement costs of facilities;

* For identification purpose only

於截至二零一五年十二月三十一日止年度內，北京國銳與澳西物業管理訂立物業管理協議，內容有關管理北京市大興區北京經濟技術開發區國銳•金嶺銷售辦事處及附屬地方。

(5) 國銳•金嶺銷售辦事處管理協議之條款

協議日期：二零一五年十一月二十七日

訂約方：(i) 澳西物業管理
(ii) 北京國銳(附註)

年期：二零一五年十月八日至二零一八年十月七日

地點：北京市大興區北京經濟技術開發區國銳•金嶺銷售辦事處及附屬地方

提供之服務：澳西物業管理負責：(i)迎接及安排客人參觀示範單位；(ii)統籌有關銷售活動的服務；(iii)有關物業之保安、衛生及禮賓服務；(iv)公共地方之日常運作、管理及保養，包括餐廳、酒吧及其他康樂設施及公共設施；(v)保持有關物業之公共地方的衛生及保安；(vi)收集垃圾及處置；及(vii)保養及管理有關物業之綠化地帶等。

費用：北京國銳須承擔以下開支、開銷、成本及費用，其先由澳西物業管理支付，並由有關各方每季結算：

- 就有關物業提供服務的過程中所招致的開支，包括所有供應品、材料及人工成本；
- 開銷，包括就清潔外牆、地板打蠟、保養室外綠化地帶所招致的成本，以及電費及設施更換成本；

* 僅供識別

REPORT OF THE DIRECTORS

董事局報告書

- the costs of acquiring the fixed assets, equipment and facilities necessary for the additional services if Beijing Guorui Property requests AOCEAN Property Management to provide additional services or themed activities related to sales; and
- the relevant taxation and profit margin of 10% over the actual costs and expenses incurred in the course of managing the property.
- (倘若北京國銳要求澳西物業管理提供額外服務或有關銷售的主題活動)就額外服務購買所需固定資產、設備及設施之成本；及
- 在管理有關物業的過程中所招致的有關稅項及實際成本及開支的10%的利潤。

Transaction amount during 8 October 2015 to 7 October 2016: RMB11,246,869 (equivalent to approximately HK\$13,328,381)

二零一五年十月八日至二零一六年十月七日交易金額：人民幣11,246,869元(相當於約13,328,381港元)

Transaction amount during 8 October 2016 to 31 December 2016: RMB1,896,592 (equivalent to approximately HK\$2,247,603)

二零一六年十月八日至二零一六年十二月三十一日交易金額：人民幣1,896,592元(相當於約2,247,603港元)

Annual cap: For the three years ending 7 October 2018 are RMB12,048,000, RMB13,253,000 and RMB14,578,000, respectively

全年上限：截至二零一八年十月七日止三個年度：分別為人民幣12,048,000元、人民幣13,253,000元及人民幣14,578,000元

Note: 北京國銳房地產開發公司 (Beijing Guorui Property Development Company Limited*, or "Beijing Guorui Property") is a connected person of the Company by virtue of Mr. Wei Chunxian (the Chairman, executive director and the controlling shareholder of the Company) being a director and the controlling shareholder of Beijing Guorui Property, holding approximately 89.6% equity interest (the remaining equity interest of approximately 10.4% being held by Mr. Sun Zhongmin (an executive director of the Company)) and each of Mr. Sun Zhongmin and Ms. Liu Shuhua (an executive director of the Company) being a director of Beijing Guorui Property. Since each of 北京國隆置業有限公司 (Beijing Guolong Property Company Limited* or "Beijing Guolong") and 北京顯世中鴻科技發展有限公司 (Beijing Haoshi Zhonghong Technology Development Company Limited* or "Beijing Haoshi") is a wholly-owned subsidiary of Beijing Guorui Property, each of Beijing Guolong and Beijing Haoshi is also a connected person of the Company.

*附註：*因為本公司主席、執行董事兼控股股東魏純暹先生為北京國銳房地產開發有限公司(「北京國銳」)之董事兼控股股東，持有其約89.6%股權(其餘約10.4%股權則由本公司執行董事孫仲民先生持有，而孫仲民先生及本公司執行董事劉淑華女士各自均為北京國銳之董事，因此，北京國銳為本公司之關連人士。由於北京國隆置業有限公司(「北京國隆」)及北京顯世中鴻科技發展有限公司(「北京顯世」)各自為北京國銳之全資附屬公司，因此，北京國隆及北京顯世亦為本公司之關連人士。

REPORT OF THE DIRECTORS

董事局報告書

B. Connected transaction pursuant to Chapter 14A of the Listing Rules in respect of a shareholder loan

(1) Interest on loan from a shareholder

Date of supplemental agreement:	24 August 2016
Parties:	(i) the Company (ii) Wintime Company Limited ("Wintime"), a company beneficially owned by Mr. Wei Chunxian as to 100% and a controlling shareholder of the Company
Principal amount:	HK\$250,000,000
Terms:	Three years from the date of draw-down of the relevant shareholder loan or such other date as mutually agreed by Wintime and the Company
Purposes of shareholder loan:	For financing the working capital requirement of the Group in connection with its property acquisition and development
Interest rate:	2% per annum
Drawdown loan amount at 31 December 2016:	HK\$61,458,337
Interest during the year:	HK\$1,375,925 accrued interest not yet paid

* For identification purpose only

B. 《上市規則》第十四A章所指之關連交易，其乃有關股東貸款

(1) 股東貸款利息

補充協議日期:	二零一六年八月二十四日
訂約方:	(i) 本公司 (ii) Wintime Company Limited (「Wintime」)，本公司控股股東魏純暉100%實益擁有之公司
本金額:	250,000,000港元
年期:	提取相關股東貸款之日或Wintime與本公司共同協定的其他日期起為期三年
股東貸款用途:	為本集團物業收購及開發提供所需營運資金
利率:	每年2%
於二零一六年十二月三十一日已提取貸款款項:	61,458,337港元
本年度利息:	1,375,925港元應計利息尚未支付

* 僅供識別

REPORT OF THE DIRECTORS

董事局報告書

RELATED PARTY TRANSACTIONS

A summary of the significant related party transactions which were undertaken in the normal course of business are set out in note 33 to the consolidated financial statements. For those related party transactions that constituted connected transactions or continuing connected transactions (as the case may be) (other than those described in the section above headed “Connected Transaction and Continuing Connected Transactions”) under the Listing Rules, these transactions are exempt from reporting, annual review, announcement and independent shareholders’ approval requirements under Chapter 14A of the Listing Rules.

The independent non-executive directors of the Company have reviewed and confirmed that the continuing connected transactions undertaken by the Group were entered into (a) in the ordinary and usual course of business of the Group; (b) either on normal commercial terms or better; and (c) in accordance with the relevant agreements governing the transactions on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The auditor of the Company has also confirmed that nothing has come to the auditor’s attention that causes it to believe that the continuing connected transactions (a) have not been approved by the Board; (b) were not, in all material aspects, in accordance with the pricing policies of the Group; (c) were not entered into in accordance with the relevant agreements governing such transactions, in all material respects; and (d) have exceeded the respective caps as aforesaid, where applicable.

The Company’s auditor was engaged to report on the Group’s continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information” and with reference to Practice Note 740 “Auditor’s Letter on Continuing Connected Transactions under the Hong Kong Listing Rules” issued by the Hong Kong Institute of Certified Public Accountants. The auditor has issued his unqualified letter containing his findings and conclusions in respect of the continuing connected transactions disclosed by the Group in this Report in accordance with Rule 14A.56 of the Listing Rules. The Company has provided a signed copy of the said letter to the Stock Exchange.

關連方交易

在正常業務運作中進行之重大關連方交易的概要載於綜合財務報表附註33內。有關根據《上市規則》構成關連交易或持續關連交易(視屬何情況而定)之關連方交易(在上文「關連交易及持續關連交易」一節內所述者除外)，其根據《上市規則》第十四A章獲豁免遵守有關申報、年度審核、公告及獨立股東批准的規定。

本公司的獨立非執行董事已經審核本集團所進行之持續關連交易，並確認該等交易是：(a)在本集團的日常業務中訂立；(b)按照一般商務條款或更佳條款進行；及(c)根據有關交易的協議進行，條款公平合理，並且符合本公司股東的整體利益。

本公司核數師亦已經確認，核數師並無注意到任何事情，可使他們認為有關持續關連交易：(a)並未獲董事局批准；(b)在各重大方面沒有按照本集團的定價政策進行；(c)在各重大方面沒有根據有關交易的協議進行；及(d)超逾上述各有關上限(如適用)。

本公司核數師獲委聘根據由香港會計師公會發出之香港鑑證委聘準則第3000號「歷史財務資料審核或審閱以外的鑑證委聘」及實務說明第740號「香港上市規則規定的持續關連交易的核數師函件」就本集團之持續關連交易作出匯報。根據《上市規則》第14A.56條，核數師已經發出無保留意見函件，當中載有其有關本集團在本報告內披露之持續關連交易的結果及結論。本公司已經將上述函件已簽署的副本送交聯交所。

SUFFICIENCY OF PUBLIC FLOAT

At as the latest practicable date prior to the issue of this annual report, based on information that is publicly available to the Company and within the best knowledge of the Board, the Company maintained sufficient public float as required under the Listing Rules throughout the year ended 31 December 2016.

LOAN AGREEMENTS WITH COVENANTS RELATING TO SPECIFIC PERFORMANCE OF CONTROLLING SHAREHOLDER

Pursuant to a construction loan agreement (the “**Construction Loan Agreement**”) entered into by and among East Pacific Properties LLC (“**East Pacific Properties**”), an indirect wholly-owned subsidiary of the Company as borrower, the Company as guarantor and a licensed bank as lender (the “**Lender**”) effective on 27 September 2016, the Lender has agreed to provide a bank loan (the “**Loan**”) in an aggregate amount of not exceeding eighteen million United States Dollars (US\$18,000,000.00) which shall be used to finance the direct construction costs and related expenses of the residential and retail buildings and relevant structures to be constructed on the land in Lots 1, 2, 3, 4, 5, 6 and 7 in Block 4 of The Chelsea Green Tract in the City of Santa Monica, County of Los Angeles, State of California of the US. The Loan shall be repaid in full on or before the maturity date (the “**Maturity Date**”), which is two (2) years after the day on which the Lender first advanced all or a portion of the Loan to East Pacific Properties. The Maturity Date may be extended twice, for periods of one year each, if there is no event of default then existing and East Pacific Properties has paid the Lender an extension fee as stipulated in the Construction Loan Agreement.

Pursuant to the Construction Loan Agreement, it shall constitute an event of default if Mr. Wei Chunxian, the controlling shareholder (has the meaning ascribed to it under the Listing Rules), an executive Director and the Chairman of the Company, does not maintain direct management in East Pacific Properties under which circumstance the Lender may in its absolute discretion declare all amounts owing by East Pacific Properties under the Construction Loan Agreement immediately due and payable.

足夠公眾持股量

於本年報刊行前之最後實際可行日期，根據本公司得悉之公開資料及董事局所悉，本公司於截至二零一六年十二月三十一日止年度內皆按上市規則之規定維持充足之公眾持股量。

與控股股東具體表現關連契諾的貸款協議

根據本公司的間接全資附屬公司East Pacific Properties LLC (「**East Pacific Properties**」)(作為借款人)、本公司(作為擔保人)與持牌銀行(作為貸款人)(「**貸款人**」)訂立的一份於二零一六年九月二十七日生效的建造貸款協議(「**建造貸款協議**」)，貸款人已經同意提供總額不超過一千八百萬美元(18,000,000.00美元)的銀行貸款(「**該筆貸款**」)，該筆貸款須用作撥付在一幅土地上建造住宅和零售建築物及有關結構的直接建造成本和相關開支，該幅土地位於美國加利福尼亞州洛杉磯聖莫尼卡市Chelsea Green Tract第4區地段1、2、3、4、5、6及7。該筆貸款必須在到期日(「**到期日**」)或之前全數償還，到期日為貸款人首次把該筆貸款的全部或一部分墊付給East Pacific Properties當天以後兩(2)年。如果到時候沒有發生失責事項，而East Pacific Properties已經按照建造貸款協議內所規定支付延期費給貸款人，則到期日可以推遲兩次，每次為期一年。

根據建造貸款協議，如果本公司的控股股東(具有《上市規則》賦予此詞之涵義)、執行董事兼主席魏純暉先生並沒有維持對East Pacific Properties的直接管理權，則構成失責事項，在該情況下，貸款人可以全權酌情宣告East Pacific Properties根據建造貸款協議所欠負的所有款項立即到期及須立即償還。

REPORT OF THE DIRECTORS

董事局報告書

CORPORATE GOVERNANCE

The Company is committed to maintaining the quality of corporate governance so as to ensure better transparency of the Company, protection of shareholders' and stakeholders' rights and enhance shareholder value. In the opinion of the Board of the Company, the Company had complied with all code provisions set out in the CG Code contained in Appendix 14 of the Listing Rules during the year ended 31 December 2016 and up to the date of publication of this annual report.

COMPLIANCE WITH THE MODEL CODE

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as its code of conduct regarding Directors' securities transactions. Having made specific enquiry of the directors, all of the directors have complied with, for any part of the accounting year covered by this annual report, the required standard set out in the Model Code.

DIRECTORS AND CONTROLLING SHAREHOLDERS' INTERESTS IN CONTRACTS

Save as disclosed under the sections headed "Connected Transaction and Continuing Connected Transactions" and "Related Party Transactions" of this annual report, there were no contracts of significance in relation to the Company's business, to which the Company or any of the Company's subsidiaries was a party, subsisting at the end of the Year or at any time during the Year, and in which a Director had, whether directly or indirectly, a material interest, nor there were any other contracts of significance in relation to the Company's business between the Company or any of the Company's subsidiaries and a controlling shareholder or any of its subsidiaries.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

As at 31 December 2016, none of the Directors was interested in any business, which competed or was likely to compete, either directly or indirectly, with the Group's businesses.

企業管治

本公司致力維持企業管治質素，以確保本公司有更高透明度、保障股東及持份者權益以及提高股東價值。本公司董事局認為，於截至二零一六年十二月三十一日止年度內及截至本年報發出日期，本公司已經遵守《上市規則》附錄十四內所載《企業管治守則》所載之所有守則條文。

遵守《標準守則》

本公司已採納上市規則附錄十所載之《標準守則》作為其有關董事進行證券交易的守則。在向董事作出特定查詢後，在本年報所涵蓋之會計年度的任何部分，各董事已經遵守《標準守則》所訂的標準，惟企業管治報告內所披露者除外。

董事及控權股東於合約之權益

除本年報「關連交易及持續關連交易」及「關連方交易」章節所披露者外，本公司或本公司之任何附屬公司概無於本年度結束時或本年度內任何時間訂立與本公司業務有關且董事於其中直接或間接擁有重大權益之重大合約，本公司或本公司之任何附屬公司亦概無與控權股東或其任何附屬公司訂立與本公司業務有關之其他重大合約。

董事於競爭性業務之權益

於二零一六年十二月三十一日，概無董事於與本集團業務直接或間接構成競爭或可能構成競爭之任何業務中擁有權益。

RETIREMENT BENEFITS SCHEMES

Particulars of retirement benefits schemes of the Group are set out in Note 2.4 (headed “Employee Benefits (pension scheme)”) to the consolidated financial statements.

AUDITORS

The consolidated financial statements for the year ended 31 December 2016 have been audited by Ernst & Young. A resolution for their re-appointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Group for the year ended 31 December 2016 were approved by the Board on 31 March 2017.

ON BEHALF OF THE BOARD

Wei Chunxian
Chairman

Hong Kong
31 March 2017

退休福利計劃

本集團退休福利計劃之詳情載於綜合財務報表附註2.4(「僱員福利(退休金計劃)」)。

核數師

截至二零一六年十二月三十一日止年度之綜合財務報表已由安永會計師事務所任滿審核。一項有關續聘安永會計師事務所為本公司核數師的決議案，將於即將舉行之股東週年大會上提呈。

綜合財務報表的批准

本集團截至二零一六年十二月三十一日止年度的綜合財務報表於二零一七年三月三十一日由董事局批准發佈。

代表董事局

主席
魏純暹

香港
二零一七年三月三十一日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

To the members of GR Properties Limited
(Incorporated in Hong Kong with limited liability)

OPINION

We have audited the consolidated financial statements of GR Properties Limited (the “Company”) and its subsidiaries (the “Group”) set out on pages 126 to 221, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

致國銳地產有限公司全體股東
(於香港註冊成立之有限公司)

意見

我們已審核第126至221頁載列的國銳地產有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表，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表以及截至該日止年度的綜合損益表、綜合全面收益表、綜合權益變動表、綜合現金流量表及綜合財務報表附註，包括重大會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團在2016年12月31日的綜合財務狀況以及截至該日止年度的綜合財務表現和綜合現金流量，並已遵照香港公司條例妥為編製。

意見的基礎

我們已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審核工作。在這些準則下，我們的責任會在本報告中「核數師就審核綜合財務報表須承擔的責任」中進一步詳述。根據香港會計師公會之專業會計師道德守則(簡稱「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是充足和適當地為我們的意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

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本期綜合財務報表中最重要的事項。此等事項是在我們在審核綜合財務報表整體上和作出意見時進行處理的，而不會就此等事項單獨發表意見。下文載有我們的審計如何處理以下各項事項的資料。

我們已履行本報告「核數師就審計綜合財務報表承擔的責任」一節所述的責任，包括有關該等事項的責任。因此，我們的審計包括執行為應對綜合財務報表重大錯報風險的評估而設的程序。審計程序的結果包括處理以下事項的程序，為我們就隨附的綜合財務報表的審計意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

KEY AUDIT MATTERS (Continued)

Key audit matter

How our audit addressed the key audit matter

Classification of properties under construction between properties under development and investment properties under construction

The Group acquired the entire interest of the land (the "Land") in the City of Santa Monica of the United States of America during the year ended 31 December 2015 for the development of a property on the Land.

According to the latest development plan of the Land up to the date of approval of the financial statements, once the construction of the property is completed, a portion of which will be put into the market for sale (the "Sale Portion") while the remaining portion will be leased to third parties for earning rental income (the "Investment Property Portion").

The Sale Portion was accounted for as "Properties under development" in accordance with Hong Kong Accounting Standard 2 *Inventories*, and the Investment Property Portion was accounted for as "Investment properties under construction" in accordance with Hong Kong Accounting Standard 40 *Investment Property*. At 31 December 2016, the carrying amounts of the Sale Portion and the Investment Property Portion amounted to HK\$104,716,441 and HK\$130,193,780, respectively, representing approximately 12.6% and 15.7% of the Group's total assets, respectively.

We inspected the relevant government approval document in relation to the feasibility of the construction plan and checked if there are any changes to the development plan from previous year.

We reviewed the latest available development plan to evaluate the allocation basis used by the Group to allocate the costs of construction and re-calculated the allocation of construction costs between properties under development and investment properties under construction.

We considered the adequacy of the Group's disclosures in the financial statements in respect of this matter.

關鍵審核事項(續)

主要審核事宜

核數師如何解決主要審核事宜

在建中物業與發展中物業及在建中投資物業的分類

截至二零一五年十二月三十一日止年度，貴集團收購位於美國聖莫尼卡土地(該「土地」)的全部權益，以開發土地物業。

根據截至財務報表獲

批之日該土地的最新開發計劃，倘在建中物業已落成，其中部分物業將用於市場銷售(「銷售部分」)，餘下部分將租予第三方以賺取租賃收入(「投資物業部分」)。

我們檢查有關施工計劃可行性的相關政府批文，並核實開發計劃去年是否發生任何變動。

我們審核最新可用開發計劃，評估貴集團分配施工成本所採用的分配基準的適當性，並重新計算在建中物業及在建中投資物業的施工成本分配。

根據香港會計準則第2號存貨，銷售部分作為「發展中物業」，及根據香港會計準則第40號投資物業，投資物業部分作為「在建中投資物業」。於二零一六年十二月三十一日，銷售部分及投資物業部分的賬面值分別為104,716,441港元及130,193,780港元，分別約佔貴集團總資產的12.6%及15.7%。

我們已考慮貴集團於財務報表中披露相關事宜的妥善性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

KEY AUDIT MATTERS (Continued)

Key audit matter

Classification of properties under construction between properties under development and investment properties under construction (Continued)

Since different accounting policies are applied to the Sale Portion and the Investment Property Portion, any change to the development plan of the Land or improper classification of properties under construction between properties under development and investment properties under construction would have a significant impact on the Group's net current assets position as at the end of reporting period. We considered this significant to our audit.

Related disclosures are included in notes 2.4, 3, 13 and 15 to the financial statements.

How our audit addressed the key audit matter

關鍵審核事項(續)

主要審核事宜

在建中物業與發展中物業及在建中投資物業的分類(續)

於報告期末，由於不同的會計政策應用於銷售部分及投資物業部分，土地開發計劃的任何變動或在建中物業與發展中物業及在建中投資物業的不合理分類將對貴集團流動資產淨額產生重大影響。我們認為此對核數師至關重要。

相關披露載於財務報表附註2.4、3、13及15。

核數師如何解決主要審核事宜

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

KEY AUDIT MATTERS (Continued)

Key audit matter

Estimation of fair value of investment properties

At 31 December 2016, investment properties of the Group amounted to approximately HK\$405,199,030, representing 48.8% of the total assets of the Group as at that date. In accordance with the accounting policy of the Group, investment properties are stated at fair value, with the corresponding fair value change recognised in profit or loss. The valuation process is inherently subjective, and dependent on a number of estimates. The Group engaged an external professionally qualified valuer to perform the valuation for the investment properties.

Related disclosures are included in notes 2.4, 3 and 13 to the financial statements.

How our audit addressed the key audit matter

We considered the objectivity, independence and competence of the valuation expert.

We evaluated the valuation methodology adopted by the valuer and reviewed the data used as inputs for the valuations.

We involved our internal valuation experts to assist us in evaluating the assumptions and methodologies used for valuation of investment properties of the Group and performing market value benchmarking against comparable properties.

We considered the adequacy of the Group's disclosures in the financial statements in respect of the fair value measurement of investment properties.

關鍵審核事項(續)

主要審核事宜

投資物業公平值估計

於二零一六年十二月三十一日，貴集團的投資物業約為405,199,030港元，佔貴集團於該日總資產的48.8%。根據貴集團的會計政策，投資物業乃按公平值列賬，並於損益中確認相應公平值變動。估值過程帶有主觀性，且取決於大量估計。貴集團聘請外部專業合資格估值師為投資物業估值。

相關披露載於財務報表附註2.4、3及13。

核數師如何解決主要審核事宜

我們已考慮該估值專家的客觀性、獨立性和能力。

我們評估該估值師所採用的估值方法的適宜性，並審核作為該估值輸入值的數據。

我們讓我們的內部估值專家協助我們評估估值。貴集團投資物業涉及的假設及所用方法且對可資比較的物業進行市值基準測試。

我們已考慮貴集團於財務報表中披露投資物業公平值計量的妥善性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

KEY AUDIT MATTERS (Continued)

Key audit matter

Impairment assessment of trade receivables

At 31 December 2016, the Group had trade receivables of HK\$20,316,142 in aggregate, which arose from the provision of property management services and leasing of investment properties.

Significant management's judgements and estimates were involved in determining the recoverability of these trade receivables for impairment assessment.

Related disclosures are included in notes 2.4, 3 and 17 to the financial statements.

How our audit addressed the key audit matter

We reviewed related documentations prepared by the Group relating to the settlement history and creditability of tenants to evaluate the amount of provision.

We reviewed the historical settlement records to obtain an understanding of settlement pattern and reviewed the historical percentage of delay in settlements and bad debts, to assess the impairment of trade receivables estimated by the Group. We also tested the accuracy of the ageing analysis of the trade receivables prepared by the Group and re-performed the calculation of impairment provided to assess the mathematical accuracy.

We considered the adequacy of the Group's disclosures in the financial statements in connection with the impairment of trade receivables.

關鍵審核事項(續)

主要審核事宜

貿易應收賬款減值評估

於二零一六年十二月三十一日，貴集團的應收貿易賬款由提供物業管理服務產生，合共為20,316,142港元。

就減值評估而言，釐定該等貿易應收賬款涉及重大會計判斷和估計。

相關披露載於財務報表附註2.4、3及17。

核數師如何解決主要審核事宜

我們審核貴集團就業主結算歷史及業主信譽所編製的相關文件以評估撥備款項。

我們審核過往結算記錄以了解結算模式，並審核結算遞延及壞賬的過往比例以評估貴集團採納應收貿易賬款減值撥備的合理性。我們亦檢驗貴集團編製的應收貿易賬款賬齡分析的準確性，並重新計算所提供的減值，以評估數理的準確性。

我們已考慮貴集團於財務報表中披露貿易應收賬款減值的妥善性。

OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

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

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

年報所載的其他資料

貴公司董事須對其他資料負責。其他資料包括年報所載資料(綜合財務報表及我們就此發出的核數師報告除外)。

我們對綜合財務報表的意見並不涵蓋其他資料，我們亦不會就其發表任何形式的鑒證結論。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors 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 Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the Company 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 of the Company either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities 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. Our report is made solely to you, as a body, in accordance with section 405 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

就審計綜合財務報表而言，我們的責任是閱讀其他資料，及在此過程中，考慮其他資料是否與綜合財務報表或我們在審計過程中所瞭解的情況有重大不符，或者似乎有重大錯誤陳述。基於我們已執行的工作，如果我們認為其他資料有重大錯誤陳述，我們需要報告有關事實。就此而言，我們無需報告任何事項。

董事就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例編製綜合財務報表，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。

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

審計委員會協助貴公司董事履行監督貴集團財務報告過程的責任。

核數師就審計綜合財務報表承擔的責任

我們的目標，是對整體綜合財務報表是否存在由於欺詐或錯誤而導致的任何重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們按照香港公司條例第405條僅向閣下(作為整體)報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs 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 HKSAAs, we exercise professional judgement and maintain professional skepticism 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.

