



合生創展集團有限公司

HOPSON DEVELOPMENT HOLDINGS LIMITED

Stock Code 股份代號: 0754



Enhancing Our  
Living Quality

合生同創 優質生活

Annual Report 年報 2006



Gallopede Park  
駿景花園

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# Corporate Profile

## 企業簡介

HOPSON DEVELOPMENT HOLDINGS LIMITED ("Hopson Development") was founded in 1992, and its shares have been listed on the Main Board of the Stock Exchange of Hong Kong Limited since 1998 (Stock code: 0754). Hopson Development is a major property group that specializes in the development of medium-to high-end large-scale residential properties. In terms of land bank, it is one of the largest property developers in the People's Republic of China.

Since 1995, Hopson Development has started to establish its brand on a nationwide scale through deploying appropriate corporate strategy and business model. The principal focus is on three Core Economic Zones, namely Pearl River Delta, Huanbohai Area and Yangtze River Delta, with Guangzhou, Beijing, Tianjin and Shanghai as the core cities. In Guangzhou and Beijing, the brands such as "Regal Riviera", "Gallopade" and "Fairview" have been established to cover a range of product designs, customer services and facilities, and to accommodate different community cultures and different operating models. Each property project is featured with a unique theme to demonstrate the strength of our corporate branding. Strong brand recognition at project level enhances the positioning and marketability of the corporate branding.

Major investments were made in the first-tier cities such as Guangzhou, Beijing, Tianjin and Shanghai over the past few years.

合生創展集團有限公司（以下簡稱「合生創展」）於一九九二年成立，一九九八年在香港聯合交易所有限公司主板上市（股份代號：0754），是以發展中高檔大型住宅地產物業為主的大型地產集團。以土地儲備計算，合生創展為中華人民共和國最大型的房地產開發商之一。

自一九九五年以來，合生創展運用適宜的企業策略及發展模式開始於全國範圍內豎立其優質品牌。其將重心專注位於珠江三角洲、環渤海地區及長江三角洲這三個核心經濟區域，並以廣州、北京、天津及上海作為其核心基地。於廣州及北京，本集團已創建「珠江帝景」、「駿景」及「愉景」等多個品牌，其業務範圍涵蓋產品設計、客戶服務及設施、社區文化以及營運模式的需要。各物業項目獨一無二，獨具特色之主題彰顯了集團之強大企業品牌。本集團之項目使其品牌廣受認可，整體提升了企業品牌之定位及營銷能力。

本集團於過去幾年重點投資於廣州、北京、天津及上海等一線城市。



# Corporate and Listing Information

## 企業及上市資料

### CORPORATE INFORMATION

#### Board of Directors

##### Executive Directors

CHU Mang Yee (Chairman)  
XIANG Bin (Deputy Chairman)  
WU Jiesi (Chief Executive Officer)  
TAM Lai Ling (Chief Financial Officer)  
AU Wai Kin  
CHEN Chang Ying  
XIAO Yan Xia

##### Non-executive Director

SHAFRAN, Steven

##### Independent Non-executive Directors

YUEN Pak Yiu, Philip  
LEE Tsung Hei, David  
WONG Shing Kay, Oliver

#### Audit Committee and Remuneration Committee

YUEN Pak Yiu, Philip  
LEE Tsung Hei, David  
WONG Shing Kay, Oliver

#### Qualified Accountant

LIU Shun Fai

#### Company Secretary

MOK Wai Kun, Barbara, solicitor

#### Authorized Representatives

AU Wai Kin  
XIAO Yan Xia

### 企業資料

#### 董事會

##### 執行董事

朱孟依 (主席)  
項 斌 (副主席)  
武捷思 (行政總裁)  
譚禮寧 (財務總監)  
歐偉建  
陳長纓  
蕭燕霞

##### 非執行董事

施盛勳

##### 獨立非執行董事

阮北耀  
李頌熹  
黃承基

#### 審核及薪酬委員會

阮北耀  
李頌熹  
黃承基

#### 合資格會計師

廖舜輝

#### 公司秘書

莫瑋坤律師

#### 法定代表

歐偉建  
蕭燕霞

# Corporate and Listing Information

## 企業及上市資料

### Independent Auditor

PricewaterhouseCoopers  
Certified Public Accountants  
22nd Floor  
Prince's Building  
Central  
Hong Kong

### Legal Advisor

Jones Day  
29th Floor, Edinburgh Tower  
The Landmark, 15 Queen's Road Central  
Hong Kong

### Principal Bankers

Agricultural Bank of China  
Bank of China  
Bank of Communications  
Bank of East Asia  
China CITIC Bank  
China Construction Bank  
Industrial and Commercial Bank of China  
Industrial and Commercial Bank of China (Asia)  
Standard Chartered Bank

### Branch Share Registrars In Hong Kong

Computershare Hong Kong Investor Services Limited  
46th Floor, Hopewell Centre  
183 Queen's Road East, Hong Kong

### Registered Office

Clarendon House, 2 Church Street  
Hamilton HM11, Bermuda

### Principal Office

Suites 3305-09, 33rd Floor, Jardine House,  
1 Connaught Place  
Central  
Hong Kong

### 獨立核數師

羅兵咸永道會計師事務所  
執業會計師  
香港  
中環  
太子大廈  
22樓

### 法律顧問

眾達國際法律事務所  
香港  
皇后大道中15號  
置地廣場公爵大廈29樓

### 主要往來銀行

中國農業銀行  
中國銀行  
交通銀行  
東亞銀行  
中信銀行  
中國建設銀行  
中國工商銀行  
中國工商銀行(亞洲)  
渣打銀行

### 香港股份過戶登記分處

香港中央證券登記有限公司  
香港皇后大道東183號  
合和中心46樓

### 註冊辦事處

Clarendon House, 2 Church Street  
Hamilton HM11, Bermuda

### 主要辦事處

香港  
中環  
康樂廣場一號  
怡和大廈33樓3305-09室

## REPRESENTATIVE OFFICES

**Guangzhou** – 16th Floor, South Tower  
Zhujiang Investment Building  
421 Zhujiang East Road  
Zhujiang New City, Guangzhou

**Beijing** – Zhujiang Development Centre  
23 Dawang Road West  
Chaoyang District, Beijing

**Shanghai** – 18th Floor, Guangdong Development Bank Building  
555 Xujiahui Road, Shanghai

**Tianjin** – No. 14 Dongchengnan Road  
Baodi District, Tianjin

## 代表辦事處

**廣州** – 廣州市珠江新城  
珠江東路421號  
珠江投資大廈  
南塔16樓

**北京** – 北京市朝陽區西大望路23號  
珠江發展中心

**上海** – 上海市徐家匯路555號  
廣東發展銀行大廈18樓

**天津** – 天津市寶坻區  
東城南路14號

## SHAREHOLDERS' CALENDAR

### Register of Shareholders

Close of Register

12th June 2007 to 15th June 2007 (both days inclusive)

### Annual General Meeting

15th June 2007

### Dividends (Per Share)

Interim dividend HK10.8 cents

Paid on Tuesday, 28th November 2006

Proposed final dividend HK27.1 cents

Payable on Friday, 29th June 2007

## 股東日誌

### 股東名冊

暫停辦理過戶登記手續

於二零零七年六月十二日至二零零七年六月十五日(包括首尾兩日)

### 股東週年大會

二零零七年六月十五日

### 股息(每股)

中期股息10.8港仙

於二零零六年十一月二十八日(星期二)派付

建議末期股息27.1港仙

應於二零零七年六月二十九日(星期五)派付

# Corporate and Listing Information

## 企業及上市資料

### LISTING INFORMATION

#### Shares Listing

The Company's shares are listed on the Main Board of  
The Stock Exchange of Hong Kong Limited

#### Stock Code

0754

#### Guaranteed Senior Notes Listing

The Company's 8.125% Guaranteed Senior Notes are listed on  
The Singapore Exchange Securities Trading Limited

#### USD Settled Zero Coupon Convertible Bonds

The Company's zero coupon convertible bonds are listed on  
The Stock Exchange of Hong Kong Limited

### 上市資料

#### 股份上市

本公司股份於  
香港聯合交易所有限公司主板上市

#### 股份代號

0754

#### 保證優先票據上市

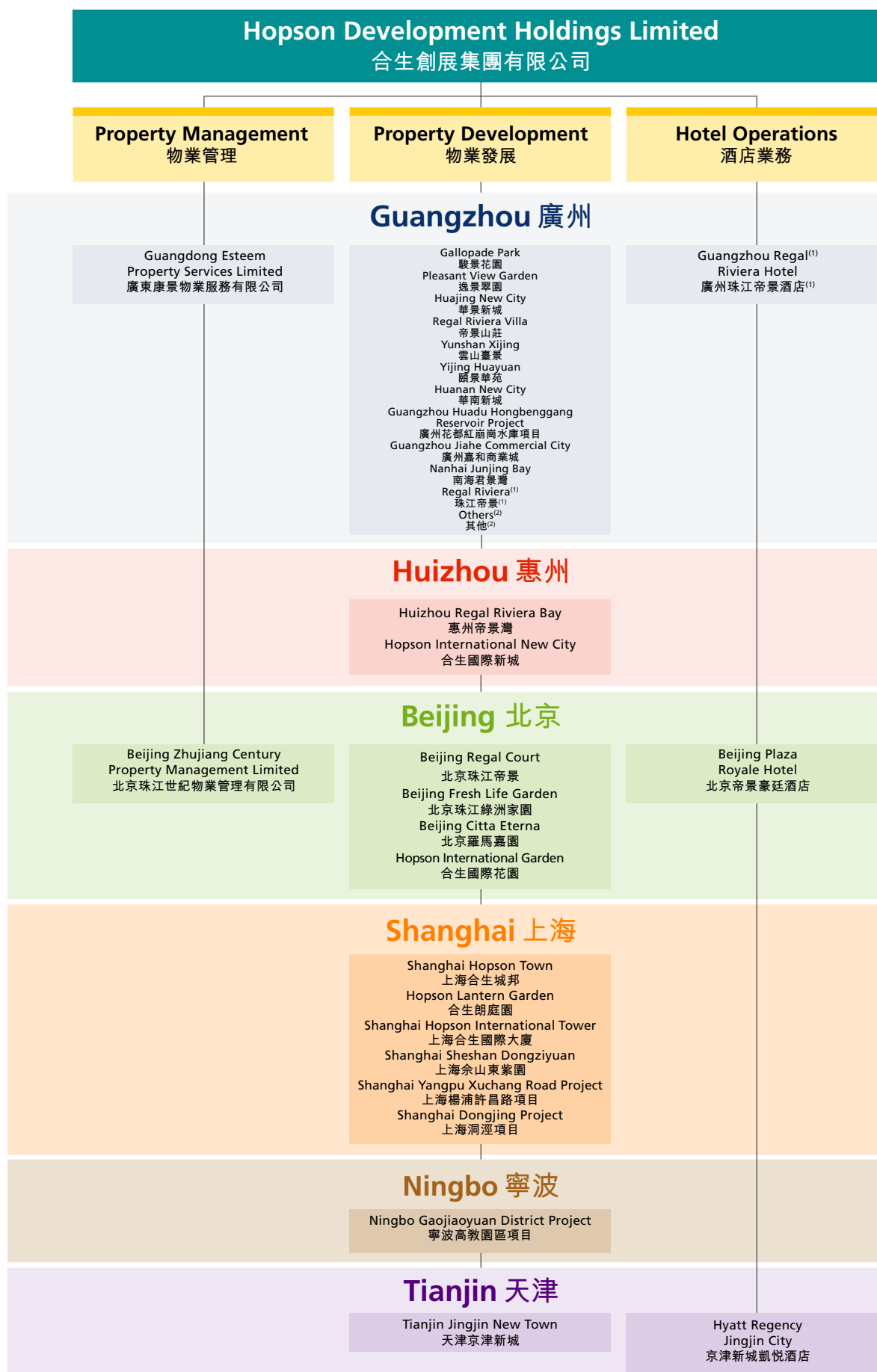
本公司8.125厘之保證優先票據  
於新加坡證券交易所有限公司上市

#### 以美元償付的零息可換股債券

本公司的零息可換股債券於  
香港聯合交易所有限公司上市

# Corporate Structure

## 企業架構



**Notes:**

- (1) 69.5% owned by the Group  
(2) Others include development projects such as Regal Court, Fairview Garden, Fairview South Court and Regal Palace.

**附註:**

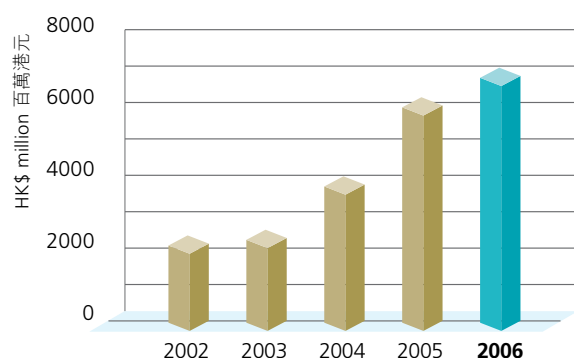
- (1) 本集團持69.5%權益  
(2) 其他包括帝景苑、愉景雅苑、愉景南苑及帝景華苑。

# Financial Highlights

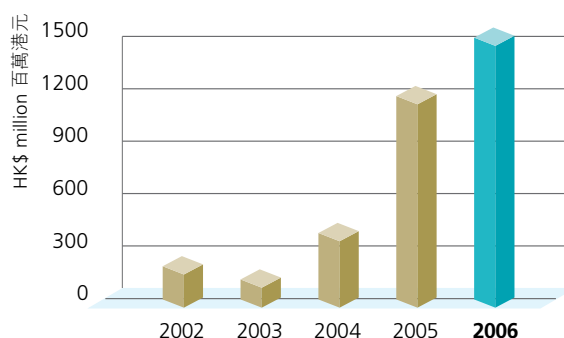
## 財務摘要

		2002 二零零二年 HK\$'000 港幣千元	2003 二零零三年 HK\$'000 港幣千元	2004 二零零四年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
Revenues	收入	2,394,115	2,511,630	3,973,184	6,133,894	<b>6,920,294</b>
Profit before taxation	除稅前溢利	466,172	302,761	816,146	1,812,627	<b>2,461,536</b>
Taxation	稅項	(183,882)	(101,192)	(298,338)	(611,446)	<b>(837,358)</b>
Profit for the year	年度溢利	282,290	201,569	517,808	1,201,181	<b>1,624,178</b>
Minority interests	少數股東權益	(38,950)	(32,664)	(85,023)	16,142	<b>(70,426)</b>
Profit attributable to shareholders	股東應佔溢利	243,340	168,905	432,785	1,217,323	<b>1,553,752</b>
Earnings per share	每股盈利					
– Basic	— 基本	HK24 cents 港仙	HK17 cents 港仙	HK43 cents 港仙	HK113 cents 港仙	<b>HK127 cents 港仙</b>
– Diluted	— 攤薄	HK24 cents 港仙	HK17 cents 港仙	HK43 cents 港仙	HK113 cents 港仙	<b>HK126 cents 港仙</b>
Dividends per share	每股股息	HK4 cents 港仙	HK5 cents 港仙	HK9 cents 港仙	HK33.95 cents 港仙	<b>HK37.9 cents 港仙</b>
Net assets value per share	每股資產淨值	HK\$2.89 港元	HK\$3.13 港元	HK\$3.32 港元	HK\$4.75 港元	<b>HK\$6.40 港元</b>

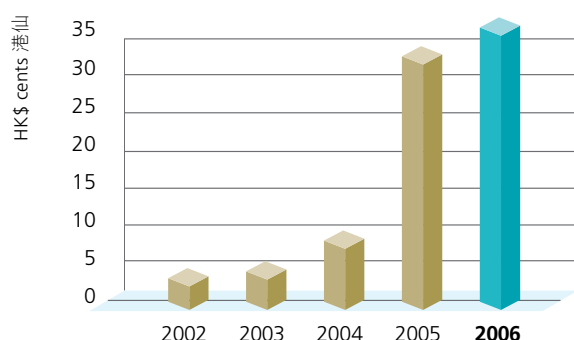
Revenues 收入



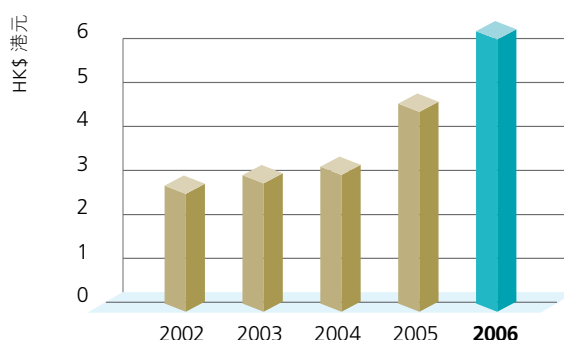
Profit attributable to shareholders 股東應佔溢利



Dividends per share 每股股息



Net assets value per share 每股資產淨值



# Chairman's Statement

## 主席報告



In terms of overall capabilities, the Group is one of the leading property developers in Mainland China. The long-term optimistic outlook on both the macro-economy and the property sector in China have provided tremendous development opportunities for the Group.

本集團是中國內地綜合實力最強的地產發展商之一，中國宏觀經濟及房地產行業長期向好的外部環境為本集團的發展提供了很好的發展機遇。

I am pleased to present to our shareholders the annual results of Hopson Development Holdings Limited (the "Company") for the year ended 31st December 2006.

本人欣然提呈合生創展集團有限公司（「本公司」）截至二零零六年十二月三十一日止年度的全年業績予我們的股東，以供省覽。

### FINANCIAL RESULTS

For the year ended 31st December 2006, the Company and its subsidiaries (collectively referred to as the "Group") reported an increase of HK\$337 million in the audited consolidated profit attributable to shareholders to HK\$1,554 million. Fully diluted earnings per share grew by 12% over 2005 to HK126 cents. Total equity increased by 43% to HK\$8,228 million. Net assets per share amounted to HK\$6.40, representing an increase of 35% as compared to 31st December 2005. The return on total equity was 20%.

### 財務業績

本集團截至二零零六年十二月三十一日止年度，本公司及其附屬公司（統稱「本集團」或「集團」）之經審核綜合股東應佔溢利增加港幣337,000,000元至港幣1,554,000,000元。每股攤薄溢利港幣126仙，較二零零五年增加12%。權益總額增加至港幣8,228,000,000元，增長43%，每股淨資產港幣6.40元，較二零零五年十二月三十一日增加35%，權益總額回報率為20%。

### DIVIDEND

The Board of Directors recommended the payment of a final dividend of HK27.1 cents per share for the year ended 31st December 2006. Together with the interim dividend of HK10.8 cents per share, the total dividend payout per share for the year was HK37.9 cents, representing an approximately 12% increase as compared to HK33.95 cents in 2005.

### 股息

董事局建議派發截至二零零六年十二月三十一日止年度之末期股息每股港幣27.1仙，連同已派發之中期股息每股10.8港仙，全年派息每股37.9港仙，較二零零五年每股派息33.95港仙增加12%。

# Chairman's Statement

## 主席報告

### MARKET OVERVIEW AND OPERATING ENVIRONMENT

The economy of China continued to maintain a stable and rapid growth in 2006. The preliminary statistics showed the annual GDP in China reached RMB20.9407 trillion and in terms of comparable price, an increase of 10.7% over last year. The annual average disposable income of urban residents per capita reached RMB11,759, an increase of 12.1% over last year, with an effective growth rate of 10.4%, after taking into account of the price factor.

In 2006, the Chinese government promulgated a series of counteracting macro-economic austerity measures largely focusing on regulating the property sector. These measures include interest rate hikes, increase in capital adequacy ratio for banks, the Six Guidelines promulgated by the State Council, the Fifteen Rules jointly issued by Nine Ministries, policies restricting foreign investment in the property sector, imposition of taxes on the secondary market transactions. These policies have caused certain impact on property buyers and property developers. However, these policies are conducive to a more stable and healthier operating environment in a longer term. The austerity measures have also raised the entry barrier of the property sector and hence provide opportunities to financially strong property developers to acquire land, and thereby increase their market shares.

Despite these austerity measures, however with a healthy macro-economic environment, the overall property sector continues to grow steadily. The annual property development investments in China reached RMB1.9382 trillion, a growth of 21.8% over last year, of which commodity properties accounted for RMB1.3612 trillion, a growth of 25.3%. The total gross floor areas ("GFA") completed for commodity properties were 530 million square meters ("sq.m.") and commodity properties sales were RMB2.051 trillion, a growth of 13.4% over the same period last year.

#### Guangzhou

Guangzhou is the most important market of the Group, generating nearly half of our total income. The property market in Guangzhou is relatively mature and more regulated. It plays a leading role in China in terms of development concepts and setting standards.

### 市場概覽及經營環境

二零零六年，中國經濟繼續保持平穩快速增長。初步核算，中國全年國內生產總值為人民幣209,407億元，按可比價格計算，比上年增長10.7%。全年城鎮居民人均可支配收入達人民幣11,759元，比上年增長12.1%，扣除價格因素，實際增長10.4%。

二零零六年中國政府頒佈了一系列針對性的調控措施，對房地產行業進行了較大程度的調控。各項措施包括調升貸款利率及銀行存款準備金率、頒佈國六條、九部委十五條、公佈政策限制外資進入、對二手房交易徵收所得稅等。這些政策對購房者和房地產開發商均產生了一定程度的影響。但最終將有助於對房地產行業進行規範運作，促使房地產行業長期穩定健康發展。宏觀調控也提高了房地產行業的進入門檻，使得資本實力強大的大型地產發展商有機會通過資本運作取得更多資金購置土地，從而獲取更大的市場份額。

雖然調控趨緊，在宏觀經濟良好的大環境下，房地產行業總體仍繼續保持了平穩發展的態勢。中國全年房地產開發投資達人民幣19,382億元，比上年增長21.8%，其中，商品住宅投資為人民幣13,612億元，增長25.3%；商品房總竣工建築面積達5.3億平方米；商品房銷售額達人民幣20,510億元，同比增長13.4%。

#### 廣州

廣州是本集團的重要市場，本集團業務的近五成來自廣州市場。廣州房地產市場較成熟，運作較為規範，開發理念及水平在全國均居於領先地位。

## MARKET OVERVIEW AND OPERATING ENVIRONMENT *(Continued)*

### Guangzhou *(Continued)*

During 2006, there was a significant increase in land supply in Guangzhou. However, demand for land remained very robust. Most of the land auctions were won by larger property developers with land prices reaching unprecedented levels. The supply of newly completed commodity properties in Guangzhou was at a similar level to that of 2005 and the total transacted GFA for commodity properties reached 11.58 million sq.m., an increase of 2.1% over the same period last year. As the demand remained buoyant, the overall demand had exceeded supply and the average price of commodity properties was RMB6,315 per sq.m., an increase of 23.4% over last year.

The relatively high population in Guangzhou had driven both its economy and income per capita to grow rapidly. However, the living area per capita is relatively low. In order to develop into a cosmopolitan city, there is a continuing program to improve the infrastructure, thus posing a strong momentum in property development in Guangzhou. It is forecasted that the property market in Guangzhou will enter into a long-term stable development period. The Group is confident to capitalise the opportunities of the property market in both Guangzhou and its peripheral second-tier rural areas to further expand its property business in Guangzhou.

### Beijing

One-third of the Group's business is derived from the Beijing market. Being the political and cultural hub of China, Beijing has a relatively high urban development standard with higher capacity and demand in its property market.

## 市場概覽及經營環境 (續)

### 廣州 (續)

二零零六年，廣州土地供應增長明顯。但另一方面，土地需求旺盛，土地基本由大的地產商競得，地價屢創新高。二零零六年廣州市全年新建成商品住宅的供應與二零零五年基本持平，商品房登記成交面積1,158萬平米，同比僅增加2.1%。但市場需求旺盛，總體看來具有供不應求的現象。全年商品住宅成交均價每平方米人民幣6,315元，同比上漲23.4%。

廣州市人口較多，經濟及人均收入增長迅速，人均居住面積相對較低，為建設國際化大都市，廣州市將不斷完善基礎設施建設，這些因素將為廣州市房地產的發展提供較大動力，預計未來廣州市房地產將進入長期穩定發展期。本集團有信心把握廣州及周邊二線城鎮房地產良好發展的機遇，進一步擴大在廣州的地產業務。

### 北京

本集團三分之一之業務來自北京市場。北京是中國政治及文化中心，城市發展水平較高，房地產市場容量和市場需求均較大。



Huajing New City  
華景新城

# Chairman's Statement

## 主席報告

### MARKET OVERVIEW AND OPERATING ENVIRONMENT *(Continued)*

#### Beijing *(Continued)*

In 2006, the land trading activities in Beijing were active, in particular residential sites. The land supply within the Fifth Ring Road is becoming scarce and supply of new land was gradually focusing on rural areas beyond the Fifth Ring Road. As the national policy regulated the supply of residential properties which led to the simultaneous adjustments in residential property products; this, in turn, postponed the selling schedules of properties in the market. The slow down in supply made both the demand and transaction volume to grow slowly. In 2006, the growth of total investments in property development in Beijing diminished. Total GFA sold in property market were 22.87 million sq.m., an increase of 3% over the same period last year. However, selling prices of properties increased substantially with an average price of RMB8,792 per sq.m., an increase of 16.7% over the same period last year.

As construction relating to the Olympics and the massive infrastructure constructions in the Central Business District are underway, and the speeding up of making Beijing into an international city, it will bring a continuous surge in property market in terms of investments and demand. Furthermore, with the continuous increase in income of Beijing citizens, the Beijing property market will continue to develop steadily.

### 市場概覽及經營環境 *(續)*

#### 北京 *(續)*

二零零六年北京市土地市場成交活躍，住宅用地繼續成為土地市場的焦點，五環路以內的土地日漸稀缺，新土地供應逐漸以五環路外之郊縣為主。由於國家政策對住宅結構進行了調整，導致較多住宅在產品上進行調整，推遲了推出市場的時間，使供應量增長變得緩慢，需求及成交量難以快速增長。北京市於二零零六年之房地產開發投資增幅有所回落。房地產銷售面積2,287萬平米，同比僅增加3%。房地產銷售價格增幅較大，2006年平均單價每平方米人民幣8,792元，同比上漲16.7%。

北京市未來隨著奧運工程及中央商業區之大規模基礎市政建設的推進，以及城市國際化進程的加快，房地產投資和需求將持續升溫，此外，隨著北京市民收入的不斷增加，北京市場將繼續保持平穩的發展態勢。



Hopson International Garden  
合生國際花園

## MARKET OVERVIEW AND OPERATING ENVIRONMENT (Continued)

### Shanghai

Shanghai is the emerging financial hub for Asia. With its strong financial and economic foundations, it ranks first in China in terms of property market size. Currently, the Shanghai property market has implemented the State's austerity measures and is undergoing a healthy consolidation period.

As affected by the austerity measures, the demand for property from investors in Shanghai diminished while demand from end-users increased. The latter had in fact absorbed the area of completion for the year. In 2006, the overall supply and demand of new commodity properties were nearly at the similar level. On the other hand, the total transacted GFA of commodity properties in Shanghai were 25.97 million sq.m., an increase of 19% over the same period last year with an average transaction price of RMB8,682 per sq.m., an increase of 4.8% over the same period last year.

Almost two years after implementing the austerity measures, it is expected that the property market in Shanghai will restore to a stable level. With the imminent holding of World Expo, the continuous development in both sides of Huangpu River and refurbishing of old cities will thrive a promising long-term prospects to the property market in Shanghai. In addition, the demand due to the improvement of living conditions and the massive influx of expatriates will further fuel the demand of the property market in Shanghai. By taking advantage of these opportunities, the Group will further develop its property business in Shanghai.

### Tianjin

Tianjin is an important region of the State's Huanbohai development strategy. It experienced strong economic growth in the past years and the property sector has entered into a rapid development stage. In 2006, the property investment in Tianjin remained stable with solid commodity property transaction volume. The property price continued to rise at a rate higher than last year's. In the years to come, there will be ample opportunities for property development in Tianjin. From the economic development standpoint, the development of Huanbohai zone is the main focus under the Eleventh Five-Year Plan. Tianjin has been recognized as the economic center in Northern China. The development of Binhai New District has already been listed as part of the national strategy and the speeding up of the unification between Beijing and Tianjin has generated strong momentum to the economic growth of Tianjin. From the supply and demand point of view, the demand of Tianjin citizens to improve their living conditions is becoming more and more pressing. The municipal government has also put more efforts in improving the image of Tianjin. Resettlement and urban planning will create great demand for housing. The Group will strive to further develop its property business in Tianjin in the coming years.

## 市場概覽及經營環境 (續)

### 上海

上海是亞洲新興金融中心，經濟實力強勁，房地產市場規模居全國之首。目前上海房地產已落實國家宏觀調控政策，處於健康調整期。

受宏觀調控的影響，上海房地產市場的投資需求減少，居民自住需求增加，並支撐了全年新建住宅的行情，二零零六年新建商品住宅的總體供求關係趨於平衡。上海市二零零六年全年商品房成交總建築面積2,597萬平方米，同比增加19%，成交均價每平米人民幣8,682元，同比上漲4.8%。

經歷了兩年左右的宏觀調控，預計上海市的房地產市場會回穩。隨著世界博覽會的即將舉行，黃浦江兩岸之繼續開發及舊城改造項目的繼續實施，上海房地產市場長期仍然看好。此外，市民改善住房條件的需求及大量外籍人士的進入均對上海房地產市場的需求產生支持作用。本集團將把握上海市房地產市場的機遇，進一步拓展在上海市的業務。

### 天津

天津是國家環渤海發展戰略的重點區域，近年之經濟增長強勁，房地產正處於快速發展期。二零零六年，天津市房地產投資保持穩定，商品房成交規模企穩，房價繼續同比快速增長。未來幾年，天津的房地產市場將迎來非常大的發展機遇。從經濟發展的角度看，環渤海地區是「十一五」規劃的發展重點，天津被確立為北方經濟中心，濱海新區開發被列入國家發展戰略，京津一體化進程加快都為天津經濟的增長注入了強勁的動力。從供求的角度看，天津市民改善住房條件的需求非常迫切，市政府也正在加強改善天津市整體的城市面貌，拆遷和城市改造將創造很大的置業需求。未來幾年，本集團將大力拓展天津地產業務。

# Chairman's Statement

## 主席報告

### DEVELOPMENT OF THE PROPERTY SECTOR IN THE PRC

Though the austerity measures of the Chinese government have adverse impact on the property sector in the short-run, its primary objective is to regulate the property sector in pursuing a long-term stable development. With the rapid economic development in China, both the population and disposal income per capita will continue to increase and urbanization rate keeps on improving. The demand of consumers to improve their living standards is becoming increasingly urgent. Currently, China is at a special stage of experiencing Renminbi appreciation and excess liquidity. Its asset price continues to increase and has fuelled the continuous development of the property sector. Furthermore, the role of the property sector as one of the pillars of the state economy will remain unchanged in the near future. The property market in China is therefore expected to maintain a rapid and stable development in the medium and long-run.