合理保證是高水平的保證，但不能保證按香港審計準則進行的審計總能發現重大錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果按合理預期而錯誤陳述個別或匯總起來可能影響綜合財務報表使用者所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據香港審計準則進行審計的過程中，我們運用了職業判斷，保持了職業懷疑態度。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，以及取得充足及適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險較因錯誤而導致的重大錯誤陳述的風險為高。
- 瞭解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的合適性及作出會計估計及相關披露資料的合理性。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 對董事採用持續經營會計基礎的恰當性作出結論，並根據所得的審計憑證，決定是否存在與事件或情況有關的重大不確定性，而可能對貴集團持續經營的能力構成重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者關注綜合財務報表中的相關披露資料，假若有關披露資料不足，則我們須出具非無保留意見的核數師報告。我們的結論是基於截至核數師報告日止所取得的審計憑證。然而，未來事件或情況可能導致貴集團不能繼續持續經營。
- 評價綜合財務報表的整體列報方式、結構及內容，包括披露資料，以及綜合財務報表是否公允反映交易及事項。
- 就貴集團實體或業務活動的財務資料獲取充分、適當的審計憑證，以對綜合財務報表發表意見。我們負責指導、監督及執行集團審計。我們對審計意見承擔全部負責。

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

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

我們與審計委員會溝通計劃審計範圍、時間安排、重大審計發現等事項，包括我們於審計期間識別出內部控制的任何重大缺陷。

我們亦向審計委員會提交聲明，說明我們已符合有關獨立性的相關道德要求，並與彼等溝通所有合理地被認為會影響我們獨立性的關係及其他事項，以及(倘適用)相關的防範措施。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

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

The engagement partner on the audit resulting in this independent auditor's report is CHENG, Man.

就與審計委員會溝通的事項而言，我們釐定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們於核數師報告中描述該等事項，除非法律法規不允許對某件事項作出公開披露，或在極端罕見的情況下，若有合理預期於我們報告中溝通某事項而造成的負面後果將會超過其產生的公眾利益，我們將不會在此等情況下在報告中溝通該事項。

本獨立核數師報告的審計項目合夥人為 CHENG, Man。

Ernst & Young

Certified Public Accountants
22nd Floor, CITIC Tower,
1 Tim Mei Avenue, Central,
Hong Kong

31 March 2017

安永會計師事務所

執業會計師
香港
中環添美道1號
中信大廈22樓

二零一七年三月三十一日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

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

		Notes 附註	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
REVENUE	收入	5	140,178,350	76,809,367
Cost of sales	銷售成本		(111,470,498)	(53,761,876)
Gross profit	毛利		28,707,852	23,047,491
Gain on bargain purchase of subsidiaries	附屬公司廉價購買收益	7	—	6,776,122
Gain/(loss) on disposal of subsidiaries	出售附屬公司的盈利／(虧損)	29	(1,587,305)	217,708
Other income and gain	其他收入及收益	5	1,490,803	1,102,224
Selling expenses	銷售成本		(762,336)	(1,454,679)
Administrative expenses	行政費用		(35,561,565)	(29,130,382)
Other operating expenses, net	其他經營費用，淨額		(16,411,147)	(993,284)
Fair value loss of investment properties	投資物業公平值虧損	13	(9,154,894)	(15,988,119)
Finance costs	財務費用	6	(1,396,439)	(1,991,112)
LOSS BEFORE TAX	稅前虧損	7	(34,675,031)	(18,414,031)
Income tax	所得稅	10	(2,144,138)	261,671
LOSS FOR THE YEAR ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY	歸屬於本公司股東的本年度虧損		(36,819,169)	(18,152,360)
LOSS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY	歸屬於本公司股東的每股虧損	11		
Basic and diluted	基本及攤薄		(0.043)	(0.031)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

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

			2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
LOSS FOR THE YEAR	本年度虧損		(36,819,169)	(18,152,360)
OTHER COMPREHENSIVE INCOME/(LOSS)	其他全面收入／(虧損)			
<i>Other comprehensive income/ (loss) to be reclassified to profit or loss in subsequent periods:</i>	以後期間將重分類至其他全面收入／(虧損)的項目：			
Exchange differences:	匯兌差額：			
— Translation of foreign operations	— 換算境外經營業務		(2,292,587)	(5,453,420)
— Reclassification adjustments upon disposal of subsidiaries included in profit or loss	— 出售附屬公司時計入損益的重新分類調整	29	15,942,404	(469,071)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF INCOME TAX	本年度其他全面收入／(虧損)，扣除所得稅		13,649,817	(5,922,491)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY	歸屬於本公司股東的本年度全面虧損總額		(23,169,352)	(24,074,851)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

31 December 2016 二零一六年十二月三十一日

			2016 二零一六年	2015 二零一五年
		Notes 附註	HK\$ 港元	HK\$ 港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	12	1,729,349	5,628,302
Investment properties	投資物業	13	405,199,030	188,505,568
Intangible assets	無形資產	14	541,427	10,598
Non-current deposits	非流動訂金		428,754	655,519
			407,898,560	194,799,987
CURRENT ASSETS	流動資產			
Properties under development	發展中物業	15	104,716,441	91,006,295
Inventories	存貨	16	282,393	157,896
Trade receivables	應收貿易賬款	17	20,316,142	20,668,920
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款		9,919,833	2,954,221
Due from related companies	應收關連公司款項	18	1,567,345	1,149,972
Pledged bank deposit	已質押銀行存款	19	38,800,000	—
Cash and cash equivalents	現金及現金等價物	19	247,494,649	243,060,265
			423,096,803	358,997,569
CURRENT LIABILITIES	流動負債			
Trade payables	應付貿易賬款	20	23,447,100	10,461,349
Receipts in advance	預收款項		30,887,865	25,893,410
Other payables and accruals	其他應付款和預提費用	21	32,543,933	39,214,514
Due to a shareholder	應付股東款項	22	1,375,925	—
Due to related companies	應付關連公司款項	18	5,601,350	3,394,044
Bank borrowings	銀行借款	23	132,264,315	—
Income tax payables	應付所得稅		2,036,355	4,511,512
Other taxes payables	其他應付稅項		2,022,476	5,437,333
			230,179,319	88,912,162
NET CURRENT ASSETS	流動資產淨額		192,917,484	270,085,407
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		600,816,044	464,885,394

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

31 December 2016 二零一六年十二月三十一日

		Notes	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
		附註		
NON-CURRENT LIABILITIES	非流動負債			
Bank borrowings	銀行借款	23	5,267,688	—
Loan from a shareholder	應收股東款項	24	61,458,337	—
Deferred tax liabilities	遞延稅項負債	25	—	12,001,062
			66,726,025	12,001,062
Total non-current liabilities	非流動負債總額			
			66,726,025	12,001,062
Net assets	資產淨額		534,090,019	452,884,332
			534,090,019	452,884,332
EQUITY	權益			
Equity attributable to shareholders of the Company	歸屬於本公司股東的權益			
Share capital	股本	26	519,965,063	1,115,590,024
Reserves	儲備	28(a)	14,124,956	(662,705,692)
			534,090,019	452,884,332
Total equity	權益總額		534,090,019	452,884,332

Wei Chunxian

魏純暹

Director

董事

Liu Shuhua

劉淑華

Director

董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

Year ended 31 December 2016 截至二零一六年十二月三十一日止年後

		Attributable to shareholders of the Company 歸屬於本公司股東					
		Share capital	Capital reduction reserve	Capital reserve	Exchange fluctuation reserve	Accumulated losses	Total equity
	Notes	股本	資本削減儲備	資本儲備	匯率波動儲備	累計虧損	權益合計
	附註	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
			(note 28(b)) (附註28(b))	(note 28(c)) (附註28(c))			
At 1 January 2015	二零一五年一月一日	777,970,773	—	165,571,972	(11,482,613)	(792,720,200)	139,339,932
Loss for the year	本年度虧損	—	—	—	—	(18,152,360)	(18,152,360)
Other comprehensive loss for the year:	本年度其他全面虧損：						
Exchange differences:	匯兌差額：						
Translation of foreign operations	換算境外經營業務	—	—	—	(5,453,420)	—	(5,453,420)
Reclassification adjustments upon disposal of subsidiaries included in profit or loss	有關包括在損益的出售附屬公司時的重新分類調整	29	—	—	(469,071)	—	(469,071)
Total comprehensive loss for the year	本年度全面虧損總額	—	—	—	(5,922,491)	(18,152,360)	(24,074,851)
Rights issue	供股	26(a)	343,131,459	—	—	—	343,131,459
Rights issue expenses	供股費用		(5,512,208)	—	—	—	(5,512,208)
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及二零一六年一月一日	1,115,590,024	—*	165,571,972*	(17,405,104)*	(810,872,560)*	452,884,332
Loss for the year	本年度虧損	—	—	—	—	(36,819,169)	(36,819,169)
Other comprehensive loss for the year:	本年度其他全面虧損：						
Exchange differences:	匯兌差額：						
Translation of foreign operations	換算境外經營業務	—	—	—	(2,292,587)	—	(2,292,587)
Reclassification adjustments upon disposal of subsidiaries included in profit or loss	有關包括在損益的出售附屬公司時的重新分類調整	29	—	—	15,942,404	—	15,942,404
Total comprehensive income/(loss) for the year	本年度全面收入/(虧損)總額	—	—	—	13,649,817	(36,819,169)	(23,169,352)
Placing of new shares	配售新股份	26(b)	105,578,910	—	—	—	105,578,910
Share issue expenses	股份發行費用		(1,203,871)	—	—	—	(1,203,871)
Capital reduction	資本削減	26(c)	(700,000,000)	24,218,342	—	675,781,658	—
At 31 December 2016	於二零一六年十二月三十一日	519,965,063	24,218,342*	165,571,972*	(3,755,287)*	(171,910,071)*	534,090,019

* These reserve accounts comprise the consolidated reserves of HK\$14,124,956 (2015: negative consolidated reserves of HK\$662,705,692) in the consolidated statement of financial position as at 31 December 2016.

* 於二零一六年十二月三十一日，該等儲備賬戶構成了綜合財務狀況表中的綜合儲備14,124,956港元(二零一五年：綜合負債儲備662,705,692港元)。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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

		Notes	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
		附註		
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動產生的現金流量			
Loss before tax	稅前虧損		(34,675,031)	(18,414,031)
Adjustments for:	調整項目：			
Finance costs	財務成本	6	1,396,439	1,991,112
Bank interest income	銀行利息收入	5	(1,047,477)	(313,626)
Gain on bargain purchase of subsidiaries	附屬公司廉價購買收益		—	(6,776,122)
Loss/(gain) on disposal of subsidiaries	出售附屬公司的虧損／(收益)	29	1,587,305	(217,708)
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目的虧損	7	13,725	61,442
Gain on disposal of intangible assets	出售無形資產的收益		—	(67,040)
Depreciation	折舊	12	1,071,297	1,321,371
Fair value loss of investment properties	投資物業公平值虧損		9,154,894	15,988,119
Amortisation of intangible assets	無形資產攤銷	14	70,904	425,416
Impairment of intangible assets	無形資產減值	14	—	470,744
Impairment of trade receivables	應收貿易賬款減值	17	1,850,028	403,867
Operating loss before working capital changes	營運資金變動前的經營虧損		(20,577,916)	(5,126,456)
Decrease/(increase) in non-current deposits	非即期存款減少／(增加)		226,765	(655,519)
Increase in properties under development	開發中物業增加		(13,674,689)	(91,020,385)
Decrease/(increase) in inventories	存貨減少／(增加)		(140,891)	70,255
Decrease/(increase) in trade receivables	應收貿易賬款減少／(增加)		(2,866,589)	16,427,518
Decrease/(increase) in prepayments, deposits and other receivables	預付款項、訂金及其他應收款減少／(增加)		(8,758,276)	141,055
Decrease/(increase) in amounts due from related companies	應收關連公司款項減少／(增加)		(514,180)	3,906,186
Increase/(decrease) in trade payables	應付貿易賬款增加／(減少)		14,168,133	(790,875)
Increase in receipts in advance	預收款項增加		7,433,433	13,822,296
Increase/(decrease) in other payables and accruals	其他應付款和預提費用增加／(減少)		1,515,187	(7,617,863)
Increase/(decrease) in amounts due to related companies	應付關連公司款項增加／(減少)		2,538,101	(1,151,198)
Increase/(decrease) in other taxes payables	其他應付稅項增加／(減少)		(1,525,011)	1,748,158
Cash used in operations	用於經營的現金		(22,175,933)	(70,246,828)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

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	2015 二零一五年
		HK\$ 港元	HK\$ 港元
		Notes 附註	
USA withholding tax paid	已付美國預繳稅	(124,267)	(28,446)
PRC corporate income tax paid	已付中國企業所得稅	(3,211,109)	(465,185)
Net cash flows used in operating activities	經營活動使用的現金流量淨額	(25,511,309)	(70,740,459)
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動產生的現金流量		
Interest received	已收利息	1,047,477	313,626
Purchases of items of property, plant and equipment	購買物業、廠房及設備項目	(745,899)	(110,351)
Purchase of investment properties	購買投資物業	(307,187,861)	(113,165,496)
Purchase of intangible assets	購買無形資產	(622,255)	—
Proceeds from disposal of items of intangible assets	出售無形資產項目所得款項	—	13,659,520
Acquisition of subsidiaries	收購附屬公司	—	35,420,652
Disposal of subsidiaries	出售附屬公司	71,472,203	4,537,854
Increase in pledged bank deposit	已質押銀行存款增加	(38,800,000)	—
Net cash flows used in investing activities	投資活動所用的現金流量淨額	(274,836,335)	(59,344,195)
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動產生的現金流量		
Issue of shares	發行股份	105,578,910	343,131,459
Share issuance expenses	股份發行費用	(1,203,871)	(5,512,208)
New bank loans	新銀行貸款	137,532,003	—
New loans from a shareholder	股東提供的新貸款	207,701,480	217,121,640
Repayment of loans from a shareholder	償還股東提供的貸款	(140,549,127)	(217,121,640)
Interest paid for bank loans	已付銀行貸款利息	(20,514)	—
Interest paid for loans from a shareholder	已付股東提供的貸款利息	—	(1,991,112)
Net cash flows from financing activities	融資活動產生的現金流量淨額	309,038,881	335,628,139
NET INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等價物的淨增加	8,691,237	205,543,485
Cash and cash equivalents at beginning of year	年初現金及現金等價物	243,060,265	41,395,142
Effect of foreign exchange rate changes, net	匯率變動影響淨額	(4,256,853)	(3,878,362)
CASH AND CASH EQUIVALENTS AT END OF YEAR	年末現金及現金等價物	247,494,649	243,060,265

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

1. CORPORATE AND GROUP INFORMATION

GR Properties Limited (the “Company”) is a limited liability company incorporated in Hong Kong and shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The registered office and the principal place of business of the Company is located at Suite 1603, Wheelock House, 20 Pedder Street, Central, Hong Kong.

During the year, the Company and its subsidiaries (collectively referred to as the “Group”) were involved in the following principal activities:

- property investments in mainland (“Mainland China”) of the People’s Republic of China (the “PRC”) (disposed of during the year — note 29) and the United Kingdom (the “UK”) for earning rental income
- property development in the United States of America (the “USA”)
- provision of property management services in Beijing, the PRC

At 31 December 2016, the immediate holding company of the Company is Wintime Company Limited (“Wintime”), which is incorporated in the British Virgin Islands, and, in the opinion of the directors of the Company, the ultimate holding company of the Company is Winluck Global Limited, which is incorporated in the British Virgin Islands.

1. 公司及集團資料

國銳地產有限公司(「本公司」)為一家於香港註冊成立的有限公司，而其股份於香港聯合交易所有限公司(「聯交所」)主板上市。本公司的註冊辦事處及主要營業地點位於香港中環畢打街20號會德豐大廈16樓1603室。

於本年度內，本公司及其附屬公司(統稱為「本集團」)主要從事下列主要業務：

- 中華人民共和國(「中國」)大陸(「中國大陸」)(於年內出售 — 附註29)及英國(「英國」)的物業投資以賺取租金收入
- 美利堅合眾國(「美國」)的物業發展
- 在中國北京市提供物業管理服務

於二零一六年十二月三十一日，本公司的直接控股公司為於英屬處女群島註冊成立的Wintime Company Limited(「Wintime」)，本公司董事認為，本集團的最終控股公司為於英屬處女群島註冊成立的Winluck Global Limited。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about principal subsidiaries

Particulars of the Company's principal subsidiaries during the year ended 31 December 2016 are as follows:

Company name 名稱	Place of incorporation/ registration and operations 註冊成立/註冊和 經營地點	Issued ordinary/ registered share capital 已發行普通股本/ 註冊資本面值	Percentage of equity attributable to the Company		Principal activities 主要經營活動
			Direct 本公司應佔權益百分比 直接	Indirect 間接	
East Pacific Properties LLC [#]	Delaware, USA 美國特拉華	United States dollars ("US\$") 23,250,000 23,250,000美元	—	100%	Property development and investment 物業發展及投資
GR UK Holdings Limited ^{δ#}	British Virgin Islands/UK 英屬處女群島/英國	Pound sterling ("£")1 1英鎊	—	100%	Property investment 物業投資
福建佳成置業發展有限公司 Jiacheng (Fujian) Investment Company Limited* ("Jiacheng") [#]	PRC/Mainland China 中國/中國大陸	US\$500,000 500,000美元	100%	—	Property investment 物業投資
信立(中國)有限公司 Faith Stand (China) Limited* ("Faith Stand") [#]	Hong Kong 香港	Hong Kong dollars ("HK\$")1 1港元	100%	—	Property investment 物業投資
北京澳西商業管理有限公司 AOCEAN Business Management Company Limited* ("AOCEAN Business Management") [#] (「北京澳西商業管理」)	PRC/Mainland China 中國/中國大陸	Renminbi ("RMB") 20,000,000 人民幣 20,000,000元	—	100%	Investment holding 投資控股
北京澳西物業管理有限公司 AOCEAN Property Management Company Limited* ("AOCEAN Property Management") [#] (「北京澳西物業管理」)	PRC/Mainland China 中國/中國大陸	RMB11,000,000 人民幣11,000,000元	—	100%	Provision of property management services 提供物業管理服務

1. 公司及集團資料(續)

有關主要附屬公司的資料

於截至二零一六年十二月三十一日止年度內，本公司主要附屬公司的詳情如下：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

1. CORPORATE AND GROUP INFORMATION (Continued)

Information about principal subsidiaries (Continued)

- [^] Disposal of during the year (note 29)
- ^δ Incorporated during the year
- [#] Not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network
- ^{*} For identification purposes only

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

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), accounting principles generally accepted in Hong Kong and the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for completed investment properties which have been measured at fair value. These financial statements are presented in HK\$ and all values are rounded to the nearest dollar except when otherwise indicated.

1. 公司及集團資料(續)

有關主要附屬公司的資料(續)

- [^] 於本年度內出售收購(附註29)
- ^δ 於本年度內註冊成立
- [#] 未經香港安永會計師事務所或其他安永會計師事務所國際成員所審核
- ^{*} 僅供識別

上表所羅列的本公司附屬公司是董事認為對本集團本年業績產生主要影響或構成本集團淨資產主要部分的公司。董事認為，羅列其他附屬公司將使本詳情內容冗長，故不贅述。

2.1 編製基礎

本財務報表是按照香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)(包括所有香港財務報告準則、香港會計準則(「香港會計準則」)和詮釋)、香港普遍採納之會計原則及香港《公司條例》編製。編製這些財務報表時，除已落成投資物業採用公平值計價外，均採用了歷史成本計價原則。除非另外說明，這些財務報表以港元列報，所有金額進位至最接近的港元。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.1 BASIS OF PREPARATION (Continued)

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries for the year ended 31 December 2016. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

2.1 編製基礎(續)

綜合基礎

綜合財務報表包括本公司及其附屬公司截至二零一六年十二月三十一日止年度的財務報表。附屬公司指本公司直接或間接控制的實體(包括結構化實體)。當本集團通過參與被投資方的相關活動而承擔可變回報的風險或享有可變回報，並且有能力運用對被投資方的權力(即使是本集團目前有能力主導被投資方的相關活動的現時權利)影響該等回報時，即取得控制權。

當本公司直接或間接擁有少於被投資方大多數的表決或類似權利，在評估其是否擁有對被投資方的權力時，本集團會考慮所有相關事實和情況，包括：

- (a) 與被投資方其他表決權持有者的合同安排；
- (b) 其他合同安排產生的權利；及
- (c) 本集團的表決權及潛在表決權。

附屬公司的財務報表採用一致會計政策與本公司一致的報告期間編製。附屬公司的業績自本集團取得控制權之日起綜合，並繼續綜合附屬公司直至控制權終止日期。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.1 BASIS OF PREPARATION (Continued)

Basis of consolidation (Continued)

Profit or loss and each component of other comprehensive income are attributed to shareholders of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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 described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or accumulated losses, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2.1 編製基礎(續)

綜合基礎(續)

損益及其他全面收益的各組成部分會歸屬於本公司股東及非控制性權益，即使此舉引致非控制性權益結餘為負數。本集團內部各公司之間交易有關的所有資產及負債、權益、收入、開支及現金流量於綜合賬目時全數抵銷。

如果事實及情況顯示上述控制的三項元素中一項或多項有變，則本集團會重新評估其是否仍然控制被投資方。附屬公司中不導致喪失控制權的所有者權益變動作為權益交易核算。

如果本集團失去了對附屬公司的控制權，將終止確認：(i)附屬公司資產(包括商譽)和負債；(ii)非控制性權益的賬面金額；及(iii)計入權益的累計折算差異；並確認：(i)收到代價的公平值；(ii)剩餘投資的公平值；以及(iii)在損益中確認由此產生的損益。本集團之前確認的其他全面收益構成部分應適當地重分類計入損益或累計虧損，基準與倘若本集團直接出售有關資產或負債所需者相同。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements:

Amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011)	<i>Investment Entities: Applying the Consolidation Exception</i>
Amendments to HKFRS 11	<i>Accounting for Acquisitions of Interests in Joint Operations</i>
HKFRS 14	<i>Regulatory Deferral Accounts</i>
Amendments to HKAS 1	<i>Disclosure Initiative</i>
Amendments to HKAS 16 and HKAS 38	<i>Clarification of Acceptable Methods of Depreciation and Amortisation</i>
Amendments to HKAS 16 and HKAS 41	<i>Agriculture: Bearer Plants</i>
Amendments to HKAS 27 (2011)	<i>Equity Method in Separate Financial Statements</i>
<i>Annual Improvements 2012–2014 Cycle</i>	Amendments to a number of HKFRSs

2.2 會計政策變動及披露

本集團已於本年度的財務報表首次採納下列新訂及經修訂香港財務報告準則：

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)(二零一一年)	投資實體：應用綜合入賬的例外情況
香港財務報告準則第11號(修訂本)	收購合營業務權益的會計方法
香港財務報告準則第14號	規管遞延賬目
香港會計準則第1號(修訂本)	披露主動性
香港會計準則第16號及香港會計準則第38號(修訂本)	澄清折舊及攤銷的可接受方法
香港會計準則第16號及香港會計準則第41號(修訂本)	農業：生產性植物
香港會計準則第27號(修訂本)(二零一一年)	獨立財務報表之權益法
二零一二年至二零一四年週期之年度改進	多項香港財務報告準則之修訂

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

Except for the amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011), amendments to HKFRS 11, HKFRS 14, amendments to HKAS 16 and HKAS 41, amendments to HKAS 27 (2011), and certain amendments included in the *Annual Improvements 2012–2014 Cycle*, which are not relevant to the preparation of the Group's financial statements, the nature and the impact of the amendments are described below:

- (a) Amendments to HKAS 1 include narrow-focus improvements in respect of the presentation and disclosure in financial statements. The amendments clarify:
- (i) the materiality requirements in HKAS 1;
 - (ii) that specific line items in the statement of profit or loss and the statement of financial position may be disaggregated;
 - (iii) that entities have flexibility as to the order in which they present the notes to financial statements; and
 - (iv) that the share of other comprehensive income of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, and classified between those items that will or will not be subsequently reclassified to profit or loss.

Furthermore, the amendments clarify the requirements that apply when additional subtotals are presented in the statement of financial position and the statement of profit or loss. The amendments have had no significant impact on the Group's financial statements.

2.2 會計政策變動及披露(續)

除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(二零一一年)之修訂、香港財務報告準則第11號之修訂、香港財務報告準則第14號、香港會計準則第16號及香港會計準則第41號之修訂、香港會計準則第27號(二零一一年)之修訂及二零一二年至二零一四年週期之年度改進之若干修訂外，與編製本集團財務報表並不相關，修訂之性質及影響披露如下：

- (a) 香港會計準則第1號修訂載有對財務報表的呈報及披露範疇內具針對性改善。該等修訂釐清：
- (i) 香港會計準則第1號內的重大性規定；
 - (ii) 損益表及財務狀況表內之特定項目可予細分；
 - (iii) 實體就彼等呈列財務報表附註的順序擁有靈活性；及
 - (iv) 使用權益法入賬的分佔聯營公司及合營公司的其他全面收益必須作為單獨項目滙總呈列，並且在將會或不會其後重新分類至損益的該等項目間進行歸類。

此外，該等修訂釐清於財務狀況表及收益表內呈列額外小計時適用的規定。該等修訂預期未對本集團的財務報表產生任何重大影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (Continued)

(b) Amendments to HKAS 16 and HKAS 38 clarify the principle in HKAS 16 and HKAS 38 that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through the use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. The amendments are applied prospectively. The amendments have had no impact on the financial position or performance of the Group as the Group has not used a revenue-based method for the calculation of depreciation/amortisation of its non-current assets.

(c) *Annual Improvements to HKFRSs 2012–2014 Cycle* issued in October 2014 sets out amendments to a number of HKFRSs. Details of the amendments are as follows:

- *HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations*: Clarifies that changes to a plan of sale or a plan of distribution to owners should not be considered to be a new plan of disposal, rather it is a continuation of the original plan. Accordingly, there is no change in the application of the requirements in HKFRS 5. The amendments also clarify that changing the disposal method does not change the date of classification of the non-current assets or disposal group held for sale. The amendments are applied prospectively. The amendments have had no impact on the Group as the Group did not have any change in the plan of sale or disposal method in respect of disposal of subsidiaries during the current and prior years.

2.2 會計政策變動及披露(續)

(b) 香港會計準則第16號及香港會計準則第38號之修訂釐清香港會計準則第16號及香港會計準則第38號的原則，即收益反映經營業務(其中資產是一部份)所產生的經濟利益模式，而不是透過使用資產所耗費的經濟利益。因此，收益法不能被用於折舊物業、廠房及設備，而僅可在非常有限的情況下使用以攤銷無形資產。該等修訂於日後應用。由於本集團仍未使用收益法計算其非流動資產的折舊／攤銷，故該等修訂採納後未對本集團的財務狀況或表現產生任何影響。

(c) 於二零一四年十月頒佈的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載列多項香港財務報告準則的修訂。修訂詳情如下：

- 香港財務報告準則第5號持作出售之非流動資產及終止經營業務：釐清向擁有人進行出售或作出分派的計劃的變動不應被視為一項新的出售計劃，而應被視為原計劃的延續。因此，應用香港財務報告準則第5號的規定並無變動。該等修訂亦釐清變更處置方式不會改變持作出售之非流動資產或出售組別的分類日期。該等修訂於日後應用。由於本集團於本年度及前年度之附屬公司的出售計劃或處置方式並無任何變動，故該等修訂對本集團並無影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

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

Amendments to HKFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i> ²
香港財務報告準則第2號(修訂本)	披露及計量以股份為基準之付款交易 ²
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts</i> ²
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「金融工具」一起應用香港財務報告準則第9號「保險合約」 ²
HKFRS 9	<i>Financial Instruments</i> ²
香港財務報告準則第9號	金融工具 ²
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ⁴
香港財務報告準則第10號及香港會計準則第28號(修訂本)(二零一一年)	投資者與其聯營或合營企業之間的資產出售或注資 ⁴
HKFRS 15	<i>Revenue from Contracts with Customers</i> ²
香港財務報告準則第15號	客戶合約收益 ²
Amendments to HKFRS 15	<i>Clarifications to HKFRS 15 Revenue from Contracts with Customers</i> ²
香港財務報告準則第15號(修訂本)	澄清香港財務報告第15號「客戶合約收益」 ²
HKFRS 16	<i>Leases</i> ³
香港財務報告準則第16號	租賃 ³
Amendments to HKAS 7	<i>Disclosure Initiative</i> ¹
香港會計準則第7號(修訂本)	披露主動性 ¹
Amendments to HKAS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i> ¹
香港會計準則第12號(修訂本)	確認未變現虧損遞延稅項資產 ¹
<i>Annual Improvements 2014-2016 Cycle</i>	<i>Amendments to a number of HKFRSs</i> ¹
二零一四年至二零一六年週期之年度改進	多項香港財務報告準則之修訂 ¹

- 1 Effective for annual periods beginning on or after 1 January 2017
- 2 Effective for annual periods beginning on or after 1 January 2018
- 3 Effective for annual periods beginning on or after 1 January 2019
- 4 No mandatory effective date yet determined but available for adoption

Further information about those HKFRSs that are expected to be applicable to the Group is as follows:

2.3 已頒佈但尚未生效的香港財務報告準則

本集團並未於該等財務報表中採納以下已頒佈但尚未生效的新訂及經修訂香港財務報告準則：

	<i>Classification and Measurement of Share-based Payment Transactions</i> ²
	披露及計量以股份為基準之付款交易 ²
	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts</i> ²
	與香港財務報告準則第4號「金融工具」一起應用香港財務報告準則第9號「保險合約」 ²
	<i>Financial Instruments</i> ²
	金融工具 ²
	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ⁴
	投資者與其聯營或合營企業之間的資產出售或注資 ⁴
	<i>Revenue from Contracts with Customers</i> ²
	客戶合約收益 ²
	<i>Clarifications to HKFRS 15 Revenue from Contracts with Customers</i> ²
	澄清香港財務報告第15號「客戶合約收益」 ²
	<i>Leases</i> ³
	租賃 ³
	<i>Disclosure Initiative</i> ¹
	披露主動性 ¹
	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i> ¹
	確認未變現虧損遞延稅項資產 ¹
	<i>Amendments to a number of HKFRSs</i> ¹
	多項香港財務報告準則之修訂 ¹

- 1 於二零一七年一月一日或之後開始的年度期間生效
- 2 於二零一八年一月一日或之後開始的年度期間生效
- 3 於二零一九年一月一日或之後開始的年度期間生效
- 4 現並無釐定強制生效日期惟可予提早採納

預期將適用於本集團的該等香港財務報告準則的進一步資料如下：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

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

(a) The HKICPA issued amendments to HKFRS 2 in August 2016 that address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding a certain amount in order to meet the employee's tax obligation associated with the share-based payment; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash-settled to equity-settled. The amendments clarify that the approach used to account for vesting conditions when measuring equity-settled share-based payments also apply to cash-settled share-based payments. The amendments introduce an exception so that a share-based payment transaction with net share settlement features for withholding a certain amount in order to meet the employee's tax obligation is classified in its entirety as an equity-settled share-based payment transaction when certain conditions are met. Furthermore, the amendments clarify that if the terms and conditions of a cash-settled share-based payment transaction are modified, with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as an equity-settled transaction from the date of the modification. The Group expects to adopt the amendments from 1 January 2018. The amendments are not expected to have any significant impact on the Group's financial statements.

(b) In September 2014, the HKICPA issued the final version of HKFRS 9, bringing together all phases of the financial instruments project to replace HKAS 39 and all previous versions of HKFRS 9. The standard introduces new requirements for classification and measurement, impairment and hedge accounting. The Group expects to adopt HKFRS 9 from 1 January 2018. The Group is currently assessing the impact of the standard.

2.3 已頒佈但尚未生效的香港財 務報告準則(續)

(a) 香港會計師公會於二零一六年八月頒佈的香港財務報告準則第2號(修訂本)闡述三大範疇：歸屬條件對計量以現金結算以股份為基礎付款交易的影響；為僱員履行與以股份為基礎付款的稅務責任而預扣若干金額的以股份為基礎付款交易(附有淨額結算特質)的分類；以及對以股份為基礎付款交易的條款及條件作出令其分類由現金結算變為權益結算的修訂時的會計處理方法。該等修訂明確說明計量以權益結算以股份為基礎付款時歸屬條件的入賬方法亦適用於以現金結算以股份為基礎付款。該等修訂引入一個例外情況，在符合若干條件時，為僱員履行與以股份為基礎付款的稅務責任而預扣若干金額的以股份為基礎付款交易(附有淨額結算特質)，將整項分類為以股本結算以股份為基礎付款交易。此外，該等修訂明確說明，倘以現金結算以股份為基礎付款交易的條款及條件有所修訂，令其成為以權益結算以股份為基礎付款交易，該交易自修訂日期起作為以權益結算的交易入賬。本集團預期自二零一八年一月一日起採納該等修訂。該等修訂預期不會對本集團財務報表產生任何重大影響。

(b) 於二零一四年九月，香港會計師公會發出香港財務報告準則第9號的最終版本，將金融工具項目的各個階段作出總結以取代香港會計準則第39號及香港財務報告準則第9號所有先前的版本。準則就分類和計量、減值及套期會計引進新要求。本集團預期將會於二零一八年一月一日採用香港財務報告準則第9號。本集團目前正在評估準則在採納後的影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

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

- (c) HKFRS 16 replaces HKAS 17 *Leases*, HK (IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease*, HK (SIC)-Int 15 *Operating Leases — Incentives and HK (SIC)-Int 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise assets and liabilities for most leases. The standard includes two recognition exemptions for lessees — leases of low-value assets and short-term leases. At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). The right-of-use asset is subsequently measured at cost less accumulated depreciation and any impairment losses unless the right-of-use asset meets the definition of investment property in HKAS 40. The lease liability is subsequently increased to reflect the interest on the lease liability and reduced for the lease payments. Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. Lessees will also be required to remeasure the lease liability upon the occurrence of certain events, such as change in the lease term and change in future lease payments resulting from a change in an index or rate used to determine those payments. Lessees will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. Lessor accounting under HKFRS 16 is substantially unchanged from the accounting under HKAS 17. Lessors will continue to classify all leases using the same classification principle as in HKAS 17 and distinguish between operating leases and finance leases. The Group expects to adopt HKFRS 16 on 1 January 2019 and is currently assessing the impact of HKFRS 16 upon adoption.

2.3 已頒佈但尚未生效的香港財 務報告準則(續)

- (c) 香港財務報告準則第16號取代香港會計準則第17號租賃、香港(國際財務報告詮釋委員會)詮釋第4號釐定安排是否包括租賃、香港(常設詮釋委員會)詮釋第15號經營租賃—優惠及香港(常設詮釋委員會)詮釋第27號評估牽涉租賃的法律形式的交易的內容。該準則載列有關租賃確認、計量、呈列及披露之原則，並要求承租人須確認絕大部分租賃資產及負債。該準則包括承租人免於確認的兩項事項—租賃低價值資產及短期租賃。於租賃開始日期，承租人將確認負債以作出租賃付款(即租賃負債)，而資產指於租期使用相關資產的權利(即使用權資產)。使用權資產其後按成本減累計折舊及任何減值虧損計量，除非使用權資產符合於香港會計準則第40號中投資物業之定義。租賃負債將於其後增加以反映有關租賃負債利息並因支付租賃付款而減少。承租人將須單獨確認有關租賃負債的利息開支及有關使用權資產的折舊費。承租人亦將須於發生若干事件(即租期變動、用於釐定未來租賃付款的指數或利率變動導致的該等付款變動)時重新計量租賃負債。承租人將一般確認重新計量租賃負債金額，作為對使用權資產的調整。香港財務報告準則第16號項下的出租人會計與香港會計準則第17號項下的會計相比並無大幅改變。出租人將繼續使用香港會計準則第17號中的相同劃分原則劃分所有租賃及區分經營租賃及融資租賃。本集團預期於二零一九年一月一日採納香港財務報告準則第16號，目前正評估香港財務報告準則第16號於採納後之影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

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

- (d) Amendments to HKAS 7 require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendments will result in additional disclosure to be provided in the financial statements. The Group expects to adopt the amendments from 1 January 2017.
- (e) Amendments to HKAS 12 were issued with the purpose of addressing the recognition of deferred tax assets for unrealised losses related to debt instruments measured at fair value, although they also have a broader application for other situations. The amendments clarify that an entity, when assessing whether taxable profits will be available against which it can utilise a deductible temporary difference, needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. The Group expects to adopt the amendments from 1 January 2017.

2.3 已頒佈但尚未生效的香港財 務報告準則(續)

- (d) 香港會計準則第7號之修訂要求實體作出披露以便財務報表的使用者評估融資活動所產生的負債變動，包括現金流量所產生的變動及非現金變動。該等修訂將導致須於財務報表內作出額外披露。本集團預期自二零一七年一月一日起採納該等修訂。
- (e) 香港會計準則第12號之修訂的頒佈乃旨在處理就與按公允價值計量的債務工具有關之未變現虧損確認遞延稅項資產，儘管彼等於其他方面亦有更廣泛應用。該等修訂釐清，當評估應課稅溢利是否將可供其利用可扣減暫時性差異時，實體需要考慮稅法是否就撥回可扣減暫時性差異限制實體可作出扣減的應課稅溢利來源。此外，該等修訂就實體應如何釐定未來應課稅溢利提供指引並解釋了應課稅溢利可包括以高於資產的賬面值收回部分資產的情況。本集團預期自二零一七年一月一日起採納該等修訂。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

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

(f) *Annual Improvements to HKFRSs 2014-2016 Cycle* issued in March 2017 sets out amendments to a number of HKFRSs. Details of the applicable amendments are as follows:

- HKFRS 12 *Disclosure of Interest in Other entities*: Clarified the scope of the standard by specifying that certain disclosure requirements is not required for a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.
- HKAS 28 *Investments in Associates and Joint Ventures*: Clarified that, when an investment in an associate or a joint venture is held by, or is held indirectly through, an entity that is a venture capital organisation, or a mutual fund, unit trust and similar entities including investment-linked insurance funds, the entity may elect to measure that investment at fair value through profit or loss in accordance with HKFRS 9 *Financial Instruments*. An entity, shall make this election separately for each associate or joint venture, at initial recognition of the associate or joint venture.

2.3 已頒佈但尚未生效的香港財務報告準則(續)

(f) 於二零一七年三月頒佈之香港財務報告準則二零一四年至二零一六年週期年度改進載有若干香港財務報告準則之修訂。有關適用修訂之詳情載列如下：

- 香港財務報告準則第12號其他實體之權益披露：通過訂明若干分類為持作出售(如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)之附屬公司、合營企業或聯營公司(或其於合營企業或聯營公司之部分權益)毋須遵守若干披露規定澄清該準則之範圍。
- 香港會計準則第28號於聯營公司及合營企業之投資：澄清當一間聯營公司或合營企業之投資由風險投資機構之實體或互惠基金、單位信託及類似實體(包括投連險基金)持有或間接持有，根據香港財務報告準則第9號金融工具，實體可按公平值計入損益計量該投資。實體可在初始確認聯營公司或合營企業時，為聯營公司或合營企業單獨作出選擇。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

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

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

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

2.4 主要會計政策摘要

業務合併與商譽

業務合併採用購買法進行核算。業務合併所轉移的代價按收購日公平值計量，其為本集團為換取被收購方控制權而轉讓給被收購方前持有者的資產、本集團所承擔的負債及本集團發行的股本權益於收購日的公平值的總和。每次業務合併，有關為目前所有者權益及賦予其持有者在清盤時可按比例分得淨資產的於被收購方的非控制性權益，本集團可選擇以公平值或被收購方可辨認淨資產的應佔比例計算。非控制性權益的所有其他組成部分均按公平值計量。收購相關成本於發生時支銷。

當本集團收購一個企業，會在收購日根據合同條款、經濟狀況以及相關狀況來評估對金融資產和承擔的負債進行合適分類或指定，包括將被收購企業嵌入衍生工具從主合同中進行分離。

如業務合併分階段進行，之前持有的股權按其於收購日期的公平值重新計量，產生的任何損益在損益中確認。

將由收購方轉讓的任何或有代價都應按照購買日的公平值進行確認。分類為資產或負債的或有代價按公平值計量，其公平值變動在損益中確認。分類為權益的或有代價不重新計量，其之後的結算在權益中入賬。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations and goodwill (Continued)

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 December. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

2.4 主要會計政策摘要(續)

業務合併與商譽(續)

商譽初始按成本計量，即是所轉移的代價、確認的非控制性權益金額以及本集團原先持有的被收購方的股本權益的公平值總和超過所收購可辨認淨資產和所承擔負債的部分。如果該代價和其他項目的總金額低於所收購淨資產的公平值，其差額在再次評估後在損益確認為廉價購買收益。

初始確認之後，商譽以成本減去累計減值虧損來計量。商譽的賬面價值需每年進行評估是否發生減值，如果事件或情況的改變表明賬面價值可能出現減值，則需要進行更頻繁的複查。本集團在每年十二月三十一日進行年度減值測試。為了進行減值測試，業務合併取得的商譽自收購日起，分配給本集團的每一個預期能從業務合併協同獲益的現金產出單元或現金產出單元組，無論本集團的其他資產或負債是否被分配給上述單元或單元組。

減值虧損以評估與商譽相關的現金產出單元(現金產出單元組)的可收回金額來確定。如果現金產出單元(現金產出單元組)的可收回金額少於其賬面價值，則確認減值虧損。已確認的商譽減值虧損在後續期間不可轉回。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations and goodwill (Continued)

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

Fair value measurement

The Group measures its completed investment properties at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset is measured using the assumptions that market participants would use when pricing the asset, assuming that market participants act in their economic best interest.

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.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.4 主要會計政策摘要(續)

業務合併與商譽(續)

如果商譽分配至現金產出單元(或現金產出單元組)，且該單元業務的一部分被處置，在確定處置損益時，與被處置業務相關的商譽將包括在該業務的賬面金額。在這種情況下處置的商譽以被處置的業務和被保留的現金產出單元的相對值為基礎計量。

公平值計量

本集團在每個報告期末按公平值計量其已落成投資物業。公平值是指市場參與者在計量日的有序交易中，出售一項資產所能收到的價格。公平值計量乃基於出售資產的交易在相關資產或負債的主要市場進行，或在不存在主要市場的情況下，則在相關資產或負債的最有利市場進行的假定。主要市場(或最有利市場)應當是本集團能夠進入的市場。資產的公平值乃基於市場參與者在對該資產定價時(假設市場參與者以實現其經濟利益最大化的方式行事)所採用的假設計量。

非金融資產的公平值計量會考慮市場參與者透過以最大限度使用該資產達致最佳用途，或透過將該資產出售給能夠以最大限度使用該資產達致最佳用途的其他市場參與者產生經濟利益的能力。

本集團採用在當前情況下適用並且有足夠可利用數據支持的估值技術去計量公平值，儘量使用相關可觀察輸入值及儘量減少使用不可觀察輸入值。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value measurement (Continued)

All assets for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 — based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.4 主要會計政策摘要(續)

公平值計量(續)

在財務報表內計量或披露公平值的所有資產，均根據對公平值計量整體而言具有重要意義的最低層次輸入值在下述公平值層次內進行分類：

- 第一層次 — 基於相同資產或負債在活躍市場上(未經調整)的報價
- 第二層次 — 基於對公平值計量而言具有重要意義的最低層次輸入值乃直接或間接可觀察的估值技術
- 第三層次 — 基於對公平值計量而言具有重要意義的最低層次輸入值乃不可觀察的估值技術

就持續於財務報表確認的資產而言，本集團於每個報告期末透過(按對公平值計量整體而言具有重要意義的最低層次輸入值)重新評估分類，以決定層次制度中各個層次間是否有轉移。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of non-financial assets

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

An impairment loss is recognised only if the carrying amount of an asset exceeds its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is charged to profit or loss in the period in which it arises.

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of a non-financial asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises.

2.4 主要會計政策摘要(續)

非金融資產減值

除了投資物業、發展中物業、存貨及金融資產外，如果一項資產存在減值跡象，或需要進行年度減值測試，則估計資產的可收回金額。資產可收回金額按該資產或現金產出單元的使用價值和公平值減出售費用兩者中的較大者計算，並按單個資產單獨確認，除非該資產不能產出基本上獨立於其他資產或資產組所產生的現金流入，這種情況下，可確定該資產所屬的現金產出單元的可收回金額。

只有資產賬面金額超過其可收回金額時，才確認減值虧損。評估使用價值時，採用反映當前市場對資金時間價值和資產的特定風險的估價的稅前折現率，將估計未來現金流量折成現值。減值虧損計入發生當期的損益。

於每個報告期末評估是否有跡象表明以前確認的減值虧損可能已不存在或可能降低。如果存在上述跡象，則對可收回金額進行估計。對於一項除商譽外的非金融資產來說，只有在用於確定資產可收回金額的估計發生變動時，以前確認的減值虧損才能轉回，但是由於該等資產的減值虧損的轉回而增加的資產賬面金額，不應高於資產以前年度沒有確認減值虧損時的賬面金額(減去攤銷/折舊)。這種減值虧損的轉回計入其發生當期的損益。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties

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

- (a) the party is a person or a close member of that person's family and that person; (i) has control or joint control over the Group; (ii) has significant influence over the Group; or (iii) is a member of the key management personnel of the Group or of a holding company of the Group; or
- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a holding company, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a holding company of the entity); and

2.4 主要會計政策摘要(續)

關連方

在下列情況下，則一方被視為與本集團有關：

- (a) 個人或與該個人關係密切的家庭成員與本集團相關連，如果該個人：(i)對本集團實施控制或共同控制；(ii)對本集團實施重大影響；或(iii)是本集團或其母公司的關鍵管理人員的成員；或
- (b) 如果適用以下任何情形，則某實體與本集團相關連：
 - (i) 該實體和本集團是同一集團的成員；
 - (ii) 某一實體是另一實體（或是該另一實體的母公司、附屬公司或同系附屬公司）的聯營企業或合營企業；
 - (iii) 該實體和本集團都是相同第三方的合營企業；
 - (iv) 某一實體是第三方的合營企業並且另一實體是該第三方的聯營企業；
 - (v) 該實體是為本集團或與本集團關連的實體的僱員福利而設的離職後福利計劃；
 - (vi) 該實體受(a)項所述個人的控制或共同控制；
 - (vii) (a)(i)項所述的個人對該實體實施重大影響或是該實體（或其母公司）的關鍵管理人員的成員；及

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties (Continued)

(b) (Continued)

- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to a holding company of the Group.

Property, plant and equipment and depreciation

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

The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

2.4 主要會計政策摘要(續)

關連方(續)

(b) (續)

- (viii) 向本集團或本集團一間控股公司提供關鍵管理人員服務的實體或其所屬集團的任何成員公司。

物業、廠房及設備及其折舊

物業、廠房及設備按成本減去累計折舊和任何累計減值虧損計量。

物業、廠房及設備項目的成本包括其購買價格和將資產運抵指定地點並使其達到能夠按照預定的方式進行運作狀態的直接可歸屬成本。物業、廠房及設備投入運行後發生的支出，比如維修和保養，通常在費用發生當期的損益中扣除。如果符合確認準則，則主要檢查的支出會作為替換資本化於資產賬面值。如果物業、廠房及設備的主要部分須定期替換，則本集團確認有關部分為獨立資產，其具有特定的使用年限及據此折舊。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment and depreciation (Continued)

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The estimated useful lives of different categories of property, plant and equipment are as follows:

Buildings 樓宇	Over the shorter of the lease terms and 20 years 租賃期和20年的較短者
Leasehold improvements 租賃物業裝修	Over the shorter of the lease terms and 3 years 租賃期和3年的較短者
Furniture, fixtures and office equipment 傢俬、裝置和辦公室設備	5 to 10 years 5至10年
Motor vehicles 汽車	5 years 5年

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

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

2.4 主要會計政策摘要(續)

物業、廠房及設備及其折舊(續)

各項物業、廠房及設備採用直線法在計算折舊的估計使用年限內削減其成本至其殘值。不同物業、廠房及設備類別的估計使用年限如下：

如果物業、廠房及設備項目的各部分具有不同使用年限，則在各部分間合理分配該項目的成本，且按各部分單獨計提折舊。於每個財政年度結算日，評估剩餘價值、使用年限和折舊方法，必要時進行調整。

物業、廠房及設備項目(包括初始確認的任何重大部分)一經處置或預期其使用或處置將不會帶來未來經濟利益，則終止確認。於資產終止確認期間內的損益確認的處置或報廢的任何損益乃淨銷售收入和相關資產賬面金額之差。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment properties

Investment properties include both completed investment properties and investment properties under construction.

Completed investment properties are interests in shops, storerooms and parking spaces (disposed of during the year — note 29) and an office building (including the leasehold interest under an operating lease for a property which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of the reporting period.

Properties under construction or development for future use as investment properties are classified as investment properties under construction. An investment property under construction is measured at cost, including transaction costs, until its fair value becomes reliably measurable or construction is completed, at which time such property is stated at its fair value at the end of the reporting period.

Gains or losses arising from changes in the fair values of completed investment properties are included in profit or loss in the period in which they arise.

Any gains or losses on the retirement or disposal of a completed investment property are recognised in profit or loss in the period of the retirement or disposal.