In future, the property market in China will further consolidate, making the already sizeable developers larger and thus occupying more market shares.

### PROSPECTS OF THE GROUP

In terms of overall capabilities, the Group is one of the leading property developers in Mainland China. The Group's competitive strengths are: equipped with first class capabilities and experience in property operation and flexibility; having a sufficiently large land reserve and the experience and capabilities in acquiring new land reserve; and equipped with experience and capabilities in resource integration and cost control. The long-term optimistic outlook on both the macro-economy and the property sector in China have provided tremendous development opportunities for the Group.

### 中國房地產行業發展

中國政府的宏觀調控政策雖在短期內對房地產行業產生一定影響，但其根本目的在於對房地產行業進行規範，促使其長期穩定發展。隨著中國經濟持續快速的發展，人口及人均可支配收入的不斷增加，城市化比率持續上升，消費者改善居住條件的需求將更為迫切；中國目前正處於人民幣升值以及流動資金過剩的特殊時期，資產價格持續上漲，這也為房地產的持續發展提供了外部推動力。此外，房地產行業作為國民經濟少數幾個支柱產業之一的地位短期內不會改變。從中長期來看，中國房地產市場仍將快速穩定的發展。

未來中國房地產行業的集中度將進一步提高，公司間規模的差距將越來越大，大型地產商將佔有越來越大的市場份額。

### 集團之未來展望

本集團是中國內地綜合實力最強的地產發展商之一，與競爭對手相比，本集團的相對優勢為：具備一流的地產運作實力及經驗，機制靈活，土地儲備充足，並且擁有獲取新土地儲備，資源整合及成本控制各方面之經驗及能力。中國宏觀經濟及房地產行業長期向好的外部環境為本集團的發展提供了很好的發展機遇。



Beijing Regal Court  
北京珠江帝景

## PROSPECTS OF THE GROUP *(Continued)*

The business of the Group principally comes from four cities: namely Guangzhou, Beijing, Tianjin and Shanghai. As Guangzhou will host the Asian Games in 2010, Beijing will host the Olympics in 2008, Tianjin will be experiencing unprecedented opportunities to encounter rapid development and Shanghai will host the 2010 World Expo, the prospects of property markets in these four cities will develop rapidly. In turn, the Group will also be benefited from these developments. Looking ahead, while the Group will continue to focus on the above four cities as core development regions, it will also develop projects in prosperous second-tier cities which are located in the neighbouring areas of these first-tier cities. At the moment, the Group is developing the peripheral cities in Guangzhou, such as the already on sale project in Huizhou and the project in Nanhai; when appropriate, the Group will also develop projects in Shenzhen.

The Group currently has land reserve for commercial usage and will gradually develop these commercial sites into office buildings and shopping malls. We believe commercial property projects will contribute stable cash flows and steady investment returns to the Group. This will become the new earnings growth in the coming years.

In the years to come, the property sector in Mainland China will continue to consolidate. By leveraging on the Group's first class capabilities and experience in property operation, flexible systems, strong and solid financial background, the Group will continue to grasp the opportunities and to take up challenges with the goal to capture greater market share. We will aim at further enhancing our leading position in the property sector as well as creating higher returns on investments for our shareholders.

**CHU MANG YEE**

*Chairman*

Hong Kong: 17th April 2007

## 集團之未來展望 (續)

本集團目前主要業務來源於廣州、北京、天津及上海四個城市。廣州於二零一零年舉辦亞運會，北京於二零零八年舉辦奧運會，天津面臨飛速發展的歷史機遇，上海二零一零年舉辦世博會，四城市的未來房地產市場將因此快速發展，本集團在上述四城市的房地產業務也將迎來更好的發展機遇。未來本集團仍將以上述四城市為核心發展區域，並向周邊經濟發達的二線城市發展。目前，本集團已在廣州周邊的惠州開發並銷售項目，在南海已開發項目，並計劃尋求適當時機進入深圳開展業務。

本集團目前擁有用作商業用途的土地儲備，未來逐步開發寫字樓、購物中心等商業地產項目，相信商業地產項目將為本集團提供穩定的現金流和可觀的投資回報率，並在未來幾年成為本集團新的盈利增長點。

未來幾年，中國內地房地產的產業集中度將不斷增加，本集團將憑藉一流的地產運作經驗，靈活的機制，雄厚的資本實力繼續把握機遇，迎接挑戰，爭取更大的市場份額，進一步提升行業地位，為股東創造更高的投資回報。

主席

朱孟依

香港：二零零七年四月十七日

# Managing Director's Report

## 董事總經理報告



Wu Jiesi 武捷思  
Chief Executive Officer 行政總裁

Though operating under a series of austerity measures implemented by the Central Government, the property contract sales business of the Group still recorded steady growth. The total contract sales, inclusive of Regal Riviera, were HK\$11,368 million, a surge of 79% when compared to HK\$6,358 million last year.

在中央政府實施一連串宏觀措施的情況下，本集團之地產合約銷售業務仍錄得穩定的增長。總合約銷售包括珠江帝景在內為港幣113.68億元，比去年的港幣63.58億元大幅增長79%。

### BUSINESS REVIEW

#### Property Development Business

Though operating under a series of austerity measures implemented by the Central Government, the property contract sales business of the Group still recorded steady growth. Total contract sales, inclusive of Regal Riviera, were HK\$11,368 million, a surge of 79% when compared to HK\$6,358 million last year. Total contract sales area was 1,157,267 sq.m., up 14% when compared with 1,011,835 sq.m. last year. Furthermore, the disposal of the Group's 50% interests in Shanghai Hopson International Tower during the year brought in US\$75 million in cash. The transaction is expected to be complete in 2008 and by then, a profit of HK\$500 million will be generated for the Group.

### 業務回顧

#### 地產發展業務

在中央政府實施一連串宏觀措施的情況下，本集團之地產合約銷售業務仍錄得穩定的增長。總合約銷售包括珠江帝景在內為港幣113.68億元，比去年的港幣63.58億元大幅增長79%。合約銷售面積為1,157,267平方米，比去年的1,011,835平方米增長14%。另外，集團亦於年內出售上海合生國際大廈的50%權益，套現美金7,500萬元。交易預期於二零零八年完成，屆時將為集團帶來約港幣5億元之利潤。

## BUSINESS REVIEW (Continued)

### Property Development Business (Continued)

Guangdong is an important market of the Group where 46% of the contract sales in 2006 were derived therefrom. Major property projects including Pleasant View Garden, Huanan New City and Gallopade Park – South Court are all located at the prime regions of the urban development. In terms of quality and services, these properties are the leaders amongst the medium to high-end properties within the same regions and the market demand is high. The average selling price of the Guangdong regions in 2006 was up by 27% over the prior year.

Beijing is the second largest market of the Group where 43% of the contract sales in 2006 were derived therefrom. The current selling projects of the Group in Beijing include Beijing Citta Eterna, Beijing Fresh Life Garden, Beijing Regal Court and Hopson International Garden. The annual contract sales of Beijing Regal Court and Hopson International Garden each exceeded RMB1 billion. Especially for Hopson International Garden which is located at the centre of the Central Business District of East Third Ring Road of Beijing, the contract sales on its inaugurating date were in excess of RMB400 million, and since the project was introduced in May 2006, it had received overwhelming acceptances and broke the single day sales record of the Beijing property market in recent years. In 2006, the average unit selling price of the Group's contract sales in Beijing increased by 50%. Beijing becomes the Group's source of profit growth.

The property sales projects of the Group in Shanghai are Hopson Lantern Garden and Shanghai Hopson Town. Of which, Hopson Lantern Garden, a townhouse type project, was first introduced in late September 2006, and is located at Qingpu District Zhaoxiang Town, the west sub-urban district of Shanghai. The Group considers the property market in Shanghai is recovering gradually and these two projects will have better performance in 2007. Furthermore, the Group acquired quite a number of development sites in Shanghai and its peripheral regions and we believe Shanghai will contribute more profit to the Group in future.

Currently, Tianjin Jingjin New Town is the only selling project of the Group in Tianjin. After years of dedicated construction work, Tianjin Jingjin New Town has gradually become one of the largest hot spring villa resorts in China with elevating reputation and has by conveying amenities, entertainment and conference facilities together and receives escalating reputation. The unit selling price of Tianjin Jingjin New Town was up by 3% when compared with last year. With the anticipation of the opening up of Hyatt Regency Hotel in mid 2007, it is believed that sales momentum of the Tianjin Jingjin New Town Villa Project will continue to increase.



Tianjin Jingjin New Town  
天津京津新城

## 業務回顧 (續)

### 地產發展業務 (續)

廣東是本集團的重要市場，於二零零六年之合約銷售約46% 源自廣東地區。主要樓盤包括逸景翠園、華南新城及駿景南苑，均位於城市發展的重點區域，為同區域內品質及服務均居領先地位的中高檔物業，深受市場追捧。廣東地區於二零零六年銷售均價比去年上升27%。

北京是本集團的第二大市場，二零零六年之合約銷售約43% 源於北京。本集團現時在北京市場的在售項目包括北京羅馬嘉園、北京珠江綠洲家園、北京珠江帝景及合生國際花園。北京珠江帝景及合生國際花園的年度合約銷售額均各超過了人民幣10億元。特別是合生國際花園，位於北京東三環中央商業區中心地段，於二零零六年五月份推出，極受市場的歡迎，開盤當日合約銷售已超過人民幣四億元，創造了北京近年樓市單日銷售紀錄。二零零六年，本集團在北京地區銷售均價比上年上升50%，北京地區已成為本集團利潤增長的來源。

本集團於上海的在售樓盤為合生朗庭園及上海合生城邦。其中合生朗庭園於本年九月下旬首次推向市場，位於上海市郊青浦區趙巷鎮，為純聯排別墅項目。本集團相信上海樓市市場將逐步復甦，此兩項目於二零零七年將會有更好的表現，另外本集團在上海及周邊地區購買了多塊發展用地，相信未來上海地區將為本集團作出更多盈利貢獻。

本集團在天津的在售項目暫時只有天津京津新城。在過去數年不斷的精心建設下，天津京津新城將逐步成為全國其中一個最大的集休閒、娛樂、會議為一體的溫泉別墅度假中心，知名度將日漸提升。天津京津新城於二零零六年的單位售價比去年上漲3%。在預期凱悅酒店於二零零七年年中開業的情況下，相信天津京津新城別墅項目的銷售趨勢將繼續上升。

# Managing Director's Report

## 董事總經理報告

### BUSINESS REVIEW (Continued)

#### Property Development Business (Continued)

During the year, the Group secured a further success of its property business in Huizhou. Presently, it has two projects there, namely Huizhou Regal Riviera Bay and Hopson International New City. Huizhou Regal Riviera Bay is a European style top class residential property project developed by the Group and is well received by local market. Located in Shuikou Town, the central district of Huizhou, Hopson International New City is a high-end villa project put on sales by the Group during National Day on 1st October and has drawn great attention in the market. The Group will take these two projects as stepping stones and speed up its investments in Huizhou where we will gradually enlarge the profit contribution proportion of the Group.

The operation of the Group was satisfactory during the year. For the year ended 31st December 2006, the Group had a record-breaking turnover of HK\$6,920 million, an increase of 13% over last year. The following tables show the turnover of major projects and business by region:

Turnover Of The Group By Geographical Locations:

### 業務回顧 (續)

#### 地產發展業務 (續)

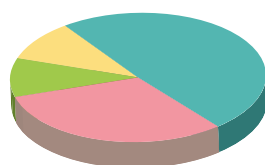
本年內集團在惠州地區的地產業務取得進一步的成功。本集團於惠州地區有兩個項目，分別為帝景灣及合生國際新城。惠州帝景灣為本集團在惠州開發的歐式高檔住宅，乃惠州最頂級的住宅項目，受到當地市場的歡迎。合生國際新城是本集團於十一期間在惠州水口鎮中心區推出的一個高尚別墅區，獲得了市場的極大關注。本集團將以此兩項目為先導，迅速加快在惠州地區的投資，逐步擴大惠州地區對集團盈利貢獻的比重。

本集團本年度的營運表現不俗，截至二零零六年十二月三十一日止年度，本集團的營業額錄得破記錄的港幣69.2億元，較去年增加13%，下表列示根據區域按主要業務項目及業務劃分之營業額如下：

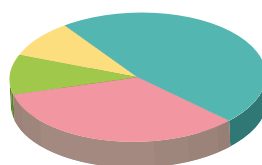
按區域劃分之集團營業額如下：

		2006 二零零六年		2005 二零零五年	
		HK\$ million 百萬港元	Ratio (%) 比例(%)	HK\$ million 百萬港元	Ratio (%) 比例(%)
Guangdong	廣東	3,382	49	2,891	47
Beijing	北京	2,173	31	2,067	34
Shanghai	上海	666	10	616	10
Tianjin	天津	699	10	558	9
Others	其他	—	—	2	—
		<b>6,920</b>	<b>100</b>	<b>6,134</b>	<b>100</b>

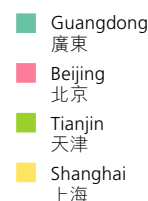
### TURNOVER OF THE GROUP BY GEOGRAPHICAL LOCATIONS 按區域劃分之集團營業額如下



2006 二零零六年



2005 二零零五年



## BUSINESS REVIEW (Continued)

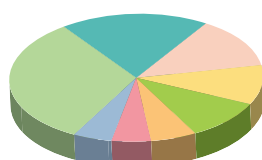
## 業務回顧 (續)

### Property Development Business (Continued)

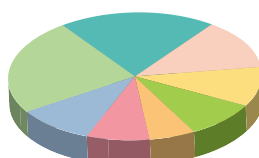
### 地產發展業務 (續)

#### TURNOVER BY MAJOR PROJECTS 按主要項目劃分營業額比例如下

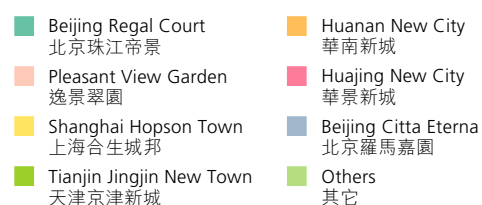
		2006 二零零六年		2005 二零零五年	
		HK\$ million 百萬港元	Ratio (%) 比例(%)	HK\$ million 百萬港元	Ratio (%) 比例(%)
Beijing Regal Court	北京珠江帝景	1,334	19	1,255	20
Pleasant View Garden	逸景翠園	898	13	776	13
Shanghai Hopson Town	上海合生城邦	666	10	616	10
Tianjin Jingjin New Town	天津京津新城	663	10	548	9
Huanan New City	華南新城	390	6	369	6
Huajing New City	華景新城	373	5	516	8
Beijing Citta Eterna	北京羅馬嘉園	366	5	617	10
Others	其他	2,230	32	1,437	24
		<b>6,920</b>	<b>100</b>	<b>6,134</b>	<b>100</b>



2006 二零零六年



2005 二零零五年



#### TURNOVER BY BUSINESS SEGMENTS 按業務劃分營業額比例如下

		2006 二零零六年		2005 二零零五年	
		HK\$ million 百萬港元	Ratio (%) 比例(%)	HK\$ million 百萬港元	Ratio (%) 比例(%)
Property development	物業發展	6,693	97	5,991	98
Property investment	物業投資	54	1	47	1
Property management	物業管理	173	2	96	1
		<b>6,920</b>	<b>100</b>	<b>6,134</b>	<b>100</b>

# Managing Director's Report

## 董事總經理報告

### BUSINESS REVIEW (Continued)

#### Property Development Business (Continued)

Property Development Completion (Estimated)

### 業務回顧 (續)

#### 地產發展業務 (續)

物業開發完工 (預計)

Name of Project 項目名稱		2007	2008	2009	Post 2010
		Completed	Completed	Completed	Completed
		Area	Area	Area	Area
		二零零七年	二零零八年	二零零九年	二零一零年
		完工面積	完工面積	完工面積	以後完工面積
		(sq. m.)	(sq. m.)	(sq. m.)	(sq. m.)
		(平方米)	(平方米)	(平方米)	(平方米)
		Total	Total	Total	Total
		合計	合計	合計	合計
Gallopede Park	駿景花園	39,118	68,214	95,512	439,529
Pleasant View Garden	逸景翠園	75,039	101,440	146,955	505,489
Huanan New City	華南新城	69,951	142,722	87,441	1,831,414
Huajing New City	華景新城	94,529	—	—	—
Regal Riviera	珠江帝景	102,047	92,992	—	344,070
Regal Palace	帝景華苑	32,397	—	—	—
Yijing Huayuan	頤景華苑	—	57,048	61,816	—
Guangzhou Hopson International Building	廣州合生國際大廈	—	—	99,059	—
Yunshan Xijing	雲山熹景	31,494	68,328	23,014	—
Regal Riviera Villa	帝景山莊	34,975	64,071	—	—
Nanhai Junjing Bay	南海君景灣	—	115,904	124,259	379,496
Guangzhou Jiahe Commercial City	廣州嘉和商業城	—	—	—	143,186
Guangzhou Huadu Hongbenggang Reservoir Project	廣州花都紅崩崗水庫項目	—	60,000	60,000	264,510
Huizhou Regal Riviera Bay	惠州帝景灣	114,882	37,987	64,490	316,099
Hopson International New City	合生國際新城	230,169	29,027	149,027	848,796
Beijing Regal Court	北京珠江帝景	—	145,255	71,627	248,843
Beijing Citta Eterna	北京羅馬嘉園	110,182	58,123	38,235	—
Beijing Fresh Life Garden	北京珠江綠洲家園	63,910	—	—	—
Hopson International Garden	合生國際花園	151,782	37,242	—	—
Shanghai Hopson Town	上海合生城邦	103,759	89,415	70,000	108,002
Shanghai Hopson International Tower	上海合生國際大廈	—	82,671	—	—
Shanghai Yangpu Xuchang Road Project	上海楊浦許昌路項目	—	26,338	24,451	—
Shanghai Sheshan Dongziyuan	上海佘山東紫園	20,733	17,614	12,615	73,635
Hopson Lantern Garden	合生朗庭園	52,066	35,000	26,893	—
Shanghai Dongjing Project	上海洞涇項目	—	43,820	54,776	21,733
Ningbo Gaojiaoyuan District Project	寧波高教園區項目	—	71,299	43,356	328,157
Tianjin Jingjin New Town	天津京津新城	244,769	100,000	210,000	2,656,207
Guangzhou Qianjin Road Project	廣州前進路項目	—	—	112,038	146,148
Guangzhou Ziyun Villa	廣州紫雲山莊	14,160	177,995	50,000	633,216
Beijing Desheng Building	北京德勝大廈	—	65,837	—	—
Beijing Dongfangwenhua	北京東方文華	—	129,749	—	—
Shanghai Yu Tai Project	上海御泰項目	—	16,385	23,140	—
Tianjin Ge Tian Building	天津格天大廈	—	—	90,000	—
Tianjin Regal Riviera Bay	天津帝景灣	—	—	134,550	—
Total	總數	1,585,962	1,934,476	1,873,254	9,288,530

## BUSINESS REVIEW (Continued)

### Property Management Service

The property management service is an important protective shield of the Group in its development. Guangdong Esteem Property Services Limited ("Guangdong Esteem"), with State Grade 1 qualification, is devoted to providing comprehensive, professional and people-oriented management services to residents. The business motto of Guangdong Esteem is "People as core and creation of Quality Life". It makes its best endeavours to provide a healthy and comfortable environment and its service is well received by the community. In 2006, the Group set up a seamless property management service information system and had enhanced its customer service standards. In 2007, the Group is desirous to fulfill and focus on expanding the dimension of property services in satisfying the living requirements of the mainstream sector in PRC. We aim at focusing on customer demands and customize top class services dedicated to them. We look for leveling up with international property management standards and create premier living style of international quality with the objective of achieving customer satisfaction.



### Property Rental

The rental income of the Group in 2006 was approximately HK\$54 million, an increase of approximately 15% over last year.

At of today, the rental income of the Group is mainly derived from retail shops and carparks which represent only a small portion of the Group's business. However, in the foreseeable future, the Group will gradually develop more commercial projects like office buildings and shopping malls and hence will bring more steady cashflow to the Group.

### Hotel Operations

The Group has two hotels with business operations, namely Guangzhou Regal Riviera Hotel and Beijing Plaza Royale Hotel.

## 業務回顧 (續)

### 物業管理服務

物業管理服務是集團發展的重要保障力。集團屬下的廣東康景物業服務有限公司(國家一級資質,簡稱「康景物業」)為廣大業主提供全方位、專業化、人性化的物業管理服務。康景物業秉承「以人為本,創造健康生活」的管理理念,致力於為業主創造健康舒適的生活環境,其優質服務深獲社會各界認同。二零零六年,集團建立了完善的物業管理服務信息化系統,全面提升了客戶服務水平。集團零七年以滿足中國主流階層的生活需求為追求,著力於拓寬物業服務的深度和廣度,針對客戶需求,為客戶度身訂造星級服務,與國際化物業服務標準接軌,為業主打造具有國際品質的優質生活模式,讓客戶滿意。



### 收租業務

本集團於二零零六年的租金收入約港幣5,400萬元,比去年增加均15%。

直至今為止,集團的租金收入主要源自各樓盤的商舖及車位。暫時仍佔集團業務的一小部份。但於可見將來,集團會逐步開發寫字樓及購物中心等商業項目,從而帶來更穩定的現金流。

### 酒店業務

集團現時旗下有兩間正在營運之酒店,包括廣州珠江帝景酒店及北京帝景豪廷酒店。

# Managing Director's Report

## 董事總經理報告

### BUSINESS REVIEW (Continued)

The turnover of Guangzhou Regal Riviera Hotel for the year was HK\$19 million with an average occupancy rate of 58%. Whereas, the turnover of Beijing Plaza Royale Hotel for the year was HK\$27 million with an average occupancy rate of 55%.



Beijing Plaza Royale Hotel  
北京帝景豪廷酒店

The Hyatt Regency Jingjin City in Baodi, Tianjin is under construction with 837 rooms. The hotel is managed by Hyatt of China Limited, a wholly-owned subsidiary of Hyatt International Corporation and is expected to commence operation by mid 2007.

We expect the Group's hotel business will not only bring greater profitability to the Group in view of the prosperous economic development in China, it will also increase the intrinsic value of both the property projects and its branding.



Hyatt Regency Jingjin City  
京津新城凱悅酒店

### 業務回顧 (續)

廣州珠江帝景酒店於本年度營業額為港幣1,900萬元，平均入住率為58%。而北京帝景豪廷酒店於本年度的營業額為港幣2,700萬元，平均入住率為55%。



Guangzhou Regal Riviera Hotel  
廣州珠江帝景酒店

天津寶坻的京津新城凱悅酒店正在建築中，將會有837間房間，並由凱悅國際公司之全資子公司中國凱悅有限公司管理，預期於二零零七年中開業。

本集團之酒店除了預計會隨中國經濟發展而為集團帶來更佳的盈利外，更為集團旗下的樓盤以及品牌增加其內在價值。

## REVIEW OF FINANCING ACTIVITIES

In order to enhance its financial position and to raise fund to further enlarge its land bank, the Group carried out the following financing activities:

### (1) Issuance of 60,000,000 new shares

On 3rd November 2006, the Company issued 60 million new shares and placed them to international investors at HK\$16.6 per share. The net proceeds from the placement were HK\$980 million and were deployed for working capital and investment purposes.

### (2) Issuance of convertible bonds of RMB1.83 billion expiring in 2010

On 18th January 2007, the Company issued RMB1.83 billion zero-coupon convertible bonds with conversion price of HK\$30.08 per share. The yield-to-put for the 3 year convertible bonds was 1.5% per annum. Upon full conversion, to the total number of shares to be issued are 61,107,715 shares. It is the first ever RMB denominated convertible bonds issued by a Hong Kong listed company.

## 融資事務回顧

為進一步強化其財務狀況，以及籌集資金進一步擴大其土地儲備，本集團有以下融資活動：

### (1) 發行60,000,000股新股

於二零零六年十一月三日，本公司發行6,000萬股新股，並以每股港幣16.6元配售予國際投資者。配售股份所得款項淨額港幣9.8億元，已作為集團一般營運資金及投資用途。

### (2) 發行二零一零年到期的人民幣18.3億元可換股債券

於二零零七年一月十八日，本公司發行價值人民幣18.3億元換股價為港幣30.08元的零息可換股債券。此三年期可換股債券的孳息率為1.5%。在全部悉數轉換後，可發行的股份數目為61,107,715股股份。此為香港上市公司首次發行以人民幣計值的可換股債券。

# Managing Director's Report

## 董事總經理報告

### LAND BANK REPLENISHMENT

The land bank of the Group is substantial. On 31st December 2006, the saleable area of the Group was 14.08 million sq. m.

Although the land bank is sufficient for the Group to use in the coming five to seven years, the Group continues to acquire new land to enlarge its economic scale. The following is the new land that the acquisitions had completed during the year:

### 土地儲備新增

本集團擁有龐大的土地儲備。於二零零六年十二月三十一日，本集團的可供銷售面積達1,408萬平方米。

雖然現時之土地儲備足夠集團未來五至七年開發之用，集團仍然不斷購置新土地以擴大其經濟規模。以下為集團於本年完成收購新增土地之一覽表：

Name of Project 項目名稱	Group's interests 本集團之權益	Location of Project 項目地點	Gross Floor Area (sq.m.) 建築面積 (平方米)	Saleable Area (sq.m.) 可供銷售面積 (平方米)
Nanhai Junjing Bay 南海君景灣	100%	Huang Qi Yan Li Road Land Parcels, Foshan, Nanhai District, Guangzhou 廣州佛山南海區黃岐鹽里路地段	672,093	619,656
Guangzhou Jiahe Commercial City 廣州嘉和商業城	100%	The West of Guangzhou Road South, Haizhu District, Guangzhou (The Land Opposite to Xinhoude Gardening Company) 廣州市海珠區廣州大道南西側(新厚德園藝公司對面地段)	143,186	143,186
Guangzhou Huadu Hongbenggang Reservoir Project 廣州花都紅崩崗水庫項目	95.5%	Land Parcels surrounding Hongbenggang Reservoir at the north of Tourist Thoroughfare in the Front of Mountain, Shiling Town, Huadu District, Guangzhou 廣州花都區獅嶺鎮山前旅遊大道以北及紅崩水庫外圍地塊	384,510	384,510
Shanghai Yangpu Xuchang Road Project 上海楊浦許昌路項目	100%	Tangshan Road South, Xuchang Road East, Kunming Road North, Huaide Road West, Shanghai 上海唐山路南·許昌路東·昆明路北·懷德路西	56,289	50,789
Shanghai Sheshan Dongziyuan 上海佘山東紫園	100%	Land Parcels No. 9 and No. 10, Sheshan National Holiday Resort, Shanghai 上海佘山國家旅遊度假區九號·十號地塊	125,897	124,597
Hopson Lantern Garden 合生朗庭園	100%	New City Area, Zhaoxiang Town, Qingpu, Shanghai 上海青浦趙巷鎮新城區	124,531	124,041
Shanghai Dongjing Project 上海洞涇項目	84%	Site B, No. 10 Dongjing Town, Song Jiang District, Shanghai 上海松江區洞涇鎮10號B地塊	122,823	120,329
Ningbo Gaojiaoyuan District Project 寧波高教園區項目	100%	Land Parcels No. 1-6, Gaojiaoyuan Core District North, Hai Xin City, Ningbo 寧波鎮海新城高教園區核心區北側1-6號地塊	450,566	442,812
Total 總數			2,079,895	2,009,920

## LAND BANK REPLENISHMENT (Continued)

## 土地儲備新增 (續)

The following are the land acquisition contracts signed during the year but the acquisitions were not completed at the end of the year:

以下為本集團於年內簽署收購土地協議但未於年底完成之一覽表：

Name of Project 項目名稱	Group's interests 本集團之權益	Location of Project 項目地點	Estimated Gross Floor Area (sq.m.) 建築面積 (平方米)	Estimated Saleable Area (sq.m.) 可供銷售面積 (平方米)
Guangzhou Qianjin Road Project 廣州前進路項目	100%	21 Jijin South Street, Qianjin Road, Haizhu District, Guangzhou 廣州市海珠區前進路基金南街21號	266,186	258,186
Guangzhou Ziyun Villa 廣州紫雲山莊	100%	Guangdong Zengcheng City, Xintang Town, Guangzhou 廣東省增城市新唐鎮	875,371	875,371
Beijing Desheng Building 北京德勝大廈	100%	De Wai Guan Xiang, Xicheng District, Beijing 北京市西城區德外關廂	70,937	65,837
Beijing Dongfangwenhua 北京東方文華	60.98%	No. D4, Dongsì Redevelopment Area, Dongcheng District, Beijing 北京東城區東西危改小區D4號	129,749	129,749
Shanghai Yu Tai Project 上海御泰項目	100%	Sites C-4-2 and C5, Jinqiao-Zhangjiang District, New Pudong Area, Shanghai 上海浦東新區金橋—張江地區C-4-2和C-5地塊	39,525	39,525
Tianjin Ge Tian Building 天津格天大廈	100%	Interchange between Wei Jin Road and Shui Shang North Road, Nan Kai District, Tianjin 天津市南開區衛津路與水上北道交口	90,000	90,000
Total 總數			1,471,768	1,458,668

# Managing Director's Report

## 董事總經理報告

### LAND BANK STATUS

The following analysis of the land bank of the Group (inclusive of Regal Riviera in Guangzhou), by saleable area, is based on its internal records only and without any independent verification:

### 土地儲備狀況

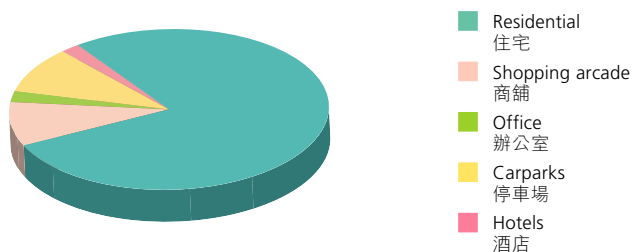
以下為本集團土地儲備之分析(包括廣州珠江帝景)·按可供銷售面積並只根據其內部紀錄計算·而無獨立核實:

### Usage and Location

### 用途及地區

		Saleable Area (million sq. m.) 可供銷售面積(百萬平方米)						Total 總計
		Guangzhou 廣州	Huizhou 惠州	Beijing 北京	Tianjin 天津	Shanghai 上海	Ningbo 寧波	
Residential	住宅	4.60	1.34	0.62	3.25	0.73	0.44	10.98
Shopping arcade	商舖	0.78	0.21	0.13	0.08	0.05	—	1.25
Office	辦公室	0.06	—	0.18	—	0.06	—	0.30
Carparks	停車場	0.84	0.22	0.16	—	0.08	—	1.30
Hotels	酒店	0.03	0.04	0.04	0.14	—	—	0.25
Total	總數	6.31	1.81	1.13	3.47	0.92	0.44	14.08

### LAND BANK BY USAGE 按用途劃分土地儲備比例如下



## LAND BANK STATUS (Continued)

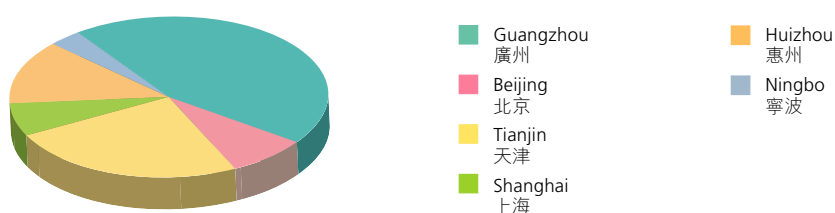
## 土地儲備狀況 (續)

### Development Status and Location

### 發展狀況及地區

		Saleable Area (million sq. m.) 可供銷售面積 (百萬平方米)						Total 總計
		Guangzhou 廣州	Huizhou 惠州	Beijing 北京	Tianjin 天津	Shanghai 上海	Ningbo 寧波	
Completed properties	已落成物業	0.45	0.02	0.20	0.26	0.05	—	0.98
Properties under development	發展中物業	1.20	0.21	0.45	0.17	0.28	—	2.31
Properties to be developed	待發展物業	4.66	1.58	0.48	3.04	0.59	0.44	10.79
Total	總數	6.31	1.81	1.13	3.47	0.92	0.44	14.08

### LAND BANK BY LOCATION 按地區劃分土地儲備比例如下

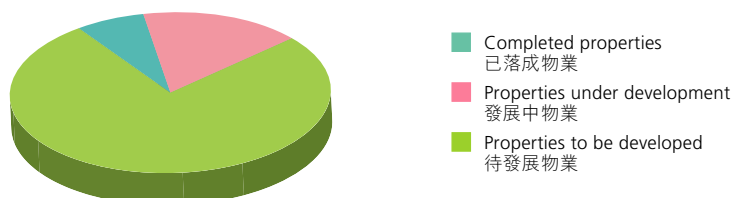


### Development Status and Usage

### 發展狀況及用途

		Saleable Area (million sq. m.) 可供銷售面積 (百萬平方米)					Total 總計
		Residential 住宅	Shopping arcade 商舖	Office 辦公室	Carparks 停車場	Hotels 酒店	
Completed properties	已落成物業	0.37	0.29	—	0.25	0.07	0.98
Properties under development	發展中物業	1.66	0.11	0.12	0.28	0.14	2.31
Properties to be developed	待發展物業	8.95	0.85	0.18	0.77	0.04	10.79
Total	總數	10.98	1.25	0.30	1.30	0.25	14.08

### LAND BANK BY DEVELOPMENT STATUS 按發展狀況劃分土地儲備比例如下



# Managing Director's Report

## 董事總經理報告

### LAND BANK STATUS (Continued)

### 土地儲備狀況 (續)

#### Title Status and Location

#### 所有權狀況及地點

		Saleable Area (million sq. m.) 可供銷售面積 (百萬平方米)						Total 總計
		Guangzhou 廣州	Huizhou 惠州	Beijing 北京	Tianjin 天津	Shanghai 上海	Ningbo 寧波	
Land use rights certificates and construction works planning permits obtained <sup>(1)</sup>	已取得土地使用證及建設工程規劃許可證 <sup>(1)</sup>	1.64	0.30	0.71	0.43	0.33	–	3.41
Land use rights certificates obtained but without construction works planning permits <sup>(2)</sup>	已取得土地使用證但未取得建設工程規劃許可證 <sup>(2)</sup>	2.34	1.06	0.15	0.97	0.48	–	5.00
Construction land use planning permits obtained <sup>(3) (5)</sup>	已取得建設用地規劃許可證 <sup>(3) (5)</sup>	1.71	–	0.27	2.01	–	–	3.99
Grant of major approvals and certificates not yet obtained <sup>(4) (5)</sup>	有待主要批文及證書之批出 <sup>(4) (5)</sup>	0.62	0.45	–	0.06	0.11	0.44	1.68
Total	總計	6.31	1.81	1.13	3.47	0.92	0.44	14.08

(1) Relevant land use rights certificates and construction works planning permits have been granted.

(1) 已獲授有關的土地使用證及建設工程規劃許可證。

(2) Relevant land use rights certificates have been granted while the appertaining construction works planning permits have not yet been obtained.

(2) 已獲授有關的土地使用證但相關之建設工程規劃許可證並未取得。

(3) Relevant construction land use planning permits have been granted. However, the land use rights certificates have not yet been obtained and will only be secured upon execution of the relevant land transfer contracts and payment of land premium.

(3) 已獲授有關的建設用地規劃許可證。然而，尚未取得有關的土地使用證，而有關土地使用證只會在履行土地轉讓合同及支付有關土地出讓金後取得。

(4) Only upon completion of the land grant procedures (e.g. obtainment of the construction land use planning permits, and the execution of land transfer contracts) and the payment of the appertaining land premium will the land use rights certificates be obtained.

(4) 土地使用證僅於完成土地授出程序（如獲得建設用地規劃許可證及履行土地轉讓合同）及支付有關土地出讓金之後方可獲得。

(5) For payment status of land premium, please refer to notes 23 and 39 to the accounts.

(5) 土地出讓金之支付狀況請參閱賬目附註23及39。

## CORPORATE GOVERNANCE

During the year, the Group continued to maintain effective corporate governance practices. Apart from the Audit Committee, the Remuneration Committee, the Connected Transactions/Related Party Transactions Committee and the Option Shares Committee established by the Company last year continue to operate and are responsible for supervising the corporate governance status of the Group.

Details of the corporate governance report of the Group is set out on pages 79 to 88 of the annual report of the year.

## INCLUSION IN THE MORGAN STANLEY CAPITAL INTERNATIONAL INC. ("MSCI") CHINA INDEX

Since June 2006, our shares have been included in MSCI China Index, reflecting our works in the past are recognised internationally.

## APPRECIATION

I would like to express my heartfelt gratitude to our management and all staff members for their commitments and dedications to the Group.

**Wu Jiesi**

*Chief Executive Director*

Hong Kong, 17th April 2007

## 企業管治

本集團於年內繼續維持有效企業管治。除審核委員會，本集團於去年成立的薪酬委員會、關連交易／有關連人士交易委員會及購股權委員會仍繼續運作，負責監察集團之企業管治狀況。

本集團詳細之企業管治報告詳載於本年報第79至88頁。

## 被納入摩根史丹利資本國際（「MSCI」）中國指數

自二零零六年六月，合生創展被納入摩根史丹利資本國際中國指數，反映本集團在過去的努力受到國際認同。

## 感謝

本人謹此對管理層及各員工所付出的努力深表感謝。

*行政總裁*

**武捷思**

香港，二零零七年四月十七日

## Huanbohai Economic Zone

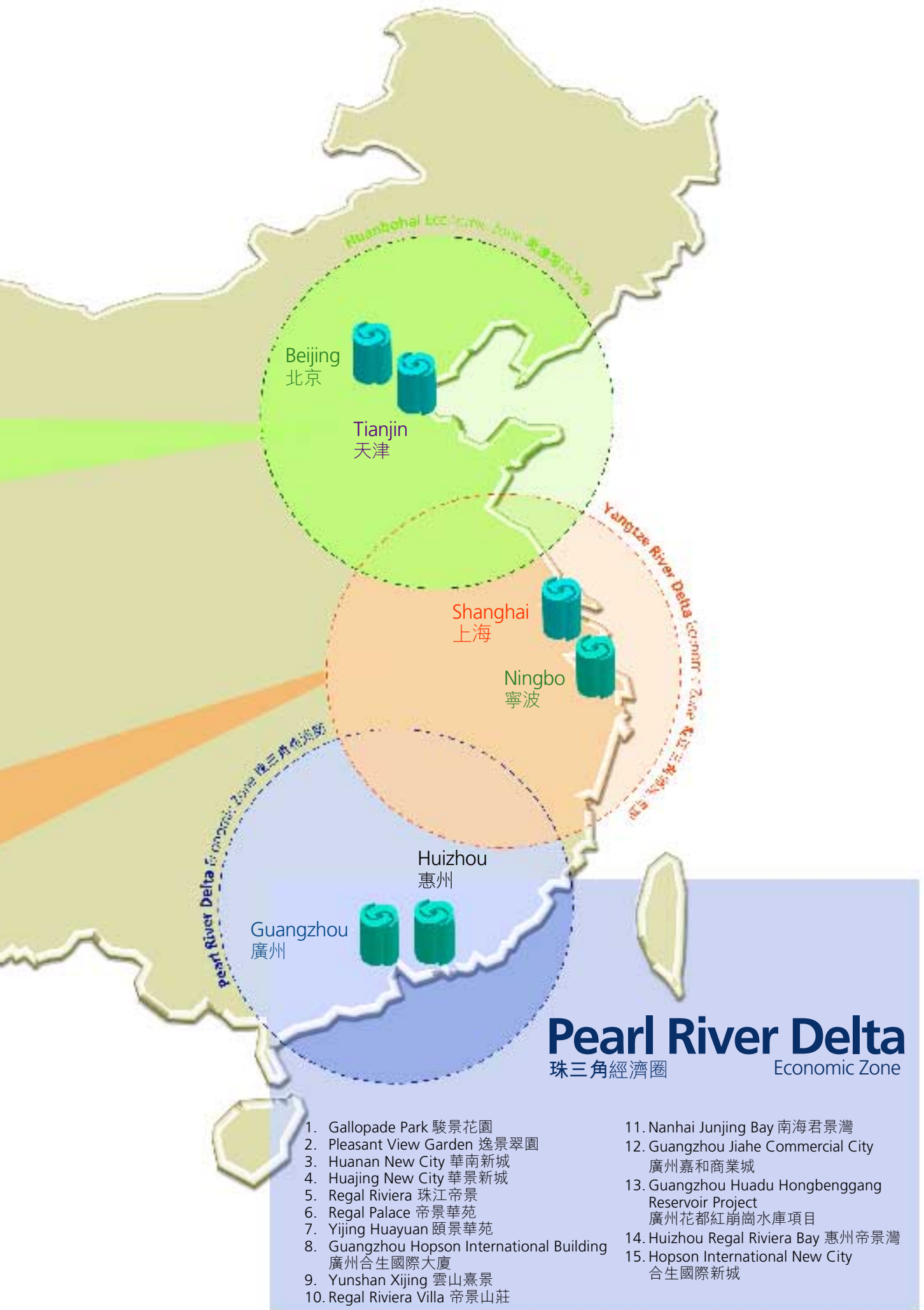
環渤海經濟圈

1. Beijing Regal Court 北京珠江帝景
2. Beijing Citta Eterna 北京羅馬嘉園
3. Beijing Fresh Life Garden 北京珠江綠洲家園
4. Hopson International Garden 合生國際花園
5. Tianjin Jingjin New Town 天津京津新城

## Yangtze River Delta

長江三角洲經濟圈 Economic Zone

1. Shanghai Hopson Town 上海合生城邦
2. Shanghai Hopson International Tower 上海合生國際大廈
3. Shanghai Yangpu Xuchang Road project 上海楊浦許昌路項目
4. Shanghai Sheshan Dongziyuan 上海佘山東紫園
5. Hopson Lantern Garden 合生朗廷園
6. Shanghai Dongjing project 上海洞涇項目
7. Ningbo Gaojiaoyuan District project 寧波高教園區項目



# Guangzhou

## 廣州



1. Gallopade Park 駿景花園
2. Pleasant View Garden 逸景翠園
3. Huanan New City 華南新城
4. Huajing New City 華景新城

5. Regal Riviera 珠江帝景
6. Regal Palace 帝景華苑
7. Yijing Huayuan 頤景華苑
8. Guangzhou Hopson International Building 廣州合生國際大廈
9. Yunshan Xijing 雲山熹景
10. Regal Riviera Villa 帝景山莊
11. Nanhai Junjing Bay 南海君景灣
12. Guangzhou Jiahe Commercial City 廣州嘉和商業城
13. Guangzhou Huadu Hongbenggang Reservoir Project 廣州花都紅崩崗水庫項目



1

### Gallopade Park

#### 駿景花園

Zhongshan Avenue, Tianhe District, Guangzhou (95% owned)  
廣州天河區中山大道(擁有95%權益)

	平方米 Sq.m.
已完工	Construction completed 48,942
將於以下時間完工	Construction to be completed
• 二零零七年	in 2007 39,118
• 二零零八年	in 2008 68,214
• 二零零九年或以後	in 2009 and after 535,041
於二零零六年十二月三十一日之土地儲備	Land bank as at 31st December 2006 691,315

2

## Pleasant View Garden

### 逸景翠園

Guangzhou Avenue, Haizhu District, Guangzhou (94.98% owned)  
廣州海珠區廣州大道 (擁有94.98%權益)

		平方米 Sq.m.
已完工	Construction completed	41,266
將於以下時間完工	Construction to be completed	
• 二零零七年	in 2007	75,039
• 二零零八年	in 2008	101,440
• 二零零九年或以後	in 2009 and after	652,444
於二零零六年十二月三十一日之土地儲備	Land bank as at 31st December 2006	870,189



3

## Huanan New City

### 華南新城

Panyu District, Guangzhou (99% owned)  
廣州番禺區 (擁有99%權益)

		平方米 Sq.m.
已完工	Construction completed	52,786
將於以下時間完工	Construction to be completed	
• 二零零七年	in 2007	69,951
• 二零零八年	in 2008	142,722
• 二零零九年或以後	in 2009 and after	1,918,855
於二零零六年十二月三十一日之土地儲備	Land bank as at 31st December 2006	2,184,314



4

## Huajing New City

### 華景新城

105 Zhongshan Avenue, Tianhe District, Guangzhou (100% owned)  
廣州天河區中山大道105號 (擁有100%權益)

		平方米 Sq.m.
已完工	Construction completed	115,427
將於以下時間完工	Construction to be completed	
• 二零零七年	in 2007	94,529
於二零零六年十二月三十一日之土地儲備	Land bank as at 31st December 2006	209,956



5

## Regal Riviera

### 珠江帝景

Guangzhou Avenue, Chigang, Haizhu District, Guangzhou (69.5% owned)  
廣州海珠區赤崗廣州大道 (擁有69.5%權益)

		平方米 Sq.m.
已完工	Construction completed	108,127
將於以下時間完工	Construction to be completed	
• 二零零七年	in 2007	102,047
• 二零零八年	in 2008	92,992
• 二零零九年或以後	in 2009 and after	344,070
於二零零六年十二月三十一日之土地儲備	Land bank as at 31st December 2006	647,236





6

## Regal Palace

### 帝景華苑

Guangzhou Avenue, Chigang, Haizhu District, Guangzhou (100% owned)  
廣州海珠區赤崗廣州大道(擁有100%權益)

		平方米 Sq.m.
已完工	Construction completed	3,366
將於以下時間完工 • 二零零七年	Construction to be completed in 2007	32,397
於二零零六年十二月 三十一日之土地儲備	Land bank as at 31st December 2006	35,763



7

## Yijing Huayuan

### 頤景華苑

Dongxiaonan Road, Haizhu District, Guangzhou (100% owned)  
廣州海珠區東曉南路(擁有100%權益)

		平方米 Sq.m.
已完工	Construction completed	12,020
將於以下時間完工 • 二零零七年 • 二零零八年 • 二零零九年或以後	Construction to be completed in 2007 in 2008 in 2009 and after	— 57,048 61,816
於二零零六年十二月 三十一日之土地儲備	Land bank as at 31st December 2006	130,884



8

## Guangzhou Hopson International Building

### 廣州合生國際大廈

Yuehua Road, Yuexiu District, Guangzhou (100% owned)  
廣州越秀區越華路(擁有100%權益)

		平方米 Sq.m.
將於以下時間完工 • 二零零九年或以後	Construction to be completed in 2009 and after	99,059
於二零零六年十二月 三十一日之土地儲備	Land bank as at 31st December 2006	99,059



9

## Yunshan Xijing

### 雲山熹景

Guangzhou Main Road, Baiyun District, Guangzhou (70% owned)  
廣州白雲區廣州大道(擁有70%權益)

		平方米 Sq.m.
將於以下時間完工 • 二零零七年 • 二零零八年 • 二零零九年或以後	Construction to be completed in 2007 in 2008 in 2009 and after	31,494 68,328 23,014
於二零零六年十二月 三十一日之土地儲備	Land bank as at 31st December 2006	122,836

10

### Regal Riviera Villa 帝景山莊

Huanchang Road, Tianhe District, Guangzhou (100% owned)  
廣州天河區環場路(擁有100%權益)

		平方米 Sq.m.
已完工	Construction completed	10,652
將於以下時間完工	Construction to be completed	
• 二零零七年	in 2007	34,975
• 二零零八年	in 2008	64,071
於二零零六年十二月三十一日之土地儲備	Land bank as at 31st December 2006	109,698



11

### Nanhai Junjing Bay 南海君景灣

Huang Qi Yan Li Road, Foshan, Nanhai District, Guangzhou (100% owned)  
廣州佛山南海區黃岐鹽里路(擁有100%權益)

		平方米 Sq.m.
將於以下時間完工	Construction to be completed	
• 二零零八年	in 2008	115,904
• 二零零九年或以後	in 2009 and after	503,755
於二零零六年十二月三十一日之土地儲備	Land bank as at 31st December 2006	619,659



12

### Guangzhou Jiahe Commercial City 廣州嘉和商業城

Guangzhou Road South, Haizhu District, Guangzhou (100% owned)  
廣州市海珠區廣州大道南(擁有100%權益)

		平方米 Sq.m.
將於以下時間完工	Construction to be completed	
• 二零零九年或以後	in 2009 and after	143,186
於二零零六年十二月三十一日之土地儲備	Land bank as at 31st December 2006	143,186

13

### Guangzhou Huadu Hongbenggang Reservoir Project 廣州花都紅崩崗水庫項目

Honbenggang Reservoir, Shiling Town, Huadu District, Guangzhou (100% owned)  
廣州市花都區獅嶺鎮紅崩崗水庫(擁有100%權益)

		平方米 Sq.m.
將於以下時間完工	Construction to be completed	
• 二零零八年	in 2008	60,000
• 二零零九年或以後	in 2009 and after	324,510
於二零零六年十二月三十一日之土地儲備	Land bank as at 31st December 2006	384,510



# Huizhou 惠州



14. Huizhou Regal Riviera Bay 惠州帝景灣

15. Hopson International New City  
合生國際新城



14

## Huizhou Regal Riviera Bay

### 惠州帝景灣

Wenchangyi Road, Jiangbei District, Huizhou (100% owned)  
惠州市江北區文昌一路(擁有100%權益)

		平方米 Sq.m.
已完工	Construction completed	12,566
將於以下時間完工	Construction to be completed	
• 二零零七年	in 2007	114,882
• 二零零八年	in 2008	37,987
• 二零零九年或以後	in 2009 and after	380,589
於二零零六年十二月三十一日之土地儲備	Land bank as at 31st December 2006	546,024



15

## Hopson International New City

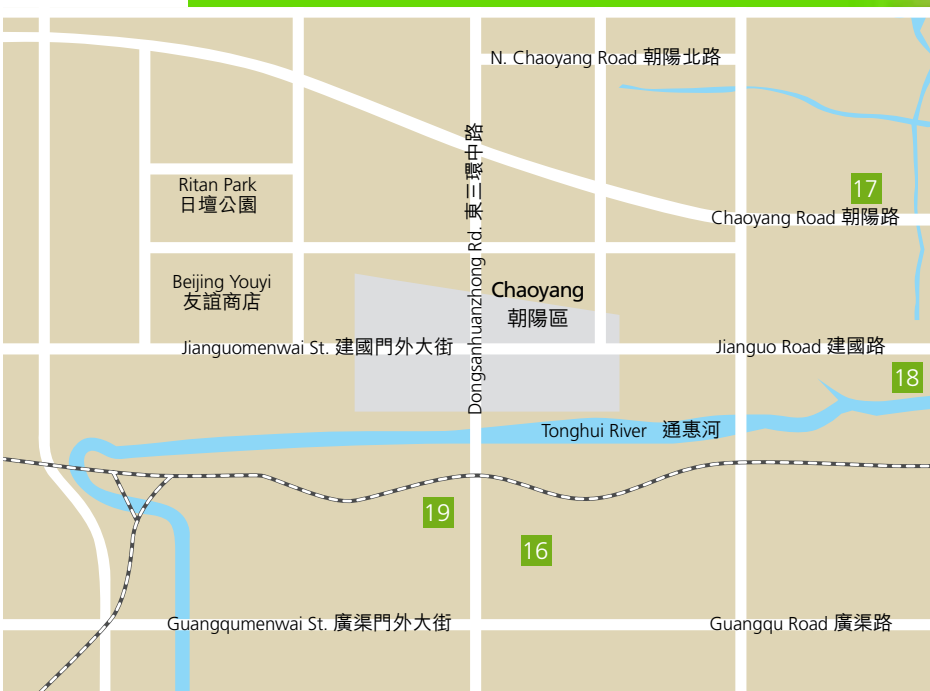
### 合生國際新城

Yaxin Gardens, Lianhe Village, Shuikou Town, Huizhou (100% owned)  
惠州水口鎮聯和村亞新花園(擁有100%權益)

		平方米 Sq.m.
將於以下時間完工	Construction to be completed	
• 二零零七年	in 2007	230,169
• 二零零八年	in 2008	29,027
• 二零零九年或以後	in 2009 and after	997,823
於二零零六年十二月三十一日之土地儲備	Land bank as at 31st December 2006	1,257,019

Beijing  
北京

# Beijing 北京



- 16. Beijing Regal Court 北京珠江帝景
- 17. Beijing Citta Eterna 北京羅馬嘉園
- 18. Beijing Fresh Life Garden  
北京珠江綠洲家園
- 19. Hopson International Garden  
合生國際花園

16

## Beijing Regal Court 北京珠江帝景

23 Xidawang Road, Chaoyang District, Beijing (100% owned)  
北京市朝陽區西大王路23號(擁有100%權益)

		平方米 Square meters
已完工	Construction completed	151,883
將於以下時間完工	Construction to be completed	
• 二零零八年	in 2008	145,255
• 二零零九年或以後	in 2009 and after	320,470
於二零零六年十二月三十一日之土地儲備	Land bank as at 31st December 2006	617,608



17

## Beijing Citta Eterna 北京羅馬嘉園

Gan Lu Yuan, Qingnian Road, Chaoyang District, Beijing (100% owned)  
北京市朝陽區青年路甘露園(擁有100%權益)

		平方米 Square meters
將於以下時間完工	Construction to be completed	24,962
• 二零零七年	in 2007	110,182
• 二零零八年	in 2008	58,123
• 二零零九年或以後	in 2009 and after	38,235
於二零零六年十二月三十一日之土地儲備	Land bank as at 31st December 2006	231,502





18

## Beijing Fresh Life Garden

### 北京珠江綠洲家園

18 Bangzijing Village, Sanjianfang Town, Beijing (100% owned)  
北京市三間房鄉椰子井村十八號(擁有100%權益)

		平方米 Sq.m.
已完工	Construction completed	25,249
將於以下時間完工 • 二零零七年	Construction to be completed in 2007	63,910
於二零零六年十二月 三十一日之土地儲備	Land bank as at 31st December 2006	89,159



19

## Hopson International Garden

### 合生國際花園

South of international trade bridge of Chaoyang district, inside  
East 3rd Ring Road, Beijing (100% owned)  
北京市朝陽區國貿橋南，東三環內(擁有100%權益)

		平方米 Sq.m.
將於以下時間完工 • 二零零七年 • 二零零八年	Construction to be completed in 2007 in 2008	151,782 37,242
於二零零六年十二月 三十一日之土地儲備	Land bank as at 31st December 2006	189,024

# Shanghai 上海



- 20. Shanghai Hopson Town 上海合生城邦
- 21. Shanghai Hopson International Tower<sup>(1)</sup>  
上海合生國際大廈<sup>(1)</sup>
- 22. Shanghai Yangpu Xuchang Road Project  
上海楊浦許昌路項目
- 23. Shanghai Sheshan Dongziyuan  
上海佘山東紫園
- 24. Hopson Lantern Garden 合生朗庭園
- 25. Shanghai Dongjing Project 上海洞涇項目

#### Note:

- <sup>(1)</sup> Contracted to dispose in 2006. Details are set out in note 19 to the accompanying accounts.
- <sup>(1)</sup> 於二零零六年已定約出售。詳情刊載於附上賬目附註19。

20

### Shanghai Hopson Town 上海合生城邦

518, Anling Road, Minhang District, Shanghai (100% owned)  
上海閔行區安寧路518號(擁有100%權益)

		平方米 Square meters
已完工	Construction completed	38,230
將於以下時間完工	Construction to be completed	
• 二零零七年	in 2007	103,759
• 二零零八年	in 2008	89,415
• 二零零九年或以後	in 2009 and after	178,002
於二零零六年十二月三十一日之土地儲備	Land bank as at 31st December 2006	409,406



21

### Shanghai Hopson International Tower 上海合生國際大廈

Lane 9 Block 5, Meiyuan Road, Pudong New District, Shanghai  
(Contracted to dispose in 2006)  
上海浦東新區梅園街道9坊5丘(於二零零六年已定約出售)

		平方米 Square meters
將於以下時間完工	Construction to be completed	
• 二零零八年	in 2008	82,671
於二零零六年十二月三十一日之土地儲備	Land bank as at 31st December 2006	82,671



22

### Shanghai Yangpu Xuchang Road Project 上海楊浦許昌路項目

Xuchang Road, Shanghai (100% owned)  
上海許昌路(擁有100%權益)

		平方米 Square meters
將於以下時間完工	Construction to be completed	
• 二零零八年	in 2008	26,338
• 二零零九年或以後	in 2009 and after	24,451
於二零零六年十二月三十一日之土地儲備	Land bank as at 31st December 2006	50,789



23

### Shanghai Sheshan Dongziyuan 上海佘山東紫園

Land Parcels, No. 9 and No. 10, Sheshan National Holiday Resort, Shanghai (100% owned)  
上海佘山園家旅遊度假區9號10號地塊(擁有100%權益)

		平方米 Square meters
將於以下時間完工	Construction to be completed	
• 二零零七年	in 2007	20,733
• 二零零八年	in 2008	17,614
• 二零零九年或以後	in 2009 and after	86,250
於二零零六年十二月三十一日之土地儲備	Land bank as at 31st December 2006	124,597





24

## Hopson Lantern Garden

### 合生朗庭園

New City Area, Zhaoxiang Town, Qingpu, Shanghai (100% owned)  
上海青浦趙巷鎮新城區(擁有100%權益)

		平方米 Sq.m.
已完工	Construction completed	10,082
將於以下時間完工	Construction to be completed	
• 二零零七年	in 2007	52,066
• 二零零八年	in 2008	35,000
• 二零零九年或以後	in 2009 and after	26,893
於二零零六年十二月三十一日之土地儲備	Land bank as at 31st December 2006	124,041

25

## Shanghai Dongjing Project

### 上海洞涇項目

Site B, No. 10, Dongjing Town, Song Jiang District, Shanghai (90% owned)  
上海松江區洞涇鎮10號B地塊(擁有90%權益)

		平方米 Sq.m.
將於以下時間完工	Construction to be completed	
• 二零零八年	in 2008	43,820
• 二零零九年或以後	in 2009 and after	76,509
於二零零六年十二月三十一日之土地儲備	Land bank as at 31st December 2006	120,329

# Ningbo

## 寧波



26. Ningbo Gaojiaoyuan District Project  
寧波高教園區項目

26

## Ningbo Gaojiaoyuan District Project 寧波高教園區項目

Land Parcels No. 1-6, Gaojiaoyuan Core District North,  
Hai Xin City, Ningbo (100% owned)

寧波鎮海新城高教園區核心區北側1-6號地塊  
(擁有100%權益)

平方米  
Sq.m.

將於以下時間完工

- 二零零八年
- 二零零九年或以後

Construction to be completed  
in 2008

in 2009 and after

71,299  
371,513

於二零零六年十二月  
三十一日之土地儲備

Land bank as at  
31st December 2006

442,812

# Tianjin

## 天津



27. Tianjin Jingjin New Town 天津京津新城

27

## Tianjin Jingjin New Town 天津京津新城

Baodi District, Tianjin (70% owned)

天津市寶坻區 (擁有 70% 權益)

平方米  
Sq.m.