2.4 主要會計政策摘要(續)

投資物業

投資物業包括已落成投資物業及在建中投資物業。

已落成投資物業指為賺取租金收入和／或實現資本增值，而不是用於生產或提供商品或提供服務，或用於管理用途，或在日常經營過程中為銷售而持有的店舖、儲物室及停車位（於本年度內出售 — 附註29）的權益（包括符合投資物業定義的經營租賃房地產的租賃權益）。這種房地產初始按成本計量，包含交易費用。初始確認後，投資物業按反映報告期末市場狀況的公平值計量。

在建中或發展中以供在未來作為投資物業使用的物業分類為在建中投資物業。在建中投資物業按成本（包含交易費用）計量，直至其公平值能夠可靠計量或建築工程完成（為該等物業於報告期末按公平值列賬之日）為止。

已落成投資物業公平值變動引起的損益計入損益發生期的損益。

已落成投資物業報廢或處置造成的損益在報廢或處置期內的損益確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end. The estimated annual rate of amortisation of different categories of intangible assets are as follows:

Property use rights	2%
Computer software	10%-25%

Operating leases

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

2.4 主要會計政策摘要(續)

無形資產(商譽除外)

單獨取得的無形資產在初始確認時按成本計量。業務合併中取得的無形資產的成本是其在購買日的公平值。無形資產的使用年限分為有限或無限年期。

具有有限使用年限的無形資產在使用經濟期限內攤銷，並且如果有跡象表明該無形資產可能減值，則評估減值。具有有限使用年限的無形資產的攤銷期和攤銷方法至少於每個財政年度結算日作覆核。不同種類的無形資產的估計年攤銷率如下：

物業使用權	2%
電腦軟件	10%-25%

經營租賃

如果一項租賃出租人實質上保留與資產所有權相關的幾乎全部風險和回報，則應按經營租賃進行會計處理。如果本集團是出租人，本集團按經營租賃出租的資產歸入非流動資產，經營租賃的應收租金按直線法在租賃期內計入損益。如果本集團是承租人，經營租賃的應付租金(經扣除出租人提供的任何優惠)按直線法在租賃期內計入損益。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as loans and receivables. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets.

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

Subsequent measurement

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as other income in profit or loss. The loss arising from impairment is recognised in profit or loss.

2.4 主要會計政策摘要(續)

投資及其他金融資產

初始確認和計量

金融資產在初始確認時分類為貸款和應收款項。初始確認金融資產時，按公平值加上歸屬於取得該金融資產的交易費用計量。

所有常規購買和出售金融資產於交易日(即本集團承諾購買或銷售該資產之日)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。

後續計量

貸款和應收款項是具有固定的或可確定付款額，且沒有活躍市場市價的非衍生金融資產。初始計量後，此類資產後續計量採用實際利率法按攤餘成本減任何減值準備計量。計算攤餘成本時，應考慮購買產生的任何折價或溢價，且包括作為實際利率不可或缺的費用和交易費用。實際利率攤銷包括在損益中的其他收入。減值產生的虧損在損益中確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Impairment

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

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

2.4 主要會計政策摘要(續)

投資及其他金融資產(續)

減值

本集團於每一報告期末對是否有客觀證據表明金融資產或金融資產組發生減值做出評估。如果資產初始確認後發生的一個或多個事項對金融資產或金融資產組的預計未來現金流量的影響能可靠地估計，則存在減值。減值證據可包括債務人或一組債務人發生重大財務困難，拖欠利息或本金的支付，他們很可能破產或進行其他財務重組，以及有可觀察數據表示預計未來現金流量出現可量度的減少，例如與拖欠相聯繫的欠款或經濟狀況的改變。

有關以攤餘成本計量的金融資產，本集團首先要評估是否有客觀證據表明重大的個別金融資產個別發生減值或個別不重大的金融資產整體發生減值。如果本集團確定沒有客觀證據表明評估的個別金融資產，無論重大與否，發生減值，則該資產計入具有相似信用風險特徵的金融資產組，並對整個小組進行減值評估。已進行減值評估並確認或繼續確認減值虧損的個別資產，不計入整體減值評估中。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Impairment (Continued)

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

The carrying amount of the asset is reduced either directly or through the use of an allowance account and the loss is recognised in profit or loss. Interest income continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to other operating expenses in profit or loss.

2.4 主要會計政策摘要(續)

投資及其他金融資產(續)

減值(續)

所辨認的任何減值虧損的金額按資產賬面金額和估計未來現金流量的現值(不包括尚未發生的未來信用虧損)之差計量。估計未來現金流量以金融資產初始實際利率(即初始確認時計算的實際利率)折現為現值。

資產的賬面金額直接減少或通過備抵賬目的使用減少。減值虧損金額在損益中確認。利息收入繼續按減少後的賬面值累計，累計的利率為量度減值虧損時用以將未來現金流量折現的利率。當並無實際希望可於未來收回，而所有抵押品已經變賣或轉讓給本集團時，貸款及應收款項及任何相關準備會一併撇銷。

如果在以後的期間，估計減值虧損的金額增加或減少，而且這種情況客觀上與確認減值後發生的事件相關，則先前確認的減值虧損會透過調整備抵賬戶而增加或減少。如果撇銷金額其後收回，則收回金額會貸記於損益的其他費用中。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments and other financial assets (Continued)

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

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

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

2.4 主要會計政策摘要(續)

投資及其他金融資產(續)

終止確認

在下列情況下，應終止確認金融資產（或，如適用，金融資產的一部分，或一組相類似金融資產的一部分）：

- 獲取金融資產所產生的現金流量的權利屆滿；或
- 本集團轉讓了獲取金融資產所產生的現金流量的權利，或在「轉移」協議下承擔了需無重大延誤地向第三方全額支付這些取得的現金流量的義務；並且 (a)本集團實質上轉讓了與該資產相關的幾乎全部風險和回報，或(b)雖然本集團實質上既未轉讓亦未保留與該資產相關的所有風險和回報，但轉移了資產的控制權。

如果本集團轉讓了收取一項資產所產生的現金流量的權利，或已經訂立轉移安排，其評估其是否保留與擁有該資產相關的風險和回報以及有關程度。如果其既未實質上轉移亦未保留與該資產相關的幾乎全部風險和回報，也沒有轉移對該資產的控制權，本集團則根據其對該被轉讓資產的持續參與程度確認該項資產。在該情況下，本集團亦確認相關負債。轉讓的資產及相關負債按反映本集團保留的權利和義務的基準計量。

如果持續參與形式為對被轉讓資產提供擔保，則持續參與程度的計量是下述兩者中的較低者：資產的原賬面金額和本集團可以被要求償還的代價的最大金額。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as loans and borrowings. All financial liabilities are recognised initially at fair value and net of directly attributable transaction costs.

The Group's financial liabilities include trade payables, other payables and accruals, amounts due to a shareholder and related companies, loan from a shareholder and bank borrowings.

Subsequent measurement

After initial recognition, loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in profit or loss.

Derecognition

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

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

2.4 主要會計政策摘要(續)

金融負債

初始確認和計量

金融負債在初始確認時分類為貸款和借款。初始確認所有金融負債時，按公平值減直接歸屬的交易費用確認。

本集團的金融負債包括應付貿易賬款、其他應付款和預提費用、應付一名股東及關連公司款項、股東提供的貸款以及銀行借款。

後續計量

初始確認後，銀行貸款後續採用實際利率法按攤餘成本計量，除非折現的影響不重大，這種情況下，它們按成本計量。在負債終止確認時及在實際利率法攤銷過程中，產生的損益在損益中確認。

計算攤餘成本時，應考慮購買產生的任何折價或溢價，且包括作為實際利率不可或缺的費用和交易費用。實際利率攤銷包括在損益中的財務費用。

終止確認

如果金融負債的責任已履行、撤銷或屆滿，則對金融負債進行終止確認。

如果現有金融負債被同一貸款方以實質上幾乎全部不同條款的另一金融負債取代，或者現有負債的條款幾乎全部被實質性修改，則此類替換或修改作為終止確認原負債和確認新負債處理，並且各自賬面金額的差異在損益中確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Properties under development

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

Properties under development are stated at the lower of cost and net realisable value. Cost includes cost of land together with any other direct costs attributable to the development of the properties. Net realisable value is determined by reference to the estimated selling price based on prevailing market conditions less (i) anticipated cost to completion of the development in respect of properties under development; and (ii) estimated costs to be incurred in marketing and selling the properties.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the first-in, first-out basis.

2.4 主要會計政策摘要(續)

金融工具的互相抵銷

如果以現時可行法定權利將確認的金額互相抵銷，並且打算以淨額為基礎結算，或同時實現該資產和清償該負債，則金融資產和金融負債會互相抵銷，淨額在財務狀況表報告中。

發展中物業

發展中物業為擬於物業發展完成後持作出售，並分類為流動資產，除非預期完成有關物業發展項目的建築期超過正常營業週期，則作別論。完成後，有關物業轉撥至持作出售物業。

發展中物業按成本和可變現淨值兩者中較小者列賬。成本包括土地成本及有關發展物業的任何其他直接成本。可變現淨值參考根據當前市場狀況估計的售價減去(i)估計完成發展有關發展中物業的成本；和(ii)估計推廣及銷售有關物業發生的成本計算。

存貨

存貨按成本與可變現淨值兩者之較低者入賬。成本乃根據先進先出法計算。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

Provisions

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

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in profit or loss.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

2.4 主要會計政策摘要(續)

現金和現金等價物

就綜合現金流量表而言，現金和現金等價物包括手頭現金和活期存款，以及流動性強、易轉換成已知金額的現金且價值變動風險很小的短期投資，且購買時到期日通常為三個月。

就綜合財務狀況表而言，包括並無限制使用用途的手頭現金及銀行存款（包括定期存款及與現金性質類同的資產）。

撥備

因過去事項而需要承擔現時義務（法定或推定），而履行該義務很可能導致未來經濟資源的流出，且該義務的金額能夠可靠地估計，則應確認撥備。

如果貨幣時間價值的影響重大，撥備的金額應是未來履行義務預期所需支出在報告期末的現值。隨時間推移增加的折現現值金額計入損益的財務費用。

所得稅

所得稅包括當期稅項和遞延稅項。有關在損益以外確認的項目的所得稅，在損益以外（在其他全面收益或直接權益中）確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

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

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

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

2.4 主要會計政策摘要(續)

所得稅(續)

當期稅項資產和負債，以在報告期末已執行的或實質上已執行的稅率(及稅法)為基礎，根據本集團經營所在國家的現行詮釋和相關常規，按照預期自稅務部門收回或向稅務部門支付的金額計量。

遞延稅項採用負債法，對報告期末的資產和負債稅務基礎及其出於財務報告目的的賬面金額之間的所有暫時性差異作撥備。

所有應納稅暫時性差異均確認為遞延稅項負債，除非：

- 遞延稅項負債是由商譽或資產和負債於非業務合併交易的初始確認所產生，而在交易時既不影響會計利潤也不影響應納稅利潤或虧損；及
- 就與附屬公司、合營企業及聯營公司的投資相關的應納稅暫時性差異而言，如果能夠控制該暫時性差異轉回的時間安排並且暫時性差異在可預見的未來不會轉回。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

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

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

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

2.4 主要會計政策摘要(續)

所得稅(續)

所有可抵扣的暫時性差異、結轉未利用的稅項抵減和未利用的稅務虧損確認為遞延稅項資產，但以很有可能有足夠的應納稅利潤抵銷可抵扣的暫時性差異、結轉未利用的稅項抵減和未利用的稅務虧損為限，除非：

- 遞延稅項資產是由資產和負債於非業務合併交易的初始確認所產生，而在交易時既不影響會計利潤也不影響應納稅利潤或虧損；及
- 就與附屬公司的投資相關的可抵扣的暫時性差異而言，遞延稅項資產確認是以暫時性差異將於可預見的未來轉回且有足夠的應納稅利潤可用以抵銷暫時性差異為限。

於每一報告期末對遞延稅項資產的賬面金額予以覆核。如果不再是很可能獲得足夠的應納稅利潤以允許利用部分或全部遞延稅項資產的利益，應減少該項遞延稅項資產。相反，於每一報告期末應重新評估以前未確認的遞延稅項資產，在有足夠應納稅利潤可供所有或部分遞延稅項資產利用的限度內確認遞延稅項資產。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income tax (Continued)

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

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

Revenue recognition

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

- (a) rental income, on a time proportion basis over the lease terms;
- (b) from the rendering of property management services, when the services have been rendered; and
- (c) interest income, on an accrual basis using the effective interest rate method by applying the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset.

2.4 主要會計政策摘要(續)

所得稅(續)

遞延稅項資產和負債，以在報告期末已執行的或實質上將執行的稅率(和稅法)為基礎，按預期實現該資產或清償該負債的稅率計量。

如果擁有用當期稅項負債抵銷當期稅項資產的法定行使權，而且遞延稅項與同一應納稅主體和同一稅收部門相關，即可抵銷遞延稅項資產和遞延稅項負債。

收入確認

如果經濟利益很可能流入本集團，而且收入可以可靠計量，則按以下基礎確認收入：

- (a) 租金收入而言，在租賃期按時間比例為基礎；
- (b) 就提供物業管理服務而言，在提供服務時；及
- (c) 利息收入而言，按照權責發生制原則，採用實際利率法計算，應用的利率為在金融工具的預期壽命或更短期間(如適用)將估計未來現金收入準確折現至金融資產賬面淨值的利率。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee benefits (pension schemes)

The Group operates a defined contribution Mandatory Provident Fund retirement benefit scheme in Hong Kong (the “MPF Scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees’ basic salaries and are charged to profit or loss as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund. The Group’s employer contributions vest fully with the employees when contributed into the MPF Scheme.

The employees of the Group’s subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by local municipal governments. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions vest fully once made and are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. All borrowing costs are expensed in the year in which they are incurred.

2.4 主要會計政策摘要(續)

僱員福利(退休金計劃)

本集團按照香港強制性公積金計劃條例為有資格參與強積金計劃的該等僱員實行了界定供款的強制性公積金退休福利計劃(「強積金計劃」)。供款按照僱員基本工資的一定百分比計算，並根據強積金計劃的規定在需要支付時在損益中扣除。強積金計劃的資產由與本集團資產分開的獨立管理基金持有。本集團的僱主供款支付給強積金計劃後完全歸屬予僱員。

本集團於中國大陸的附屬公司的僱員必須參加由當地市政府管理的統一退休金計劃。該等附屬公司須貢獻其工資成本的若干百分比予統一退休金計劃。供款於投入計劃時即時全數歸計劃所有並根據統一退休金計劃的規定在需要支付時在損益中扣除。

借款費用

借款費用包括實體就借用資金而發生的利息及其他成本。所有借款費用在發生當期在損益表中確認為費用。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies

These financial statements are presented in Hong Kong dollar, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

The functional currencies of certain overseas subsidiaries are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollars at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into Hong Kong dollars at the weighted average exchange rates for the year. The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of the exchange fluctuation reserve relating to that particular foreign operation is recognised in profit or loss.

2.4 主要會計政策摘要(續)

外幣

本財務報表以港元列報，港元為本公司的功能貨幣。本集團下的每一公司自行決定其功能貨幣，而每一公司財務報表中的項目使用該功能貨幣計量。本集團實體記錄的外幣交易在初始確認時按交易日它們各自的功能貨幣匯率記賬。以外幣列值的貨幣性資產和負債按報告期末的功能貨幣匯率折算。結算或折算貨幣項目所產生的差額計入損益。

以歷史成本計量的外幣計價非貨幣項目，按初始交易日的匯率折算。以公平值計量的外幣計價非貨幣項目，按照確定公平值之日的匯率折算。折算以公平值計量的非貨幣項目所產生的損益的處理方法與有關項目公平值變動的損益一致(即公平值損益分別在其他全面收益或損益中確認的折算差額亦分別在其他全面收益或損益中確認)。

某些海外附屬公司的功能貨幣是港元之外的貨幣。於報告期末，這些公司的資產和負債按照報告期末的匯率折算成港元，而它們的損益表按照本年加權平均匯率折算成港元。由此產生的匯兌差額在其他全面收益中確認，並在匯兌波動儲備中累計。出售境外經營時，與上述特定境外經營相關的匯兌波動儲備部分在損益中確認。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

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

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

2.4 主要會計政策摘要(續)

外幣(續)

購買境外經營產生的商譽和因購買而對有關資產和負債作出的公平值調整會作為該境外經營的資產和負債予以核算，並按期末匯率進行折算。

就綜合現金流量表而言，某些海外附屬公司的現金流按照現金流發生當日的匯率折算成港元。該等附屬公司於本年經常發生的現金流量按當年加權平均匯率折算成港元。

3. 重大會計判斷和估計

編製本集團的財務報表要求管理層作出會影響收入、開支、資產和負債的報告金額及其隨附披露的判斷、估計和假設，並作出或然負債披露。有關該等假設和估計的不確定性可能導致可能須於未來對受影響資產或負債的賬面值作出重大調整的結果。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

The major judgements, estimates and assumptions, that have the most significant effect on the amounts recognised in the financial statements and have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are set out below:

Impairment of trade receivables

The policy for provision for impairment of trade receivables of the Group is based on the evaluation of collectability and aged analysis of accounts and on the estimation of the Group's management. A considerable amount of estimation is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each debtor. If the financial conditions of debtors were to deteriorate, resulting in an impairment of their abilities to make payments, additional allowances may be required. The carrying amount of trade receivables in the consolidated statement of financial position as at 31 December 2016 was HK\$20,316,142 (2015: HK\$20,668,920).

Estimation of fair value of completed investment properties

The fair values of the Group's completed investment properties are assessed by management based on property valuation performed by independent professionally qualified valuers. The assumptions adopted in the property valuation are based on information from annual rental income supported by the terms of any existing leases and other contracts and (when possible) by external evidence such as current market rents for similar properties in the same location and condition.

Further details of the fair value estimation of completed investment properties, including the key assumptions used for fair value measurement and a sensitivity analysis, are set out in note 13(b) to the financial statements.

3. 重大會計判斷和估計(續)

下面討論對財務報表中確認的金額最具重大影響的以及具有對下一會計年度資產和負債賬面金額造成重大調整的重大風險的重大判斷、估計和假設：

應收貿易款項減值

本集團之應收貿易款項減值撥備政策乃根據賬目之可收回性評估及賬齡分析，以及本集團管理層所作之估計。於評估該等應收款項最終會否變現時，須作出大量估計，其中包括各債務人之目前信用狀況及過往收款記錄。如債務人財務狀況轉差，導致其還款能力減弱，則可能需要作出額外撥備。於二零一六年十二月三十一日，綜合財務狀況表內之應收貿易賬款的賬面金額為20,316,142港元(二零一五年：20,668,920港元)。

已落成投資物業公平值的估計

管理層會根據獨立合資格估值師對已落成物業進行之估值評估本公司投資物業之公平值。進行物業估值時所採納之假設乃根據任何現有租約及其他合約之年期，以及(如可能)外在證據(如在同一地點及狀況下，類似物業之現行市場租金)的年度租金收入的有關資料。

有關已落成投資物業公平值估計的進一步詳情，包括公平值計量所用的主要假設及敏感性分析，載於財務報表附註13(b)內。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Income tax

The Group is subject to income taxes in Hong Kong, Mainland China, the USA and the UK. The Group carefully evaluates tax implications of its transactions in accordance with prevailing tax regulations and makes tax provision accordingly. However, judgement is required in determining the Group's provision for income taxes as there are many transactions and calculations, of which the ultimate tax determination is uncertain, during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, the differences will impact on the income tax and deferred tax provision in the periods in which the determination is made. The carrying amount of current tax payables carried as liabilities in the consolidated statement of financial position as at 31 December 2016 was HK\$2,036,355 (2015: HK\$4,511,512).

Classification of properties under construction between investment properties under construction and properties under development

The Group develops properties for future sale and/or for future leasing to third parties to earn rentals and/or for capital appreciation. Judgement is made by management in determining whether a property under construction is designated as an investment property or a property held for future sale. The Group considers its intention of holding the properties at the early development stage of the related properties.

3. 重大會計判斷和估計(續)

所得稅

本集團須繳納香港、中國大陸、美國及英國所得稅。本集團根據當前稅務法規謹慎評估其交易的稅務影響，並據此計提稅項準備。然而，於釐定本集團所得稅準備時須作出判斷，因為於通常業務運作中有很多最終稅項釐定不確定的交易及計算。倘若有關事宜的最終稅務結果與原先記錄金額不同，則有關差異將會影響到釐定期間的所得稅及遞延稅項準備。於二零一六年十二月三十一日，綜合財務狀況表內列為負債的當期應付稅項的賬面金額為2,036,355港元(二零一五年：4,511,512港元)。

在建中物業與在建中投資物業及發展中物業的劃分

本集團開發物業作日後銷售及／或日後租予第三方以賺取租金及／或為資本增值而持有的物業。決定把在建中物業指定為投資物業還是持有作日後出售之物業時，管理層會作出判斷。本集團在有關物業的發展初期考慮其持有物業的意向。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (Continued)

Classification of properties under construction between investment properties under construction and properties under development (Continued)

During the course of construction, the related properties under construction are accounted for as properties under development included in current assets if the properties are intended for sale after its completion, whereas, the properties are accounted for as investment properties under construction included in non-current assets if the properties are intended to be held to earn rentals and/or for capital appreciation. Upon completion of construction of the properties, the properties under development intended for future sale are transferred to properties held for sale and are stated at the lower of cost and net realisable value, while the properties that are intended to be held to earn rentals and/or for capital appreciation are transferred to completed investment properties, which are stated at fair value at the end of each reporting period.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on the nature of their services and has two reportable operating segments as follows:

- (a) the property development and investment segment engages in (i) leasing of shops, storerooms and car parking spaces in Fujian Province, the PRC (disposed of in June 2016); (ii) property development for sale and property investment in the USA; and (iii) leasing of office units in the UK; and
- (b) the property management segment engages in the provision of property management services for office buildings, residential properties and car parks in Beijing, the PRC.

3. 重大會計判斷和估計(續)

在建中物業與在建中投資物業及發展中物業的劃分(續)

在建造期間，倘若物業擬於落成後出售，則有關在建中物業會作為包括在流動資產的發展中物業入賬；倘若物業擬為賺取租金及／或為資本增值而持有，則有關物業會在非流動資產的在建中投資物業入賬。於在建中物業落成後，擬用作日後銷售之發展中物業轉作持作出售之物業並按成本與可變現淨值兩者之較低者入賬，而擬持作以賺取租金及／或為資本增值而持有的物業轉作已落成投資物業，其於各報告期末按公平值入賬。

4. 經營分部資料

出於管理目的，本集團根據其服務性質來劃分業務單元，並有以下兩個報告經營分部：

- (a) 物業發展及投資分部，其業務為(i)在中國福建省出租店舖、儲物室及停車位(於二零一六年六月出售)；(ii)在美國從事物業發展以供銷售及物業投資的業務；以及(iii)在英國從事物業投資；及
- (b) 物業管理分部，此分部的業務為在中國北京市為辦公室樓宇、住宅物業及停車場提供物業管理服務。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

4. OPERATING SEGMENT INFORMATION (Continued)

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit/loss before tax except that interest on loans from a shareholder, a gain on bargain purchase of subsidiaries, gain or loss on disposal of subsidiaries as well as head office and corporate income and expenses are excluded from this measurement.

Segment assets and segment liabilities exclude unallocated head office and corporate assets as these assets and liabilities are managed on a group basis.

4. 經營分部資料(續)

管理層分開監督本集團各經營分部的業績，以決定如何分配資源及評估表現。分部表現根據報告分部利潤／虧損評估，而其以經調整稅前利潤／虧損計量。經調整稅前虧損的計量與本集團稅前利潤／虧損互相一致，惟其計量並不包括股東提供貸款的利息、附屬公司廉價購買收益及出售附屬公司的收益或虧損，以及總部及公司收入及開支。

分部資產和分部負債不包括未分配總部及公司資產，因為該等資產和負債在集團層面管理。

		Property development and investment		Property management		Total	
		物業開發及投資		物業管理		合計	
		2016	2015	2016	2015	2016	2015
		二零一六年	二零一五年	二零一六年	二零一五年	二零一六年	二零一五年
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元
Segment revenue	分部收入	6,902,409	6,723,334	133,275,941	70,086,033	140,178,350	76,809,367
Segment results	分部業績	(13,702,893)	(18,328,745)	5,740,505	7,059,998	(7,962,388)	(11,268,747)
Reconciliation:	對賬：						
Interest on loans from a shareholder	股東提供貸款的利息					—	(1,991,112)
Gain on bargain purchase of subsidiaries	附屬公司廉價購買收益					—	6,776,122
Gain/(loss) on disposal of subsidiaries	出售附屬公司的收益／(虧損)					(1,587,305)	217,708
Other unallocated gains	其他未分配收益					309,854	1,102,224
Corporate and other unallocated expenses	公司及其他未分配費用					(25,435,192)	(13,250,226)
Loss before tax	稅前虧損					(34,675,031)	(18,414,031)
Segment assets	分部資產	630,409,063	285,573,416	121,625,537	111,773,700	752,034,600	397,347,116

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

4. OPERATING SEGMENT INFORMATION (Continued)

4. 經營分部資料(續)

		Property development and investment 物業開發及投資		Property management 物業管理		Total 合計	
		2016 二零一六年	2015 二零一五年	2016 二零一六年	2015 二零一五年	2016 二零一六年	2015 二零一五年
		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
Reconciliation:	對賬：						
Corporate and other unallocated assets	公司及其他未分配資產						
— Property, plant and equipment	— 物業、廠房及設備					168,296	180,622
— Deposits and other receivables	— 存款及其他應收款項					1,068,305	875,621
— Pledged bank deposits	— 有抵押銀行存款					38,800,000	—
— Cash and cash equivalents	— 現金及現金等價物					38,924,162	155,394,197
Total assets	總資產					830,995,363	553,797,556
Segment liabilities	分部負債	207,402,585	19,170,299	87,264,459	79,160,674	294,667,044	98,330,973
Reconciliation:	對賬：						
Corporate and other unallocated liabilities	公司及其他未分配負債						
— Other payables and accruals	— 其他應付款及應計費用					1,842,300	2,582,251
— Income tax payables	— 應付所得稅					396,000	—
Total liabilities	總負債					296,905,344	100,913,224
Other segment information:	其他分部資料：						
Impairment losses recognised in profit or loss	損益中確認的減值虧損						
— Operating segments	— 經營分部	—	—	1,850,028	403,867	1,850,028	403,867
— Amount unallocated	— 未分配金額					—	66,877
						1,850,028	470,744
Depreciation and amortisation	折舊和攤銷						
— Operating segments	— 經營分部	272,006	598,967	715,263	482,367	987,269	1,081,334
— Amount unallocated	— 未分配金額					84,028	240,037
						1,071,297	1,321,371
Capital expenditure*	資本開支*						
— Operating segments	— 經營分部	308,334,961	115,801,259	149,350	265,367	308,484,311	116,066,626
— Amount unallocated	— 未分配金額					71,704	2,483
						308,556,015	116,069,109
Fair value loss of investment properties	投資物業公平值虧損	9,154,894	15,988,119	—	—	9,154,894	15,988,119

* Capital expenditure consists of additions to property, plant and equipment, investment properties and intangible assets, including assets from the acquisition of subsidiaries.

* 資本開支包括物業、廠房及設備之添置、投資物業及無形資產(包括收購附屬公司之資產)

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

4. OPERATING SEGMENT INFORMATION (Continued)

Geographical information

(a) Revenue from external customers

Geographical information of revenue from external customers is not presented since over 90% of the Group's revenue from external customers is generated in Mainland China. Accordingly, in the opinion of the directors, the presentation of geographical information of revenue from external customers would provide no additional useful information to the users of the financial statements.

(b) Non-current assets

The UK	英國
The USA	美國
Mainland China	中國大陸
Hong Kong	香港

The non-current asset information above is based on the locations of the assets and excludes financial instruments.

Information about a major customer

During the year ended 31 December 2016, one (2015: one) customer from the property management segment, which is a related company in which two directors of the Company have beneficial interests, contributed over 10% of the Group's total revenue for the year and the revenue earned from this customer during the year amounted to HK\$18,254,027 (2015: HK\$9,808,721).

4. 經營分部資料(續)

地區資料

(a) 來自外部客戶的收入

由於超過90%本集團來自外部客戶的收入在中國大陸產生，因此並無列報有關來自外部客戶的收入的地區資料。因此，董事認為，列報有關來自外部客戶的收入的地區資料不會為財務報表使用者提供額外有用資料。

(b) 非流動資產

	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
The UK	275,005,250	—
The USA	130,263,211	113,202,174
Mainland China	2,033,048	80,988,437
Hong Kong	168,297	180,622
	407,469,806	194,371,233

上述非流動資產資料以資產所處區域為基礎，其並不包括金融工具。

一名主要客戶資料

於截至二零一六年十二月三十一日止年度內，來自物業管理分部的一位(二零一五年：一位)客戶(其為本公司兩名董事實益擁有權益的關連公司)的收入佔本集團本年度總收入超過10%及該客戶年內賺取的收益為18,254,027港元(二零一五年：9,808,721港元)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

5. REVENUE, OTHER INCOME AND GAIN

Revenue represents the value of property management services rendered, net of value added tax, business tax and government surcharges; and gross rental income received and receivable from tenants of investment properties, net of business tax and government surcharges.

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

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Revenue	收入		
Rendering of property management services	提供物業管理服務	133,275,941	70,086,033
Gross rental income	租金收入總額	6,902,409	6,723,334
		140,178,350	76,809,367
Other income and gain	其他收入及收益		
Bank interest income	銀行利息收入	1,047,477	313,626
Penalty income from tenants	來自租戶的罰款收入	161,693	558,518
Gain on disposal of intangible assets	出售無形資產的收益	—	67,040
Others	其他	281,633	163,040
		1,490,803	1,102,224

5. 收入、其他收入及收益

收入代表提供物業管理服務的價值（扣除增值稅、商業稅及政府附加費），以及來自投資物業租戶的已收和應收租金收入總額，扣除商業稅及政府附加費。

收入、其他收入及收益的分析如下：

6. FINANCE COSTS

An analysis of finance costs is as follows:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Interest on loans from a shareholder	股東提供的貸款利息	1,375,925	1,991,112
Interest on bank loans	銀行貸款利息	20,514	—
		1,396,439	1,991,112

6. 財務費用

財務費用分析如下：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

7. LOSS BEFORE TAX

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

7. 稅前虧損

本集團稅前虧損已扣除/(抵免)下列各項：

			2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Cost of property management services rendered	提供物業管理服務的成本		110,746,905	52,789,869
Direct operating expenses (including repairs and maintenance) arising from rental-earning investment properties	為賺取租金的投資物業的直接經營費用(包括維修和保養)		723,593	972,007
Depreciation	折舊	12	1,071,297	1,321,371
Less: Included in cost of property management services rendered	減：計入提供的物業管理服務的成本		(715,263)	(482,367)
			356,034	839,004
Amortisation of intangible assets*	無形資產攤銷*	14	70,904	425,416
Loss on disposal of items of property, plant and equipment	出售物業、廠房及設備項目的虧損		13,725	61,442
Minimum lease payments under operating leases in respect of land and buildings	經營租賃的最低租賃付款—土地及樓宇		2,648,177	2,010,677
Employee benefit expense (including directors' remuneration (note 8): Salaries, allowances and benefits in kind) Pension scheme contributions	僱員福利費用(包括董事薪酬(附註8): 薪金、津貼及實物利益) 退休金計劃供款		36,619,898	22,295,132
			11,005,933	5,075,478
Less: Included in cost of property management services rendered	減：計入提供的物業管理服務的成本		47,625,831	27,370,610
			(38,138,232)	(21,593,859)
			9,487,599	5,776,751
Auditor's remuneration	核數師酬金		1,250,000	1,100,000
Impairment of intangible assets*	無形資產減值*	14	—	470,744
Impairment of trade receivables	應收貿易賬款減值	17(b)	1,850,028	403,867
Foreign exchange differences, net	匯兌差額，淨額		14,504,187	85,072
Gain on bargain purchase of subsidiaries#	附屬公司廉價購買收益#		—	(6,776,122)

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

7. LOSS BEFORE TAX (Continued)

* The amortisation and impairment of intangible assets are included in “Administrative expenses” and “Other operating expenses, net” on the face of the consolidated statement of profit or loss, respectively.

The gain on bargain purchase of subsidiaries recognised in the prior year arose from the acquisition of AOCEAN Business Management in May 2015. AOCEAN Business Management and its subsidiary (collectively the “AOCEAN Group”) are engaged in the provision of property management services for office buildings, residential properties and car parks in Beijing, the PRC.

In the opinion of the directors, the gain on bargain purchase of subsidiaries was resulted from historical financial instability of the AOCEAN Group which contributed a discount for the consideration. Further details of the acquisition transaction are set out in the Company’s circular dated 27 March 2015.

8. DIRECTORS’ REMUNERATION

Directors’ remuneration for the year, disclosed pursuant to The Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”), section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

		Group 本集團	
		2016 二零一六年	2015 二零一五年
		HK\$ 港元	HK\$ 港元
Fees	袍金	665,527	660,000
Other emoluments:	其他報酬：		
Salaries, allowances and benefits in kind	薪金、津貼和實物利益	876,570	—
Pension scheme contributions	退休金計劃供款	32,277	33,000
		908,847	33,000
		1,574,374	693,000

7. 稅前虧損(續)

* 無形資產攤銷及減值分別計入綜合損益表表上的「行政費用」及「其他經營費用，淨額」。

於前年確認的附屬公司廉價購買收益乃產生自於二零一五年五月收購北京澳西商業管理有限公司。北京澳西商業管理有限公司及其附屬公司(「北京澳西集團」)於中國北京從事於為辦公大樓、住宅物業及停車場提供物業管理服務。

董事認為，附屬公司廉價購買收益乃由於北京澳西集團歷史財務的不穩定性所致，其為代價作出了折現。收購交易的進一步詳情載於本公司日期為二零一五年三月二十七日的通函內。

8. 董事薪酬

根據聯交所《證券上市規則》(「上市規則」)、香港《公司條例》第383(1)(a)、(b)、(c)及(f)條以及《公司(披露董事利益資料)規例》第2部披露的本年度董事薪酬如下：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

8. DIRECTORS' REMUNERATION (Continued)

An analysis of the directors' remuneration, on a named basis, is as follows:

8. 董事薪酬(續)

董事薪酬(以姓名為基準)分析如下:

Year ended 31 December 2016

截至二零一六年十二月三十一日止年度

Name of director	Fees	Salaries, allowances and benefits	Pension scheme	Total remuneration
		in kind	contributions	
董事姓名	袍金	薪金、津貼和 實物利益	退休金 計劃供款	薪酬總計
	HK\$	HK\$	HK\$	HK\$
	港元	港元	港元	港元
Executive directors:				
Mr. Wei Chunxian	300,000	876,570	15,000	1,191,570
Ms. Liu Shuhua	—	—	—	—
Mr. Sun Zhongmin	—	—	—	—
	300,000	876,570	15,000	1,191,570
Independent non-executive directors:				
Mr. Tung Woon Cheung Eric	120,000	—	6,000	126,000
Mr. Guan Zheng Michael[§]	24,194	—	1,210	25,404
Mr. Mak Kwong Yiu[#]	101,333	—	5,067	106,400
Mr. Chui Tsan Kit	120,000	—	5,000	125,000
	365,527	—	17,277	382,804
Total	665,527	876,570	32,277	1,574,374

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

8. DIRECTORS' REMUNERATION (Continued)

8. 董事薪酬(續)

Year ended 31 December 2015

截至二零一五年十二月三十一日止年度

Name of director	Fees	Salaries, allowances and benefits in kind	Pension scheme contributions	Total remuneration
董事姓名	袍金	薪金、津貼和 實物利益	退休金 計劃供款	薪酬總計
	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
Executive directors: 執行董事：				
Mr. Wei Chunxian 魏純暹先生	300,000	—	15,000	315,000
Ms. Liu Shuhua 劉淑華女士	—	—	—	—
Mr. Sun Zhongmin 孫仲民先生	—	—	—	—
	300,000	—	15,000	315,000
Independent non-executive directors: 獨立非執行董事：				
Mr. Tung Woon Cheung Eric 董渙樟先生	120,000	—	6,000	126,000
Mr. Wong Kai Tung Simon* 黃繼東先生*	20,000	—	1,000	21,000
Mr. Mak Kwong Yiu 麥光耀先生	120,000	—	6,000	126,000
Mr. Chui Tsan Kit^ 徐燦傑先生^	100,000	—	5,000	105,000
	360,000	—	18,000	378,000
Total 總計	660,000	—	33,000	693,000

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2015: Nil).

年內無董事放棄或同意放棄任何酬金的安排(二零一五年：無)。

◊ Appointed as an independent non-executive director of the Company on 19 October 2016.

◊ 於二零一六年十月十九日獲委任為本公司獨立非執行董事。

^ Appointed as an independent non-executive director of the Company on 17 February 2015.

^ 於二零一五年二月十七日獲委任為本公司獨立非執行董事。

Resigned as an independent non-executive director of the Company on 19 October 2016.

於二零一六年十月十九日辭任本公司獨立非執行董事。

* Resigned as an independent non-executive director of the Company on 17 February 2015.

* 於二零一五年二月十七日辭任本公司獨立非執行董事。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included 1 (2015: 1) director, details of whose remuneration are set out in note 8 above. Details of the remuneration of the remaining 4 (2015: 4) non-director, highest paid employees for the year are as follows:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Salaries, allowances and benefits in kind	薪金、津貼和實物利益	2,446,768	1,546,566
Pension scheme contributions	退休金計劃供款	142,575	126,709
		2,589,343	1,673,275

The remuneration of each of the non-director, highest paid employees for the current year and the prior year fell within the band of nil to HK\$1,000,000.

10. INCOME TAX

An analysis of the Group's income tax is as follows:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Current — Mainland China	當期 — 中國大陸	1,897,548	2,254,652
Current — USA	當期 — 美國	124,267	28,446
Deferred (note 25)	遞延(附註25)	122,323	(2,544,769)
Total tax expense/(credit) for the year	本年度稅項費用/(抵減)總額	2,144,138	(261,671)

No provision for Hong Kong and the UK profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong and the UK during the year (2015: Nil).

9. 五位最高薪僱員

本年度，五位最高薪僱員中包括一名(二零一五年：一名)董事，其薪酬詳見上文附註8。年內餘下四名(二零一五年：四名)非董事的最高薪僱員之薪酬詳情如下：

	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Salaries, allowances and benefits in kind	2,446,768	1,546,566
Pension scheme contributions	142,575	126,709
	2,589,343	1,673,275

於本年度及去年，各非董事最高薪僱員的酬金均屬無至1,000,000港元的等級。

10. 所得稅

本集團持續經營業務的所得稅分析如下：

	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Current — Mainland China	1,897,548	2,254,652
Current — USA	124,267	28,446
Deferred (note 25)	122,323	(2,544,769)
Total tax expense/(credit) for the year	2,144,138	(261,671)

於本年度內，由於本集團並無產生任何於香港及英國產生的應評稅利潤，因此，並無就香港及英國利得稅計提準備(二零一五年：無)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

10. INCOME TAX (Continued)

The PRC corporate income tax provision in respect of operations in Mainland China is calculated at the applicable tax rates on the estimated assessable profits for the year based on the prevailing legislation, interpretations and practices in respect thereof.

The USA corporate income tax provision represented withholding tax provision calculated at the applicable tax rate on interest income for the current year in respect of certain intra-group advances to a subsidiary in the USA, based on existing legislation, interpretations and practices in respect thereof.

A reconciliation of the tax expense/(credit) applicable to profit/(loss) before tax at the statutory rates for the jurisdictions in which the Company and majority of its subsidiaries are domiciled to the tax expense/(credit) at the effective tax rates, and a reconciliation of the applicable rates (i.e., the statutory tax rates) to the effective tax rates, are as follows:

10. 所得稅(續)

本年度有關中國大陸經營業務的中國企業所得稅準備按估計應課稅利潤計提，並根據有關的現行法律、詮釋和相關常規，按照適用稅率計算。

本年度美國企業所得稅準備指預扣稅項準備，按向美國附屬公司作出的集團內公司間墊款本年度利息收入的適用稅率計提，並根據有關的現行法律、詮釋和相關常規，按照適用稅率計算。

按照適用於本公司及其大多數附屬公司所在地的司法管轄區的稅前溢利／(虧損)的法定稅率計算出的稅項費用／(抵免)，與按實際稅率計算出的稅項費用的對賬，以及適用稅率(即法定稅率)和實際稅率的對賬如下：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

10. INCOME TAX (Continued)

Year ended 31 December 2016

10. 所得稅(續)

截至二零一六年十二月三十一日止年度

	Hong Kong		Mainland China		The USA		The UK		Total		
	Hong Kong	%	Mainland China	%	The USA	%	The UK	%	Total	%	
	香港		中國大陸		美國		英國		合計		
	HK\$		HK\$		HK\$		HK\$		HK\$		
	港元		港元		港元		港元		港元		
Profit/(loss) before tax	稅前溢利/ (虧損)	(23,746,629)	4,500,484	(5,672,684)	(9,756,202)	(34,675,031)					
Tax expense/(credit) at the statutory tax rate	按法定稅率計算的 稅項開支/ (抵減)	(3,918,194)	16.5	1,125,121	25.0	(2,269,074)	40.0	(1,951,240)	20.0	(7,013,387)	20.2
Income not subject to tax	無須納稅的收入	(772,145)	3.3	(612,489)	(13.6)	(78,584)	1.4	(54,501)	0.6	(1,517,719)	4.4
Expenses not deductible for tax	不可抵扣稅項的 費用	4,690,339	(19.8)	549,286	12.2	—	—	5,290	(0.1)	5,244,915	(15.1)
Effect of the PRC withholding tax on rental income from investment properties	中國預扣稅對來自 投資物業的租金 收入的影響	—	—	53,916	1.2	—	—	—	—	53,916	(0.2)
Effect of withholding tax on interest income derived from the USA	預扣稅對得自美國 的利息收入的 影響	—	—	—	—	124,267	(2.2)	—	—	124,267	(0.4)
Effect of the PRC withholding tax on disposal of subsidiaries	出售附屬公司之 中國預扣稅 之影響	—	—	396,000	8.8	—	—	—	—	396,000	(1.1)
Tax losses not recognised	未確認稅項虧損	—	—	508,037	11.3	2,347,658	(41.4)	2,000,451	(20.5)	4,856,146	(14.0)
Tax expense at the Group's effective tax rate	按本集團實際稅率 計算的稅項費用	—	—	2,019,871	44.9	124,267	(2.2)	—	—	2,144,138	(6.2)

Year ended 31 December 2015

截至二零一五年十二月三十一日止年度

	Hong Kong		Mainland China		The USA		The UK		Total		
	Hong Kong	%	Mainland China	%	The USA	%	The UK	%	Total	%	
	香港		中國大陸		美國		英國		合計		
	HK\$		HK\$		HK\$		HK\$		HK\$		
	港元		港元		港元		港元		港元		
Loss before tax	稅前虧損	(14,124,082)	(3,440,342)	(849,607)		(18,414,031)					
Tax credit at the statutory tax rate	按法定稅率計算的 稅項抵免	(2,330,474)	16.5	(860,086)	25.0	(339,843)	40.0	—	—	(3,530,403)	19.2
Income not subject to tax	無須納稅的收入	(1,816)	—	(233,995)	6.8	—	—	—	—	(235,811)	1.3
Expenses not deductible for tax	不可抵扣稅項的 費用	2,332,290	(16.5)	254,101	(7.4)	91,836	(10.8)	—	—	2,678,227	(14.5)
Effect of the PRC withholding tax on rental income from investment properties	中國預扣稅對來自 投資物業的租金 收入	—	—	87,690	(2.5)	—	—	—	—	87,690	(0.5)
Effect of withholding tax on interest income derived from the USA	預扣稅對得自美國 的利息收入的 影響	—	—	—	—	28,446	(3.3)	—	—	28,446	(0.2)
Tax losses not recognised	未確認稅務虧損	—	—	462,173	(13.4)	248,007	(29.2)	—	—	710,180	(3.9)
Tax expense/(credit) at the Group's effective tax rate	按本集團實際稅率 計算的稅項費用 /(抵免)	—	—	(290,117)	8.4	28,446	(3.3)	—	—	(261,671)	1.4

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

11. LOSS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

The calculation of the basic loss per share amount is based on the loss for the year attributable to shareholders of the Company of HK\$36,819,169 (2015: HK\$18,152,360), and the weighted average number of 860,106,548 (2015: 577,302,906 after taking into account the effect of a rights issue completed in November 2015) ordinary shares in issue during the year.

In respect of the diluted loss per share amounts, no adjustment has been made to the basic loss per share amounts presented as the Group had no potentially dilutive shares in issue during each of the years ended 31 December 2016 and 2015.

11. 歸屬於本公司股東的每股虧損

每股基本虧損金額乃根據本年度歸屬於本公司股東的虧損36,819,169港元(二零一五年: 18,152,360港元), 以及於本年度內已發行普通股加權平均數860,106,548股(二零一五年: 577,302,906股, 經計及於二零一五年十一月完成的供股的影響)計算。

有關每股攤薄虧損金額, 由於在截至二零一六年及二零一五年十二月三十一日止年度各年度內, 本集團並無已發行的潛在具攤薄性股份。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

12. PROPERTY, PLANT AND EQUIPMENT

12. 物業、廠房及設備

		Buildings	Leasehold improvements	Furniture, fixtures and office equipment	Motor vehicles	Total
		樓宇	租賃物業裝修	傢俬、裝置和辦公室設備	汽車	合計
Notes	附註	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元
Year ended 31 December 2016	截至二零一六年十二月三十一日止年度					
At 1 January 2016:	於二零一六年一月一日：					
Cost	成本	3,900,656	610,154	3,412,431	4,420,251	12,343,492
Accumulated depreciation	累計折舊	(1,282,139)	(563,191)	(2,074,610)	(2,795,250)	(6,715,190)
Net carrying amount	賬面淨值	2,618,517	46,963	1,337,821	1,625,001	5,628,302
Net carrying amount:	賬面淨值：					
At 1 January 2016	於二零一六年一月一日	2,618,517	46,963	1,337,821	1,625,001	5,628,302
Additions	增加	—	—	745,899	—	745,899
Depreciation provided during the year	本年計提折舊	7 (96,928)	(46,836)	(560,917)	(366,616)	(1,071,297)
Disposals	出售	—	—	(13,725)	—	(13,725)
Disposal of subsidiaries	出售附屬公司	29 (2,464,815)	(68)	(619,645)	(281,804)	(3,366,332)
Exchange realignment	匯兌調整	(56,774)	(59)	(54,312)	(82,353)	(193,498)
At 31 December 2016	於二零一六年十二月三十一日	—	—	835,121	894,228	1,729,349
At 31 December 2016:	於二零一六年十二月三十一日：					
Cost	成本	—	220,855	2,726,666	3,316,106	6,263,627
Accumulated depreciation	累計折舊	—	(220,855)	(1,891,545)	(2,421,878)	(4,534,278)
Net carrying amount	賬面淨值	—	—	835,121	894,228	1,729,349

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

12. PROPERTY, PLANT AND EQUIPMENT (Continued)

12. 物業、廠房及設備(續)

		Buildings	Leasehold improvements	Furniture, fixtures and office equipment	Motor vehicles	Total
		樓宇	租賃物業裝修	傢俬、裝置和辦公室設備	汽車	合計
Notes	附註	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元
Year ended 31 December 2015 截至二零一五年十二月三十一日止年度						
At 1 January 2015:	於二零一五年一月一日：					
Cost	成本	4,082,371	627,794	934,303	2,499,605	8,144,073
Accumulated depreciation	累計折舊	(1,137,750)	(387,333)	(355,686)	(1,759,104)	(3,639,873)
Net carrying amount	賬面淨值	2,944,621	240,461	578,617	740,501	4,504,200
Net carrying amount:	賬面淨值：					
At 1 January 2015	於二零一五年一月一日	2,944,621	240,461	578,617	740,501	4,504,200
Acquisition of subsidiaries	收購附屬公司	—	—	1,154,750	1,626,703	2,781,453
Additions	增加	—	—	110,351	—	110,351
Depreciation provided during the year	本年計提折舊	7 (201,439)	(191,951)	(369,901)	(558,080)	(1,321,371)
Disposals	出售	—	—	(61,442)	—	(61,442)
Disposal of subsidiaries	出售附屬公司	29 —	—	(15,602)	(97,527)	(113,129)
Exchange realignment	匯兌調整	(124,665)	(1,547)	(58,952)	(86,596)	(271,760)
At 31 December 2015	於二零一五年十二月三十一日	2,618,517	46,963	1,337,821	1,625,001	5,628,302
At 31 December 2015:	於二零一五年十二月三十一日：					
Cost	成本	3,900,656	610,154	3,412,431	4,420,251	12,343,492
Accumulated depreciation	累計折舊	(1,282,139)	(563,191)	(2,074,610)	(2,795,250)	(6,715,190)
Net carrying amount	賬面淨值	2,618,517	46,963	1,337,821	1,625,001	5,628,302

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

13. INVESTMENT PROPERTIES

Carrying amount as at 1 January 2015	於二零一五年一月一日之賬面值	95,069,001	—	95,069,001
Additions	增加	—	113,165,496	113,165,496
Net loss from fair value adjustments	公平值調整產生的淨虧損	(15,988,119)	—	(15,988,119)
Exchange realignment	匯兌調整	(3,723,292)	(17,518)	(3,740,810)
Carrying amount as at 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及二零一六年一月一日的賬面值	75,357,590	113,147,978	188,505,568
Additions	增加	290,186,142	17,001,719	307,187,861
Net loss from a fair value adjustment	公平值調整產生的淨虧損	(9,154,894)	—	(9,154,894)
Disposal of subsidiaries (note 29)	出售附屬公司(附註29)	(73,678,066)	—	(73,678,066)
Exchange realignment	匯兌調整	(7,705,522)	44,083	(7,661,439)
Carrying amount as at 31 December 2016	二零一六年十二月三十一日的賬面值	275,005,250	130,193,780	405,199,030

Notes:

- (a) The Group's completed investment properties as at 31 December 2016 represent an office building in London, the UK, which is leased to third parties under operating leases, further summary details of which are included in note 31(a) to the financial statements.