已完工

將於以下時間完工

- 二零零七年
- 二零零八年
- 二零零九年或以後

Construction completed

Construction to be completed

in 2007

in 2008

in 2009 and after

264,988  
244,769  
100,000  
2,866,207

於二零零六年十二月  
三十一日之土地儲備

Land bank as at  
31st December 2006

3,475,964



# Investment Property Factsheet

## 投資物業一覽表

Details of the investment properties of the Group as at 31st December 2006 are as follows:

於二零零六年十二月三十一日止，集團投資物業詳列如下：

Location	位置	Group's interest 集團所佔權益	Existing use 目前用途	Approximate gross floor area 概約建築樓面面積
Phases 5A, 6A, 6B, 6C and 6D Huajing New City 105 Zhongshan Avenue Tianhe District Guangzhou Guangdong Province Mainland China	中國大陸廣東省廣州市 天河區中山大道105號 華景新城第5A、 6A、6B、6C及6D期	100%	Commercial/retail and carparking 商業／零售及停車場	107,423 sq.m. 107,423平方米
Phase 2, Jinan Garden South side of Zhongshan Avenue Tianhe District Guangzhou Guangdong Province Mainland China	中國大陸廣東省廣州市 天河區中山大道南面 暨南花園第二期	90%	Commercial/retail 商業／零售	10,373 sq.m. 10,373平方米
Phases 1, 2 and 3 Fairview Garden 238 Xingang West Road Haizhu District Guangzhou Guangdong Province Mainland China	中國大陸廣東省廣州市 海珠區新港西路238號 愉景雅苑第一、二及三期	90%	Commercial/retail and carparking 商業／零售及停車場	22,572 sq.m. 22,572平方米
Phases 1, 2 and 3 Gallopade Park South side of Zhongshan Avenue Tianhe District Guangzhou Guangdong Province Mainland China	中國大陸廣東省廣州市 天河區中山大道南面 駿景花園第一、二及三期	95%	Commercial/retail and carparking 商業／零售及停車場	2,841 sq.m. 2,841平方米
Phases 1 and 2, Regal Court East side of Longkou West Road Tianhe District Guangzhou Guangdong Province Mainland China	中國大陸廣東省廣州市 天河區龍口西路東面 帝景苑第一及二期	100%	Commercial/retail and carparking 商業／零售及停車場	29,532 sq.m. 29,532平方米
Gallopade Park-South Court South side of Zhongshan Avenue Tianhe District Guangzhou Guangdong Province Mainland China	中國大陸廣東省廣州市 天河區中山大道南面 駿景花園—南苑	95%	Commercial/retail and carparking 商業／零售及停車場	31,922 sq.m. 31,922平方米

Location	位置	Group's interest 集團所佔權益	Existing use 目前用途	Approximate gross floor area 概約建築樓面面積
Fairview South Court 212 Xingang West Road Haizhu District Guangzhou Guangdong Province Mainland China	中國大陸廣東省廣州市 海珠區新港西路212號 愉景南苑	70%	Commercial/retail and carparking 商業／零售及停車場	3,114 sq.m. 3,114平方米
East and Central area of Pleasant View Garden West side of Guangzhou Avenue Haizhu District Guangzhou Guangdong Province Mainland China	中國大陸廣東省廣州市 海珠區廣州大道西面 逸景翠園東區及中區	94.98%	Commercial/retail and carparking 商業／零售及停車場	19,161 sq.m. 19,161平方米
Phase 1, Huanan New City Panyu District Guangzhou Guangdong Province Mainland China	中國大陸廣東省廣州市 番禺區 華南新城第一期	99%	Commercial/retail and carparking 商業／零售及停車場	44,076 sq.m. 44,076平方米

## Directors' Profile

### 董事簡介

#### EXECUTIVE DIRECTORS

#### 執行董事



**CHU Mang Yee**, aged 47, is our Chairman and one of our founders. Mr. Chu has over 20 years' experience in trading, construction, property investment and development. He is also a member of the China People's Political Liaison Committee, an Honored Citizen of Meizhou, Guangdong Province and the Vice Chairman of Guangdong Research Institute for the Development of Corporate Strategy.

**朱孟依**，47歲，本公司主席。彼為本集團的其中一位創辦人。朱先生在貿易、建築、物業投資及發展方面擁有逾二十年經驗。彼亦為全國政協委員、廣東省梅州市榮譽市民和廣東企業發展策略研究院副會長。



**XIANG Bin**, aged 58, is our Deputy Chairman. Mr. Xiang is a Chinese Career Manager and senior engineer. Mr. Xiang was on the senior management of a public listed company before joining the Group in February 2001. He has over 35 years' experience in construction and administration management.

**項斌**，58歲，本公司副主席。項先生擁有中國特級註冊職業經理和高級工程師職稱。於二零零一年二月加盟本集團前，項先生為一上市公司的高級管理人員。他在建築及行政管理方面累積超過三十五年經驗。



**WU Jiesi**, aged 55, is our Chief Executive Officer and Managing Director. Mr. Wu holds a doctorate degree in economics. Prior to joining the Group in 2005, Mr. Wu was the president of a branch of a state-owned commercial bank. Mr. Wu was also the Deputy Mayor of the Shenzhen Municipal Government, the assistant to the Governor of Guangdong Province and the chairman of a large-scale conglomerate, specializing in restructuring state-owned enterprises. Mr. Wu has extensive banking and governmental experience.

**武捷思**，55歲，為行政總裁及董事總經理。武先生擁有經濟學博士學位。於二零零五年加盟本集團前，為一間國營銀行分行行長。武先生亦曾為深圳市政府副市長、廣東省省長助理及一間大型綜合企業之主席，專責國營企業重組。武先生擁有豐富銀行及政府經驗。



**TAM Lai Ling**, aged 43, is our Chief Financial Officer and Deputy Managing Director. Mr. Tam holds a Ph.D from the University of Cambridge and a BSc. from the University of London. Mr. Tam is also a holder of the Chartered Financial Analyst designation. Prior to joining the the Group in 2005, Mr. Tam was a managing director of an international investment bank, specializing in corporate finance transactions, including mergers and acquisitions, debt and equity financing, and debt restructuring. Mr. Tam had also worked for multinational companies and was responsible for their business development and investment in the PRC.

**譚禮寧**，43歲，為財務總監及副董事總經理。彼擁有劍橋大學之博士學位及倫敦大學理學士學位。譚先生亦為特許財務分析師。於二零零五年加盟本集團前，譚先生為一間投資銀行之董事總經理，專責企業融資交易，包括合併收購、債務及股權融資及債務重組。譚先生亦曾為多間跨國企業工作，負責該等公司於中國之業務發展及投資。



**AU Wai Kin**, aged 51, is an Executive Director. Mr. Au joined the Group in 1995. He is also a director of our other member companies. Mr. Au graduated from Zhongshan University, Guangzhou, and has over 20 years' experience in building construction, town planning, real estate investment and property development.

**歐偉建**，51歲，執行董事。歐先生於一九九五年加盟本集團，並為本集團其他成員公司之董事。彼畢業於廣州中山大學。歐先生在樓宇建造、城市規劃、地產投資及物業發展方面積逾二十年經驗。



**CHEN Chang Ying**, aged 39, is an Executive Director. Mr. Chen holds a master's degree in engineering and is a senior engineer. Before joining the Group in 2003, Mr. Chen was on the senior management of the subsidiary companies of a public listed company. Mr. Chen is presently one of our General Managers. He has over 10 years' experience in civil engineering, real estate investment and sales and marketing, and is also the deputy officer of Guangdong Real Estate Association Sales and Marketing Commission.

**陳長纓**，39歲，執行董事。陳先生為工程學碩士及高級工程師。於二零零三年加盟本集團前，為一上市公司之附屬公司的高級管理人員。現時為本集團其中一位總經理。陳先生在土木建築、地產投資及營銷管理方面積逾十年經驗，並為廣東省房協營銷策劃委員會副主任。



**XIAO Yan Xia**, aged 45, is an Executive Director. Ms. Xiao joined the Group in 1995. She holds a master's degree in economics from Zhongshan University and is presently one of our General Managers and a director of our other member companies. Ms. Xiao has over 15 years' experience in investment research and capital management.

**蕭燕霞**，45歲，執行董事。蕭女士於一九九五年加盟本集團。彼畢業於廣州中山大學經濟系，獲頒碩士學位，現時為本集團其中一位總經理，並為本集團其他成員公司之董事。蕭女士在投資研究及資本管理方面積逾十五年經驗。

## INDEPENDENT NON-EXECUTIVE DIRECTORS 獨立非執行董事



**YUEN Pak Yiu, Philip**, aged 71, is an Independent Non-Executive Director. Mr. Yuen is a solicitor of the High Court of Hong Kong. Mr. Yuen has over 35 years' experience in the legal field and is a director of a number of listed companies. He is a China appointed Attesting Officer in Hong Kong, a member of the National Committee of the Chinese People's Political Consultative Conference, and an arbitrator of the China International Economic & Trade Arbitration Commission. Mr. Yuen has been a member of our Board since 1998.

**阮北耀**，71歲，獨立非執行董事。阮先生為香港高等法院律師。阮先生有逾三十五年執業經驗，亦為若干上市公司之董事。彼為在香港的中國委託公證人、中國人民政治協商會議全國委員會會員及中國國際經貿仲裁委員會之仲裁人。阮先生自一九九八年成為董事會成員。

## Directors' Profile

### 董事簡介



**LEE Tsung Hei, David, BBS, JP**, aged 57, is an Independent Non-Executive Director. Mr. Lee is the Chairman and Chief Executive Officer of China Land (Asia Pacific) Ltd.. He qualified as a Chartered Surveyor in 1973 and registered as an Authorised Person in 1977. He is a fellow member of the Hong Kong Institute of Surveyors, a Registered Professional Surveyor, an associate of the Incorporated Society of Valuers and Auctioneers, and an associate of the Chartered Institute of Arbitrators. Mr. Lee is a former member of the Central Policy Unit, which is known as the Government "Think Tank", a former Chairman of the Hong Kong Housing Society and a director of Hong Kong Cyberport Management Company Limited. He is currently a member of the Land and Building Advisory Committee, a Council member of Hong Kong Polytechnic University, a member of the Salvation Army Advisory Board, Chairman of the Property Advisory Committee of the Salvation Army and also a member of the Municipal Services Appeals Board. Mr. Lee has been a member of our Board since 1998.

**李頌熹**，銅紫荊星章，太平紳士，57歲，獨立非執行董事。李先生為華南（亞太）有限公司之主席及行政總裁。彼於一九七三年獲英國皇家特許測量師資格，並於一九七七年註冊為認可人仕。彼為香港測量師學會資深會員、香港註冊專業測量師、英國估價及拍賣師學會會員及英國特許仲裁人學會會員。李先生曾為香港政府中央政策組（即政府智囊團）之前委員、香港房屋協會前主席及香港數碼港管理有限公司之董事。彼現時為香港土地及建設諮詢委員會委員、香港理工大學校董會成員、救世軍顧問委員會委員、救世軍物業顧問委員會主席及市政服務上訴委員會委員。李先生自一九九八年成為董事會成員。



**WONG Shing Kay, Oliver**, aged 55, is an Independent Non-Executive Director. Mr. Wong obtained his professional accounting qualifications in both Hong Kong and Canada. Mr. Wong is an associate member of the Institute of Chartered Accountants in England and Wales and a fellow member of the Association of Chartered Certified Accountants of the United Kingdom. Mr. Wong is also a fellow member of the Hong Kong Institute of Certified Public Accountants and an associate member of the Certified General Accountants of Canada. Mr. Wong had worked in various renowned auditing firms in Hong Kong with over 15 years' experience in handling auditing, financial accounting and taxation matters. Mr. Wong is currently appointed as an independent non-executive director and a member of Audit Committee of several listed companies in Hong Kong. He has also assumed the duty of financial controller for several listed companies in both Hong Kong and Canada for over 10 years. Mr. Wong is presently practicing as a Certified Public Accountant in Hong Kong. He has expertise in financial accounting, taxation, import-export business and company management. Mr. Wong has been a member of our Board since 1998.

**黃承基**，55歲，獨立非執行董事。黃先生於香港及加拿大獲取註冊會計師資格，現時為英國特許會計師及英國特許公認會計師公會資深會員，香港會計師公會執業資深會計師及加拿大註冊會計師，他曾經在香港多間具規模之會計師事務所工作超過十五年，具備豐富的審計、財務會計及稅務處理經驗。黃先生現職於若干香港上市公司之獨立非執行董事及審計委員會委員，他亦曾出任多間香港及加拿大上市公司之財務總監職位達十餘年，彼現於香港以註冊會計師身份執業。黃先生對於財務會計、稅務、進出口業務及公司管理均有深厚之認識。黃先生自一九九八年成為董事會成員。

## NON EXECUTIVE DIRECTOR 非執行董事



**SHAFRAN Steven**, aged 47, is a Non-Executive Director. Mr. Shafran is the chief executive officer and the founder of AMRI Financial Group Hong Kong Limited, a Hong Kong based financial advisory firm. He is a member of the board of GDH Limited and the Chairman of Fan Ya Tai (International) Limited, a Hong Kong based company that provides advisory services to owners of non-performing assets. Mr. Shafran was a managing director and partner of Goldman Sachs, where he was responsible for the firm's merchant banking and private equity business in non-Japan Asia from 1993 through 2000. He joined Goldman Sachs in 1986 and was based in New York before moving to Hong Kong in 1993. Mr. Shafran has substantial private equity and distressed asset investment experience throughout Asia, including the Greater China region, India and Southeast Asia. Mr. Shafran holds an MBA from Harvard University and a BA from the University of California at Berkeley.

**施盛勳**，現年47歲，非執行董事。施先生為香港金融諮詢公司AMRI Financial Group Hong Kong Limited之行政總裁兼創辦人。彼為廣東控股有限公司之董事會成員及泛亞太（國際）有限公司之主席，而泛亞太（國際）有限公司為一間於香港經營向不良資產持有人提供顧問服務之公司。施先生曾為高盛集團之常務董事與合伙人，於一九九三年至二零零零年間，主要負責高盛在非日本之亞洲地區之商人銀行及私人資本投資活動。彼於一九八六年加入高盛，而於一九九三年調往香港之前，一直在紐約高盛公司工作。施先生在亞洲區內私人資本投資及不良資產投資方面擁有豐富經驗，其投資項目地域包括大中華、印度及東南亞。施先生擁有美國哈佛大學之工商管理碩士學位及加州大學柏克萊分校之學士學位。

# Senior Management's Profile

## 高級管理層簡介

### SENIOR MANAGEMENT

**LI Fu Ming**, aged 44, is an engineer and a Vice President of the Group. Mr. Li joined the Group in 1997. He has over ten years' experience in project and design management of civil engineering.

**LIAO Ruo Qing**, aged 43, is a Vice President of the Group. Mr. Liao graduated from the Zhongshan University of Guangzhou and obtained a master's degree from the University of Western Sydney. He has been engaged in the real estate investment and business management for over 10 years, and has extensive experience in the handling of government agencies and legal affairs as well as investment and development management.

**SHEN Hui Rong**, aged 54, joined the Company in 2005 and is a Vice President of the Group. Ms. Shen has been engaged in the tourist industry for considerable years and has extensive experience in marketing and international relations.

**Xue Hu**, aged 42, is a Vice President of the Group. Mr. Xue joined the Group in 1994 and has over ten years' experience in marketing, strategic planning and administration.

**Zhang Han Qiu**, aged 37, is an architect and a Vice President of the Group. Mr. Zhang joined the Group in 1997. He has over ten years' experience in real estate, architectural designs, project management and development.

### 高級管理層

**李福明**，44歲，工程師，本集團副總裁。於一九九七年加盟本集團。李先生在土木建築之工程管理及設計管理方面累積逾十多年經驗。

**廖若清**，43歲，本集團副總裁。彼畢業於廣州中山大學及西悉尼大學碩士學位。廖先生從事房地產投資及經營管理十多年，積累了豐富的對接政府部門及法律事務、投資開發工作的管理經驗。

**沈蕙蓉**，54歲，於二零零五年加盟本集團，為本集團副總裁。沈女士長期以來從事旅遊業工作，在市場營銷和國際關係方面具有豐富的經驗。

**薛虎**，42歲，本集團副總裁。薛先生於一九九四年加入本集團。其在市場營銷、策劃及行政方面有逾十年之經驗。

**張涵秋**，37歲，建築師，本集團副總裁。於一九九七年加盟本集團。張先生在房地產、建築設計、工程管理項目開發方面有十多年經驗。

# Financial Review

## 財務回顧

### TURNOVER

In 2006, the Company continued to achieve good financial performance. Turnover saw steady progress and increased by 13% from HK\$6,134 million in 2005 to HK\$6,920 million. This was mainly attributable to increases in selling prices and sales volume of properties delivered.

The overall unit-selling price in respect of properties delivered to buyers this year was up by 17% to RMB7,033 per square meter (2005: RMB6,028 per square meter) due primarily to the strong demand from buyers and growth in the PRC property market. Among different regions, unit-selling prices varied. Guangdong recorded a spectacular increase of 24% following the delivery of some top-end development projects, such as Regal Riviera Villa and Yunshan Xijing. The fine living environments and the gradually completed ancillary facilities helped to enhance the marketability of the grand scale project in Tianjin, and as a result its unit-selling price jumped 22%, while Beijing recorded an increase of 13%. However, our average selling price in Shanghai declined by 1%.

The high turnover was nonetheless exclusive of the Group's 69.5% share of turnover of HK\$872 million in Regal Riviera operated by a jointly controlled entity.

### Cost of Sales

In line with the substantial increase in turnover, the cost of sales was up by 8% to HK\$4,509 million (2005: HK\$4,189 million) but, as a percentage of revenue, dropped 3% to 65% (2005: 68%) due primarily to more sales with higher margin.

### Gross Profit

Gross profit margin increased from 32% in 2005 to 35% in 2006. The increase was mainly due to the general rise in selling prices and the increase in the economies of scale. However, the rise in construction costs caused by the maintenance of quality improvements in new projects coupled with the disposal at competitive prices of certain investment properties whose carrying values higher than costs held back the gross margin which would otherwise have recorded a higher growth.

### Other Gains

Included in other gains are (1) a sum of HK\$200 million from the recognition of the excess of the interests acquired by the Group at fair value over the costs of acquisition paid for five land sites located in Shanghai and Guangzhou, (2) a surplus of HK\$261 million from revaluation of investment properties, and (3) tax grants totalling HK\$44 million from government authorities in the mainland.

### 營業額

於二零零六年，本公司繼續取得良好之財務表現。營業額錄得穩步發展，由二零零五年之港幣6,134,000,000元上升13%至港幣6,920,000,000元。營業額增長主要由於已交付物業之售價及銷售量上升所致。

由於買家之強勁需求及中國物業市場之增長，本年度已交付買家物業之整體售價上升17%至每平方米人民幣7,033元（二零零五年：每平方米人民幣6,028元）。在不同地區中，單位售價各不相同。廣東於交付帝景山莊及雲山熹景等一些高端發展項目後，錄得24%的大幅增長。舒適的居住環境及逐步落成之附屬設施提升了天津大型項目的銷售，令其單位售價攀升22%，而北京則錄得13%的增長。然而，上海的平均售價則下跌1%。

然而，大幅增長之營業額尚未計入本集團攤佔由一間共同控制實體所經營之珠江帝景營業額港幣872,000,000元中的69.5%權益。

### 銷售成本

在營業額大幅增長下，銷售成本上升8%至港幣4,509,000,000元（二零零五年：港幣4,189,000,000元），但有賴利潤率較高的銷售項目增加，銷售成本佔收益之百分比下降3%至65%（二零零五年：68%）。

### 毛利

毛利率由二零零五年之32%上升至二零零六年之35%。毛利增長主要歸因於售價普遍上升及規模經濟增長。然而，由於須維持新項目品質提升而導致建築成本上升，以及按具競爭力之價格出售若干價值高於成本值之投資物業等因素拖低了毛利率之增長，因此毛利率並未大幅上升。

### 其他收益

其他收益包括：(1)來自確認本集團購入五幅位於上海及廣州的用地購入的權益公平值高於為此支付收購成本的差額而錄得數額港幣200,000,000元，(2)重估投資物業產生的增值港幣261,000,000元，及(3)獲中國內地政府機關發放的稅務補助金總額港幣44,000,000元。

# Financial Review

## 財務回顧

### Operating Costs

The net operating costs relating to expenses for selling, marketing, general and administration amounted to HK\$525 million, a decrease of 3% from 2005 of HK\$543 million. The decrease was made possible by a substantial exchange gain of HK\$111 million recorded in 2006 due to the strengthening of Renminbi. Excluding the exchange gain, there was a general increase in the operating expenses. The increase was mainly attributable to (1) greater amounts expended on promotional activities and staff costs for new projects; (2) donations made to public welfare organizations in the PRC, and (3) payments of urban real estate tax for the first time in Beijing.

### Finance Costs

Gross interest expenses before capitalization increased to HK\$483 million (2005: HK\$263 million), up HK\$220 million or 84%. The increase was primarily due to the additional bank borrowings made in 2006 and the issue of Guaranteed Senior Notes of US\$350 million in November 2005. The effective interest rate in respect of the Group's borrowings was approximately 7.0% per annum (2005: 6.8%). All borrowings were used to finance development of existing projects and investment in new projects.

### Operating Profit

Operating profit in 2006 increased by 44% from 2005 to HK\$2,391 million (2005: HK\$1,664 million), up HK\$727 million.

### Share of profit of and other gains relating to a jointly controlled entity

The Group recorded a share of profit from a jointly controlled entity which amounted to HK\$128 million for 2006 (2005: HK\$192 million which included a gain of HK\$115 million derived from the excess of the minority interest acquired at fair value over cost). The drop was mainly attributable to the absence of a similar fair value gain recorded in 2006.

### Profit attributable to equity holders of the Company

Profit attributable to equity holders was HK\$1,554 million for 2006 (2005: HK\$1,217 million), up HK\$337 million or 28%. Fully diluted earning per share rose by 12% to HK\$1.26. Excluding the effect of the gain representing the difference of fair value of the interests acquired over purchase costs amounting to HK\$200 million and the gain from investment property revaluation of HK\$ 261 million, underlying profit was HK\$ 1,093 million, up HK\$196 million or 22% as compared with the previous year. The increase was mainly attributable to the growth of the property development business and the higher profit margin.

### 經營成本

與銷售、市場推廣、一般及行政開支有關之經營成本淨額為港幣525,000,000元，較二零零五年之港幣543,000,000元下降3%。下降乃因人民幣匯價轉強而於二零零六年錄得大幅匯兌收入港幣111,000,000元所致。扣除匯兌收入，經營開支亦普遍增加。這主要歸因於(1)新項目推廣活動及員工成本金額增加；(2)向中國公益組織捐款；及(3)首次於北京支付城市房地產稅。

### 財務成本

擴充資本前之利息開支總額增至港幣483,000,000元（二零零五年：港幣263,000,000元），上升港幣220,000,000元或84%。這主要是因為於二零零六年增加銀行借貸及於二零零五年十一月發行350,000,000美元之保證優先票據所致。本集團之實際借貸年利率約為7.0%（二零零五年：6.8%）。所有借貸均用於支付現有發展及新項目投資之資金所需。

### 經營溢利

二零零六年之經營溢利較二零零五年增加港幣727,000,000元至港幣2,391,000,000元（二零零五年：港幣1,664,000,000元），升幅為44%。

### 分佔一間共同控制實體溢利及其他收益

本集團於二零零六年錄得分佔一間共同控制實體溢利為港幣128,000,000元（二零零五年：港幣192,000,000元包括來自購入的少數股東權益公平值超過成本的差額產生之收益港幣115,000,000元）。下降主要是因二零零六年並無所錄得之類似公平值收益所致。

### 本公司股權持有人應佔溢利

二零零六年之股權持有人應佔溢利為港幣1,554,000,000元（二零零五年：港幣1,217,000,000元），上升港幣337,000,000元或28%。每股攤薄盈利上升12%至港幣1.26元。扣除一項為數港幣200,000,000元的收益（指已收購權益的公平值與收購成本的差額）及物業重估收益港幣261,000,000元之影響，實質利潤為港幣1,093,000,000元，較去年上升港幣196,000,000元或22%。利潤增加主要由於房地產開發業務增長及利潤率上升所致。

### Cash flows

The Company's cash flow position was strong during the year with net cash inflow of HK\$1,074 million generated from recurring businesses, representing an increase of 10.7 times compared with HK\$92 million generated for the year ended 31st December 2005.

### Segmental information

Property development remains the Group's core business activity (97%). The geographical spread of financial performance among different regions this year was similar to that of 2005. Guangdong continued its leading position as top revenue contributor within the Group (49%), followed by Beijing (31%), Shanghai (10%) and Tianjin (10%).

## FINANCIAL POSITION

As at 31st December 2006, total assets of the Group amounted to HK\$25,481 million and its total liabilities (excluding minority interests) amounted to HK\$17,253 million, representing an increase of HK\$5,897 million and HK\$3,434 million respectively on the previous year. The increase in total assets was mainly attributable to the increase in (1) investments in new land sites located in Guangdong Province and Shanghai; (2) prepayments of land and acquisition costs for land sites located in Guangzhou, Beijing, Shanghai, and Tianjin, and (3) amounts expended on construction work-in-progress of new development projects. Aligned with this, total liabilities also increased, primarily due to (1) additional bank borrowings obtained to finance development projects and (2) a significantly large amount of deferred revenue booked.

Current ratio increased from 1.72 at last year end to 1.86 this year. Equity increased to HK\$8,228 million at 31st December 2006 from HK\$5,765 million at 31st December 2005, due mainly to (1) the contribution from the current year's profit attributable to shareholders; and (2) the issuance of new shares.

## LIABILITY AND BORROWINGS

As at 31 December 2006, the Group's liability-to-asset ratio (i.e. the ratio between total liabilities and total assets, excluding minority interests) was 68% (2005: 71%). The net debt-to-equity ratio (i.e. total debt less cash and bank deposits over shareholders' equity) was 73% (2005: 79%).

### 現金流量

年內，本公司的現金流量狀況保持穩健，現金流量淨額港幣1,074,000,000元來自經常性業務，較截至二零零五年十二月三十一日止年度所產生的港幣92,000,000元上升10.7倍。

### 分部資料

物業發展仍乃本集團之核心業務（佔97%）。本年度不同地區間所呈報財務表現涉及廣泛地區，與二零零五年類似。來自廣東之收益繼續保持其於本集團內收益之最大源頭的領導地位（佔49%），而緊隨其後的為北京（佔31%）、上海（佔10%）及天津（佔10%）。

## 財務狀況

於二零零六年十二月三十一日，本集團之資產總值達港幣25,481,000,000元，而負債總額（不包括少數股東權益）達港幣17,253,000,000元，分別較去年同期上升港幣5,897,000,000元及港幣3,434,000,000元。資產總值增加主要由於(1)投資位於廣東省及上海的新地塊增加；(2)支付土地及購入位於廣州、北京、上海及天津之地塊的收購成本增加；及(3)就新發展項目之在建工程所支付之金額增加。就此，負債總額亦告上升，主要由於(1)為發展項目提供資金而取得額外銀行借貸及(2)錄得巨額遞延收入。

流動比率由去年年底之1.72上升至本年度之1.86。權益由二零零五年十二月三十一日之港幣5,765,000,000元上升至二零零六年十二月三十一日之港幣8,228,000,000元，主要歸因於(1)本年度股東應佔溢利之貢獻；及(2)發行新股。

## 流動資金及借貸

於二零零六年十二月三十一日，本集團之負債對資產比率（即負債總額對資產總額（不包括少數股東權益）之比率）為68%（二零零五年：71%）。淨負債權益比率（即負債總額減現金及銀行存款對股東權益之比率）達73%（二零零五年：79%）。

# Financial Review

## 財務回顧

As at 31st December 2006, the Group has cash and short-term bank deposits amounting to HK\$2,570 million (2005: HK\$2,590 million) of which approximately HK\$131 million (2005: HK\$166 million) were charged to certain banks against mortgage facilities granted by the banks to the buyers of the Group's properties. 76.7% of the cash and bank deposits was denominated in Renminbi, 19.4% in Hong Kong dollars and 3.9% in United States Dollars.

Total borrowings from banks amounted to HK\$4,770 million (2005: HK\$4,003 million) representing an increase of 19.2% or HK\$767 million over the previous year. Gearing, measured by total bank borrowings and Guaranteed Senior Notes less cash and bank deposits as a percentage of equity, decreased to 59% from last year's 71%. The improvement in gearing ratio was mainly attributable to the cash flow from operation and the issuance of new shares in November 2006.

All of the bank borrowings were either secured or covered by guarantees and were substantially denominated in Renminbi with fixed interest rates whereas the Guaranteed Senior Notes were jointly and severally guaranteed by certain subsidiaries and denominated in United States Dollars with fixed interest rate, representing approximately 56% and 31%, respectively of the Group's total borrowings.

All of the other borrowings were unsecured, interest-free and substantially denominated in Renminbi.

於二零零六年十二月三十一日，本集團之現金及短期銀行存款達港幣2,570,000,000元（二零零五年：港幣2,590,000,000元），其中約港幣131,000,000元（二零零五年：港幣166,000,000元）銀行存款已就批准授予本集團物業之買家之按揭貸款抵押予若干銀行。現金及銀行存款當中76.7%以人民幣計算，19.4%以港元計算，及3.9%以美元計算。

銀行之借貸總額達港幣4,770,000,000元（二零零五年：港幣4,003,000,000元），較去年上升19.2%或港幣767,000,000元。負債比率（以銀行借貸總額及保證優先票據（即銀行借貸總額及保證優先票據減現金及銀行存款）佔權益百分比）由去年之71%減少至本年度之59%。負債比率之改善主要是由於營運資金流入以及於二零零六年十一月發行新股。

所有銀行借貸均為有抵押或已出具擔保，且大部分以人民幣計算，並以固定利率計算，而保證優先票據則由若干附屬公司共同及個別作出擔保，並以美元及固定利率計算。兩者分別佔本集團借貸總額約56%及31%。

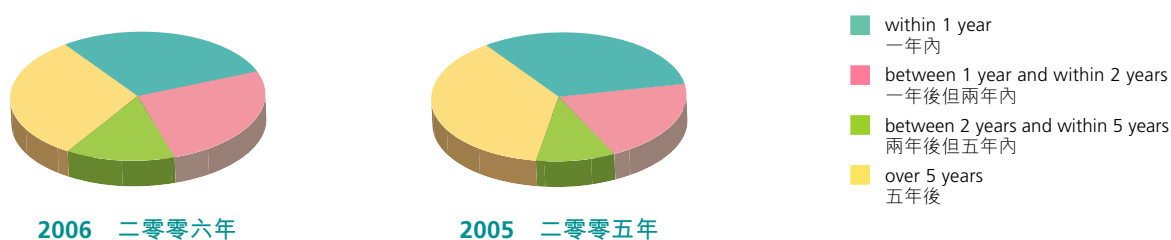
所有其他借貸均為無抵押、免息及大部分以人民幣計算。

The Group's borrowings repayment profile as at 31st December 2006 was as follows:

本集團於二零零六年十二月三十一日之借貸還款時間表如下：

		As at 31st December 2006 於二零零六年 十二月三十一日					As at 31st December 2005 於二零零五年 十二月三十一日				
		Bank borrowings	Guaranteed Senior Notes 保證 優先票據	Other borrowings 其他借貸	Total 總計		Bank borrowings	Guaranteed Senior Notes 保證 優先票據	Other borrowings 其他借貸	Total 總計	
(HK\$ million)	(以百萬港元計)	銀行借貸	優先票據	其他借貸	總計		銀行借貸	優先票據	其他借貸	總計	
Bank borrowings	銀行借貸										
– within 1 year	– 一年內	1,345	–	1,146	2,491	29%	1,837	–	452	2,289	32%
– between 1 year and within 2 years	– 一年後但兩年內	2,232	–	–	2,232	26%	1,450	–	–	1,450	20%
– between 2 years and within 5 years	– 兩年後但五年內	1,193	–	–	1,193	14%	716	–	–	716	10%
– over 5 years	– 五年後	–	2,652	–	2,652	31%	–	2,661	–	2,661	38%
Total borrowings	借貸總額	4,770	2,652	1,146	8,568		4,003	2,661	452	7,116	
Less: Bank deposits and cash	減：銀行存款及現金				(2,570)					(2,590)	
Net bank borrowings	銀行借貸淨額				5,998					4,526	

#### REPAYMENT PROFILE OF THE GROUP'S BORROWINGS 集團之還款時間表



As at 31st December 2006, the Group had banking facilities of approximately HK\$8,017 million (2005: HK\$5,640 million) for short-term and long-term bank loans, of which HK\$3,247 million (2005: HK\$1,637 million) were unutilized.