The Group's investment property under construction as at 31 December 2016 represents a portion of a commercial and residential complex (the "US Complex") currently being developed by the Group on a parcel of land located in Santa Monica, the County of Los Angeles, State of California, the USA, which would be leased out for rental income upon completion of the construction of the US Complex.

13. 投資物業

	Completed	Under construction	Total
	已落成	在建中	合計
	HK\$	HK\$	HK\$
	港元	港元	港元
Carrying amount as at 1 January 2015	95,069,001	—	95,069,001
Additions	—	113,165,496	113,165,496
Net loss from fair value adjustments	(15,988,119)	—	(15,988,119)
Exchange realignment	(3,723,292)	(17,518)	(3,740,810)
Carrying amount as at 31 December 2015 and 1 January 2016	75,357,590	113,147,978	188,505,568
Additions	290,186,142	17,001,719	307,187,861
Net loss from a fair value adjustment	(9,154,894)	—	(9,154,894)
Disposal of subsidiaries (note 29)	(73,678,066)	—	(73,678,066)
Exchange realignment	(7,705,522)	44,083	(7,661,439)
Carrying amount as at 31 December 2016	275,005,250	130,193,780	405,199,030

附註：

- (a) 於二零一六年十二月三十一日，本集團已落成的投資物業指英國倫敦的一處辦公建築物。該物業以經營租賃的形式租給第三方，更詳細的概括性信息見本財務報表附註31(a)。

於二零一六年十二月三十一日，本集團在建中的投資物業為本集團正在一幅位於美國加利福尼亞州洛杉磯聖莫尼卡市之土地發展的部分商住綜合物業(「美國綜合物業」)，於美國綜合物業建造工程完成後，其將會出租以獲取租金收入。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

13. INVESTMENT PROPERTIES (Continued)

Notes: (Continued)

- (b) The Group's completed investment properties were revalued on 31 December 2016 based on valuations performed by Gerald Eve LLP, independent professionally qualified valuers, at £28,750,000 (equivalent to HK\$275,005,250). Each year, the Group's senior management decides which external valuer to be appointed for the external valuations of the Group's investment properties. Selection criteria include market knowledge, independence and whether professional standards are maintained. The Group's senior management has ongoing discussions with the valuer on the valuation assumptions and valuation results when the valuation is performed.

Investment properties under construction are measured at cost as at 31 December 2016 as, in the opinion of the directors, the fair value cannot be determined reliably with reference to latest available status of the construction.

Fair value hierarchy disclosure

At 31 December 2016, fair value measurement of the Group's completed investment properties are using significant unobservable inputs (Level 3) as defined in HKFRS 13. During the year, there was no transfer into or out of Level 3.

Below is a summary of the valuation techniques used and the key inputs to the valuation of the Group's completed investment properties:

Valuation techniques 估值技術	Significant unobservable inputs 重大不可觀察輸入值	Range of input 輸入值範圍	
		2016 二零一六年	2015 二零一五年
Office building — Income capitalisation 辦公建築樓 — 收入資本化法	(i) Capitalisation rate (%) 資本化率(%)	4.28% to 5.61%	—
	(ii) Annual unit market rent per month 每月每年單位市場租金	£35 — £42.5 per square metre of gross floor area 每平方 總樓面面積 35英鎊至 42.5英鎊	—

13. 投資物業(續)

附註：(續)

- (b) 於二零一六年十二月三十一日，本集團已落成的投資物業由獨立專業合格估值Gerald Eve LLP進行的估值釐定，重新估價為28,750,000英鎊(相等於275,005,250港元)。每年，本集團高級管理層決定委任哪一家外聘估值師負責本集團投資物業的外部估值。甄選準則包括市場知識、獨立性及是否維持專業水準。本集團高級管理層與估值師在進行估值時持續討論估值假設及估值結果。

於二零一六年十二月三十一日，在建中投資物業按成本計量，乃由於董事認為，參考建造工程的最新可知情況，公平值不能可靠地確定。

公平值層級披露

於二零一六年十二月三十一日，本集團已落成投資物業的公平值計量均使用重大不可觀察輸入值(第三層級)(定義見香港財務報告準則第13號)。於本年度內，概無轉入或轉出第三層級的公平值計量。

以下為就本集團已落成投資物業估值所採用的估值技術及主要輸入值的概要：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

13. INVESTMENT PROPERTIES (Continued)

Notes: (Continued)

(b) (Continued)

Fair value hierarchy disclosure (Continued)

Valuation techniques 估值技術	Significant unobservable inputs 重大不可觀察輸入值	Range of input 輸入值範圍	
		2016 二零一六年	2015 二零一五年
Shops, storerooms and car parking spaces — Income capitalisation 商舖、儲藏室及停車場 — 收入資本化法	(i) Capitalisation rate (%) (ii) Annual unit market rent per month (ii) 每月每年單位市場租金	—	7.5%
		—	RMB69 — RMB255 per square metre of gross floor area 每平方米總樓面面積人民幣69元至人民幣255元

The income capitalisation approach is applied based on net rental income that can be derived from existing tenancies with due allowance for the reversionary potential of the properties.

A significant increase (decrease) in the estimated rental value and the market rent growth rate per annum in isolation would result in a significant increase (decrease) in the fair value of the investment properties. A significant increase (decrease) in the long term vacancy rate and the discount rate in isolation would result in a significant decrease (increase) in the fair value of the investment properties. Generally, a change in the assumption made for the estimated rental value is accompanied by a directionally similar change in the rent growth per annum and the discount rate and an opposite change in the long term vacancy rate.

13. 投資物業(續)

附註：(續)

(b) (續)

公平值層級披露(續)

應用收入資本化法時乃基於可來自現有租賃的淨租金收入，並妥為計及有關物業的復歸潛力。

估計租金價值及每年市場租金增長率單獨大幅上升(下降)會導致投資物業公平值大幅上升(下降)。長期空置率及折現率單獨大幅上升(下降)會導致投資物業公平值大幅下降(上升)。一般而言，就估計租金價值所作假設的變動會伴隨每年租金增長率及折現率相同方向的變動以及長期空置率相反方向的變動。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

13. INVESTMENT PROPERTIES (Continued)

Notes: (Continued)

- (c) At 31 December 2016, the Group's investment properties were pledged to secure bank facilities granted to the Group (2015: Nil) (notes 23(a) and (b)).

13. 投資物業(續)

附註：(續)

- (c) 於二零一六年十二月三十一日，抵押本集團的投資物業作為授予本集團的銀行融資之擔保(二零一五年：零)(附註23(a)及(b))。

14. INTANGIBLE ASSETS

14. 無形資產

		Hotel management right 酒店管理權	Property use rights 物業使用權	Computer software 電腦軟件	Total 合計
	Note 附註	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
Year ended 31 December 2016		截至二零一六年十二月三十一日止年度			
At 1 January 2016:		於二零一六年一月一日：			
Cost		—	—	11,909	11,909
Accumulated amortisation		—	—	(1,311)	(1,311)
Net carrying amount		—	—	10,598	10,598
Net carrying amount:		賬面淨值：			
At 1 January 2016		—	—	10,598	10,598
Additions		—	—	622,255	622,255
Amortisation provided during the year	7	—	—	(70,904)	(70,904)
Exchange realignment		—	—	(20,522)	(20,522)
At 31 December 2016		—	—	541,427	541,427
At 31 December 2016:		於二零一六年十二月三十一日：			
Cost		—	—	606,457	606,457
Accumulated amortisation		—	—	(65,030)	(65,030)
Net carrying amount		—	—	541,427	541,427

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

14. INTANGIBLE ASSETS (Continued)

14. 無形資產(續)

		Hotel management right 酒店管理權	Property use rights 物業使用權	Computer software 電腦軟件	Total 合計
Notes 附註	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
	(notes (a) and (c)) (附註(a)及(c))	(notes (b) and (c)) (附註(b)及(c))			
Year ended 31 December 2015	截至二零一五年十二月三十一日止年度				
At 1 January 2015:	於二零一五年一月一日:				
Cost	成本	5,221,238	15,226,528	—	20,447,766
Accumulated amortisation and impairment	累計攤銷及減值	—	(874,370)	—	(874,370)
Net carrying amount	賬面淨值	5,221,238	14,352,158	—	19,573,396
Net carrying amount:	賬面淨值:				
At 1 January 2015	於二零一五年一月一日	5,221,238	14,352,158	—	19,573,396
Acquisition of subsidiaries	收購附屬公司	—	—	11,809	11,809
Amortisation provided during the year	本年計提攤銷	7	(424,523)	(893)	(425,416)
Impairment provided during the year	本年度發生的減值	7	(470,744)	—	(470,744)
Disposals	出售	—	(13,592,480)	—	(13,592,480)
Disposal of subsidiaries	出售附屬公司	29	(4,662,220)	—	(4,662,220)
Exchange realignment	匯兌調整		(88,274)	(318)	(423,747)
At 31 December 2015	於二零一五年十二月三十一日	—	—	10,598	10,598
At 31 December 2015:	於二零一五年十二月三十一日:				
Cost	成本	—	—	11,909	11,909
Accumulated amortisation	累計攤銷	—	—	(1,311)	(1,311)
Net carrying amount	賬面淨值	—	—	10,598	10,598

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

14. INTANGIBLE ASSETS (Continued)

Notes:

- (a) In prior years, the Group entered into a hotel management contract with an independent third party (the "Grantor") to acquire a 10-year hotel management right for a cash consideration of RMB4,180,000 (equivalent to HK\$5,059,388, at the then exchange rate). Pursuant to the hotel management contract, the Grantor granted a 10-year hotel management right to the Group to manage the operation of a hotel (the "Hotel") which was owned and built by the Grantor. In return, the Group was entitled to receive 2% of the revenue generated by the Hotel as management income for 10 years from the date of commencement of operation of the Hotel.

The hotel management right was derecognised in 2015 upon disposal of 100% equity interest in Vast Glory Investment Limited by the Group in 2015, as further detailed in note 29(b) to the financial statements.

- (b) The amount in 2015 represented investments in two private entities established in the PRC. Based on the relevant agreements for these two investments, the directors of the Company are of the opinion that the two investments are, in substance, the procurement by the Group of the rights of occupation and use, the rights to receive rental income and the rights of disposal for certain portions of their properties located in Fujian Province, the PRC. Accordingly, the two investments were accounted for as intangible assets in accordance with HKAS 38.

On 22 October 2015, the Group entered into two share transfer agreements with a third party independent of the Group and a minority shareholder of the Company, respectively, to dispose of the investments in the above-mentioned two private entities for cash considerations of RMB7,000,000 (equivalent to HK\$8,537,200) and RMB4,200,000 (equivalent to HK\$5,122,320), respectively. These transactions were completed on 26 October 2015.

14. 無形資產(續)

附註：

- (a) 於以前年度，本集團與一名獨立第三方(「授予人」)訂立一項酒店管理合約，按現金代價人民幣4,180,000元(根據當時的匯率，相等於5,059,388港元)收購10年期酒店管理權。根據酒店管理合約，授予人向本集團授予10年期酒店管理權，以管理由授予人所擁有正在興建中的一家酒店(「酒店」)的經營業務。作為回報，本集團有權由酒店開始營業日起計10年內酒店所賺取的收入收取2%的管理收入。

於二零一五年，在本集團於二零一五內出售保成投資有限公司的100%股本權益後，酒店管理權已經終止確認，有關進一步詳情請見財務報表附註29(b)。

- (b) 二零一五年有關金額為於兩個在中國成立的私人實體的投資。根據該兩項投資的有關協議，本公司董事認為，該兩項投資實質上是本集團取得佔用及使用該兩個私人實體位於中國福建省的物業的若干部分的權利，收取其租金收入的權利，以及將其出售的權利。因此，該兩項投資根據香港會計準則第38號作為無形資產核算。

於二零一五年十月二十二日，本集團分別與獨立於本集團的第三方及本公司一名少數股東訂立兩項股份轉讓協議，以將於上述兩個私人實體的投資出售，有關現金代價分別為人民幣7,000,000元(相等於8,537,200港元)及人民幣4,200,000元(相等於5,122,320港元)。該等交易已經於二零一五年十月二十六日完成。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

14. INTANGIBLE ASSETS (Continued)

Notes: (Continued)

- (c) On the respective dates of disposal, the Group determined the recoverable amounts of the investments in two private entities and the hotel management right based on fair value less costs of disposal, which were estimated by valuations performed by DTZ Cushman & Wakefield, independent professionally qualified valuers. An impairment loss of HK\$470,744 was recognised during the prior year since the carrying amount of the hotel management right exceeds its recoverable amount.

15. PROPERTIES UNDER DEVELOPMENT

Properties under development of the Group as at 31 December 2016 represented a portion of the US Complex (as defined in note 13(a)) which would be held for sale upon completion of the construction of the US Complex. At 31 December 2016, such properties were pledged to secure a bank loan facility granted to the Group (note 23(b)).

16. INVENTORIES

Inventories represented spares used for daily maintenances of properties managed by the Group.

17. TRADE RECEIVABLES

14. 無形資產(續)

附註：(續)

- (c) 於各自出售日期，本集團確定，於兩個私人實體的投資及酒店管理權的可收回金額根據公平值減出售費用確定，其乃以由獨立專業合格估值師戴德梁進行的估值估計。於過往年度，由於酒店管理權的賬面金額超過其可收回金額，因此確認減值虧損470,744港元。

15. 發展中物業

於二零一六年十二月三十一日，本集團的發展中物業為美國綜合物業(定義見附註13(a))的一部分，於美國綜合物業建造工程完成後，其將會持有作出售。於二零一六年十二月三十一日，抵押該等物業作為授予本公司之銀行貸款融資之擔保(附註23(b))。

16. 存貨

存貨指日常為維修保養由本集團管理之物業所用之備件。

17. 應收貿易賬款

		2016	2015
		二零一六年	二零一五年
		HK\$	HK\$
		港元	港元
Trade receivables	應收貿易賬款	26,265,656	25,138,080
Less: Impairment (note (b))	減：減值(附註(b))	(5,949,514)	(4,469,160)
		20,316,142	20,668,920

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

17. TRADE RECEIVABLES (Continued)

Notes:

- (a) Trade receivables are non-interest-bearing and arise from the provision of property management services and leasing of investment properties. Tenants of the Group's managed properties are required to pay a calendar year's property management service fees annually in advance.

An aged analysis of the trade receivables that are not individually nor collectively considered to be impaired is as follows:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Past due:	已逾期：		
Less than 1 year	少於1年	15,164,691	13,927,350
1 year to 2 years	1至2年	4,287,886	5,659,072
2 years to 3 years	2至3年	863,565	1,082,498
		20,316,142	20,668,920

The Group's credit terms for its property management service fees and rental income are negotiated with and entered into under normal commercial terms with its tenants. Since the Group has a large number of tenants with individually insignificant trade receivables balances, impairment assessment of these trade receivables is based on a collective assessment of individual tenants with similar characteristics and credit history, which indicate that trade receivables which are less than one year past due are not considered impaired. At 31 December 2016, trade receivables of HK\$5,151,451 (2015: HK\$6,741,570), net of provision for impairment, were past due over one year but not impaired according to collective assessment policy adopted by the management. The Group does not hold any collateral or other credit enhancements over these balances.

17. 應收貿易賬款(續)

附註：

- (a) 應收貿易賬款並不計息及於提供物業管理服務及租賃投資物業時產生。租戶租用本集團管理之物業，須每年預付一個曆年之物業管理服務費用。

並無被個別及集體認定發生減值之應收貿易賬款之賬齡分析如下：

	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Past due:		
Less than 1 year	15,164,691	13,927,350
1 year to 2 years	4,287,886	5,659,072
2 years to 3 years	863,565	1,082,498
	20,316,142	20,668,920

本集團物業管理服務費及租金收入的信貸條款透過與其租戶磋商按一般商務條款訂立。由於本集團租戶為數眾多，而租戶個體的貿易應收款項結餘並不重大，因此，該等應收貿易賬款的減值評估根據特徵及信貸記錄類似的個別租戶的集體評估而進行，其顯示逾期少於1年的應收貿易賬款不視為減值。於二零一六年十二月三十一日，根據管理層採納的集體評估政策，5,151,451港元(二零一五年：6,741,570港元)的應收貿易賬款(扣除減值準備)已逾期超過1年但並無減值。本集團並沒有就這些餘額持有任何抵押品或其他信用增級。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

17. TRADE RECEIVABLES (Continued)

Notes: (Continued)

- (b) The movements in the Group's provision for impairment of trade receivables during the year are as follows:

At beginning of year	於年初
Acquisition of subsidiaries	收購附屬公司
Impairment during the year recognised in profit or loss, net (note 7)	於本年度在損益中確認的減值，淨額(附註7)
Exchange realignment	匯兌調整
At end of year	於年末

The above provision for impairment of trade receivables represented provision for impaired trade receivables assessed collectively with an aggregate gross carrying amount of HK\$11,075,902 (2015: HK\$10,774,678) as at 31 December 2016.

The collectively impaired trade receivables relate to customers that were in default in settlement of trade receivables for a long period of time and only a portion of the receivables is expected to be recovered. The Group does not hold any collateral or other credit enhancements over these balances.

- (c) Included in the Group's trade receivables are amounts due from related companies of HK\$734,636 (2015: HK\$2,978,467), which are repayable on credit terms similar to those offered to other tenants of the Group. Messrs. Wei Chunxian and Sun Zhongmin, both being directors of the Company, have beneficial interests in these related companies.
- (d) At 31 December 2016, trade receivables of HK\$314,711 (2015: Nil) in total were pledged to secure a bank loan facility granted to the Group (note 23(a)).

17. 應收貿易賬款(續)

附註：

- (b) 於本年度內，本集團應收貿易賬款減值準備的變動如下：

	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
At beginning of year	4,469,160	—
Acquisition of subsidiaries	—	4,276,505
Impairment during the year recognised in profit or loss, net (note 7)	1,850,028 (369,674)	403,867 (211,212)
Exchange realignment		
At end of year	5,949,514	4,469,160

上述應收貿易賬款減值撥備指出現減值之應收貿易賬款撥備，於二零一六年十二月三十一日，其集體評估賬面總值合共為11,075,902港元(二零一五年：10,774,678港元)。

集體出現減值之應收貿易賬款與長期拖欠應收貿易賬款之客戶有關，而僅部分應收款項預計將可收回。本集團並沒有就這些餘額持有任何抵押品或其他信用增級。

- (c) 本集團的應收貿易賬款包括應收關連方的金額734,636港元(二零一五年：2,978,467港元)，並需按照類似於本集團向其他租戶所提供的信用條款償還。魏純暹先生及孫仲民先生(均為本公司董事)於該等關連公司擁有實益權益。
- (d) 於二零一六年十二月三十一日，貿易應收賬款合計314,711港元(二零一五年：零)已抵押作為本集團獲授銀行貸款融資之擔保(附註23(a))。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

18. BALANCES WITH RELATED COMPANIES

The balances with related companies are unsecured, interest-free and have no fixed terms of repayment.

(a) Due from related companies

Amounts due from related companies, disclosed pursuant to section 383(1)(d) of the Hong Kong Companies Ordinance and Part 3 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, are as follows:

Company name	At 31	Maximum amount outstanding during the current year	Maximum amount outstanding December 2015 and 1 January 2016	Maximum amount outstanding during the prior year	At 1 January 2015
	December 2016	year	1 January 2016	year	2015
			於二零一五年十二月三十一日及二零一六年一月一日	過往年度最高未償還金額	於二零一五年一月一日
	二零一六年十二月三十一日	本年度最高未償還金額	二零一六年一月一日	年度最高未償還金額	於二零一五年一月一日
	HK\$	HK\$	HK\$	HK\$	HK\$
	港元	港元	港元	港元	港元
Beijing RH Central Hotel Management Company Limited*	—	282,594	257,815	282,594	—
Beijing Guorui Property Development Company Limited Jinan Branch*	1,352,838	3,205,821	690,682	5,580,772	—
Beijing Guolong Property Company Limited*	170,332	1,671,801	201,475	201,475	—
Beijing Guorui Jinding Kindergarten*	44,175	44,175	—	—	—
	<u>1,567,345</u>	<u>4,962,591</u>	<u>1,149,972</u>	<u>5,784,741</u>	<u>—</u>

* For identification purposes only

* 僅供識別

18. 與關連公司的結餘

與關連公司的結餘為無抵押、免息和沒有固定還款期。

(a) 應收關連公司款項

根據香港《公司條例》第383(1)(d)條及《公司(披露董事利益資料)規例》第3部披露的應收關連公司款項如下：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

18. BALANCES WITH RELATED COMPANIES (Continued)

(a) Due from related companies (Continued)

Notes:

- (i) Two directors of the Company, namely Messrs. Wei Chunxian and Sun Zhongmin, have beneficial interests in these related companies.
- (ii) The natures of the amounts due from related companies are certain property management service fee income, car park management service fee income received on behalf of the Group by the related companies and certain miscellaneous expenses paid on behalf of the related companies by the Group.

(b) Due to related companies

Included in the balance as at 31 December 2016 are payables of HK\$5,601,350 (2015: HK\$2,024,923) due to owners of certain properties managed by the Group in respect of certain cost of property management services paid by the owners on behalf of the Group. Two directors of the Company, namely Messrs. Wei Chunxian and Sun Zhongmin, have beneficial interests in the owners of these properties.

18. 與關連公司的結餘(續)

(a) 應收關連公司款項(續)

附註：

- (i) 本公司兩名董事魏純暹先生及孫仲民先生在該等關連公司中擁有實益權益。
- (ii) 應收關連公司款項的性質為關連公司代本集團收取的若干物業管理服務費收入及停車場管理服務費收入以及本集團代關連公司支付的若干雜項開支。

(b) 應付關連公司款項

於二零一六年十二月三十一日，結餘包括就本集團所管理的若干物業的擁有人代本集團支付的若干物業管理服務成本而應付有關擁有人的款項5,601,350港元(二零一五年：2,024,923港元)。本公司兩名董事，即魏純暹先生及孫仲民先生於該等物業的該等擁有人中擁有實益權益。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

19. PLEDGED BANK DEPOSIT AND CASH AND CASH EQUIVALENTS

19. 已抵押銀行存款及現金及銀行結餘

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Cash and bank balances other than a time deposit	除定期存款外的現金及銀行結餘	247,494,649	243,060,265
Time deposit	定期存款	38,800,000	—
Total cash and bank balances	現金及銀行結餘總額	286,294,649	243,060,265
Less: Pledged bank deposit (note (c))	減：已抵押銀行存款 附註(c)	(38,800,000)	—
Cash and cash equivalents	現金及現金等價物	247,494,649	243,060,265

Notes:

- (a) At 31 December 2016, the cash and bank balances of the Group denominated in RMB amounted to HK\$90,553,827(2015: HK\$86,137,395). RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.
- (b) Cash at banks earns interest at floating rates based on daily bank deposit rates. A short term time deposit was made for a period of twelve months, and earns interest at the short term time deposit rate. The bank balances and pledged bank deposit are deposited with creditworthy banks with no recent history of default.
- (c) At 31 December 2016, a bank deposit of US\$5,000,000 (equivalent to HK\$38,800,000) (2015: Nil) was pledged to a bank for the issuance of a standby letter of credit in respect of future settlement to a contractor for the construction of the US Complex.

附註：

- (a) 於二零一六年十二月三十一日，本集團用人民幣列值的現金及銀行結餘達90,553,827港元(二零一五年：86,137,395港元)。儘管人民幣不能與其他貨幣自由兌換，但是根據中國大陸的中華人民共和國外匯管理條例及結匯、售匯及付匯管理規定，本集團可以通過有權進行外幣業務的銀行將人民幣兌換成其他貨幣。
- (b) 銀行存款按根據每日銀行存款利率計算之浮動利率計息。短期定期存款之存款期為十二個月，按有關之短期定期存款利率計息。銀行結餘及已抵押銀行存款乃存於並無近期違約記錄而具信譽的銀行。
- (c) 於二零一六年十二月三十一日，銀行存款5,000,000美元(相當於38,800,000港元)(二零一五年：無)已抵押予銀行，以令其就向承包商日後結清美國綜合物業建造工程發出信貸備用函。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

20. TRADE PAYABLES

Trade payables are non-interest-bearing and the average credit period is 30 days. An aged analysis of the Group's trade payables as at the end of the reporting period, based on the invoice date, is as follows:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Within 3 months	3個月內	18,242,520	5,845,702
3 to 6 months	3至6個月	1,201,169	664,092
6 to 12 months	6至12個月	3,252,316	2,277,110
Over 1 year	1年以上	751,095	1,674,445
		23,447,100	10,461,349

21. OTHER PAYABLES AND ACCRUALS

Other payables	其他應付款
Accruals	預提費用

The Group's other payables as at 31 December 2016 included, inter alia, the following:

- (i) amounts of HK\$7,611,342 (2015: HK\$9,704,962) in total payable to water, heating and electricity suppliers in respect of public utility fees collected from tenants on behalf of public utility suppliers; and
- (ii) refundable decoration deposits and property management service fee deposits of HK\$13,202,762 (2015: HK\$11,410,188) in total received from tenants of a commercial building and residential properties.