於二零零六年十二月三十一日，本集團就短期及長期銀行貸款取得約港幣8,017,000,000元（二零零五年：港幣5,640,000,000元）之銀行信貸，其中港幣3,247,000,000元（二零零五年：港幣1,637,000,000元）仍未被動用。

# Financial Review

## 財務回顧

### CHARGE ON ASSETS

As at 31st December 2006, certain assets of the Group with an aggregate carrying value of HK\$3,811 million (2005: HK\$5,068 million) were pledged with banks for loan facilities used by subsidiaries, a jointly controlled entity and related companies.

### 資產抵押

於二零零六年十二月三十一日，本集團若干總賬面值為港幣3,811,000,000元之資產（二零零五年：港幣5,068,000,000元）已就附屬公司、一間共同控制實體及關連公司使用之貸款融資抵押予銀行。

### CONTINGENT LIABILITIES

- (a) As at 31st December 2006, the Group provided guarantees to banks for mortgage facilities granted to buyers of the Group's properties which amounted to HK\$5,297 million (2005: HK\$4,024 million).
- (b) Details of the Group's contingent liabilities on a pending litigation are set out in Note 38 to the accompanying accounts.

### 或然負債

- (a) 於二零零六年十二月三十一日，本集團就授予本集團物業之買家之按揭貸款港幣5,297,000,000元（二零零五年：港幣4,024,000,000元）向銀行提供擔保。
- (b) 有關本集團在一宗待判訴訟個案之或然負債的詳情載於附隨之賬目附註38內。

### COMMITMENTS

The Group's commitments as at 31st December 2006 were as follows:

### 承擔

於二零零六年十二月三十一日，本集團之承擔如下：

		As at 31st December 於十二月三十一日 2006 二零零六年 HK\$' million 百萬港元	As at 31st December 於十二月三十一日 2005 二零零五年 HK\$' million 百萬港元
Capital commitments	資本承擔		
Authorized and contracted for	已訂約但未入賬		
– property construction costs	– 物業建築成本	75	90
– capital contribution to a jointly controlled entity	– 於一間共同控制實體之資本貢獻	113	101
– capital contribution to a newly acquired jointly controlled entity	– 於一間新收購之共同控制實體之資本貢獻	241	–
Acquisition of further interest in a jointly controlled entity	進一步收購一間共同控制實體之權益	135	130
Acquisition of equity interests in certain Mainland China entities	收購若干中國大陸實體之土地及股本權益	1,531	956
		<b>2,095</b>	<b>1,277</b>
Authorized but not contracted for	已授權但未訂約		
– Land costs	– 土地成本	168	146
– Property construction costs	– 物業建築成本	1,528	1,461
		<b>1,696</b>	<b>1,607</b>
		<b>3,791</b>	<b>2,884</b>

		As at 31st December 於十二月三十一日 2006 二零零六年 HK\$' million 百萬港元	As at 31st December 於十二月三十一日 2005 二零零五年 HK\$' million 百萬港元
Property development commitments 物業發展承擔			
Authorized and contracted for – property construction costs	已授權及已訂約 – 物業建築成本	<u>5,656</u>	<u>5,677</u>
Authorized but not contracted for – Land costs	已授權但未訂約 – 土地成本	<u>1,346</u>	<u>739</u>
– Property construction costs	– 物業建築成本	<u>16,230</u>	<u>14,221</u>
		<u>17,576</u>	<u>14,960</u>
		<u>23,232</u>	<u>20,637</u>

The Group's share of capital commitments of the jointly controlled entity not included in the above were as follows:

並未包括在上文之本集團攤佔一間共同控制實體之資本承擔如下：

		As at 31st December 於十二月三十一日 2006 二零零六年 HK\$' million 百萬港元	As at 31st December 於十二月三十一日 2005 二零零五年 HK\$' million 百萬港元
Authorized and contracted for – land costs	已授權及已訂約 – 土地成本	<u>8</u>	<u>105</u>
– property construction costs	– 物業建築成本	<u>166</u>	<u>231</u>
		<u>174</u>	<u>336</u>
Authorized but not contracted for – Land costs	已授權但未訂約 – 土地成本	<u>95</u>	<u>91</u>
– Property construction costs	– 物業建築成本	<u>986</u>	<u>1,282</u>
		<u>1,081</u>	<u>1,373</u>
		<u>1,255</u>	<u>1,709</u>

# Financial Review

## 財務回顧

The Group has operating lease commitments in respect of premises under various non-cancellable operating lease agreements. The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

本集團就多份有關租賃物業之不可註銷經營租賃協議而有經營租賃承擔。根據不可註銷經營租約於日後之最低應付租金總額如下：

		As at 31st December 於十二月三十一日 2006 二零零六年 HK\$' million 百萬港元	As at 31st December 於十二月三十一日 2005 二零零五年 HK\$' million 百萬港元
Amounts payable	下列年期須付之款項		
– within one year	– 一年內	34	8
– within two to five years	– 二至五年內	136	27
		<b>170</b>	<b>35</b>

With continuous cash inflow from property sales, the banking facilities available and the cash in hand, the Group should be in an adequate liquidity position to meet these on-going capital commitments by stages.

由於物業銷售持續產生現金流入，加上可動用之銀行信貸及手頭現金，本集團應具備足夠流動資金以應付不同階段之持續資本承擔。

## TREASURY POLICIES

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

## 財資政策

本集團就其財資及融資政策取態審慎，並專注於風險管理及與本集團的基本業務有直接關係的交易。

# Report of the Directors

## 董事會報告

The Directors are pleased to present their annual report together with the audited accounts of Hopson Development Holdings Limited (the "Company") and its subsidiaries (together the "Group") for the year ended 31st December 2006.

董事會欣然提呈合生創展集團有限公司(「本公司」)及其附屬公司(以下統稱「本集團」)截至二零零六年十二月三十一日止年度的年報連同經審核賬目。

### PRINCIPAL ACTIVITIES

The Company is an investment holding company. Its subsidiaries, associate and a jointly controlled entity are principally engaged in investment holding and property development, investment and property management.

### 主要業務

本公司為一間投資控股公司，旗下各附屬公司、聯營公司及共同控制實體主要從事投資控股、物業發展、物業投資及物業管理業務。

An analysis of the Group's turnover by activity and their respective contributions to operating profit for the year ended 31st December 2006 by geographical locations is as follows:

本集團截至二零零六年十二月三十一日止年度按地區劃分之營業額及其各自對經營溢利之貢獻分析如下：

		Turnover 營業額 HK\$'000 千港元	Contribution to operating profit 對經營溢利的貢獻 HK\$'000 千港元
Guangdong	廣東	3,382,466	1,302,201
Beijing	北京	2,173,483	598,993
Shanghai	上海	665,551	298,488
Tianjin	天津	698,794	122,931
Others	其他	—	68,654
		<u>6,920,294</u>	<u>2,391,267</u>

An analysis of the Group's turnover by business segments for the year ended 31st December 2006 is as follows:

本集團截至二零零六年十二月三十一日止年度按業務活動劃分的營業額分析如下：

		Turnover 營業額 HK\$'000 千港元
Property development	物業發展	6,692,714
Property investment	物業投資	54,243
Property management	物業管理	173,337
		<u>6,920,294</u>

# Report of the Directors

## 董事會報告

### MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31st December 2006, the five largest customers of the Group accounted for approximately 0.85% of the Group's turnover while the five largest suppliers of the Group accounted for 70% of the Group's purchases. In addition, the largest customer of the Group accounted for approximately 0.25% of the Group's turnover while the largest supplier of the Group accounted for approximately 20% of the Group's purchases.

Save for the association with certain related companies as set out in Note 41 to the accompanying audited accounts, none of the Directors, their associates or any shareholders (which to the knowledge of the Directors owned more than 5% of the Company's share capital) has a beneficial interest in the Group's five largest customers or five largest suppliers.

### RESULTS AND APPROPRIATIONS

Details of the Group's results for the year ended 31st December 2006 are set out in the consolidated income statement on page 93 of this annual report.

An interim dividend of HK\$0.108 per share, totalling HK\$132,311,000, was declared and paid during the year. The Directors recommend the payment of a final dividend of HK\$0.271 per share, which will bring the total dividends for the year ended 31st December 2006 to HK\$480,980,000.

### SHARE CAPITAL

Details of movements in share capital of the Company are set out in Note 27 to the accompanying accounts.

### 主要顧客及供應商

於截至二零零六年十二月三十一日止年度期間，本集團的五名最大客戶佔本集團營業額約0.85%，而本集團的五名最大供應商則佔本集團採購額70%。此外，本集團的最大客戶佔本集團營業額約0.25%，而本集團的最大供應商則佔本集團採購額約20%。

除於隨附的經審核賬目附註41所載與若干關連公司有聯繫外，概無董事、彼等的聯繫人或任何股東（據董事所知擁有超過本公司5%之股本者）於本集團的五名最大客戶或五名最大供應商中擁有實質權益。

### 業績及分派

本集團截至二零零六年十二月三十一日止年度的業績詳情載於本年報第93頁的綜合損益表內。

中期股息每股港幣0.108元，合共港幣132,311,000元，已於本年度內宣派及支付。董事建議派發末期股息每股港幣0.271元。故此，截至二零零六年十二月三十一日止年度股息總額將約為港幣480,980,000元。

### 股本

本公司的股本變動詳情載於隨附之賬目附註27。

## RESERVES

Movements in reserves of the Group and of the Company during the year are set out in Note 28 to the accounts.

Distributable reserves of the Company as at 31st December 2006, calculated under the Companies Act of Bermuda, amounted to HK\$39,957,000 (2005: HK\$28,561,000).

## DONATIONS

During the year, the Group made charitable donations totalling HK\$24,580,000 (2005: HK\$8,297,000) to various charitable organizations for charitable purpose.

## PRE-EMPTIVE RIGHTS

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

## PROPERTIES AND EQUIPMENT AND INVESTMENT PROPERTIES

Details of movements in properties and equipment and investment properties of the Group during the year are set out in Notes 7 and 8 to the accounts, respectively.

## SUBSIDIARIES AND ASSOCIATE

Particulars of the Company's subsidiaries and associate are set out in Notes 13 and 14 to the accounts, respectively.

## BORROWINGS

Particulars of borrowings as at 31st December 2006 are set out in Note 25 to the accounts.

## 儲備

本集團及本公司於本年度的儲備變動載於賬目附註28。

於二零零六年十二月三十一日，根據百慕達公司法計算，本公司的可供分派儲備為港幣39,957,000元（二零零五年：港幣28,561,000元）。

## 捐款

於本年，本集團為慈善用途捐款港幣24,580,000元（二零零五年：港幣8,297,000元）予多個慈善機構。

## 優先購買權

本公司細則並無優先購買權條文，而百慕達法例亦無限制該等權利。

## 物業及設備和投資物業

本集團於本年度的物業及設備和投資物業變動詳情分別載於賬目附註7及附註8。

## 附屬公司及聯營公司

本公司的附屬公司及聯營公司詳情分別載於賬目附註13及附註14。

## 借貸

於二零零六年十二月三十一日借貸詳情載於賬目附註25。

# Report of the Directors

## 董事會報告

### PENSION SCHEMES

Details of the pension schemes are set out in Note 31 to the accounts.

### 退休金計劃

退休金計劃詳情載於賬目附註31。

### FIVE YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on pages 198 to 200.

### 五年財務摘要

本集團於過去五年業績及資產與負債摘要載於第198至200頁。

### CONTINUING CONNECTED TRANSACTIONS

On 13th April 2006, the Company and Guangdong Hanjiang Construction Installation Project Limited ("Hanjiang"), being the respective holding companies of the Group and the Hanjiang Group (comprising Hanjiang, its subsidiaries and its associates), entered into a framework agreement (the "Framework Agreement") setting out, among other things, the principal terms in respect of services/leased premises to be provided to the Group by the Hanjiang Group and of services/leased premises to be provided by the Group to the Hanjiang Group. The Framework Agreement is effective for a term from 29th May 2006 to 31st December 2008. Hanjiang, a company owned by the brother of Mr. Chu Mang Yee ("Mr. Chu") as to 90 percent. and the brother-in-law of Mr. Chu as to 10 percent., is a connected person of the Company under the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Hence, the transactions between the Group and the Hanjiang Group as contemplated under the Framework Agreement constitute continuing connected transactions of the Company under the Listing Rules. Details of such continuing connected transactions are set out as follows:

### 持續關連交易

於二零零六年四月十三日，本公司與廣東韓江建築安裝工程有限公司（「韓江」）（各自為本集團及韓江集團（包括韓江、其附屬公司及其聯營公司）之控股公司）訂立一份框架協議（「框架協議」），以載列（其中包括）有關韓江集團將向本集團提供之服務／租賃物業以及本集團將向韓江集團提供之服務／租賃物業之主要條款。框架協議之有效期自二零零六年五月二十九日起至二零零八年十二月三十一日止之有效期。韓江為一間分別由朱孟依先生（「朱先生」）的胞弟及朱先生的妹夫擁有90%及10%權益之公司，根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」），韓江為本公司之關連人士。因此，根據上市規則，框架協議所涉及在本集團與韓江集團間進行之交易構成本公司之持續關連交易。該等持續關連交易之詳情載列如下：

## CONTINUING CONNECTED TRANSACTIONS

(Continued)

## 持續關連交易 (續)

### (i) Construction

For the three years ending 31st December 2008, the Group may appoint Guangdong Zhujiang Construction Limited ("GZ Construction") and Hanjiang to carry out construction works on certain property development projects of the Group and Hanjiang agrees to, and/or procure GZ Construction to, carry out such construction works for the Group. The construction fees payable by the Group to Hanjiang and GZ Construction for carrying out construction works for various property projects of the Group in the PRC shall be determined by the parties by reference to the market rate charged by independent third parties for similar construction projects, which shall conform with the stipulated standards issued by the relevant government authorities. As mentioned above, Hanjiang is a connected person of the Company. GZ Construction, a wholly-owned subsidiary (directly and indirectly) of Hanjiang, is an associate of Hanjiang and is therefore a connected person of the Company under the Listing Rules. During the year ended 31st December 2006, total construction fees paid/payable by the Group to Hanjiang and GZ Construction amounted to approximately HK\$1,475,868,000 (2005: HK\$3,092,000,000).

### (ii) Property management

For the three years ending 31st December 2008, the Group may appoint Shanghai Hopson Property Management Limited ("Shanghai Hopson") to manage certain properties developed and to be developed by the Group in Shanghai. The amount of management fees payable by the Group to Shanghai Hopson for providing management services to the said properties in Shanghai shall be determined by the parties by reference to the market rate charged by independent third parties for providing similar property management services in similar locations. Shanghai Hopson, an indirect wholly-owned subsidiary of Hanjiang, is an associate of Hanjiang and is therefore a connected person of the Company under the Listing Rules. During the year ended 31st December 2006, management fees paid/payable by the Group to Shanghai Hopson amounted to approximately HK\$49,000 (2005: HK\$95,000).

### (i) 建築

於截至二零零八年十二月三十一日止三個年度，本集團可委任廣東珠江工程總承包有限公司（「珠江總承包」）及韓江為本集團若干物業發展項目進行建築工程，而韓江同意並會／或會促使珠江總承包為本集團進行該等建築工程。本集團就韓江及珠江總承包為本集團若干位於中國之物業發展項目進行建築工程而應付予彼等之建築費用，將由各訂約方參考獨立第三方就同類建設項目所收取之市場價格而釐定，並應符合有關政府機關頒佈之規定標準。誠如上文所述，韓江為本公司之關連人士。珠江總承包為韓江之全資附屬公司（直接及間接），並為韓江之聯繫人士，因此，根據上市規則，珠江總承包為本公司之關連人士。於截至二零零六年十二月三十一日止年度內，本集團已付／應付韓江及珠江總承包的建築費用總額約為港幣1,475,868,000元（二零零五年：港幣3,092,000,000元）。

### (ii) 物業管理

於截至二零零八年十二月三十一日止三個年度，本集團可委任上海合生物業管理有限公司（「上海合生」）管理本集團若干位於上海的已發展及將發展之物業。本集團就上海合生為上述位於上海之物業提供管理服務而應付予上海合生之管理費用金額，將由各訂約方參考獨立第三方在同類地區提供同類物業管理服務所收取之市場價格而釐定。上海合生為韓江之間接全資附屬公司，並為韓江之聯繫人士，因此，根據上市規則，上海合生為本公司之關連人士。於截至二零零六年十二月三十一日止年度內，本集團已付／應付上海合生的管理費約為港幣49,000元（二零零五年：港幣95,000元）。

# Report of the Directors

## 董事會報告

### CONTINUING CONNECTED TRANSACTIONS

(Continued)

### 持續關連交易 (續)

#### (iii) Design

For the three years ending 31st December 2008, the Group may appoint the Hanjiang Group to carry out design works for certain property development projects of the Group and Hanjiang agrees to procure any member of the Hanjiang Group which is engaged in the business of property design, to carry out such design works for the Group. The amount of design fees payable by the Group to the Hanjiang Group for carrying out the design works for various property development projects of the Group shall be determined by the parties by reference to the market rate charged by independent third parties for similar design projects, which shall conform with certain standards prescribed by the relevant government authorities. During the year ended 31st December 2006, design fees paid/payable by the Group to the Hanjiang Group amounted to approximately HK\$29,814,000 (2005: Nil).

#### (iii) 設計

於截至二零零八年十二月三十一日止三個年度，本集團可委任韓江集團為本集團若干物業發展項目進行設計工作，而韓江同意促使韓江集團之任何成員公司（其從事物業設計業務）為本集團進行該等設計工作。本集團就韓江集團為本集團多個物業發展項目提供設計工作而應付予韓江集團之設計費金額，將由各訂約方參考獨立第三方就同類設計項目所收取之市場價格而釐定，並應符合有關政府機關所規定之若干標準。於截至二零零六年十二月三十一日止年度內，本集團已付／應付韓江集團的設計費約為港幣29,814,000元（二零零五年：無）。

#### (iv) Installation and decoration

For the three years ending 31st December 2008, the Group may appoint the Hanjiang Group to carry out installation and decoration works for certain property development projects of the Group and Hanjiang agrees to procure any member of the Hanjiang Group which is engaged in the business of installation and decoration, to carry out such installation and decoration works for the Group. The amount of installation and decoration fees payable by the Group to the Hanjiang Group for carrying out the installation and decoration works for various property development projects of the Group shall be determined by the parties by reference to the market rate charged by independent third parties for similar installation and decoration projects, which shall conform with certain standards prescribed by the relevant government authorities. During the year ended 31st December 2006, installation and decoration fees paid/payable by the Group to the Hanjiang Group amounted to approximately HK\$24,667,000 (2005: Nil).

#### (iv) 安裝及裝修

於截至二零零八年十二月三十一日止三個年度，本集團可委任韓江集團為本集團若干物業發展項目進行安裝及裝修工程，而韓江同意促使韓江集團之任何成員公司（其從事安裝及裝修業務）為本集團進行該等安裝及裝修工程。本集團就韓江集團為本集團多個物業發展項目提供安裝及裝修工程而應付予韓江集團之安裝及裝修工程費用金額，將由各訂約方參考獨立第三方就同類安裝及裝修工程所收取之市場價格而釐定，並應符合有關政府機關所規定之若干標準。於截至二零零六年十二月三十一日止年度內，本集團已付／應付韓江集團的安裝及裝修工程費用約為港幣24,667,000元（二零零五年：無）。

## CONTINUING CONNECTED TRANSACTIONS

(Continued)

## 持續關連交易 (續)

### (v) Intelligent-building design and installation

For the three years ending 31st December 2008, the Group may appoint the Hanjiang Group to carry out intelligent-building design and installation works for certain property development projects of the Group and Hanjiang agrees to procure any member of the Hanjiang Group which is engaged in the business of intelligent-building design and installation, to carry out such intelligent-building design and installation works for the Group. The amount of intelligent-building design and installation fees payable by the Group to the Hanjiang Group for carrying out intelligent-building design and installation works for various property development projects of the Group shall be determined by the parties by reference to the market rate charged by independent third parties for similar intelligent-building design and installation works. During the year ended 31st December 2006, intelligent-building design and installation fees paid/payable by the Group to the Hanjiang Group amounted to approximately HK\$11,161,000 (2005: Nil).

### (vi) Office lease

For the three years ending 31st December 2008, the Hanjiang Group agrees to lease certain premises in Guangzhou in the aggregate size of approximately 5,200 square meters to the Group for use as office. The rent payable by the Group to the Hanjiang Group will be determined by reference to the market rents charged by independent third parties for the leasing of similar properties in the vicinity. During the year ended 31st December 2006, rental paid/payable by the Group to the Hanjiang Group amounted to approximately HK\$4,974,000 (2005: Nil).

### (v) 智能樓宇設計及安裝

於截至二零零八年十二月三十一日止三個年度，本集團可委任韓江集團為本集團若干物業發展項目進行智能樓宇設計及安裝工程，及韓江同意促使韓江集團之任何成員公司（其從事智能樓宇設計及安裝工程業務）為本集團進行該等智能樓宇設計及安裝工程。本集團就韓江集團為本集團多個物業發展項目提供智能樓宇設計及安裝工程而應付予韓江集團之智能樓宇設計及安裝費用金額，將由各訂約方參考獨立第三方就同類智能樓宇設計及安裝工程所收取之市場價格而釐定。於截至二零零六年十二月三十一日止年度內，本集團已付／應付韓江集團的智能樓宇設計及安裝工程費用約為港幣11,161,000元（二零零五年：無）。

### (vi) 辦公室租賃

於截至二零零八年十二月三十一日止三個年度，韓江集團同意將若干位於廣州、總面積約5,200平方米之物業租賃予本集團，以供本集團用作辦公室。本集團應付予韓江集團之租金，將參考獨立第三方就出租毗鄰地區同類物業所收取之市值租金而釐定。於截至二零零六年十二月三十一日止年度內，本集團已付／應付韓江集團的租金約為港幣4,974,000元（二零零五年：無）。

# Report of the Directors

## 董事會報告

### CONTINUING CONNECTED TRANSACTIONS

(Continued)

### 持續關連交易 (續)

#### (vii) Shop lease

For the three years ending 31st December 2008, the Group agrees to lease certain premises in Guangzhou in the aggregate size of approximately 6,200 square meters to the Hanjiang Group for use as shops. The rent receivable by the Group from the Hanjiang Group will be determined by reference to the market rents charged by Group for the leasing of the same or similar properties to independent third parties. During the year ended 31st December 2006, rental received/receivable by the Group from the Hanjiang Group amounted to approximately HK\$692,000 (2005: Nil).

#### (vii) 商舖租賃

於截至二零零八年十二月三十一日止三個年度，本集團同意將若干位於廣州、總面積約6,200平方米之物業租賃予韓江集團，以供韓江集團用作商舖。本集團應收韓江集團之租金，將參考本集團就出租同一或同類物業向獨立第三方所收取之市值租金而釐定。於截至二零零六年十二月三十一日止年度內，本集團已收／應收韓江集團的租金約為港幣692,000元（二零零五年：無）。

#### (viii) Vacant property management

For the three years ending 31st December 2008, the Hanjiang Group may appoint the Group to manage certain vacant properties of the Hanjiang Group. The amount of management fees receivable by the Group from the Hanjiang Group will be determined by the parties by reference to the market rate charged by independent third parties for providing similar property management services in similar location, the location of the vacant properties and the scope of management services required, which shall conform with the standards prescribed by the relevant government authorities. During the year ended 31st December 2006, vacant property management fees received/receivable by the Group from the Hanjiang Group amounted to approximately HK\$4,652,000 (2005: Nil).

#### (viii) 空置物業管理

於截至二零零八年十二月三十一日止三個年度，韓江集團可委任本集團管理韓江集團若干空置物業。本集團應收韓江集團之管理費金額，將由各訂約方參考獨立第三方就在同類地區提供同類物業管理服務所收取之市場價格、空置物業之所在地點及所需服務之範疇而釐定，並應符合有關政府機關所規定之若干標準。於截至二零零六年十二月三十一日止年度內，本集團已收／應收韓江集團的空置物業管理費用約為港幣4,652,000元（二零零五年：無）。

## CONTINUING CONNECTED TRANSACTIONS

(Continued)

## 持續關連交易 (續)

The independent Non-executive Directors have reviewed the above transactions and confirmed that:

- (i) a. the above transactions have been conducted at arm's length between the parties on normal commercial terms or, if there are not sufficient comparable transactions on judge whether they are on normal commercial terms, on terms no less favorable to the Company than terms to or from (as appropriate) independent third parties;
- b. the above transactions have been entered into in the ordinary and usual course of the business of the Group;
- c. the above transactions have been carried out in accordance with the terms of the relevant agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole;
- (ii) during the year ended 31st December 2006, total construction fees paid/payable to Hanjiang and GZ Construction amounted to approximately HK\$1,475,868,000 (2005: HK\$3,092,000,000), which have not exceeded the annual construction fees paid/payable to Hanjiang and GZ Construction in respect of the year concerned as disclosed in the announcement of the Company dated 13th April 2006 (the "Announcement");

獨立非執行董事已審閱上述交易，並確認：

- (i) a. 上述交易已由訂約各方按公平磋商原則，並以一般商業條款進行，或倘無足夠可資比較之交易以判斷該等交易是否以一般商業條款進行，則按對本公司而言不遜於獨立第三者可取得或提供之條款（選適用者）進行；
- b. 上述交易乃於本集團一般及日常業務過程中訂立；
- c. 上述交易乃根據監管該等交易之有關協議之條款並按符合本公司股東之整體利益且屬公平合理之條款進行；
- (ii) 於截至二零零六年十二月三十一日止年度內，已付／應付韓江及珠江總承包的建築費用總額約為港幣1,475,868,000元（二零零五年：港幣3,092,000,000元），並未超過本公司日期為二零零六年四月十三日之公佈（「公佈」）所披露於有關年度可向韓江及珠江總承包支付／應付的全年建築費用限額；

# Report of the Directors

## 董事會報告

### CONTINUING CONNECTED TRANSACTIONS

(Continued)

### 持續關連交易 (續)

- (iii) during the year ended 31st December 2006, management fees paid/payable to Shanghai Hopson amounted to approximately HK\$49,000 (2005: HK\$95,000), which have not exceeded the annual management fees paid/payable to Shanghai Hopson in respect of the year concerned as disclosed in the Announcement;
  - (iv) during the year ended 31st December 2006, design fees paid/payable to the Hanjiang Group amounted to approximately HK\$29,814,000 (2005: Nil), which have not exceeded the annual design fees paid/payable to the Hanjiang Group in respect of the year concerned as disclosed in the Announcement;
  - (v) during the year ended 31st December 2006, installation and decoration fees paid/payable to the Hanjiang Group amounted to approximately HK\$24,667,000 (2005: Nil), which have not exceeded the annual installation and decoration fees paid/payable to the Hanjiang Group in respect of the year concerned as disclosed in the Announcement;
  - (vi) during the year ended 31st December 2006, intelligent-building design and installation fees paid/payable to the Hanjiang Group amounted to approximately HK\$11,161,000 (2005: Nil), which have not exceeded the annual intelligent-building design and installation fees paid/payable to the Hanjiang Group in respect of the year concerned as disclosed in the Announcement;
  - (vii) during the year ended 31st December 2006, office rental paid/payable to the Hanjiang Group amounted to approximately HK\$4,974,000 (2005: Nil), which has not exceeded the annual office rental paid/payable to the Hanjiang Group in respect of the year concerned as disclosed in the Announcement;
  - (viii) during the year ended 31st December 2006, shop rental received/receivable from the Hanjiang Group amounted to approximately HK\$692,000 (2005: Nil), which has not exceeded the annual shop rental received/receivable from the Hanjiang Group in respect of the year concerned as disclosed in the Announcement; and
- (iii) 於截至二零零六年十二月三十一日止年度內，已付／應付上海合生之管理費約為港幣49,000元（二零零五年：港幣95,000元），並未超過公佈所披露於有關年度可向上海合生支付／應付之全年管理費限額；
  - (iv) 於截至二零零六年十二月三十一日止年度內，已付／應付韓江集團的設計費約為港幣29,814,000元（二零零五年：無），並未超過公佈所披露於有關年度可向韓江集團支付／應付的全年設計費限額；
  - (v) 於截至二零零六年十二月三十一日止年度內，已付／應付韓江集團的安裝及裝修工程費用約為港幣24,667,000元（二零零五年：無），並未超過公佈所披露於有關年度可向韓江集團支付／應付的全年安裝及裝修工程費用限額；
  - (vi) 於截至二零零六年十二月三十一日止年度內，已付／應付韓江集團的智能樓宇設計及安裝費用約為港幣11,161,000元（二零零五年：無），並未超過公佈所披露於有關年度可向韓江集團支付／應付的全年智能樓宇設計及安裝費用限額；
  - (vii) 於截至二零零六年十二月三十一日止年度內，已付／應付韓江集團的辦公室租金約為港幣4,974,000元（二零零五年：無），並未超過公佈所披露於有關年度可向韓江集團支付／應付的全年辦公室租金限額；
  - (viii) 於截至二零零六年十二月三十一日止年度內，已收／應收韓江集團的商舖租金約為港幣692,000元（二零零五年：無），並未超過公佈所披露於有關年度可向韓江集團收取／應收的全年商舖租金限額；及

## CONTINUING CONNECTED TRANSACTIONS

(Continued)

- (ix) during the year ended 31st December 2006, vacant property management fees received/receivable from the Hanjiang Group amounted to approximately HK\$4,652,000 (2005: Nil), which have not exceeded the annual vacant property management fees received/receivable from the Hanjiang Group in respect of the year concerned as disclosed in the Announcement.