20. 應付貿易賬款

應付貿易賬款不計息，而平均信貸期限為30天。根據發票日期，於報告期末，本集團應付貿易賬款的賬齡分析如下：

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Within 3 months	3個月內	18,242,520	5,845,702
3 to 6 months	3至6個月	1,201,169	664,092
6 to 12 months	6至12個月	3,252,316	2,277,110
Over 1 year	1年以上	751,095	1,674,445
		23,447,100	10,461,349

21. 其他應付款和預提費用

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Other payables	其他應付款	24,161,634	31,825,692
Accruals	預提費用	8,382,299	7,388,822
		32,543,933	39,214,514

於二零一六年十二月三十一日，本集團的其他應付款包括(其中包括)以下各項：

- (i) 應付自來水、暖氣及電力款項合共7,611,342港元(二零一五年：9,704,962港元)，有關公用設施費用乃代公用設施供應商向租戶收取；及
- (ii) 可予退還裝修按金及物業管理服務費按金合共13,202,762港元(二零一五年：11,410,188港元)，有關按金乃向一幢商業大廈及住宅物業之租戶收取。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

22. DUE TO A SHAREHOLDER

The balance with a shareholder as at 31 December 2016 is unsecured, interest-free and has no fixed terms of repayment.

22. 應付股東款項

股東於二零一六年十二月三十一日之結餘為無抵押、免息及無固定償還期。

23. BANK BORROWINGS

23. 銀行借款

			Effective interest rate 實際利率 (%) (%)	Maturity 到期日	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
	Notes 附註					
Current		即期				
Bank loan – secured	(a)	銀行貸款 — 有抵押	2.76%	2017 二零一七年	132,264,315	—
Non-current		非即期				
Bank loan – secured	(b)	銀行貸款 — 有抵押	4.75%	2018 二零一八年	5,267,688	—
					137,532,003	—
Analysed into amount repayable:		應付款項分析為：				
Within one year or on demand		一年內或按要求			132,264,315	—
In the second year		第二年			5,267,688	—
					137,532,003	—

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

23. BANK BORROWINGS (Continued)

Notes:

- (a) At 31 December 2016, the Group had a bank loan facility of US\$20 million or its equivalent in other currencies, of which £13,875,000 had been utilised as at that date, for financing the purchase of an office building in London, the UK (completed investment properties). The bank loan facility is secured by the Group's completed investment properties (note 13(c)) and trade receivables of HK\$314,711 (2015: Nil) (note 17(d)). The bank loan facility contains a repayable on demand clause.
- (b) At 31 December 2016, the Group had another bank loan facility of US\$18 million, of which US\$679,281 had been utilised as at that date, for financing the construction cost of the US Complex. The bank loan facility is guaranteed by the Company and secured by the Group's investment property under construction and properties under development with carrying amounts as at 31 December 2016 of HK\$130,193,780 and HK\$104,716,441, respectively.
- (c) The bank borrowings as at 31 December 2016 were denominated in the following currencies:

		2016 二零一六年 HK\$	2015 二零一五年 HK\$
£	英鎊	132,264,315	—
US\$	美元	5,267,688	—
		137,532,003	—

24. LOAN FROM A SHAREHOLDER

Pursuant to a shareholder's loan agreement dated 28 July 2016 and a supplemental agreement dated 24 August 2016 entered into between the Company and Wintime, the immediate holding company, Wintime granted a shareholder's loan facility of HK\$250,000,000 (or its equivalent in £) to the Company, of which £6,425,000 (equivalent to HK\$61,458,337) had been utilised as at 31 December 2016. The shareholder's loan bears interest at the rate of 2% per annum, and is repayable in 3 years from the date of drawdown of the shareholder's loan or such other date agreed between Wintime and the Company.

23. 計息銀行借款(續)

附註：

- (a) 於二零一六年十二月三十一日，本集團擁有20,000,000美元或等值的其他貨幣的銀行貸款融資，其中13,875,000英鎊已於為購買英國倫敦辦公大樓(已竣工投資物業)當日動用。銀行貸款融資由本集團已竣工投資物業(附註13(c))及貿易應收款項314,711港元(二零一五年：零)(附註17(d))作抵押。銀行貸款融資包括按要求償還條款。
- (b) 於二零一六年十二月三十一日，本集團另外擁有18,000,000美元貸款融資，其中679,281美元已於為美國綜合大樓建築成本融資當日動用。本集團銀行貸款由本公司擔保及由本集團截至二零一六年十二月三十一日的賬面值分別為130,193,780港元及104,716,441港元的在建中及發展中投資物業作出抵押。
- (c) 於二零一六年十二月三十一日，銀行借款以下列貨幣計值：

24. 股東持有的貸款

根據本公司與本公司直接控股公司Wintime訂立日期為二零一六年七月二十八日之股東貸款協議及日期為二零一六年八月二十四日之補充協議，Wintime向本公司授予250,000,000港元(或等值的英鎊)之股東貸款融資，其中6,425,000英鎊(相當於61,458,337港元)已於二零一六年十二月三十一日被動用。股東貸款按2%的年利率計算利息，並將於提取相關股東貸款之日起為期三年或Wintime與本公司共同協定的其他日期到期。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

25. DEFERRED TAX LIABILITIES

The movements in deferred tax liabilities of the Group are as follows:

25. 遞延稅項負債

以下是本集團遞延稅項負債的變動情況：

		Notes 附註	Arising from revaluation of investment properties 產生自投資物業重估 HK\$ 港元
At 1 January 2015	於二零一五年一月一日		15,138,765
Net deferred tax credited to profit or loss during the year	本期間損益扣除的遞延稅項淨額	10	(2,544,769)
Exchange realignment	匯兌調整		(592,934)
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及二零一六年一月一日		12,001,062
Net deferred tax charged to profit or loss during the year	本年損益計入的遞延稅項淨額	10	122,323
Disposal of subsidiaries	出售附屬公司	29	(11,853,913)
Exchange realignment	匯兌調整		(269,472)
At 31 December 2016	於二零一六年十二月三十一日		—

Notes:

- (a) At 31 December 2016, deferred tax assets have not been recognised in respect of unutilised tax losses of HK\$23,218,284 (2015: HK\$10,869,368) as they have arisen in the Company and certain subsidiaries that have been loss-making for some time and it is not probable that taxable profits will be available against which such tax losses can be utilised. Out of this amount, no tax loss (2015: HK\$462,173) will expire in one to five years.

附註：

- (a) 於二零一六年十二月三十一日，由於發生虧損的本公司及若干附屬公司已虧損一段時間，而且估計其不太可能產生用於抵銷有關稅務虧損的應稅利潤，因此並未就未利用稅務虧損23,218,284港元(二零一五年：10,869,368港元)確認遞延稅項資產。在該金額中，無稅項虧損(二零一五年：462,173港元)將會於一至五年內到期。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

25. DEFERRED TAX LIABILITIES (Continued)

Notes: (Continued)

- (b) Pursuant to the PRC corporate income tax law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

Pursuant to the USA corporate income tax law, a 30% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in the USA. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in the USA.

Pursuant to the UK profits tax law, a 20% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in the UK. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in the UK.

At 31 December 2016, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries established in Mainland China (2015: Nil). In the opinion of the directors, it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. The aggregate amount of temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised was not significant as at 31 December 2016 and 2015.

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

25. 遞延稅項負債(續)

附註：(續)

- (b) 根據中國企業所得稅法，於中國大陸成立的外商投資企業向境外投資者宣佈派發股息須徵收10%預扣稅。此規定由二零零八年一月一日起生效，並適用於二零零七年十二月三十一日後的盈利。倘若中國大陸與境外投資者的司法管轄區訂有稅務條約，則可運用較低的預扣稅率。就本集團而言，適用稅率為10%。因此，本集團須就於中國大陸成立的附屬公司由二零零八年一月一日起產生的盈利所分派的股息繳付預扣稅。

根據美國企業所得稅法，於美國成立的外商投資企業向境外投資者宣佈派發股息須徵收30%預扣稅。因此，本集團須就於美國成立的附屬公司所分派的股息繳付預扣稅。

根據英國利得稅法，在英國成立的外商投資企業向外國投資者宣派的股息須徵收20%的預扣稅。本集團因此須就其在英國成立的附屬公司所分派的股息繳納預扣稅。

於二零一六年十二月三十一日，概無就在中國內地成立應繳納預扣稅的本集團附屬公司的未滙付盈餘的應繳預扣稅而確認任何遞延稅項(二零一五年：無)。董事認為，在可見未來，該等附屬公司不大可能分派此等盈餘。於二零一六年及二零一五年十二月三十一日，遞延稅項負債尚未確認入賬的涉及中國內地附屬公司投資的暫時差異並不重大。

- (c) 本公司支付股東的股息無所得稅影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

26. SHARE CAPITAL

26. 股本

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Issued and fully paid:	已發行及繳足：		
897,420,738 (2015: 791,841,828)	897,420,738股		
ordinary shares	(二零一五年： 791,841,828)股 普通股	519,965,063	1,115,590,024

A summary of movements in the Company's share capital is as follows:

本公司股本的變動概括如下：

		Number of shares in issue 已發行 股份的數量	Share capital 股本 HK\$ 港元
At 1 January 2015	於二零一五年一月一日	527,894,552	777,970,773
Rights issue (<i>note (a)</i>)	供股(附註(a))	263,947,276	343,131,459
Rights issue expenses	供股發行費用	—	(5,512,208)
At 31 December 2015 and 1 January 2016	於二零一五年 十二月三十一日及 二零一六年一月一日	791,841,828	1,115,590,024
Placing of new shares (<i>note (b)</i>)	新股份配售(附註(b))	105,578,910	105,578,910
Share issue expenses	股份發行費用	—	(1,203,871)
Capital reduction (<i>note (c)</i>)	資本減少(附註(c))	—	(700,000,000)
At 31 December 2016	於二零一六年 十二月三十一日	897,420,738	519,965,063

Notes:

- (a) A rights issue of one rights share for every two existing shares held by members on the register of members on 24 November 2015 was made at an issue price of HK\$1.3 per rights share, resulting in the issue of 263,947,276 ordinary shares of the Company on 3 December 2015 for a total cash consideration, before expenses, of HK\$343,131,459.

附註：

- (a) 根據二零一五年十一月二十四日股東登記冊，股東每持有兩股現有股份獲配發一股供股股份而進行供股，每股供股股份發行價為1.3港元，於二零一五年十二月三日共發行本公司普通股263,947,276股，未扣除費用的總現金代價為343,131,459港元。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

26. SHARE CAPITAL (Continued)

Notes: (Continued)

- (b) Pursuant to a placing agreement entered into with a placing agent on 21 April 2016, the Company issued a total of 105,578,910 ordinary shares at the placing price of HK\$1.00 per share to independent third parties on 10 May 2016 for a total cash consideration, before expenses, of HK\$105,578,910. Further details of the share placement are set out in the Company's announcements dated 21 April 2016 and 10 May 2016.
- (c) Pursuant to an ordinary resolution of shareholders of the Company passed on 7 November 2016, a capital reduction plan was approved during the year to reduce the share capital account of the Company by an amount of HK\$700,000,000, for the purpose of offsetting the entire amount of the accumulated losses of the Company of HK\$675,781,658 as at 30 June 2016 with the remaining balance of HK\$24,218,342 to be retained at the capital reduction reserve account of the Company. Further details of the capital reduction are set out in the Company's circular dated 21 October 2016.

27. SHARE OPTION SCHEME

The Company's share option scheme (the "Share Option Scheme") was adopted pursuant to a resolution passed on 7 November 2016 for the primary purpose of incenting and rewarding those who have contributed or may contribute to the development of the Group and attracting and retaining skilled and experienced personnel ("Eligible Participants") and to motivate them to strive for the future development of the Group by providing them with an opportunity to acquire proprietary interests in the Company thereby linking their interest with that of the Group and will remain in force for a period of ten years commencing on the adoption date and shall expire on 6 November 2026 subject to early termination provisions contained in the Share Option Scheme. The board of directors of the Company may grant options to Eligible Participants to subscribe for shares in the Company subject to the terms of the Share Option Scheme.

26. 股本(續)

附註：(續)

- (b) 根據於二零一六年四月二十一日與配售代理人訂立的配售協議，本公司於二零一六年五月十日向獨立第三方發行合共105,578,910股每股配售價1.00港元的普通股，有關認購價為每股1.00港元，未扣除費用的有關總現金代價為105,578,910港元。有關股份配售的進一步詳情載於本公司日期為二零一六年四月二十一日及二零一六年五月十日的公佈內。
- (c) 根據本公司股東於二零一六年十一月七日通過之普通決議案，就抵銷本公司於二零一六年六月三十日的累計虧損的全部款項675,781,658港元，批准本年度股本削減計劃，以減少本公司股本賬目中700,000,000港元款項，而餘下24,218,342港元將保留至本公司股本削減儲備賬內。股本削減的進一步詳情載於本公司日期為二零一六年十月二十一日的通函內。

27. 購股權計劃

根據於二零一六年十一月七日通過的決議案，本公司的購股權計劃（「購股權計劃」）已獲採納，主要旨在通過提供獲得本公司適當權益的機會，激勵及獎勵那些已對或可能對本集團的發展作出貢獻的人，吸引及留聘熟練及富有經驗的人員（「合資格參與者」）以及激勵彼等為本集團的未來奮鬥，從而將彼等的權益與本集團的權益聯繫在一起，將自採納日期起計有效十年，並應於二零二六年十一月六日屆滿，惟受限於購股權計劃內含的提早終止條文。在購股權計劃的條款規限下，本公司董事會可向合資格參與者授出購股權以認購本公司股份。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

27. SHARE OPTION SCHEME (Continued)

The total number of shares in respect of which options may be granted under the Share Option Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Further, the total maximum number of shares which may be issued upon exercise of all outstanding share options granted and yet to be exercised under the Share Option Scheme and any other share option scheme of the Company must not exceed 30% of the issued share capital of the Company from time to time. Options granted to a substantial shareholder or an independent non-executive Director, or to any of their respective associates, in excess of 0.1% of the shares of the Company in issue at any time and with an aggregate value (based on the closing price of the Company's shares as stated in the daily quotation sheets issued by the Stock Exchange at the date of the grant) in excess of HK\$5 million, within any 12-month period up to and including the date of grant, are subject to shareholders' approval in advance in a general meeting.

Options granted must be taken up within 21 days inclusive of the day on which offer was made, upon payment of HK\$1 by the grantee. Options may be exercised at any time for a period determined by its directors which shall not be later than the day immediately preceding the tenth anniversary of the date of grant. The exercise price of the share options shall be a price solely determined by the board of directors of the Company and notified to an Eligible Participant and shall be at least the highest of (i) the closing price of the Company's shares as stated in the daily quotations sheet of the Stock Exchange on the date of the grant of the options; (ii) the average of the closing prices of the Company's shares as stated in the daily quotations sheets of the Stock Exchange for the five trading days immediately preceding the date of the grant of the option; and (iii) the nominal value of a share of the Company on the date of grant.

27. 購股權計劃(續)

在未有本公司股東事前批准的情況下，根據購股權計劃可能授出的購股權的有關股份總數不得超過本公司任何時間的已發行股份的10%。另外，悉數行使根據購股權計劃及本公司任何其他購股權計劃授出但未行使的全部尚未行使購股權後可能發行的股份最高總數不得超過本公司不時之已發行股本30%。倘向一名主要股東或獨立非執行董事或任何彼等各自的聯繫人授出的購股權於任何截至及包括授出日期12個月期間超過本公司任何時間的已發行股份0.1%及總價值(以聯交所於授出日期發出的每日報價表所述本公司股份收市價為基準)超過5,000,000港元，須事先於股東大會上取得股東批准。

授出的購股權須於提呈日起21日(包括提呈日)內承購，承授人須支付1港元。購股權可於董事釐定的期間任何時間予以行使，其不得遲於緊接授出日期十週年前當日。購股權行使價須為由本公司董事會全權釐定並知會合資格參與者，且價格最少為以下最高者：(i)於授出購股權日期聯交所每日報價表所列本公司股份的收市價；(ii)緊接授出購股權日期前五個交易日聯交所的每日報價表所列本公司股份的平均收市價；及(iii)授出日期本公司股份的面值。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

27. SHARE OPTION SCHEME (Continued)

Since the adoption of the Share Option Scheme on 7 November 2016, no share options were granted, and hence there was no outstanding option under the Share Option Scheme as at 31 December 2016.

28. RESERVES

- (a) The amounts of the Group's reserves and the movements therein for the current year and the prior year are presented in the consolidated statement of changes in equity.
- (b) Capital reduction reserve represented the unutilised amount of the capital reduction approved by shareholders of the Company on 7 November 2016. The balance will be utilised in future to offset accumulated losses of the Company that may arise in future. Further details of the capital reduction are set out in note 26(c) to the financial statements.
- (c) Capital reserve mainly arose from deemed contributions from non-controlling shareholders of the Company as a result of certain liabilities of the Group of HK\$161,035,077 in total being waived by two shareholders of the Company in February 2014.

27. 購股權計劃(續)

自二零一六年十一月七日採納購股權計劃之日起，概無購股權根據購股權計劃授出，因此，於二零一六年十二月三十一日亦無尚未行使的購股權。

28. 儲備

- (a) 本集團本年度及去年同期的儲備金額及相應變動列報於綜合權益變動表。
- (b) 資本減值儲備指本公司股東於二零一六年十一月七日批准的資本減值的未動用款項。結餘將於日後動用以抵銷本公司日後可能產生之累計虧損。有關資本減值之進一步詳情載於財務報表附註26(c)。
- (c) 資本儲備主要產生自本公司非控股股東之視為供款，由於本集團合共161,035,077港元之若干負債於二零一四年二月獲兩名股東豁免。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

29. DISPOSAL OF SUBSIDIARIES

29. 出售附屬公司

		2016	2015
		二零一六年	二零一五年
Notes		HK\$	HK\$
附註		港元	港元
		(note (a))	(note (b))
		(附註(a))	(附註(b))
Net assets disposed of:	出售的淨資產：		
Property, plant and equipment	物業、廠房及設備	12 3,366,332	113,129
Investment properties	投資物業	13 73,678,066	—
Intangible assets	無形資產	14 —	4,662,220
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款	1,417,114	13,868
Cash and cash equivalents	現金及現金等價物	923,797	96,626
Other payables and accruals	其他應付款及應計費用	(6,005,177)	—
Receipts in advance	預收款項	(521,224)	—
Income tax payables	應付所得稅	(1,187,698)	—
Other taxes payables	其他應付稅項	(1,776,396)	—
Deferred tax liabilities	遞延稅項負債	25 (11,853,913)	—
		58,040,901	4,885,843
Exchange fluctuation reserve realised	變現的匯兌波動儲備	15,942,404	(469,071)
Gain/(loss) on disposal of subsidiaries	出售附屬公司的收益／(虧損)	(1,587,305)	217,708
		72,396,000	4,634,480
Satisfied by cash	以現金支付	72,396,000	4,634,480

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

29. DISPOSAL OF SUBSIDIARIES (Continued)

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

		2016 二零一六年 HK\$ 港元 (note (a)) (附註(a))	2015 二零一五年 HK\$ 港元 (note (b)) (附註(b))
Cash consideration	現金代價	72,396,000	4,634,480
Cash and cash equivalents disposed of	出售的現金及銀行結餘	(923,797)	(96,626)
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	有關出售附屬公司的現金及現金等價物的淨流入	71,472,203	4,537,854

Notes:

- (a) On 15 June 2016, the Company entered into a sale and purchase agreement with Huge Spread Limited, an independent third party, to dispose of the Company's 100% equity interest in each of Jiacheng and Faith Stand for a total cash consideration of HK\$72,396,000. These two subsidiaries were engaged in leasing of investment properties comprising shops, store rooms and car parking spaces located in two residential property development projects in Gulou District, Fuzhou, Fujian Province, the PRC. The transaction was completed on 30 June 2016.

Further details of this transaction are set out in the Company's announcement dated 15 June 2016.

- (b) The disposal transaction in the prior year represented the disposal of the Group's 100% equity interest in Vast Glory Investment Limited on 26 October 2015 to a non-controlling shareholder of the Company for a cash consideration of RMB3,800,000 (equivalent to HK\$4,634,480 at the then exchange rate). At the time of the disposal, Vast Glory Investment Limited and its subsidiary did not actively engage in any businesses other than holding a hotel management right.

29. 出售附屬公司(續)

對於出售附屬公司的現金及現金等價物的淨流入分析如下：

		2016 二零一六年 HK\$ 港元 (note (a)) (附註(a))	2015 二零一五年 HK\$ 港元 (note (b)) (附註(b))
Cash consideration	現金代價	72,396,000	4,634,480
Cash and cash equivalents disposed of	出售的現金及銀行結餘	(923,797)	(96,626)
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	有關出售附屬公司的現金及現金等價物的淨流入	71,472,203	4,537,854

附註：

- (a) 於二零一六年六月十五日，本公司與獨立第三方達揚有限公司訂立買賣協議，以出售本公司於佳成及信立的100%股本權益，有關交易的現金代價定為合共72,396,000港元。該兩間附屬公司從事出租位於中國福建省福州市鼓樓區兩個住宅物業發展項目之店舖、儲物室及停車位的投資物業。有關交易已經於二零一六年六月三十日完成。

有關該項交易的進一步詳情，載於本公司日期為二零一六年六月十五日的公佈內。

- (b) 過往年度的出售事項指於二零一五年十月二十六日以現金代價人民幣3,800,000元(按當時匯率相當於4,634,480港元)出售本集團於保成投資有限公司100%權益予本公司非控股股東之出售事項。於出售時，保成投資有限公司及其附屬公司除持有酒店管理權利外，並無積極參與任何業務。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

30. NOTE TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

Major non-cash transaction

During the year ended 31 December 2016, the Group had the following major non-cash transaction of financing activities:

Pursuant to a shareholder's loan agreement dated 28 July 2016 and a supplemental agreement dated 24 August 2016 entered into between the Company and Wintime, the Company accrued £143,842 (equivalent to HK\$1,375,625) interest expenses regarding the shareholder's loan and did not settle the amount during the year ended 31 December 2016. The unsettled interest expenses were recorded as amount due to a shareholder during the year ended 31 December 2016.

During the year ended 31 December 2015, the Group had no major non-cash transaction.

31. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases its investment properties (note 13) to third parties under operating lease arrangements, with leases negotiated for terms ranging from 1 to 7 years (2015: 1 to 5 years). The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the contract terms.

At 31 December 2016, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Within one year	一年內	10,506,731	2,978,945
In the second to fifth years, inclusive	第二年至第五年，包括首尾兩年	22,536,434	498,534
Beyond five years	五年以上	2,310,115	—
		35,353,280	3,477,479

30. 綜合現金流量表附註

重大非現金交易

於截至二零一六年十二月三十一日止年度，本集團擁有以下重大非現金金融活動交易：

根據本公司與Wintime訂立的日期為二零一六年七月二十八日之股東貸款協議及日期為二零一六年八月二十四日之補充協議，本公司就股東貸款產生143,842英鎊（相當於1,375,625港元）利息開支及有關款項於截至二零一六年十二月三十一日止年度並未結算。截至二零一六年十二月三十一日止年度，未結算利息開支入賬列作應付股東款項。

於截至二零一五年十二月三十一日止年度，本集團並無重大非現金交易。

31. 經營租賃安排

(a) 作為出租人

本集團根據經營租賃安排向第三方出租其投資物業（附註13），經協商，租賃期為一年至七年（二零一五年：一年至五年）不等。該等租賃的條款一般要求租戶支付保證金，並可以根據合約條款定期調整租金。

於二零一六年十二月三十一日，本集團根據與其租戶簽訂的不可撤銷經營租賃，可於以下年度到期日收取的未來最低租金總額如下：

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

31. OPERATING LEASE ARRANGEMENTS (Continued)

(b) As lessee

The Group leases office premises, staff quarters and a director quarter under operating lease arrangements. Leases for properties are negotiated for terms ranging from 1 to 6 years (2015: 3 years).

At 31 December 2016, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

Within one year	一年內
In the second to fifth years, inclusive	第二年至第五年，包括首尾兩年
Beyond five years	五年以上

31. 經營租賃安排(續)

(b) 作為承租人

本集團根據經營租賃安排租入辦公室物業、員工宿舍及董事住房。經協商，物業租賃期為一至六年(二零一五年：三年)。

於二零一六年十二月三十一日，本集團根據不可撤銷經營租賃，於以下年度到期日應付的未來最低租金總額如下：

	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Within one year	2,990,097	841,625
In the second to fifth years, inclusive	4,819,732	138,976
Beyond five years	111,179	—
Total	7,921,008	980,601

32. CAPITAL COMMITMENTS

In addition to the operating lease commitments detailed in note 31(b) above, the Group had the following capital commitments at the end of the reporting period:

32. 資本承諾

除上文附註31(b)詳述的經營租賃承諾外，於報告期末，本集團作出以下資本承諾：

	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Contracted, but not provided for:		
Purchase of an intangible asset	—	322,530
Construction of properties under development and investment properties		
Total	186,242,995	2,888,242
	186,242,995	3,210,772

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

33. RELATED PARTY DISCLOSURES

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

33. 關連方披露

- (a) 於本年度內，本集團與關連方發生以下重大交易：

		Notes 附註	2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
Directors-controlled corporations:				
由董事控制的法團：				
北京國銳房地產開發有限公司	Property management fee income			
Beijing Guorui Property Development Company Limited* (“Beijing Guorui Development”) (「國銳房地產」)	物業管理費收入	(i)	11,877,802	8,944,215
	Hotel management service fee income	(ii)	2,044,694	—
	酒店管理服務費收入			
	Heat supply and maintenance fee income	(i)	1,605,894	512,266
	供暖及維修費收入			
	Car park management fee income	(i)	1,942,020	352,240
	停車場管理費收入			
	Steam supply fee income	(ii)	2,725,637	—
	蒸氣費收入			
北京顯世中鴻科技發展有限公司	Property management fee income			
Beijing Haoshi Zhonghong Technology Development Company Limited* (“Beijing Haoshi”) (「顯世」)	物業管理費收入	(i)	603,161	152,477
	Property decoration fee income	(ii)	2,885,959	—
	物業裝修費收入			
	Car park management fee income	(i)	240,834	20,146
	停車場管理費收入			

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

33. RELATED PARTY DISCLOSURES (Continued)

(a) (Continued)

			2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
		Notes 附註		
Guolong	Property management fee income 物業管理費收入	(i)	2,678,012	1,507,214
	Heat Supply and maintenance fee income 供暖及維修費收入	(i)	5,130,672	1,017,318
北京國銳控股有限公司 Beijing Guorui Holdings Company Limited*	Office rental expense 辦公室租金開支	(iii)	735,064	422,156
北京水晶樹溫泉商務 會有限公司 Beijing Crystal Tree Hot Spring Company Limited*	Property management fee income 物業管理費收入	(i)	—	230,156
Wintime	Interest paid and payable 已付及應付利息	(iv)	1,375,925	1,991,112

* For identification only

Notes:

- (i) The Group provides property management services to landlords of properties managed by the Group, in which two directors of the Company have beneficial interests. In return, the Group receives property management service fees, heat supply and maintenance service fees and car park management service fees which were charged at rates mutually agreed between the Group and the landlords. During the year ended 31 December 2016, the property management services fees received by the Group from landlords amounted to HK\$24,078,395 (2015: HK\$12,736,032). These related party transactions also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules.

33. 關連方披露(續)

(a) (續)

			2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
		Notes 附註		
	Property management fee income 物業管理費收入	(i)	2,678,012	1,507,214
	Heat Supply and maintenance fee income 供暖及維修費收入	(i)	5,130,672	1,017,318
北京國銳控股有限公司 Beijing Guorui Holdings Company Limited*	Office rental expense 辦公室租金開支	(iii)	735,064	422,156
北京水晶樹溫泉商務 會有限公司 Beijing Crystal Tree Hot Spring Company Limited*	Property management fee income 物業管理費收入	(i)	—	230,156
Wintime	Interest paid and payable 已付及應付利息	(iv)	1,375,925	1,991,112

* 僅供識別

附註：

- (i) 本集團為本集團管理的物業的業主(兩名董事於其中擁有實益權益)提供物業管理服務。本集團則收取物業管理服務費、供暖及維修服務費及停車場管理服務費，其按本集團與業主雙方協議的價格收取。於截至二零一六年十二月三十一日止年度內，本集團從業主收取的物業管理服務費為數24,078,395港元(二零一五年：12,736,032港元)。該等關連方交易亦構成《上市規則》第十四A章定義的持續關連交易。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

33. RELATED PARTY DISCLOSURES (Continued)

(a) (Continued)

Notes: (Continued)

- (ii) During the year ended 31 December 2016, the Group also receives hotel management service fees, steam supply fees and property decoration fees of HK\$7,656,290 (2015: Nil) in aggregate, which were charged at rates mutually agreed between the Group and the landlords, in which two directors of the Company have beneficial interests. These related party transactions also constitute exempted connected transactions as defined in Chapter 14A of the Listing Rules.
- (iii) Office rental expense was charged by this related company for the lease of one office premise at RMB58,339 (equivalent to HK\$68,152) (2015: RMB56,718 (equivalent to HK\$70,359)) per month during the year ended 31 December 2016, on a mutually-agreed basis, which, in the opinion of the directors, approximated to market rates. This related party transaction also constitutes an exempted continuing connected transaction as defined in Chapter 14A of the Listing Rules.
- (iv) Pursuant to a shareholder's loan agreements dated 24 August 2016, Wintime granted a shareholder's loan facility of HK\$250,000,000 or its equivalent in £ to the Company. The shareholder's loan bears interest at the rate of 2% per annum, and is repayable in 3 years from the date of draw-down of the shareholder's loan or such other date agreed between Wintime and the Company.

On 25 August 2016, the Company drew down a total amount of £20,300,000 (equivalent to approximately HK\$207,701,480). On 31 December 2016, the Company repaid a total amount of £13,875,000 (equivalent to approximately HK\$132,720,000).

33. 關連方披露(續)

(a) (續)

附註：(續)

- (ii) 於截至二零一六年十二月三十一日止年度，本集團亦按本集團與業主共同協定的價格收取酒店管理服務費、蒸汽費收入及物業裝修費合共7,656,290港元(二零一五年：無)，本公司兩名董事於該等費用中擁有實益權益。該等關連方交易亦構成《上市規則》第十四A章定義的豁免關連交易。
- (iii) 於截至二零一六年十二月三十一日止年度內，該關連公司就租賃辦公室處所而收取的辦公室租金開支為每月人民幣58,339元(相等於68,152港元)(二零一五年：人民幣56,718元(相等於70,359港元))，其乃按雙方協議而釐定，董事認為其與市場價格相若。該關連方交易亦構成《上市規則》第十四A章定義的豁免持續關連交易。
- (iv) 根據日期為二零一六年八月二十四日之股東貸款協議，Wintime向本公司授予250,000,000港元或其英鎊等價物之股東貸款融資。股東貸款按2%的年利率計算利息，並將於提取相關股東貸款之日起為期三年或Wintime與本公司共同協定的其他日期到期。

於二零一六年八月二十五日，本公司提取總金額20,300,000英鎊(相等於約207,701,480港元)。於二零一六年十二月三十一日，本公司償付總金額13,875,000英鎊(相當於約132,720,000港元)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

33. RELATED PARTY DISCLOSURES (Continued)

(a) (Continued)

Notes: (Continued)

(iv) (Continued)

Pursuant to a shareholder's loan agreement dated 2 March 2015, Wintime granted a shareholder's loan of HK\$194,000,000 (equivalent to approximately US\$25,000,000) to the Company. The shareholder's loan bears interest at the rate of 3% per annum, and is repayable in 3 years from the date of draw-down of the shareholder's loan or such other date agreed between Wintime and the Company.

During the year ended 31 December 2015, the Company had drawn down the principal of HK\$194,000,000 (equivalent to approximately US\$25,000,000) from the loan granted, and the loan was fully repaid as at 31 December 2015.

These related party transactions also constitutes continuing connected transactions as defined in Chapter 14A of the Listing Rules.

Save as disclosed elsewhere in these financial statements and the balances as disclosed in notes 6, 8, 9, 17, 18, 22, 24, 27 and 30 to the financial statements, the Group had no other material transactions and outstanding balances with related parties during the years ended 31 December 2016 and 2015.

(b) Key management personnel of the Group are directors of the Company, whose emoluments are included in note 8 to the financial statements.

34. FINANCIAL INSTRUMENTS BY CATEGORY

All financial assets and liabilities of the Group as at 31 December 2016 and 2015 were loans and receivables and financial liabilities stated at amortised cost, respectively.

33. 關連方披露(續)

(a) (續)

附註：(續)

(iv) (續)

根據日期為二零一五年三月二日之股東貸款協議，Wintime向本公司授予194,000,000港元(相等於約25,000,000美元)之股東貸款。股東貸款按3%的年利率計算利息，並將於提取相關股東貸款之日起為期三年或Wintime與本公司共同協定的其他日期到期。

於截至二零一五年十二月三十一日止年度內，本公司已經提取所授予貸款中的194,000,000港元(相等於約25,000,000美元)本金，而於二零一五年十二月三十一日，有關貸款已經全數償還。

該等關連方交易亦構成《上市規則》第十四A章定義的持續關連交易。

於截至二零一六年及二零一五年十二月三十一日止年度，除本財務報表他處所披露者及本財務報表附註6、8、9、17、18、22、24、27及30內詳述的結餘外，本集團與關連方並無任何其他重大交易及尚未支付結餘。

(b) 本集團主要管理人員為本公司董事，彼等之薪酬載於本財務報表附註8。

34. 金融工具分類

於二零一六年及二零一五年十二月三十一日，本集團所有金融資產及負債均分別為貸款和應收款項以及以攤餘成本計量的金融負債。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

35. FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair values of the financial assets and liabilities which are due to be received or settled within one year approximate to their carrying amounts largely due to the short term maturities of these instruments, therefore, no disclosure of the fair values of these financial instruments is made.

For other non-current financial assets and liabilities, in the opinion of the directors, since their carrying amounts are not significantly different from their respective fair values, no disclosure of the fair values of these financial instruments is made.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise trade receivables and cash and bank balances. The main purpose of these financial instruments is mainly for the Group's operations. The Group has various other financial assets and liabilities such as deposits and other receivables, trade payables, other payables and receipts in advance.

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

Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. Since HK\$ is pegged to US\$, the Group does not have significant foreign exchange risk in respect of its operations in the USA. However, owing to its significant investments and operations in Mainland China and the UK, the Group's financial position and operating performance can be affected significantly by movements in RMB/HK\$ and £/HK\$ exchange rates.

35. 金融工具的公平值

於一年內到期收取或支付的金融資產及負債的公平值接近其賬面金額，主要由於有關工具於短期內到期，因此，並無披露該等金融工具的公平值。

至於其他非流動金融資產及負債，董事認為，由於其賬面金額與其各自的公平值並無重大差異，因此並無披露有關金融工具的公平值。

36. 財務風險管理目標及政策

本集團的主要金融工具包括應收貿易賬款以及現金及銀行結餘。這些金融工具的主要目的在於為本集團的運營融資。本集團具有多種其他金融資產和負債，比如訂金及其他應收款、應付貿易賬款、其他應付款以及預收款項。

本集團的金融工具導致的主要風險是外幣風險、信用風險及流動資金風險。董事局已審議並批准管理外幣風險及流動風險的政策。

外幣風險

外幣風險是指金融工具的價值因外匯匯率變化而波動的風險。由於港元與美元掛鈎，本集團於美國的經營尚未受到重大外匯風險。然而，由於本集團在中國大陸及英國有重大投資及經營業務，因此本集團財務狀況表及經營表現可能受人民幣兌港元及英鎊兌港元匯率變動的重大影響。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Foreign currency risk (Continued)

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the RMB and £ exchange rates, with all other variables held constant, of the Group's loss before tax (due to changes in fair value of monetary assets and liabilities).

36. 財務風險管理目標及政策 (續)

外幣風險 (續)

下表說明了於報告期末其他變數保持不變，而人民幣及英鎊匯率出現合理可能波動的情況下，本集團稅前虧損(因貨幣資產及負債公平值出現變動)對波動的敏感性。

		Increase/ (decrease) in foreign exchange rate 外幣匯率 上升/(下降) %	Increase/ (decrease) in loss before tax 稅前虧損 增加/(減少) HK\$ 港元
Year ended 31 December 2016		截至二零一六年十二月三十一日止年度	
If Hong Kong dollar weakens against RMB	倘若港元兌人民幣貶值	5	13,280
If Hong Kong dollar strengthens against RMB	倘若港元兌人民幣升值	(5)	(13,280)
If Hong Kong dollar weakens against £	倘若港元兌英鎊貶值	5	7,899,432
If Hong Kong dollar strengthens against £	倘若港元兌英鎊升值	(5)	(7,899,432)
Year ended 31 December 2015		截至二零一五年十二月三十一日止年度	
If Hong Kong dollar weakens against RMB	倘若港元兌人民幣貶值	5	1,446,000
If Hong Kong dollar strengthens against RMB	倘若港元兌人民幣升值	(5)	(1,446,000)
If Hong Kong dollar weakens against £	倘若港元兌英鎊貶值	5	—
If Hong Kong dollar strengthens against £	倘若港元兌英鎊升值	(5)	—

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Credit risk

Credit risk arises from the potential failure of the Group's counterparties to meet their obligations under property management services agreements and rental agreements. Credit risk exposure is minimised by undertaking transactions with a large number of counterparties and conducting credit reviews on prospective tenants. In addition, the Group regularly reviews the recoverable amount of trade receivables to ensure that adequate provision for impairment losses is made for irrecoverable amounts. The Group has no significant concentrations of credit risk.

With respect to credit risk arising from other financial assets of the Group, which mainly comprise cash and bank balances and other receivables, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Further quantitative data in respect of the Group's exposure to credit risk arising from the receivables are disclosed in notes 17 and 18 to the financial statements.

Liquidity risk

In light of the future business expansion of the Group, the Group ensures that it maintains sufficient cash and credit lines to meet its liquidity requirements and the estimated future construction cost of the US Complex. The Group's objective is to maintain a balance between continuity of funding and flexibility through cash receipts from the issue of shares, as well as the strict control over its daily operating expenses. In the opinion of the directors of the Company, proceeds from the rights issue and a share placement obtained during the prior year and the current year, respectively to finance certain of the abovementioned capital commitments are expected to be fulfilled by the Group after 2016. Accordingly, the Group expects to have adequate sources of funding to finance the Group's operations and manage its liquidity position.

36. 財務風險管理目標及政策 (續)

信用風險

信用風險因本集團之交易對方可能未能履行彼等於物業管理服務協議及租金協議下之責任而產生。本集團透過與大量交易對方進行交易及對潛在租戶進行信用審查，將信用風險減至最低。此外，本集團定期審閱應收貿易賬款之可收回金額以確保就不可收回金額計提足夠減值虧損撥備。本集團不存在重大集中信用風險的問題。

本集團其他金融資產主要包括現金及銀行結餘及其他應收款，本集團有關這些金融資產的信用風險源自因交易對方違約，最大風險敞口等於這些工具的賬面金額。

有關本集團因應收款項所產生信用風險之進一步量化數據於財務報表附註17及18披露。

流動風險

有鑑於本集團未來業務拓展，本集團確保其維持足夠的現金及額度，以滿足其流動資金需要及本集團於報告期後的美國綜合物業估計未來建造成本。本集團的目標是運用發行股份所收取的現金以及嚴格控制其日常經營開支以保持融資的持續性與靈活性的平衡。本公司董事認為，於過往年度及本年度內供股及股份配售分別取得的所得款項提供預期本集團將於二零一六年後履行的若干上述資本承諾所需的資金。因此，本集團預期將會有足夠資金來源以提供本集團經營業務所需資金及管理其流動資金狀況。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Liquidity risk (Continued)

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

		On demand	Within		Total
		按要求	1 year	1-2 years	合計
		HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元
31 December 2016	二零一六年十二月三十一日				
Trade payables	應付貿易賬款	5,603,577	17,843,523	—	23,447,100
Other payables	其他應付款	24,161,634	—	—	24,161,634
Due to related companies	應付關連公司款項	5,601,350	—	—	5,601,350
Due to a shareholder	應付股東款項	1,375,925	—	—	1,375,925
Bank borrowings (note)	銀行借款(附註)	135,518,017*	237,046	5,504,734	141,259,797
Loan from a shareholder	股東提供的貸款	—	1,229,167	63,487,305	64,716,472
		172,260,503	19,309,736	68,992,039	260,562,278
31 December 2015	二零一五年十二月三十一日				
Trade payables	應付貿易賬款	1,674,445	8,786,904	—	10,461,349
Other payables	其他應付款	24,076,125	—	—	24,076,125
Due to related companies	應付關連公司款項	3,394,044	—	—	3,394,044
		29,144,614	8,786,904	—	37,931,518

* The loan agreement contains a repayment on-demand clause giving the bank the unconditional right to call in the loan at any time and therefore, for the purpose of the above maturity profile, the total amount was classified as "on demand" as at 31 December 2016. In accordance with the terms of the loan agreement, the contractual undiscounted payments of the bank borrowing amounted to HK\$135,518,017 (2015: Nil) which were repayable within 1 year as at 31 December 2016.

36. 財務風險管理目標及政策 (續)

流動風險(續)

於報告期末，根據未經折現的合同付款額，本集團持續經營業務的金融負債的到期期限狀況如下：

* 貸款協議包括按要求償還條款，賦予銀行隨時無條件催繳貸款的權利，因此，就上述到期期限情況而言，於二零一六年十二月三十一日，有關款項總額被分類為「按要求」。根據貸款協議條款，須於截至二零一六年十二月三十一日止一年內償還的銀行借款之合約未貼現還款達135,518,017港元(二零一五年：無)。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may issue new shares. No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2016 and 2015.

37. COMPARATIVE AMOUNTS

Certain comparative amounts have been reclassified to conform to the current year's presentation.

36. 財務風險管理目標及政策 (續)

資本管理

本集團資本管理的主要目標為保障本集團繼續按持續經營基準營業的能力，並維持穩健的資本比率，以支持其業務及儘量增加股東價值。

本集團在考慮到經濟狀況及相關資產的風險特徵後管理其資本架構，並對其作出調整。維持或調整資本架構時，本集團可能會發行新股份。於截至二零一六年及二零一五年十二月三十一日止年度，管理資本的目標、政策或程序維持不變。

37. 比較數字

若干比較數字已重新分類以符合本年度之呈列。

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

38. 本公司的財務狀況表

有關本公司於報告期末的財務狀況表的資料如下：

		2016 二零一六年 HK\$ 港元	2015 二零一五年 HK\$ 港元
NON-CURRENT ASSETS	非流動資產		
Property, plant and equipment	物業、廠房及設備	168,297	180,622
Investments in subsidiaries	於附屬公司的投資	180,489,750	267,969,087
Non-current deposits	非即期訂金	428,754	428,754
Total non-current assets	非流動資產合計	181,086,801	268,578,463
CURRENT ASSETS	流動資產		
Loan to a subsidiary	提供予附屬公司的貸款	131,235,257	23,252,100
Due from subsidiaries	應收附屬公司款項	211,854,763	21,790,192
Prepayments, deposits and other receivables	預付款項、訂金及其他應收款	639,551	446,867
Pledged bank deposits	已抵押銀行存款	38,800,000	—
Cash and cash equivalents	現金及現金等價物	38,885,662	155,394,197
Total current assets	流動資產合計	421,415,233	200,883,356
CURRENT LIABILITIES	流動負債		
Other payables and accruals	其他應付款和預提費用	1,810,500	2,582,254
Due to a shareholder	應付股東款項	1,375,925	—
Income tax payable	應付所得稅	396,000	—
Total current assets	流動資產總計	3,582,425	2,582,254
NET CURRENT ASSETS	流動資產淨額	417,832,808	198,301,102
TOTAL ASSETS LESS CURRENT LIABILITIES	流動資產總額減流動負債	598,919,609	466,879,565
NON-CURRENT LIABILITY	非流動負債		
Loan from a shareholder	股東提供的貸款	61,458,337	—
Net assets	資產淨額	537,461,272	466,879,565
EQUITY	權益		
Share capital	股本	519,965,063	1,115,590,024
Reserves (note)	儲備(附註)	17,496,209	(648,710,459)
Total equity	權益總額	537,461,272	466,879,565

Wei Chunxian
魏純遷
Director
董事

Liu Shuhua
劉淑華
Director
董事

NOTES TO FINANCIAL STATEMENTS

財務報表附註

31 December 2016 二零一六年十二月三十一日

38. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Note: A summary of the Company's reserves is as follows:

38. 本公司的財務狀況表(續)

附註：本公司儲備概要如下：

		Capital reduction reserve 資本減值儲備 HK\$ 港元	Capital reserve 資本儲備 HK\$ 港元	Exchange fluctuation reserve 匯率波動儲備 HK\$ 港元	Accumulated losses 累計虧損 HK\$ 港元	Total 合計 HK\$ 港元
At 1 January 2015	於二零一五年一月一日	—	10,867,997	(16,099,774)	(628,294,320)	(633,526,097)
Loss for the year	本年虧損	—	—	—	(15,184,362)	(15,184,362)
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日 及二零一六年一月一日	—	10,867,997	(16,099,774)	(643,478,682)	(648,710,459)
Loss for the year	本年虧損	—	—	—	(33,793,332)	(33,793,332)
Capital reduction	資本減值	24,218,342	—	—	675,781,658	700,000,000
At 31 December 2016	於二零一六年十二月三十一日	24,218,342	10,867,997	(16,099,774)	(1,490,356)	17,496,209

39. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 31 March 2017.

39. 財務報表的批准

本財務報表於二零一七年三月三十一日由董事局通過並批准發佈。

PARTICULARS OF INVESTMENT PROPERTIES AND PROPERTIES UNDER DEVELOPMENT

投資物業及發展中物業詳情

Location 地點	Use 用途	Lease term 租賃期	Attributable interest of the Group 歸屬於 本集團的權益
Completed investment properties 已落成投資物業			
Boundary House, 7-17 Jewry Street, London EC3N 2EX	Commercial 商業	Medium term lease 中期租約	100%
Investment properties under construction and properties under development 在建中投資物業及發展中物業			
2300-2320 Wilshire Blvd., Santa Monica, CA90403, the USA	Residential/ Commercial 住宅／商業	Not applicable 不適用	100%

FIVE YEAR FINANCIAL SUMMARY

五年財務摘要

A summary of the results and of the assets, liabilities and total equity of the Group for the last five financial years/period, as extracted from the published annual report and audited financial statements, is set out below:

本集團過去五個財政年度／期間節錄自己刊發的年報及經審核財務報表的經營業績、資產、負債和權益合計的摘要如下：

RESULTS

業績

		Year ended 31 December		31 December	Year ended 31 January	
		2016	2015	2014	2013	2012
				截至		
				二零一四年		
				十二月		
		截至十二月三十一日止年度		三十一日	截至一月三十一日止年度	
		二零一六年	二零一五年	止十一個月	二零一三年	二零一二年
		HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元
CONTINUING OPERATIONS	持續經營業務					
Revenue	收入	140,178,350	76,809,367	5,937,043	5,892,008	5,141,085
Profit/(loss) before tax from continuing operations	持續經營業務產生的稅前利潤／(虧損)	34,675,031	(18,414,031)	(13,251,355)	(34,100,416)	1,241,217
Income tax	所得稅	(2,144,138)	261,671	(202,437)	(205,516)	(527,461)
PROFIT/(LOSS) FOR THE YEAR/PERIOD FROM CONTINUING OPERATIONS	本年度／期間持續經營業務產生的利潤／(虧損)	(36,819,169)	(18,152,360)	(13,453,792)	(34,305,932)	713,756
DISCONTINUED OPERATION	已終止經營業務					
Profit/(loss) for the year/period from discontinued operation	本年度／期間已終止經營業務產生的利潤／(虧損)	—	—	5,106,141	1,090,626	2,372,122
Profit/(loss) for the year/period	本年度／期間利潤／(虧損)	(36,819,169)	(18,152,360)	(8,437,651)	(33,215,306)	3,085,878
Attributable to:	歸屬於：					
Shareholders of the Company	本公司股東	(36,819,169)	(18,152,360)	(8,437,651)	(33,490,700)	2,463,465
Non-controlling interests	非控制性權益	—	—	—	275,394	622,413
		(36,819,169)	(18,152,360)	(8,437,651)	(33,215,306)	3,085,878

FIVE YEAR FINANCIAL SUMMARY

五年財務摘要

ASSETS, LIABILITIES AND TOTAL EQUITY

資產、負債和權益合計

		31 December 2016 二零一六年 十二月 三十一日 HK\$ 港元	31 December 2015 二零一五年 十二月 三十一日 HK\$ 港元	31 December 2014 二零一四年 十二月 三十一日 HK\$ 港元	31 January 2013 二零一三年 一月 三十一日 HK\$ 港元	31 January 2012 二零一二年 一月 三十一日 HK\$ 港元
Total assets	資產總額	830,995,363	553,797,556	161,644,073	138,443,610	130,989,536
Total liabilities	負債總額	(296,905,344)	(100,913,224)	(22,304,141)	(544,966,864)	(500,244,601)
NET ASSETS/(LIABILITIES)	資產/(負債)淨額	534,090,019	452,884,332	139,339,932	(406,523,254)	(369,255,065)
Attributable to:	歸屬於：					
Shareholders of the Company	本公司股東	534,090,019	452,884,332	139,339,932	(406,080,673)	(368,401,322)
Non-controlling interests	非控制性權益	—	—	—	(442,581)	(853,743)
TOTAL EQUITY/ (DEFICIENCY IN ASSETS)	權益/(資產虧絀)合計	534,090,019	452,884,332	139,339,932	(406,523,254)	(369,255,065)



GR PROPERTIES

國銳地產