In accordance with Rule 14A.38 of the Listing Rules, the board of directors engaged the auditor of the Company to perform certain factual finding procedures on the above continuing connected transactions in accordance with Hong Kong Standard on Related Services 4400 "Engagements to Perform Agreed-Upon Procedures Regarding Financial Information" issued by the Hong Kong Institute of Certified Public Accountants. The auditor has reported the factual findings on the transactions based on the agreed upon procedures to the board of directors.

Save as disclosed in Note 41 to the accompanying accounts, no other contracts of significance in relation to the Company's business to which the Company or any of its subsidiaries, associates, jointly controlled entity or holding company was a party and in which any of the Company's Directors had a material interest, subsisted at the end of the year or at any time during the year.

## CONNECTED TRANSACTIONS

During the year ended 31st December 2006, the Group entered into the following connected transactions:

- (1) On 19th May 2006, the Group entered into a conditional agreement with Beijing Huaxia Chuang Ye Real Estate Development Company Limited to acquire its entire equity interest representing 60.98% in Beijing Dongfangwenhua International Properties Company Limited ("Beijing Dongfangwenhua") at a consideration of approximately RMB17,690,000. Beijing Dongfangwenhua is the owner of the land use right of a site in Beijing of approximately 15,834 square meters in site area, in respect of which approval for the development and construction of office buildings, hotels and music halls has been granted to Beijing Dongfangwenhua by the relevant PRC government authorities.

## 持續關連交易 (續)

- (ix) 於截至二零零六年十二月三十一日止年度內，已收／應收韓江集團的空置物業管理費約為港幣4,652,000元（二零零五年：無），並未超過公佈所披露於有關年度可向韓江集團收取／應收的全年空置物業管理費限額。

因應上市規則第14A.38條，董事會已委聘本公司核數師按照香港會計師公會所頒佈之香港有關服務準則第4400號「就財務資料執行協定程序的聘用協定」對上述持續關連交易進行若干事實查明程序。核數師已就該交易根據該協定程序所得之事實結論向董事會報告。

除於隨附之賬目附註41所披露外，本公司的董事概無於本年度年終或年內任何時間，在本公司或其任何附屬公司、聯營公司、共同控制實體或控股公司所訂立任何與本公司業務有關的其他重大合約中持有重大權益。

## 關連交易

於截至二零零六年十二月三十一日止年度內，本集團訂立了以下關連交易：

- (1) 於二零零六年五月十九日，本集團與北京華夏創業房地產開發有限公司訂立一項有條件協議，以收購其於北京東方文華國際置業有限公司（「北京東方文華」）全部約60.98%股本權益，代價約為人民幣17,690,000元。北京東方文華擁有一幅位於北京總佔地面積約為15,834平方米之土地的土地使用權，就此，北京東方文華已獲有關中國政府機關授出關於發展及建築寫字樓大廈、酒店及音樂廳之批文。

# Report of the Directors

## 董事會報告

### CONNECTED TRANSACTIONS (Continued)

- (2) On 19th May 2006, the Group entered into a conditional loan assignment agreement with Beijing Huaxia pursuant to which the Group agreed conditionally to purchase from Beijing Huaxia (i) interest free loans with aggregate face values of approximately RMB378,185,000 due and owing by Beijing Dongfangwenhua to Beijing Huaxia (the "Oriental Assigned Loan") and (ii) interest free loans with aggregate face values of approximately RMB158,709,000 due and owing by Beijing Zhaode Property Company Limited ("Beijing Zhaode") to Beijing Huaxia (the "Zhaode Assigned Loan") at an aggregate consideration of RMB536,894,000, being the aggregate of the respective face values of the Oriental Assigned Loan and the Zhaode Assigned Loan as at 19th May 2006.

- (3) On 19th May 2006, the Group entered into a conditional financial assistance confirmation with Beijing Zhaode and Beijing Huaxia which confirmed, subject to the conditions therein, that the Group shall assume Beijing Huaxia's rights and obligations under a financial assistance agreement dated 8th November 2005 entered into between Beijing Huaxia and Beijing Zhaode (as supplemented by a supplemental agreement dated 19th November 2005 entered into between the same parties).

Beijing Huaxia is owned by Hanjiang as to 75% and the brother-in-law of Mr. Chu as to 25%. Hanjiang is a connected person of the Company under the Listing Rules as described in the section titled "Continuing connected transactions". Beijing Huaxia, being a subsidiary of Hanjiang, is an associate of Hanjiang and is therefore a connected person of the Company under the Listing Rules. Accordingly, each of the transactions mentioned in paragraphs (1) to (3) above constituted a connected transaction of the Company under the Listing Rules.

- (4) On 21st July 2006, the Company entered into a conditional share purchase agreement (the "Agreement") with Sun Advance Investments Limited ("Sun Advance"), an indirect wholly-owned subsidiary of the Company, Prime Essence Inc. ("Prime"), Interwell Developments Limited ("Interwell"), Union Wise Investment Limited ("Union"), Shanghai Mintai Real Estate Co., Ltd. ("Mintai") and Pacific Delta Investments Limited ("Pacific"), pursuant to which Pacific conditionally agreed to acquire the entire issued share capital of Interwell from Sun Advance and Prime in equal proportions for a consideration of US\$300 million, subject to adjustment in accordance with the Agreement.

### 關連交易 (續)

- (2) 於二零零六年五月十九日，本集團與北京華夏訂立有條件貸款轉讓協議，據此，本集團有條件地同意自北京華夏購入(i)北京東方文華應付及結欠北京華夏總面值約人民幣378,185,000元之無息貸款（「東方讓與貸款」）及(ii)北京昭德置業有限公司（「北京昭德」）應付及結欠北京華夏之總面值約人民幣158,709,000元之無息貸款（「昭德讓與貸款」），總代價為人民幣536,894,000元，即東方讓與貸款及昭德讓與貸款於二零零六年五月十九日各自面值之合計總額。

- (3) 於二零零六年五月十九日，本集團與北京昭德及北京華夏訂立有條件資金墊付確認書，確認（須受當中所載條件之規限）本集團將承擔北京華夏於由北京華夏與北京昭德於二零零五年十一月八日訂立之資金墊付協議（經相同訂約方於二零零五年十一月十九日訂立之補充協議補充）下之權利及責任。

韓江及朱先生之妹夫分別擁有北京華夏之75%及25%權益。誠如「持續關連交易」一節所述，根據上市規則，韓江為本公司之關連人士。北京華夏作為韓江之附屬公司，乃韓江之關連人士，因此，根據上市規則，亦為本公司之關連人士。因此，根據上市規則，上文(1)至(3)段所述各項交易均構成本公司之關連交易。

- (4) 於二零零六年七月二十一日，本公司、Sun Advance Investments Limited（「Sun Advance」）（為本公司之間接全資附屬公司）、Prime Essence Inc.（「Prime」）、Interwell Developments Limited（「Interwell」）、Union Wise Investment Limited（「Union」）、上海民泰房地產有限公司（「民泰」）及Pacific Delta Investments Limited（「Pacific」）訂立有條件股份購買協議（「該協議」），根據該協議，Pacific有條件同意按同一比例向Sun Advance及Prime收購Interwell全部已發行股本，代價為美金300,000,000元，但可按照該協議作出調整。

## CONNECTED TRANSACTIONS (Continued)

Interwell, through Mintai, is currently constructing a building known as Shanghai Hopson International Tower situated at Meiyuan Street, Fang No. 9, Qiu No. 5, Pudong New District, Shanghai, PRC with a planned gross floor area of 85,784 square meters. The costs of land and construction of Shanghai Hopson International Tower have been classified as other non-current asset as at 31st December 2006. The Group estimated that the gain on the disposal of its equity interest in Interwell amounted to approximately HK\$500 million, which will be recognized upon the completion of the Agreement in 2008.

Notwithstanding that Interwell is owned by the Group and Prime in equal shares, it is a subsidiary of the Company because the Group has the power to govern its financial and operating policies. By virtue of being a substantial shareholder of Interwell, Prime is regarded as a connected person of the Company. Union, being the holding company of Prime, is an associate of Prime. Accordingly, the transactions contemplated under the Agreement constituted connected transactions of the Company under the Listing Rules.

In respect of the continuing connected transactions and connected transactions, the Company has complied with the disclosure requirements under the Listing Rules in force from time to time.

## 關連交易 (續)

Interwell透過民泰現正興建一座位於中國上海浦東新區梅園街道9坊5丘之大廈，名為上海合生國際大廈，規劃總建築樓面面積為85,784平方米。於二零零六年十二月三十一日，上海合生國際大廈之土地及建築成本已分類為其他非流動資產。本集團估計，出售其於Interwell股權之收益約為港幣500,000,000元，該款項將於該協議於二零零八年完成後確認入賬。

雖然Interwell由本集團及Prime均等擁有，因本集團有權力管限其財務及營運政策，因此其為本公司之附屬公司。由於Prime為Interwell之主要股東，故被視為本公司之關連人士。Prime之控股公司Union為Prime之聯繫人士。因此，根據上市規則，該協議所涉及之各項交易均構成本公司之關連交易。

就持續關連交易及關連交易而言，本公司已遵守不時生效之上市規則的披露規定。

## DIRECTORS AND DIRECTORS'S SERVICE CONTRACTS

The Directors who held office during the year and up to the date of this report were:

### Executive Directors

Mr. Chu Mang Yee (*Chairman*)  
Mr. Xiang Bin (*Deputy Chairman*)  
Mr. Wu Jiesi (*Chief Executive Officer*)  
Mr. Au Wai Kin  
Mr. Chen Chang Ying  
Mr. Tam Lai Ling  
Ms. Xiao Yan Xia

### Non-executive Directors

Ms. Chen Xiaohong (Resigned on 23rd June 2006)  
Mr. Hu Yongmin (Resigned on 10th November 2006)  
Mr. Shafran, Steven

### Independent Non-executive Directors

Mr. Yuen Pak Yiu, Philip  
Mr. Lee Tsung Hei, David  
Mr. Wong Shing Kay, Oliver

## 董事及董事服務合約

本年度內及直至本報告刊發日期在任的董事如下：

### 執行董事

朱孟依先生 (主席)  
項 斌先生 (副主席)  
武捷思先生 (行政總裁)  
歐偉建先生  
陳長纓先生  
譚禮寧先生  
蕭燕霞女士

### 非執行董事

陳小紅女士 (於二零零六年六月二十三日辭任)  
胡勇敏先生 (於二零零六年十一月十日辭任)  
施盛勳先生

### 獨立非執行董事

阮北耀先生  
李頌熹先生  
黃承基先生

# Report of the Directors

## 董事會報告

### DIRECTORS AND DIRECTORS'S SERVICE CONTRACTS

(Continued)

All Directors are subject to retirement by rotation at annual general meetings of the Company in accordance with the Company's Bye-laws.

In accordance with the Company's Bye-laws, Mr. Xiang Bin, Mr. Chen Chang Ying, Mr. Au Wai Kin and Ms. Xiao Yan Xia retire from office by rotation and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

None of the Directors has a service contract with the Company or any of its subsidiaries which is not terminable within one year without payment of compensation other than statutory compensation.

### 董事及董事服務合約 (續)

全體董事均須根據本公司的公司細則於本公司股東週年大會上輪值退任。

根據本公司的公司細則，項斌先生、陳長纓先生、歐偉建先生及蕭燕霞女士須輪值退任，惟彼等合資格且願意於應屆股東週年大會上膺選連任。

董事沒有與本公司或其任何附屬公司訂立於一年內不作賠償（法定賠償除外）即不可終止的服務合同。

### Independent non-executive directors' CONFIRMATION OF INDEPENDENCE

The Company has received independence confirmation from each of the independent Non-executive Directors, namely Mr. Yuen Pak Yiu, Philip, Mr. Lee Tsung Hei, David and Mr. Wong Shing Kay, Oliver, and considers them to be independent.

### 獨立非執行董事之獨立性確認函件

本公司已接獲各獨立非執行董事（即阮北耀先生、李頌熹先生及黃承基先生）之獨立性確認函件，本公司認為彼等均為獨立。

### DIRECTORS' INTERESTS IN CONTRACTS

No contract of significance to which the Company or any of its subsidiaries was a party and in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

### 董事於合約之權益

於年終或年內任何時間本公司董事概無於本公司或其任何附屬公司訂立之重大合約中直接或間接擁有重大權益。

## DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

## 董事及行政總裁於股份、相關股份及債券擁有之權益及淡倉

As at 31st December 2006, the interests or short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were 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 are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code"), to be notified to the Company and the Stock Exchange, were as follows:

於二零零六年十二月三十一日，本公司董事及行政總裁根據證券及期貨條例（「證券及期貨條例」）第XV部第7及第8分部已知會本公司及聯交所其於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中擁有之權益或淡倉（包括根據證券及期貨條例之該等規定被認為或視作擁有之權益或淡倉），或必須列入根據證券及期貨條例第352條予以存置之登記冊內，或根據上市發行人董事進行證券交易的標準守則（「標準守則」）必須知會本公司及聯交所之權益或淡倉載列如下：

### (1) Long positions in shares

### (1) 於股份之好倉

Name of directors 董事姓名		Number of shares of the Company 本公司股份數目				Percentage of shares Total outstanding 佔已發行 股份百分比	
		Personal interests 個人權益	Family interests 家屬權益	Corporate interests 公司權益	Other interests 其他權益		
Mr. Chu Mang Yee (a)	朱孟依先生 (a)	–	–	686,400,000	–	686,400,000	53.41%
Mr. Au Wai Kin (b)	歐偉建先生 (b)	–	–	34,500,000	–	34,500,000	2.68%
Ms. Xiao Yan Xia	蕭燕霞女士	30,000	–	–	–	30,000	0.01%
Mr. Steven Shafran	施盛勳先生	1,600,000	–	–	–	1,600,000	0.12%

Notes:

附註：

- Mr. Chu Mang Yee held 686,400,000 shares of the Company through Sounda Properties Limited, a company wholly-owned by him, and HKSCC Nominees Limited.
- Mr. Au Wai Kin held 34,500,000 shares of the Company through a company wholly-owned and controlled by him.

- 朱孟依先生透過其全資擁有的新達置業有限公司及香港中央結算（代理人）有限公司持有本公司686,400,000股股份。
- 歐偉建先生透過其全資擁有及控制的公司持有本公司34,500,000股股份。

# Report of the Directors

## 董事會報告

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)

### 董事及行政總裁於股份、相關股份及債券擁有之權益及淡倉 (續)

#### (2) Long positions in share options

The Company's share option scheme (the "Scheme") was adopted on 4th November 2002 and no share options were granted, lapsed or were cancelled during the year. The following table discloses movements of the share options granted under the Scheme during the year:

#### (2) 於購股權之好倉

本公司之購股權計劃(「該計劃」)於二零零二年十一月四日獲採納，而年內並無任何購股權獲授出、失效或被註銷。下表披露年內根據該計劃授出之購股權之變動情況：

Date of grant 授出日期	Exercise price per share 每股行使價	Exercised period 行使期	Number of share options 購股權數目		
			Beginning of year 年初	Exercised during the year 年內行使	End of year 年終
Mr. Wu Jiesi 武捷思先生					
29th April 2005	HK\$4.30	29th April 2005 to 28th April 2010	5,000,000	5,000,000 <sup>(1),(3)</sup>	—
二零零五年四月二十九日	港幣4.30元	二零零五年四月二十九日至二零一零年四月二十八日			
15th September 2005	HK\$8.20	15th September 2005 to 14th September 2010	2,036,000	—	2,036,000
二零零五年九月十五日	港幣8.20元	二零零五年九月十五日至二零一零年九月十四日			
Mr. Tam Lai Ling 譚禮寧先生					
29th April 2005	HK\$4.30	29th April 2005 to 28th April 2010	5,000,000	5,000,000 <sup>(2),(4)</sup>	—
二零零五年四月二十九日	港幣4.30元	二零零五年四月二十九日至二零一零年四月二十八日			
Mr. Steven Shafran 施盛勳先生					
11th August 2005	HK\$6.20	11th August 2005 to 10th August 2010	4,500,000	1,500,000 <sup>(5)</sup>	3,000,000
二零零五年八月十一日	港幣6.20元	二零零五年八月十一日至二零一零年八月十日			
			16,536,000	11,500,000	5,036,000

## DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)

### Notes:

1. The closing price of the shares immediately before the date of exercise by Mr. Wu Jiesi of 3,000,000 share options was HK\$14.75.
2. The closing price of the shares immediately before the date of exercise by Mr. Tam Lai Ling of 3,000,000 share options was HK\$14.75.
3. The closing price of the shares immediately before the date of exercise by Mr. Wu Jiesi of 2,000,000 share options was HK\$15.00.
4. The closing price of the shares immediately before the date of exercise by Mr. Tam Lai Ling of 2,000,000 share options was HK\$15.00.
5. The closing price of the shares immediately before the date of exercise by Mr. Steven Shafran was HK\$15.22.

Save as disclosed above, as at 31st December 2006, none of the Directors, chief executives of the Company and their respective associates had any personal, family, corporate or other interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code, to be notified to the Company and the Stock Exchange.

Apart from the foregoing, at no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors or any of their spouses or children under 18 years of age to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate, and no Directors or chief executives or their respective spouses or children under 18 years of age had been granted any right to subscribe for equity or debt securities of the Company nor exercised any such right.

The Company used Binomial Option Pricing Model to determine the fair value of the options granted as at the date of grant.

The Binominal Option Pricing Model was developed to estimate the fair value of American style options. It is one of the commonly used models to estimate the fair value of an option which can be exercised before the expiry of the option period. The value of an option varies with different variables of certain subjective assumptions. Any change in the variables so adopted may materially affect the estimation of the fair value of an option.

## 董事及行政總裁於股份、相關股份及債券擁有之權益及淡倉 (續)

### 附註：

1. 緊接武捷思先生行使3,000,000份購股權日期前股份之收市價為港幣14.75元。
2. 緊接譚禮寧先生行使3,000,000份購股權日期前股份之收市價為港幣14.75元。
3. 緊接武捷思先生行使2,000,000份購股權日期前股份之收市價為港幣15.00元。
4. 於緊接譚禮寧先生行使2,000,000份購股權日期前股份之收市價為港幣15.00元。
5. 緊接施盛勳先生行使購股權日期前股份之收市價為港幣15.22元。

除上文所披露者外，於二零零六年十二月三十一日，本公司董事、行政總裁或彼等各自之聯繫人概無於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所有關於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債券中擁有任何個人、家族、公司或其他權益或淡倉（包括根據證券及期貨條例之該等規定被認為或視作擁有之權益或淡倉），或必須列入根據證券及期貨條例第352條予以存置之登記冊內，或根據標準守則必須知會本公司及聯交所之任何個人、家族、公司或其他權益或淡倉。

除上述者外，於年內任何時間，本公司及其任何附屬公司並無訂立任何安排，以使董事或彼等之任何配偶或十八歲以下之子女有權透過購買本公司或任何其他法人團體之股份或債券而從中獲益，以及概無董事或行政總裁或彼等各自之配偶或十八歲以下之子女已獲授任何權利以認購本公司股份或債務證券或已行使該等權利。

本公司使用二項式期權定價模式評估期權於授出日期之公平值。

二項式期權定價模式旨在評估美式期權的公平值，是其中一種普遍採用的期權定價模式，以評估可於購股權限期前行使的購股權的公平值。購股權的價值會視乎若干主觀假設之變數而計算出不同的估值。倘任何已採用的變數出現變動，或會對購股權公平值之評估造成重大影響。

# Report of the Directors

## 董事會報告

### SUBSTANTIAL SHAREHOLDERS

Other than interests disclosed in the section headed "Directors" and chief executives' interests and short positions in shares, underlying shares and debentures' above, as at 31st December 2006, according to the register of interests kept by the Company under section 336 of the SFO, the following entity had interests or short positions in the shares of the Company which fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO:

Name of shareholders	Capacity and nature of interests	Number of issued shares	Percentage of shares outstanding
股東名稱	身份及權益性質	已發行股份數目	佔已發行股份百分比
Sounda Properties Limited 新達置業有限公司	Beneficial owner 實益擁有人	686,400,000	53.41%

Save as disclosed above, the directors are not aware of any other persons who, as at 31st December 2006, had interests or short positions in the shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO.

### 主要股東

除上文「董事及行政總裁於股份、相關股份及債券擁有之權益及淡倉」一節所披露之權益外，於二零零六年十二月三十一日，按本公司根據證券及期貨條例第336條須存置之登記冊之記錄，下列實體於本公司股份中擁有根據證券及期貨條例第XV部第2及第3分部須向本公司披露之權益或淡倉：

除上文所披露者外，就董事所知，概無任何其他人士於二零零六年十二月三十一日於本公司或任何聯營公司（定義見證券及期貨條例第XV部）之股份、相關股份或債券中擁有根據證券及期貨條例第XV部第2及第3分部須向本公司披露之權益或淡倉。

### INFORMATION ON SHARE OPTION SCHEME

The following table is a summary of the Scheme disclosed in accordance with the Listing Rules:

### 購股權計劃的資料

根據上市規則就該計劃所作披露概述如下：

- |  |  |
|--|--|
| 1. Purpose of the Scheme<br>該計劃目的  | As recognition of the contribution of the participants by granting options to them as incentives or rewards.<br>向參與者授予購股權以表揚彼等之貢獻，並以此激勵並回饋彼等之努力  |
| 2. Participants of the Scheme<br>該計劃的參與者   | Any executive, employee, director (including non-executive director and independent non-executive director), consultant, adviser and/or agent of the Company or any of its subsidiaries.<br>本公司或任何附屬公司的行政人員、僱員、董事（包括非執行董事及獨立非執行董事）、專家顧問、顧問及／或代理人 |
| 3. Total number of shares available for issue under the Scheme and percentage of issued share capital as at 17th April 2007<br>根據該計劃可發行股份總數及於二零零七年四月十七日佔已發行股本百分比 | 100,200,000 shares unless shareholders' approval has been obtained pursuant to the terms of the Scheme (approximately 7.80% of issued share capital).<br>除非已依照新計劃條款取得股東批准，否則為100,200,000股（約佔已發行股本的7.80%）   |

## INFORMATION ON SHARE OPTION SCHEME

(Continued)

- |  |   |
|--|---|
| <p>4. Maximum entitlement of each participant under the Scheme</p> <p>每位參與者根據該計劃可認購的最高數額</p>   | <p>The total number of shares issued and to be issued upon the exercise of share options already granted or to be granted to each participant (including both exercised and outstanding share options) in the 12-month period up to and including the date of grant shall not exceed 1% of the issued share capital as at the date of grant. Any grant of further options above the limit shall be subject to certain requirements as stipulated in the rules of the Scheme.</p> <p>每名計劃參與者行使已授予或將授予之購股權獲配發或將獲配發之股份總數目（包括已行使及尚未行使之購股權），於授予之日前十二個月期間（包括授予當日），不得超逾於授出日期已發行股本1%。再授予任何超逾此限額的購股權須受該計劃規則內訂明的若干規定所規限</p> |
| <p>5. The period within which the shares must be taken up under an option</p> <p>根據購股權須認購股份的期限</p>   | <p>Commencing on the date of grant of an option and expiring at 5:00 p.m. on the earlier of the business day preceding the fifth anniversary thereof and the business day preceding the tenth anniversary of the day on which the Scheme was adopted.</p> <p>自購股權授出日期起至該授出日期的五週年的前一個營業日或至採納該計劃日期的十週年的前一個營業日（以較早者為準）下午五時正屆滿</p>  |
| <p>6. The minimum period for which an option must be held before it can be exercised</p> <p>須於行使前持有購股權的最短期限</p>  | <p>Completion of half year's full-time services with the Company or a subsidiary.</p> <p>於本公司或一間附屬公司完成半年全職服務</p>  |
| <p>7. The amount payable on application or acceptance of the option and the period within which payments or calls must or may be made or loans for such purpose must be paid</p> <p>申請或接納購股權的應付金額以及付款或通知付款的期限或償還申請購股權貸款的期限</p> | <p>Nil</p> <p>無</p>   |

# Report of the Directors

## 董事會報告

### INFORMATION ON SHARE OPTION SCHEME

(Continued)

- |  |   |
|--|---|
| 8. The basis of determining the exercise price<br>釐定行使價的基準 | The exercise price is determined by the board of Directors and shall at least be the highest of:<br>行使價由董事會釐定，最低須為以下的最高者： <ul style="list-style-type: none"><li>a. the closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet on the date of offer of the relevant options;<br/>於有關提供購股權當日本公司股份於聯交所每日報價表的收市價；</li><li>b. the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of offer of the relevant options; and<br/>於緊接提供有關購股權當日之前五個營業日本公司股份於聯交所每日報價表的平均收市價；及</li><li>c. the nominal value of the Company's shares.<br/>本公司股份面值。</li></ul> |
| 9. The remaining life of the Scheme<br>該計劃的剩餘期限            | The scheme was adopted on 4th November 2002 and will expire at 5:00 p.m. on the business day immediately preceding the tenth anniversary thereof.<br>計劃於二零零二年十一月四日採納，至緊接十週年前的一個營業日下午五時正終止   |

### FOREIGN EXCHANGE FLUCTUATIONS

The Group earns revenue and incurs costs and expenses mainly in Renminbi and is exposed to foreign exchange risk arising from the exposure of Renminbi against Hong Kong dollars. However, the Group experienced no significant foreign exchange movement and the Directors do not anticipate any significant foreign exchange loss as a result of changes in exchange rate between Hong Kong dollars and Renminbi in the foreseeable future.

### 外匯波動

本集團的主要收入為人民幣，並以人民幣支付成本及費用，因而須承受人民幣與港元間之匯兌風險。本集團並無面對任何重大外匯波動，而董事預計在可見之未來亦不會因港元兌人民幣的匯率變動而產生重大外匯虧損。

### MANAGEMENT CONTRACT

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

### 管理合約

年內，就本公司整體或任何重要環節業務方面並無訂立或存在管理及行政合約。

## EMPLOYEES

As at 31st December 2006, the Group, excluding its associate and jointly controlled entity, employed a total of 5,083 (as at 31st December 2005: 4,078) staff, the great majority of which were deployed in mainland China. Employees' costs (including Directors' emoluments) amounted to HK\$240 million (2005: HK\$188 million) for the year ended 31st December 2006.

The fundamental policy of the Group's remuneration and incentive scheme is to link total compensation of Executive Directors, senior management and employees with the achievement of the Group's annual and long-term corporate goals and objectives. Remuneration package is performance-based and takes into account business performance, market practice and competitive market conditions in order to attract, motivate and retain talent. The remuneration package of Executive Directors and senior management comprises salaries, bonuses, discretionary bonus and other benefits-in-kind.

Non-executive Directors, except for Mr. Hu Yongmin and Ms. Chen Xiaohong (both resigned during the year under review) who do not receive any remuneration, are compensated with the aim to fairly represent their efforts and time dedicated to the Board and various committee meetings. The recommended remuneration package of the independent Non-executive Directors comprises annual director's fee and fee for representation on Board committees. Mr. Steven Shafran, a Non-executive Director, was remunerated with share options granted under the Scheme.

The remuneration of all the Directors during the financial year, excluding Directors' interests in share options of the Company which are detailed in the paragraph titled "Long positions in share options" above, is set out in Note 31 to the accounts.

Particulars of the Directors' and senior management's emoluments disclosed pursuant to Section 161 of the Companies Ordinance and Appendix 16 of the Listing Rules are set out in Note 31 to the accounts.

## PURCHASE, REDEMPTION AND SALE OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during the year ended 31st December 2006.

## 僱員

於二零零六年十二月三十一日，本集團（不包括其聯營公司及共同控制實體）之僱員合共5,083人（二零零五年十二月三十一日：4,078人），其中大多數為中國內地僱員。於截至二零零六年十二月三十一日止年度僱員成本（包括董事酬金）達港幣240,000,000元（二零零五年：港幣188,000,000元）。

本集團之薪酬及激勵計劃之基本政策為將執行董事、高級管理層及僱員之總薪酬與本集團之年度及長期企業目標及目的整體成績掛鉤。薪酬組合以表現為基準，並計及業務表現、市場慣例及市場競爭環境，從而吸引、鼓勵及保留人才。執行董事及高級管理層之薪酬組合包括薪金、花紅、酌情花紅及其他實物福利。

除胡勇敏先生及陳小紅女士（均於回顧年度內辭任）不收取任何薪酬外，非執行董事之薪酬均以可充份反映彼等投放於董事會及其他委員會會議之資源及時間為目標。推薦之獨立非執行董事之薪酬組合包括年度董事袍金及出席董事會議酬金。非執行董事施盛勳先生獲發根據該計劃授出之購股權作為酬金。

本財政年度所有董事之薪酬已載於賬目附註31，惟董事於本公司購股權之權益除外，該等資料載於上文「於購股權之好倉」一段。

根據公司條例第161節及上市規則附錄16披露之董事及高級管理層酬金之詳情載於賬目附註31。

## 購買、贖回及出售本公司之上市證券

於截至二零零六年十二月三十一日止年度，本公司及其任何附屬公司概無購入、贖回或出售本公司任何上市證券。

# Report of the Directors

## 董事會報告

### CORPORATE GOVERNANCE

A report on the principal corporate governance practices adopted by the Company is set out on pages 79 to 88 of the annual report.

### SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of its Directors, the Directors confirm that the Company has maintained during the year under review the amount of public float as required under the Listing Rules.

### EVENTS AFTER THE BALANCE SHEET DATE

#### (a) Equity transaction

On 19th January 2007, the Company granted 7,964,000 share options with an exercise price of HK\$20.75 to a director.

#### (b) Issue of convertible bonds

On 2nd February 2007, the Company completed the issue of RMB 1,830.4 million aggregate principal amount of USD settled Zero Coupon Convertible Bonds due 2010 with the right to convert into ordinary shares of the Company.

#### (c) Land acquisition

On 1st March 2007, the Group completed the acquisition of the 100% equity interest in Tianjin Babo Real Estate Development Limited, which owned the land use right of a site located in Nan Kai District, Tianjin with a GFA of approximately 90,000 square meters, for a consideration of approximately HK\$215 million (equivalent to RMB215 million).

### AUDITOR

The accounts have been audited by Messrs. PricewaterhouseCoopers. A resolution for the re-appointment of Messrs. PricewaterhouseCoopers as the Company's auditor for the ensuing year is to be proposed at the forthcoming annual general meeting.

On behalf of the board of Directors,

**CHU MANG YEE**

Chairman

Hong Kong, 17th April 2007

### 企業管治

有關本公司採納之主要企業管治常規之報告載於年報第79至88頁。

### 公眾持股量的足夠性

根據本公司能夠取得之資料及董事之知情範圍以內，董事確認，本公司於回顧年度內之公眾持股量維持在上市規則所規定之數量。

### 結算日後事項

#### (a) 股本交易

於二零零七年一月十九日，本公司向一董事授與行使價為港幣20.75元的7,964,000購股權證。

#### (b) 發行可換股債券

於二零零七年二月二日，本公司已完成發行本金總額為人民幣1,830,400,000元以美元償付的二零一零年到期零息可換股債券（可轉換為本公司普通股股份）。

#### (c) 土地收購

於二零零七年三月一日，本公司完成以港幣2.15億元（約人民幣2.15億元）收購天津巴博房地產開發有限公司之100%股權，此公司擁有位於天津市南開區一塊約90,000平方米土地之土地使用權。

### 核數師

賬目已由羅兵咸永道會計師事務所審核。將於應屆股東週年大會上提呈重新委任羅兵咸永道會計師事務所為本公司來年之核數師之決議案。

代表董事會

主席

朱孟依

香港，二零零七年四月十七日

# Corporate Governance Report

## 企業管治報告

Hopson is committed to upholding high standards of corporate governance. The Board believes effective corporate governance will translate into greater transparency, more effective risk controls and ultimately enhance shareholders' value.

The Company has complied with the Code on Corporate Governance Practices (the "Code") as contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") during the year 2006 except that the non-executive directors of the Company are not appointed for specific terms with the exception of Mr. Steven Shafran who is appointed for a term of three years, and the Chairman of the Board did not attend the annual general meeting for the year 2006 due to other business commitment.

### COMPLIANCE WITH MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 of the Listing Rules (the "Model Code") as the code of conduct regarding directors' securities transactions. Having made specific enquiry, all directors have fully complied with the required standard set out in the Model Code throughout the year of 2006.

### BOARD OF DIRECTORS

The Board currently comprises seven executive and four non-executive directors of whom three are independent, whose biographical details are set out in the Directors' Profile section on pages 44 to 47 which demonstrate a balance of core competence having regard to the business of the Group. Pursuant to the Company's Bye-laws, all directors are subject to retirement by rotation and their re-election is subject to a vote of shareholders at the annual general meeting. The Board members have no financial, business, family or other material/relevant relationships with each other. There is no such relationship as between the Chairman and the Chief Executive Officer. The Company has arranged appropriate insurance cover in respect of legal actions against its directors.

合生致力樹立高標準之企業管治。董事會相信，有效之企業管治可令公司更具透明度，並能更有效管理風險，最終將可提升股東價值。

除本公司非執行董事並無特定任期（施盛勳先生除外，其任期為三年），以及董事會主席因業務承諾未能出席二零零六年度股東週年大會外，本公司於二零零六年內一直遵守香港聯合交易所有限公司證券上市規則附錄14所載之企業管治常規守則（「守則」）。

### 遵守標準守則

本公司已採納上市規則附錄十所載上市發行人董事進行證券交易之標準守則（「標準守則」）作為其董事進行證券交易之標準守則。經作出特定查詢後，全體董事均已於二零零六年內全面遵守標準守則所載之所需準則。

### 董事會

董事會現時包括七名執行董事及四名非執行董事，當中三名為獨立非執行董事（有關彼等之履歷詳情載於第44至第47頁董事履歷一節），就本集團之業務而言，董事會之架構顯示其核心能力相當平衡。根據本公司之細則，所有董事均須於股東週年大會上輪值告退，並經股東投票重選連任。董事會成員彼此間並無任何財務、業務、家族或其他重大／相關關係。主席及行政總裁間亦不存在該等關係。本公司已就董事可能面對法律行動作出適當保險安排。

# Corporate Governance Report

## 企業管治報告

The non-executive directors provide the Group with a wide range of expertise and experience. Their participation in Board and committee meetings brings independent judgment on issues relating to the Group's strategy, performance, conflicts of interest and management process, help to ensure that adequate checks and balances are provided and that the interests of all shareholders are taken into account.

The Company has three independent non-executive directors, at least one of whom has appropriate financial management expertise, in compliance with the Listing Rules. Each independent non-executive director gives the Company an annual confirmation of his independence, and the Board considers these directors to be independent under the guidelines set out in rule 3.13 of the Listing Rules.

The Board is responsible to the shareholders for leadership and control of the Group and is collectively responsible for promoting the success of the Group and its business by directing and supervising the Group's affairs. It oversees the Group's strategic development, and determines the objectives, strategies and policies of the Group. The Board also monitors and controls operating and financial performance in pursuit of the Group's strategic objectives. The Board members have access to appropriate business documents and information about the Group on a timely basis. The directors are free to have access to the management for enquires and to obtain further information when required. All directors and Board committees also have recourse to external legal counsel and other professionals for independent advice at the Group's expense if they require it.

Four Board committees, namely the Remuneration Committee, the Audit Committee, the Option Shares Committee and the Connected Transactions/Related Party Transactions Committee have been established to oversee particular aspects of the Group's affairs. The Board has delegated the execution and daily operations of the Group's business to management. However, clear directions are given to management as to the matters that must be approved by the Board before decisions are made on behalf of the Group.

非執行董事為本集團提供廣泛專業知識及經驗。彼等於董事會及委員會會議上就本集團之策略、表現、利益衝突及管理程序事宜作出獨立判斷，確保已作出充分審查及已取得平衡，並已考慮所有股東之利益。

遵照上市規則之規定，本公司有三名獨立非執行董事，當中最少有一人具備合適之財務管理專業知識。每名獨立非執行董事均會就其獨立性向本公司發出年度確認，而根據上市規則第3.13條所載之指引，董事會認為該等董事均為獨立人士。

董事會有責任替股東領導及監控本集團，並共同對本公司之事宜作出指示及監察，帶領本集團及使其業務步向成功。董事會須審視本集團之策略發展，以及為本集團制訂目標、策略及政策。董事會亦會監察及控制營運及財務表現，以達致本集團之策略目標。董事會成員可於適當時候獲取有關本集團之恰當業務文件及資料。董事可於有需要時隨時與管理層聯絡，以取得更多資料。所有董事及董事委員會亦可於有需要時尋求外部法律顧問及其他顧問之獨立意見，開支由本集團支付。

為審視本集團特定方面之事宜，已成立四個董事委員會，即薪酬委員會、審核委員會、期權股份委員會及關連交易／有關連人士交易委員會。董事會已指派管理層執行本集團之業務及其日常運作。然而，就必須經由董事會批准之事宜而言，均會於管理層代表本集團作出決定前向其發出清晰指示。

## BOARD MEETINGS

Apart from consents obtained through circulation of written resolutions of all Board members, the full Board met 7 times during the year under review at which the directors considered and approved significant matters including, among other things, interim and financial results of the Group, statutory financial reports, change in Board members, acquisition and disposal of investments, placement of shares to new investors and continuing connected transactions. Individual attendance of each director at such Board meetings during 2006 is set out below:

Members of the Board 董事會成員		Meetings Attended 出席次數	Attendance Rate 出席率
<b>Chairman</b>	<b>主席</b>		
Chu Mang Yee	朱孟依	4/7	57%
<b>Executive Directors</b>	<b>執行董事</b>		
Xiang Bin	項斌	5/7	71%
Wu Jiesi	武捷思	6/7	86%
Au Wai Kin	歐偉建	4/7	57%
Chen Chang Ying	陳長纓	5/7	71%
Tam Lai Ling	譚禮寧	7/7	100%
Xiao Yan Xia	蕭燕霞	3/7	43%
<b>Non-executive Directors</b>	<b>非執行董事</b>		
Chen Xiaohong	陳小紅	4/4 <sup>(1)</sup>	100%
Hu Yongmin	胡勇敏	6/7 <sup>(2)</sup>	86%
Steven Shafran	施盛勳	5/7	71%
<b>Independent non-executive Directors</b>	<b>獨立非執行董事</b>		
Yuen Pak Yiu, Phillip	阮北耀	5/7	71%
Lee Tsung Hei, David	李頌熹	6/7	86%
Wong Shing Kay, Oliver	黃承基	6/7	86%

Notes:

- Ms. Chen Xiaohong resigned on 23rd June 2006 and 4 full Board meetings were held prior to her resignation.
- Mr. Hu Yongmin resigned on 10th November 2006.

There are 26 additional Board meetings held during 2006 for the sole purpose of approving some operational matters such as approval of office lease documents, submission of tenders for the land use rights of certain sites in the P.R.C. and the provision of guarantees by the Company in respect of bank loans granted to the Company's subsidiaries which were attended by certain executive directors, namely Mr. Chu Mang Yee (17)\*, Mr. Wu Jiesi (24)\*, Mr. Tam Lai Ling (21)\*, Mr. Chen Chang Ying (14)\*, Mr. Au Wai Kin (19)\*, Ms. Xiao Yan Xia (22)\* and Mr. Xiang Bin (4)\*.

(•)\* denotes the number of meetings attended by the director.

## 董事會會議

除透過向所有董事會成員傳閱書面決議案取得共識外，全體董事會於回顧年度內共舉行七次會議，董事於會上考慮及批准重大事宜，當中包括本集團之中期及末期業績、法定財務報告、董事會成員變動、投資收購及處置、向新投資者配發股份，以及持續關連交易。各名董事就二零零六年內舉行之董事會會議之出席率如下：

附註：

- 陳小紅女士於二零零六年六月二十三日辭任。於其辭任前，全體董事會召開四次會議。
- 胡勇敏先生於二零零六年十一月十日辭任。

於二零零六年內亦額外舉行了二十六次董事會會議，有關會議乃僅為批准若干營運事宜（如批准辦公室租賃文件，提交關於中國境內若干土地使用權之投標文件，以及本公司就本公司附屬公司獲授之銀行貸款提供擔保）而召開，並由若干執行董事出席，彼等為朱孟依先生(17)\*、武捷思先生(24)\*、譚禮寧先生(21)\*、陳長纓先生(14)\*、歐偉建先生(19)\*、蕭燕霞女士(22)\*及項斌先生(4)\*。

(•)\* 顯示該董事出席會議之次數。

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Between meetings, the senior management of the Company provides the directors with information on a timely basis regarding the activities and developments in the businesses of the Group and meet with the non-executive directors (including the independent non-executive directors) to seek their views on the business and operational matters of the Group.

The company secretary keeps detailed minutes of each meeting which are available to all directors.

於各會議之間，本公司高級管理層會於適當時候向各董事之提供有關本集團業務活動及發展之資料，並會與非執行董事（包括獨立非執行董事）會晤，以聽取彼等對本集團業務及營運事宜之意見。

公司秘書保存每次會議之詳盡會議記錄，該等記錄可供全體董事取閱。

### NON-EXECUTIVE DIRECTORS

There are currently four non-executive directors of whom three are independent. The non-executive directors are not appointed for a specific term with the exception of Mr. Steven Shafran who is appointed for a term of three years. This constitutes a deviation from Code provision A.4.1 with respect to the appointment of non-executive directors for a specific term subject to re-election. However, all the directors are subject to retirement by rotation and re-election by shareholders at the annual general meeting at least once every three years in accordance with the Bye-laws of the Company. In the opinion of the Board, this meets the objective of the Code.

### 非執行董事

現時共有四名非執行董事，當中三名為獨立非執行董事。除施盛勳先生委有三年任期外，非執行董事並無特定任期。此舉偏離了守則第A.4.1條有關非執行董事須以特定任期委任及重選連任之規定。然而，根據本公司之細則，所有董事均最少須每三年於股東週年大會上輪值退任一次及由股東重選連任。董事會認為，此舉以達到守則之目的。

### CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Chairman of the Company is Mr. Chu Mang Yee. The Chief Executive Officer of the Company is Mr. Wu Jiesi. The role of the Chairman is segregated from that of the Chief Executive Officer.

### 主席及行政總裁

本公司主席為朱孟依先生，而本公司行政總裁為武捷思先生。主席之職能與行政總裁分開。

The Chairman is responsible for managing and providing leadership to the Board in terms of formulating overall strategies, business directions and policies of the Company. He ensures that the Board works effectively and encourages the directors to make a full and active contribution to the affairs of the Board. With the support of the executive directors and the company secretary, the Chairman seeks to ensure that all directors are properly briefed on issues arising at Board meetings and receive complete and reliable information in a timely manner.

主席負責管理董事會，並領導其制訂本公司之整體策略、業務方向及政策。彼確保董事會能有效率地行事，並鼓勵董事全情積極參與董事會事務。在執行董事及公司秘書之支援下，主席將設法確保所有董事均獲充分知會於董事會會議上發生之事宜，並可於適當時獲取完整可靠之資料。

As Chief Executive Officer, Mr. Wu is directly responsible for the day-to-day management of the business of the Company, co-ordinating overall business operations and maintaining the operational performance of the Company. With the assistance of the Chief Financial Officer, he ensures that the funding requirements of the business are met and closely monitors the operating and financial results against plans and budgets, taking remedial action when necessary and advising the Board of any significant developments and issues.

## REMUNERATION OF DIRECTORS

The Remuneration Committee, which comprises all three independent non-executive directors, meets at least once a year. It is charged with the responsibility of assisting the Board in achieving its objective of attracting and retaining directors and senior management of the highest caliber and experience needed to develop the Group's business successfully. The Remuneration Committee is also responsible for the development of a fair and transparent procedure for setting policies on the remuneration of directors and senior management of the Company and for determining their remuneration packages. It is chaired by Mr. Yuen Pak Yiu, Philip and has specific written terms of reference which deals clearly with its authority and duties and are posted on the Company's website. The principal functions of the Remuneration Committee include:

- To formulate remuneration policy for approval by the Board;
- To establish guidelines for the recruitment of the Chief Executive Officer and senior management;
- To recommend to the Board the policy and structure for the remuneration of Directors (including non-executive directors and the Chief Executive Officer) and senior management;
- To determine the remuneration of executive directors and senior management, including benefits in kind and compensation payments;
- To review and approve the compensation arrangements in connection with any loss or termination of their office or appointment, or dismissal or removal for misconduct to executive directors and senior management;
- To determine the criteria for assessing employee performance;

作為行政總裁，武先生直接負責本公司業務之日常管理，協調整體業務運作及維持本公司之營運表現。在財務總監之支援下，彼確保能取得業務所須之資金，並密切監視營運及財務業績是否與計劃及財政預算相符，並於有需要時採取補救措施，以及就任何重大發展及事宜向董事會提供意見。

## 董事之薪酬

薪酬委員會由所有三名獨立非執行董事組成，且最少每年舉行一次會議。其成立目的為負責協助董事會招攬及保留具才幹及經驗之董事及高級管理層，以使本集團之業務能成功發展。薪酬委員會亦負責發展一套公平透明之程序，用以制訂本公司董事及高級管理層之薪酬政策，以及釐訂彼等之薪酬組合。薪酬委員會之主席為阮北耀先生，其職權已於職權範圍書內清晰訂明，並已刊載於本公司網站。薪酬委員會之主要職能如下：

- 制訂薪酬政策交董事會審批；
- 制訂招聘行政總裁及高級管理層之指引；
- 就董事（包括非執行董事及行政總裁）及高級管理層之薪酬政策及架構向董事會提供意見；
- 釐訂執行董事及高級管理層之薪酬，包括實物利益及補償金；
- 審閱及批准離職或終止委任之補償安排，以及審批遣散或解僱行為失當之執行董事及高級管理層；
- 釐訂評核僱員表現之準則；

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- To consider the annual performance bonus for executive directors, senior management, and the general staff and make recommendation to the Board.

One meeting was held by the Remuneration Committee during 2006 to make recommendation to the Board of the remuneration of the non-executive directors and the meeting was attended by all its members.

No director is involved in deciding his/her own remuneration. Remuneration of the independent non-executive directors in respect of the year ended 31st December 2006 was approved by the shareholders of the Company at the 2006 annual general meeting.

### NOMINATION OF DIRECTORS

The Group does not have a Nomination Committee. New directors, being individuals who are suitably qualified and expected to make a positive contribution to the performance of the Board having regard to the balance of skills and experience appropriate to the Company's business, are identified by existing directors and submitted to the Board for approval. A director appointed by the Board is subject to re-election by shareholders at the first annual general meeting after this appointment.

### AUDITOR'S REMUNERATION

During the year, the fees paid to the Company's auditor for audit and audit related services amounted to \$3,450,000 (2005: HK\$2,860,000) and none (2005: HK\$3,429,000) was paid for non-audit services.

### AUDIT COMMITTEE

The Audit Committee comprises the three independent non-executive directors. It was chaired by Mr. Yuen Pak Yiu, Philip. The Board is of the opinion that the members of the Audit Committee have sufficient accounting and financial management expertise or experience to discharge their duties. However, the Audit Committee is authorised to obtain outside legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers necessary. The Audit Committee has written terms of reference which is posted on the Company's website. The principal functions of the Audit Committee include:

- To make recommendations on the appointment, reappointment and removal of external auditor and to consider the terms of such appointments.

- 考慮向執行董事、高級管理層及一般僱員發放年度表現花紅，並向董事提供推薦意見。

於二零零六年內，薪酬委員會共舉行一次會議，以就非執行董事之薪酬向董事會提供推薦意見，而薪酬委員會之所有成員均有出席該次會議。

概無董事參與釐訂其本身之薪酬。非執行董事於截至二零零六年十二月三十一止年度之薪酬乃由本公司股東於二零零六年股東週年大會上批准。

### 提名董事

本公司並無提名委員會。新董事由現任董事物色，並提交予董事會審批，其為具備合適資格，且於考慮到適用於本公司業務之技能及經驗後，預期會對董事會之表現帶來正面貢獻之人士。獲董事會委任之董事須於是次委任後之首次股東週年大會上經股東重選連任。

### 核數師之酬金

年內，就審核及審核相關服務支付予本公司核數師之費用為港幣3,450,000元（二零零五年：港幣2,860,000元），及並未就非審核服務支付任何費用（二零零五年：港幣3,429,000元）。

### 審核委員會

本公司審核委員會由三名獨立非執行董事組成，並由阮北耀先生出任主席。董事會認為審核委員會之成員具備充足之會計及財務管理經驗以履行其職責。然而，審核委員會獲授權聽取外部法律意見或其他獨立專業意見，並於有需要時邀請具備相關經驗及專業知識之外界人士出席會議。審核委員會已訂有職權範圍書，並刊載於本公司網站。審核委員會之主要職能包括：

- 於委聘、續聘及解僱外部核數師提供推薦意見，並考慮有關委聘條款。

- To develop and implement policies on the engagement of external auditor for non-audit services.
  - To monitor the integrity of the financial statements, annual and interim reports and the auditor's report to ensure that the information presents a true and balanced assessment of the Group's financial position.
  - To ensure the management has fulfilled its duty to maintain an effective internal control system.
  - To review internal audit programme and to ensure that it is allocated with adequate resources and is effective.
  - To review the external auditor's management letter and any questions raised by the auditor to management, and management's response.
- 制訂及實行委聘外部核數師進行非審核服務之政策。
  - 監察財務報表、年度及中期報告，以及核數師報告之完整性，以確保所呈列之資料真確地反映本集團之財務狀況，並對本集團之財務狀況作出中肯評估。
  - 確保管理層已盡責維持有效之內部監控系統。
  - 檢討內部審核程序，並確保其獲分配足夠資源及具有效益。
  - 審閱外部核數師之管理函件，以及核數師向管理層提出之任何提問及管理層之回應。

In 2006, the Audit Committee reviewed the results of an assessment of the Group's internal control systems, business management and preventions against fraud and other irregularities by the external auditors. With respect to the results of the Company for the year ended 31st December 2006, the Audit Committee reviewed with senior management and the auditor of the Company their respective audit findings, the accounting principles and practices adopted by the Group and internal control, risk management and financial reporting matters. This review by the Audit Committee included an appraisal of the integrity of the financial statements of the Company and the annual report and accounts of the Company. The Audit Committee has also reviewed the external auditor's remuneration. There was no disagreement between the Board and the Audit Committee on the selection, appointment, resignation or dismissal of external auditor.

於二零零六年，審核委員會已審閱外部核數師就本集團內部監控系統、業務管理及防範欺詐及其他違規行為之措施之評估結果。就本公司截至二零零六年十二月三十一日止年度之業績而言，審核委員會已連同本公司之高級管理層及核數師審閱彼等各自之審核結果、本集團所採納之會計準則及慣例，以及內部監控、風險管理及財務報告事宜。審核委員會之審閱包括評定本公司之財務報表、年報及賬目是否完整。審核委員會亦已審閱外部核數師之酬金。董事會與審核委員會於外部核數師之遴選、委任、辭任或解僱上並無任何爭議。

During 2006, there were two Audit Committee meetings and those meetings were attended by all its members.

於二零零六年，審核委員會共舉行兩次會議，所有審核委員會成員均已出席該等會議。

The Committee reports its work, findings and recommendations to the Board after each meeting.

審核委員會均會於每次會議後向董事會匯報其工作、結果及推薦意見。

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### BOARD COMMITTEES

In addition to the Remuneration Committee and Audit Committee, two other Board Committees have been established to assist the Board in the execution of its duties.

#### (1) Connected Transactions/Related Party Transactions Committee

The Connected Transactions/Related Party Transactions Committee was established on 4th October 2005 and presently is comprised of the three independent non-executive directors, and chaired by Mr. Yuen Pak Yiu, Philip. The primary function of the Connected Transactions/Related Party Transactions Committee is to review all connected transactions and related party transactions to ensure that they are conducted on normal commercial terms and in the ordinary and usual course of business of the Group and to recommend to the Board corrective measures in such transactions if needed.

#### (2) Option Shares Committee

The Option Shares Committee was established on 4th November 2005 and comprised of two executive directors. Its primary function is to deal with the allotment and issue of shares of the Company upon the exercise of options granted or to be granted under the Company's share option scheme adopted on 4th November 2002.

### ACCOUNTABILITY AND INTERNAL CONTROLS

The Board is responsible for presenting a clear and balanced assessment of the Group's performance, position and prospects. It is also responsible for preparing accounts that give a true and fair view of the Group's financial position on a going-concern basis and other price-sensitive announcements and financial disclosures. Management provides the Board with the relevant information it needs to discharge these responsibilities.

### 董事委員會

除薪酬委員會及審核委員會外，還成立了兩個董事會委員會協助董事會執行職務。

#### (1) 關連交易／有關連人士交易委員會

關連交易／有關連人士交易委員會於二零零五年十月四日成立，現時成員包括三名獨立非執行董事，並由阮北耀先生擔任主席。關連交易／有關連人士交易委員會之職能為審閱所有關連交易及有關連人士交易，確保該等交易乃於本集團之日常業務過程中按正常商業條款進行，並於有需要時就該等交易提供改正措施。

#### (2) 購股權委員會

購股權委員會已於二零零五年十一月四日成立，成員包括兩名執行董事。其主要職能為於根據二零零二年十一月四日採納之購股權計劃已授出或將授出之購股權獲行使時，處理本公司股份之配發及發行事宜。

### 問責制及內部監控

董事會負責對本集團之表現、財務狀況及前景作出清晰及中肯之評估。其亦負責按持續基準編製能真實及公平反映本集團財務狀況之賬目，以及編製其他會對股價造成波動之公佈及財務披露。管理層會向董事會提供其履行該等責任所須之相關資料。

In preparing the accounts for the year ended 31st December 2006, the directors have selected appropriate accounting policies and applied them consistently, and have made judgements and estimates that are prudent and reasonable.

The Group has announced its annual and interim results in a timely manner within the limits of four months and three months respectively after the end of the relevant financial periods, as laid down in the Listing Rules.

The Board has overall responsibility for maintaining sound and effective internal controls to safeguard the Group's assets and shareholders' interests. The directors confirm that the Group, through its Internal Control Department, performs regular checks on office procedures, practices and systems to safeguard assets from inappropriate use, maintain proper accounts and ensure compliance with regulations. The regular reviews also cover all material controls, including financial, operational and compliance controls and risk management functions of the Group. The Internal Control Department reports directly to the Group Supervisory Committee which in turn reports independently to the Board. The Internal Control Department is independent of all management functions of the Group and has direct and independent access to the Board. Summaries of major audit findings and control weaknesses, if any, are reviewed by the Audit Committee.

In 2006, no suspected frauds and irregularities, internal control deficiencies or suspected infringement of laws, rules and regulations have come to the attention of the Audit Committee to cause it to believe that the system of internal controls is inadequate.

Circulars or guidance notes were issued to directors where appropriate to ensure that they are aware of their continuing obligations as directors and corporate governance matters.

於編製截至二零零六年十二月三十一日止年度賬目時，董事已選定合適之會計政策並貫徹使用，並已作出審慎合理之判斷及估計。

本集團已按上市規則所訂明，分別於相關財政期間結束後四個月及三個月之期限內，適時公佈其年度及中期業績。

董事會須負全責維持良好及有效之內部監控措施，以保障本集團之資產及股東權益。董事確認，本集團透過其內部監控部門對辦公程序、慣例及系統作定期檢查，以保障資產不會被不當運用，以及保存妥善賬目，並確保有關規例已獲遵守。內部監控部門直接向本集團之監事委員會匯報。定期審核也涵蓋所有重大監控，包括：財務、營運及遵紀守法等方面監控，以及本集團之風險管理職能。內部監控部門獨立於本集團所有管理部門，並可直接獨立與董事會會晤。主要審核結果及監控不足之處之概要（如有）乃有審核委員會審閱。

於二零零六年，審核委員會並不知悉任何懷疑欺詐及違規行為、內部監控不足或懷疑觸犯法律、守則及規例之行為，以使其相信內部監控系統有不足之處。

在適用情況下，董事已獲發通告或指引，以確保彼等明白彼等作為董事之持續責任及企業管治事宜。

# Corporate Governance Report

## 企業管治報告

### CORPORATE COMMUNICATION AND INVESTOR RELATIONS

The Company continues to promote and enhance investor relations and communications with its investors. Different communication channels have been maintained with the media, analysts and fund managers through meetings, senior management's participation in investor forums, conferences and roadshows. Designated senior management maintains regular dialogue with institutional investors and analysts to keep them abreast of the Company's developments.

To foster effective communications, the Company provides detailed press releases and reports to shareholders on the Group's business and financial positions with timely annual report and interim report. General presentations are made immediately after the announcement of financial results. The website of the Group is also updated regularly to inform investors and the general public of the latest development of the Group.

The Company's annual general meeting allows the directors to meet and communicate with shareholders, providing a forum for the shareholders' views to be communicated to the Board. All directors and senior management will make an effort to attend. External auditors are also available at the annual general meeting to address shareholders' queries. Separate resolutions were proposed for each issue considered at the annual general meeting. The annual general meeting circular is distributed to all shareholders at least 21 days prior to the annual general meeting, setting out details of each proposed resolution, voting procedures (including procedures for demanding and conducting a poll) and other relevant information. The procedures for demanding and conducting a poll were explained by the chairman presiding at the annual general meeting at the beginning of the meeting and the proxies received for and against each resolution were reported to the meeting.

### 企業通訊及投資者關係

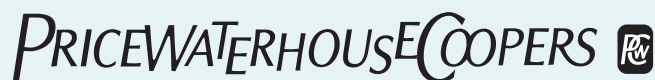
本公司不斷提倡及改善與投資者之關係及通訊方式，並會透過不同渠道與傳媒、分析員及基金經理保持聯繫，如會議、指派高級管理層出席投資者座談會、研討會及路演。被指定的高級管理層與機構投資者及分析員經常維持對話，令彼等能緊貼本公司的發展情況。

為建立具效益之溝通，本公司會向股東提供有關本集團業務及財務狀況之詳盡新聞稿及報告，以及於適當時候發出年報及中期報告，並會於公佈財務業績後隨即舉行發布會。本集團之網站亦會定期更新，以向投資者及公眾人士提供本集團之最新發展動向。

本公司之股東週年大會讓董事與股東接觸及交流，為股東向董事會表達意見提供場所。所有董事及高級管理層均會盡量出席大會。外部核數師亦會於會上解答股東之查詢。於股東週年大會上考慮之每項事宜均會以獨立決議案提呈。股東週年大會之通函亦會於股東週年大會舉行日期最少21日前寄發予股東，當中載有每項擬提呈決議案之詳情、投票程序（包括要求以點票方式表決之程序）以及其他相關資料。股東週年大會之主席亦會於大會開始時說明要求以點票方式表決之程序，並會向大會匯報投票及贊成每項決議案之代表委任表格數目。

# Report of the Independent Auditor

## 獨立核數師報告



羅兵咸永道會計師事務所

PricewaterhouseCoopers  
22nd Floor, Prince's Building  
Central, Hong Kong

### TO THE SHAREHOLDERS OF HOPSON DEVELOPMENT HOLDINGS LIMITED (incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Hopson Development Holdings Limited (the "Company") set out on pages 91 to 197, which comprise the consolidated and Company balance sheets as at 31 December 2006, and the consolidated income statement, the consolidated cash flow statement and the consolidated statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory notes.

### DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

### 致合生創展集團有限公司 (於百慕達註冊成立之有限公司) 全體股東

本核數師(以下簡稱「我們」)已審核列載於第91至197頁之合生創展集團有限公司(「貴公司」)之綜合財務報表。綜合財務報表包括於二零零六年十二月三十一日之綜合及公司資產負債表,以及截至該日止年度之綜合收益表、綜合現金流量表及綜合權益變動表連同主要會計政策摘要及其他附註解釋。

### 董事就財務報表之責任

貴公司之董事須根據由香港會計師公會頒布之香港財務報告準則及香港公司條例之披露規定編製及真實與公平地列報該等綜合財務報表。此責任包括設計、實施及維護與編製及真實而公平地列報財務報表相關的內部監控,以使財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述;選擇及應用適當之會計政策;及按情況下作出合理之會計估計。

### 核數師之責任

我們之責任是根據我們之審核,對該等綜合財務報表提出意見,並按照百慕達一九八一年《公司法》第90條僅向全體股東報告,除此以外本報告不可用作其他目的。我們概不就本報告內容向任何其他人士承擔或負上任何責任。

我們乃根據香港會計師公會頒布之香港審計準則進行審核工作。該等準則要求我們遵守道德規範,並策劃及執行審核,以合理確定該等財務報表是否不存在任何重大錯誤陳述。

# Report of the Independent Auditor

## 獨立核數師報告

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 31 December 2006 and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

**PricewaterhouseCoopers**  
*Certified Public Accountants*

Hong Kong, 17 April 2007

審核涉及執程序以取得與財務報表所載數額及披露事項有關之審核憑證。所選用之程序由核數師作判斷，包括評估由於欺詐或錯誤而導致財務報表存有重大錯誤陳述的風險。當核數師作出該等風險評估時，會考慮與該公司編製及真實與公平地列報財務報表相關之內部監控，以設計適合當時情況之審核程序，但並非就公司整體之內部控制之成效發表意見。審核亦包括評價董事所採用之會計政策是否合適，及所作出的會計估計的合理性以及評價財務報表之整體呈列方式。

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審核意見提供基礎。

### 意見

我們認為，該等綜合財務報表已根據香港財務報告準則真實與公平地反映 貴公司及 貴集團於二零零六年十二月三十一日之事務狀況及 貴集團於截至該日止年度之利潤及現金流量，並已按照香港公司條例之披露規定妥善編製。

**羅兵咸永道會計師事務所**  
香港執業會計師

香港，二零零七年四月十七日

# Balance Sheets

## 資產負債表

As at 31 December 2006  
於二零零六年十二月三十一日

		Consolidated 綜合		Company 公司	
	Note 附註	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
<b>ASSETS</b>					
<b>Non-current assets</b>					
Land costs	6	500,367	426,499	—	—
Properties and equipment	7	1,267,460	938,913	—	—
Investment properties	8	2,503,845	2,583,313	—	—
Properties under development for long-term investment	9	227,765	234,411	—	—
Intangible assets	12	106,349	102,142	—	—
Investments in subsidiaries	13	—	—	74,900	74,900
Investment in an associate	14	—	80	—	—
Investment in a jointly controlled entity	15	1,033,245	867,632	—	—
Available-for-sale financial asset	17	291,834	—	—	—
Deposit paid	18	554,579	—	—	—
Deferred tax assets	26	42,357	51,962	—	—
Other non-current asset	19	919,584	—	—	—
		<u>7,447,385</u>	<u>5,204,952</u>	<u>74,900</u>	<u>74,900</u>
<b>Current assets</b>					
Land costs	6	7,135,951	5,131,465	—	—
Properties under development for sale	10	4,146,742	4,320,803	—	—
Completed properties for sale	11	1,953,586	1,071,604	—	—
Prepayments, deposits and other current assets	20	2,097,638	1,171,863	—	422
Accounts receivable	21	111,142	90,324	—	—
Due from subsidiaries	13	—	—	5,230,914	4,201,451
Due from related companies	41	18,531	2,285	—	—
Pledged/charged bank deposits	22	157,317	237,068	—	—
Cash and cash equivalents	22	2,412,479	2,353,280	516,802	496,750
		<u>18,033,386</u>	<u>14,378,692</u>	<u>5,747,716</u>	<u>4,698,623</u>
Total assets		<u>25,480,771</u>	<u>19,583,644</u>	<u>5,822,616</u>	<u>4,773,523</u>
<b>EQUITY</b>					
<b>Capital and reserves attributable to the Company's equity holders</b>					
Share capital	27	128,510	121,360	128,510	121,360
Reserves	28	7,709,155	5,342,348	2,991,104	1,945,725
		<u>7,837,665</u>	<u>5,463,708</u>	<u>3,119,614</u>	<u>2,067,085</u>
Minority interests		390,250	301,567	—	—
Total equity		<u>8,227,915</u>	<u>5,765,275</u>	<u>3,119,614</u>	<u>2,067,085</u>

# Balance Sheets

## 資產負債表

As at 31 December 2006  
於二零零六年十二月三十一日

		Consolidated 綜合		Company 公司	
		2006 二零零六年	2005 二零零五年	2006 二零零六年	2005 二零零五年
		Note 附註	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
<b>LIABILITIES</b>	<b>負債</b>				
<b>Non-current liabilities</b>	<b>非流動負債</b>				
Land cost payable	應付土地成本	23	–	522	–
Borrowings	借款	25	6,076,963	4,826,851	2,651,550
Deferred tax liabilities	遞延稅項負債	26	896,025	612,466	–
Other non-current liability	其他非流動負債	19	581,250	–	–
			<u>7,554,238</u>	<u>5,439,839</u>	<u>2,651,550</u>
					<u>2,660,902</u>
<b>Current liabilities</b>	<b>流動負債</b>				
Accounts payable	應付賬款	24	563,378	800,524	–
Land cost payable	應付土地成本	23	1,070,928	1,000,039	–
Borrowings	借款	25	1,345,042	1,837,342	–
Deferred revenue	遞延收入		4,167,431	2,837,090	–
Accruals and other payable	預提費用及 其他應付款項		941,792	866,831	36,105
Due to an associate	應付一間聯營公司 款項	41	5,343	5,146	–
Due to directors	應付董事款項	41	–	13,891	–
Due to related companies	應付關連公司款項	41	103,398	266,362	–
Due to a jointly controlled entity	應付一間共同 控制實體款項	41	1,037,287	148,117	971
Due to a holding company	應付控股公司款項	41	–	18,997	–
Current tax liabilities	本期稅項負債		464,019	584,191	14,376
			<u>9,698,618</u>	<u>8,378,530</u>	<u>51,452</u>
					<u>45,536</u>
Total liabilities	總負債		<u>17,252,856</u>	<u>13,818,369</u>	<u>2,703,002</u>
Total equity and liabilities	權益及負債總額		<u>25,480,771</u>	<u>19,583,644</u>	<u>5,822,616</u>
Net current assets	流動資產淨值		<u>8,334,768</u>	<u>6,000,162</u>	<u>5,696,264</u>
Total assets less current liabilities	總資產減流動負債		<u>15,782,153</u>	<u>11,205,114</u>	<u>4,727,987</u>

The notes on pages 98 to 197 are an integral part of these financial statements. 第98頁至第197頁之附註為此財務報表其中一部份。

**CHU MANG YEE**  
朱孟依  
Chairman  
主席

**WU JIESI**  
武捷思  
Chief Executive Officer  
行政總裁

# Consolidated Income Statement

## 綜合損益表

As at 31 December 2006  
於二零零六年十二月三十一日

		Note	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Revenues	收益	5	6,920,294	6,133,894
Cost of sales	銷售成本	30	(4,509,340)	(4,189,275)
Gross profit	毛利		2,410,954	1,944,619
Other gains	其他收益	29	505,531	261,994
Selling and marketing costs	銷售及市場推廣費用	30	(228,618)	(211,880)
General and administrative expenses	一般及行政費用	30	(296,600)	(331,075)
Operating profit	經營溢利		2,391,267	1,663,658
Finance income	財務收入	32	26,814	17,382
Finance costs	財務成本	32	(84,808)	(59,966)
Share of (loss)/profit of an associate	分佔一間聯營公司 (虧損)/溢利	14	(80)	44
Share of profit of and other gains relating to a jointly controlled entity	分佔一間共同控制實體 溢利及其他收益	15	128,343	191,509
Profit before taxation	除稅前溢利		2,461,536	1,812,627
Taxation	稅項	33	(837,358)	(611,446)
Profit for the year	年度溢利		1,624,178	1,201,181
Attributable to:	應佔:			
Equity holders of the Company	本公司股權持有人		1,553,752	1,217,323
Minority interests	少數股東權益		70,426	(16,142)
			1,624,178	1,201,181
Earnings per share for profit attributable to the equity holders of the Company during the year (in HK\$ per share)	按年內本公司股權 持有人應佔溢利 計算之每股盈利 (每股港元)			
– basic	– 基本	35	1.27	1.13
– diluted	– 攤薄	35	1.26	1.13
Dividends	股息	36	480,980	412,494

The notes on pages 98 to 197 are an integral part of these financial statements.

第98頁至第197頁之附註為此財務報表其中一部份。

# Consolidated Cash Flow Statement

## 綜合現金流量表

For the year ended 31 December 2006  
截至二零零六年十二月三十一日止年度

	Note	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
	附註		
<b>Cash flows from operating activities</b>	<b>經營活動之現金流量</b>		
Cash generated from operations	經營產生之現金 37	1,662,440	456,663
Interest received	已收利息	26,814	17,382
Hong Kong profits tax paid	已付香港利得稅	(4,941)	(21,474)
Mainland China enterprise income tax paid	已付中國大陸企業所得稅	(518,492)	(336,372)
Mainland China land appreciation tax paid	已付中國大陸土地增值稅	(92,027)	(24,505)
Net cash generated from operating activities	經營活動產生之現金淨額	1,073,794	91,694
<b>Cash flows from investing activities</b>	<b>投資活動之現金流量</b>		
Additions of properties and equipment	購入物業及設備	(90,343)	(242,455)
Proceeds from disposal of properties and equipment	出售物業及設備所得款項	700	1,326
Proceeds from disposal of equity interest in a subsidiary	出售於一間附屬公司股本權益之所得款項	471	—
Additions of land costs	購入土地成本	(37,759)	(71,657)
Additions of properties under development for long-term investment	購入持作長期投資之發展中物業	(6,912)	(90,217)
Additions of available-for-sale financial asset	購入可供出售財務資產	(291,834)	—
Additions of deposit paid	購入已付按金	(532,726)	—
Acquisition of further interests in a jointly controlled entity	收購共同控制實體之額外權益	—	(503,643)
Acquisition of subsidiaries	收購附屬公司 40	(66,283)	3,180
Advanced payment for acquisition of equity interest	收購股本權益之預付款項	(1,576,498)	(347,951)
Capital injection to a jointly controlled entity	向一間共同控制實體注資	—	(66,916)
(Increase)/decrease in amounts due from related companies	應收關連公司款項(增加)/減少	(16,518)	157
Decrease in pledged/charged bank deposits	已抵押/押記銀行存款減少	96,967	23,840
Net cash used in investing activities	投資活動所用之現金淨額	(2,520,735)	(1,294,336)

	Note	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
	附註		
<b>Cash flows from financing activities</b>	<b>融資活動之現金流量</b>		
New short-term bank loans	新增短期銀行貸款	568,220	886,043
Repayments of short-term bank loans	償還短期銀行貸款	(1,322,888)	(604,641)
New long-term bank loans	新增長期銀行貸款	3,397,920	1,935,475
Repayment of long-term bank loans	償還長期銀行貸款	(2,047,478)	(2,025,297)
Advances from directors	董事墊款	—	1,984
Repayments to directors	償還董事墊款	(14,719)	(3,800)
Advances from related companies	關連公司墊款	30,930	90,009
Repayments to related companies	償還關連公司墊款	(192,228)	(121,161)
Advances from an associate	一間聯營公司墊款	—	3,905
Repayment to an associate	償還聯營公司款項	(215)	—
Advances from a jointly controlled entity	一間共同控制實體墊款	860,002	884,273
Repayments to a jointly controlled entity	償還一間共同控制實體墊款	—	(1,132,954)
Repayment to holding company	償還控股公司墊款	(20,129)	(40,003)
Interest paid	已付利息	(482,528)	(262,917)
Proceeds from issue of shares	發行股份所得款項	1,048,300	1,020,925
Share issue expenses	發行股份開支	(16,743)	(21,206)
Issue of senior notes	發行高級票據	—	2,733,182
Senior notes issue expenses	發行高級票據開支	—	(73,965)
Capital contributions from minority interest of subsidiaries	附屬公司之少數股東資本貢獻	6,382	30,700
Dividends paid to Company's equity holders	派發予本公司股權持有人股息	(427,454)	(177,531)
Dividends paid to minority interest of subsidiaries	派發予附屬公司之少數股東股息	(3,900)	(64,967)
Net cash generated from financing activities	融資活動產生之現金淨額	1,383,472	3,058,054
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>現金及現金等價物之(減少)/增加淨額</b>	<b>(63,469)</b>	<b>1,855,412</b>
Cash and cash equivalents at beginning of the year	年初現金及現金等價物	2,353,280	477,959
Exchange gain on cash and cash equivalents	現金及現金等價物之匯兌增益	122,668	19,909
<b>Cash and cash equivalents at end of the year</b>	<b>年終現金及現金等價物</b>	<b>2,412,479</b>	<b>2,353,280</b>

The notes on pages 98 to 197 are an integral part of these financial statements.

第98頁至第197頁之附註為此財務報表其中一部份。

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the year ended 31 December 2006  
截至二零零六年十二月三十一日止年度

		Attributable to equity holders of the Company 本公司股權持有人應佔			
		Share capital 股本 HK\$'000 港幣千元	Reserves 儲備 HK\$'000 港幣千元	Minority interests 少數股東權益 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Balance at 1 January 2005	於二零零五年一月一日之結餘	100,300	3,238,317	155,047	3,493,664
Currency translation differences	貨幣匯兌差額	–	62,133	5,171	67,304
Profit/(loss) for the year	年度溢利／(虧損)	–	1,217,323	(16,142)	1,201,181
Total recognised income/(expense) for the year ended 31 December 2005	截至二零零五年十二月三十一日止年度已確認收入／(開支)總額	–	1,279,456	(10,971)	1,268,485
Proceeds from issue of share, net of share issue expenses	發行股份之所得款項(扣除發行開支)				
– Placements	– 配股	20,060	936,659	–	956,719
– Employee share options scheme	– 僱員購股權計劃	1,000	42,000	–	43,000
Share-based payment (Share options granted)	以股份為基礎之償付(已授出之購股權)	–	23,447	–	23,447
Capital contribution by minority interests of subsidiaries	附屬公司少數股東權益出資	–	–	30,700	30,700
Acquisition of a subsidiary	收購附屬公司	–	–	191,758	191,758
Dividends paid	已付股息	–	(177,531)	(64,967)	(242,498)
		21,060	824,575	157,491	1,003,126
Balance at 31 December 2005	於二零零五年十二月三十一日之結餘	121,360	5,342,348	301,567	5,765,275

		Attributable to equity holders of the Company 本公司股權持有人應佔			
		Share capital 股本 HK\$'000 港幣千元	Reserves 儲備 HK\$'000 港幣千元	Minority interests 少數股東權益 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Balance at 1 January 2006	於二零零六年一月一日之結餘	121,360	5,342,348	301,567	5,765,275
Currency translation differences	貨幣匯兌差額	–	214,482	11,581	226,063
Profit for the year	年度溢利	–	1,553,752	70,426	1,624,178
Total recognised income for the year ended 31 December 2006	截至二零零六年十二月三十一日止年度已確認收入總額	–	1,768,234	82,007	1,850,241
Proceeds from issue of share, net of share issue expenses	發行股份之所得款項(扣除發行開支)				
– Placements	– 配股	6,000	973,262	–	979,262
– Employee share options scheme	– 僱員購股權計劃	1,150	51,145	–	52,295
Share-based payment (Share options granted)	以股份為基礎之償付(已授出之購股權)	–	1,620	–	1,620
Capital contribution by minority interests of subsidiaries	附屬公司少數股東權益出資	–	–	6,382	6,382
Acquisition of a subsidiary	收購附屬公司	–	–	4,194	4,194
Dividends paid	已付股息	–	(427,454)	(3,900)	(431,354)
		7,150	598,573	6,676	612,399
Balance at 31 December 2006	於二零零六年十二月三十一日之結餘	128,510	7,709,155	390,250	8,227,915

The notes on pages 98 to 197 are an integral part of these financial statements.

第98頁至第197頁之附註為此財務報表其中一部份。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 1 GENERAL INFORMATION

Hopson Development Holdings Limited ("the Company") and its subsidiaries (together "the Group") is mainly engaged in the development of residential properties in Mainland China. The Group is also involved in some ancillary property related businesses, including property investment, property management and hotel operations.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

The Company is listed on The Stock Exchange of Hong Kong Limited.

These consolidated financial statements are presented in Hong Kong dollars ("HK\$'000"), unless otherwise stated. These consolidated financial statements have been approved for issue by the Board of Directors on 17 April 2007.

### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to the two years presented, unless otherwise stated.

#### 2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS"). The consolidated financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

### 1 一般資料

合生創展集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)主要從事中國大陸住宅物業發展。本集團亦參與部份物業相關附屬業務包括物業投資、物業管理及酒店經營。

本公司為於百慕達註冊成立的有限責任公司，其註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。

本公司於香港聯合交易所有限公司上市。

除另有指明外，本綜合財務報表以港元(「港幣千元」)列示。本綜合財務報表已於二零零七年四月十七日經董事會核准刊發。

### 2 主要會計政策概要

編製本綜合財務報表採用之主要會計政策載列如下。除另有說明外，該等政策在兩年度內所採用者一致。

#### 2.1 編製基準

本公司之綜合財務報表依照香港財務報告準則(「香港財務報告準則」)編製。除在下文會計政策中所披露者外，本綜合財務報表乃按歷史成本慣例編製。

按香港財務報告準則編製財務報表時需採用若干重要之會計估計，亦要求管理層於採用本集團會計政策之過程中作出判斷。涉及較多判斷或複雜性之方面，或對本綜合財務報表而言屬重要之假設及估計，已在附註4內披露。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.1 Basis of preparation (Continued)

In 2006, the Group adopted the following new/revised standards, interpretations and amendments of HKFRSs, which include all Hong Kong Accounting Standards ("HKASs") and applicable Interpretations ("Ints"), which are effective for the accounting periods beginning on 1 January 2006 and relevant to the Group's operation.

HKAS 39 (Amendment)	The Fair Value Option
HKAS 39 and HKFRS 4 (Amendment)	Financial Instruments: Recognition and Measurement and Insurance Contracts – Financial Guarantee Contracts
HK(IFRIC)-Int 4	Determining whether an Arrangement contains a Lease

The adoption of these amendments and interpretations did not have significant impact on the Group's results or net asset value.

The HKICPA has issued certain new standards, interpretations and amendments which are relevant to the Group and are effective for accounting periods beginning from 1 January 2007.

HKFRS 7	Financial Instruments: Disclosures
HKAS 1 Amendment	Presentation of Financial Statements – Capital Disclosures
HK(IFRIC)-Int 9	Reassessment of Embedded Derivatives
HK(IFRIC)-Int 10	Interim Reporting and Impairment

The Group has not early adopted the above standards, interpretations and amendments in the consolidated financial statements for the year ended 31 December 2006. The Group is in the process of making an assessment of the impact of these standards, interpretations and amendments. Nevertheless it is not expected to have significant impact on the Group's results of operation and financial position.

## 2 主要會計政策概要 (續)

### 2.1 編製基準 (續)

本集團於二零零六年採納香港財務報告準則之新訂/經修訂準則、詮釋及修訂，其中包括自二零零六年一月一日開始之會計期間生效並與本集團之營運相關之所有香港會計準則（「香港會計準則」）及適用之詮釋（「詮釋」）。

香港會計準則第39條(修訂)	「公平值選擇」
香港會計準則第39條及香港財務報告準則第4號(修訂)	「金融工具：確認及計量及保險合同－財務擔保合約」
香港(國際財務報告詮釋委員會)－詮釋第4號	「釐定一項安排是否包含租賃」

本集團採納上述修訂及詮釋並無對本集團之業績及資產淨值造成重大影響。

香港會計師公會已頒佈若干與本集團相關，自二零零七年一月一日開始之會計期間生效之新訂準則、詮釋及修訂。

香港財務報告準則第7號	「金融工具：披露」
香港會計準則第1號(修訂)	「財務報表呈報－資本披露」
香港(國際財務報告詮釋委員會)－詮釋第9號	「重新評估嵌入式衍生工具」
香港(國際財務報告詮釋委員會)－詮釋第10號	「中期報告及減值」

於截至二零零六年十二月三十一日止年度之綜合財務報表內，本集團並無提早採納上述準則、詮釋及修訂。本集團現正評估該等準則、詮釋及修訂之影響。但預期不會對本集團之經營業績及財務狀況構成重大影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December.

#### (a) Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement (see Note 2.8).

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

## 2 主要會計政策概要 (續)

### 2.2 綜合賬目

綜合賬目包括本公司及其附屬公司截至十二月三十一日止的財務報表。

#### (a) 附屬公司

附屬公司指本集團有權管轄其財政及營運政策而控制所有實體，一般附帶超過半數投票權的股權。在評定本集團是否控制另一實體時，目前可行使或可兌換的潛在投票權的存在及影響均予考慮。

附屬公司在控制權轉移至本集團之日全面綜合入賬。附屬公司在控制權終止之日起停止綜合入賬。

本集團採用購買會計法將本集團收購附屬公司入賬。收購成本按所提供資產公平值、已發行股本工具及於交易日產生或承擔之負債加上收購直接應佔之成本計量。於業務合併所收購可識別資產與所承擔之負債及或然負債初步按於收購日之公平值計算，與任何少數股東權益無關。收購成本超出本集團應佔所收購可識別資產淨值之公平值之數額列作商譽。倘收購成本少於所收購附屬公司資產淨值之公平值，則差額直接於損益表確認。(參附註2.8)。

集團內公司之間的交易、交易的結餘及未實現收益予以對銷。除非交易提供所轉讓資產減值之憑證，否則未實現虧損亦予以對銷。附屬公司的會計政策已按需要作出改變，以確保與本集團採用的政策符合一致。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 Consolidation (Continued)

#### (a) Subsidiaries (Continued)

In the Company's balance sheet, the investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted by the Company on the basis of dividends received and receivable.

#### (b) Transactions with minority interests

The Group applies a policy of treating transactions with minority interests as transactions with parties external to the Group. Disposals to minority interests results in gains and losses for the Group that are recorded in the income statement. Purchases from minority interests result in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary.

#### (c) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for by using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill (net of any accumulated impairment loss) identified on acquisition (see Note 2.8).

The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

## 2 主要會計政策概要 (續)

### 2.2 綜合賬目 (續)

#### (a) 附屬公司 (續)

在本公司之資產負債表內，於附屬公司之投資按成本值扣除減值虧損準備列賬。附屬公司之業績由本公司按已收及應收股息入賬。

#### (b) 少數股東權益和交易

本集團與少數股東間的交易政策與對本集團外第三方政策相同。處置少數股東權益將產生收益或損失，已反映在綜合損益表中。收購少數股東權益將產生商譽，即支付報酬與取得的應佔附屬公司淨資產賬面價值的相關份額之間的差異。

#### (c) 聯營公司

聯營公司是指凡本集團對其有重大影響力而無控制權的實體，通常附帶有20%至50%投票權的股權。聯營公司投資以權益會計法入賬，初始以成本確認。本集團於聯營公司的投資包括收購時確認的商譽（扣除任何累計減值虧損）（參附註2.8）。

本集團應佔收購後聯營公司的溢利或虧損於損益表內確認，而應佔收購後儲備的變動則於儲備賬內確認。投資賬面值會根據累計之收購後儲備變動而作出調整。如本集團應佔一家聯營公司之虧損等於或超過其在該聯營公司之權益，包括任何其他無抵押應收款，本集團不會確認進一步虧損，除非本集團已代聯營公司承擔責任或作出付款。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 Consolidation (Continued)

#### (c) Associates (Continued)

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the Company's balance sheet, the investments in associated companies are stated at cost less provision for impairment losses. The results of associated companies are accounted for by the Company on the basis of dividend received and receivable.

#### (d) Joint ventures

A jointly controlled entity is a joint venture where the Group and other parties undertake an economic activity which is subject to joint control and none of the participating parties has unilateral control over the economic activity. Investment in jointly controlled entity is accounted for under the equity method of accounting, whereby the investment is initially recorded at cost and is adjusted thereafter to recognise the Group's share of the post-acquisition results, distributions received, other necessary alterations in the Group's proportionate interest in jointly controlled entity arising from changes in equity of jointly controlled entity that have not been included in the income statement of the jointly controlled entity, the excess of cost of investment over the Group's share of the aggregate fair value of the identifiable net assets acquired at the date of acquisition is tested annually for impairment, as well as when there is indication of impairment, and carried at cost less accumulated impairment losses. The Group's share of post-acquisition results after taxation of jointly controlled entities is included in the income statement.

## 2 主要會計政策概要 (續)

### 2.2 綜合賬目 (續)

#### (c) 聯營公司 (續)

本集團與其聯營公司之間交易的未實現收益按集團在聯營公司權益的數額對銷。除非交易提供所轉讓資產減值之憑證，否則未實現虧損亦予以對銷。聯營公司的會計政策已按需要作出改變，以確保與本集團採用的政策符合一致。

在本公司之資產負債表內，於聯營公司之投資按成本值扣除減值虧損準備列賬。聯營公司之業績由本公司按已收及應收股息入賬。

#### (d) 合營企業

共同控制實體乃一項合營企業，據此，本集團與其他合營方參與一項經濟活動，而該項經濟活動乃受共同控制，參與各方並無單獨控制權。於共同控制實體之投資乃按權益會計法入賬，據此，該項投資最初按成本記錄，並於其後就本集團應佔共同控制實體的收購後業績、來自共同控制實體的分派、因尚未計入損益表內之共同控制實體權益變動而產生之本集團所佔共同控制實體權益比例的其 他改變作出調整，投資成本值超逾本集團所佔於收購日期的可識別資產淨值之公平價值總額之差額會每年並當有跡象出現減值時進行減值測試，及以成本值減累計減值虧損列賬。本集團所佔共同控制實體的收購後稅後業績已計入損益表內。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.2 Consolidation (Continued)

#### (d) Joint ventures (Continued)

A joint venture which does not involve the establishment of a separate entity but involves the joint control and ownership by the Group and other parties of assets contributed to, or acquired for the purpose of, the joint venture is accounted for as a jointly controlled asset. The Group's share of jointly controlled assets and any liabilities incurred jointly with other joint venture partners are recognised and classified according to the nature of the relevant items. Income from the sale or use of the Group's share of the output of jointly controlled assets is recognised when it is probable that the economic benefits associated with the transaction will flow to the Group, whilst the Group's share of expenses in respect of jointly controlled assets is recognised as incurred.

### 2.3 Segment reporting

A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments. A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments.

### 2.4 Foreign currency translation

#### (a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured in Chinese Renminbi, which is the currency of the primary economic environment in which the Company and its subsidiaries operate (the "functional currency"). The financial statements are presented in Hong Kong dollars, which is the presentation currency.

## 2 主要會計政策概要 (續)

### 2.2 綜合賬目 (續)

#### (d) 合營企業 (續)

就不涉及獨立實體的成立而涉及由本集團及其他人士共同控制及擁有之合營項目資產貢獻或就合營項目收購之資產，乃列作共同控制資產入賬。本集團應佔之共同控制資產及與其他合營夥伴共同招致的任何負債乃根據有關項目的性質予以確認及分類。因出售或使用本集團的應佔共同控制資產所產生之收入，於該項交易的相關經濟利益可能會流入本集團時予以確認，而本集團應佔有關共同控制資產的開支則於產生時予以確認。

### 2.3 分部報告

地區分部指在某個特定經濟環境中從事提供產品或服務，其產品或服務的風險和回報與其他經濟環境中營運的分部的不同。業務分部指從事提供產品或服務的一組資產和業務，而產品或服務的風險和回報與其他業務分部的不同。

### 2.4 外幣換算

#### (a) 功能和呈列貨幣

本集團每個實體的財務報表所列項目均以人民幣（即本公司及其附屬公司營運所在的主要經濟環境的貨幣）計量（「功能貨幣」）。財務報表以港元呈報，港元為本公司的呈列貨幣。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.4 Foreign currency translation (Continued)

#### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

#### (c) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations and of borrowings are taken to shareholders' equity. When a foreign operation is sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing date.

## 2 主要會計政策概要 (續)

### 2.4 外幣換算 (續)

#### (b) 交易及結餘

外幣交易採用交易日的匯率換算為功能貨幣。結算此等交易產生的匯兌盈虧以及將外幣計值的貨幣資產和負債以年終匯率換算產生的匯兌盈虧在損益表確認。

#### (c) 集團公司

所有功能貨幣與呈列貨幣不同之集團實體（概無擁有惡性通貨膨脹經濟體系之貨幣）之業績及財務狀況均按以下方法換算為呈列貨幣：

- (i) 各資產負債表呈列之資產及負債均以該資產負債表結算日之收市匯率折算；
- (ii) 各損益表之收入及開支均按平均匯率換算（除非該平均值並非於交易日通行匯率累計影響之合理近似值，在此情況下收入及開支乃按交易日之匯率換算）；及
- (iii) 所有產生之匯兌差額均確認為股本內之獨立項目。

綜合賬目時，換算境外業務之投資淨額及借貸所產生之匯兌差額乃計入股東權益內。於出售境外業務時，計入股東權益內之匯兌差額於損益表中確認為出售收益或虧損之部份。

收購境外實體時產生之商譽及公平值調整乃作為該境外實體之資產及負債處理，並以期終匯率換算。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.5 Properties and equipment

Properties and equipment other than construction in progress are stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are expensed in the income statement during the financial period in which they are incurred.

Depreciation of properties and equipment is calculated using the straight-line method to allocate cost to their residual values over their estimated useful lives, as follows:

Hotel property (superstructure)	28 years
Buildings	50 years
Furniture and office equipment	5 years
Motor vehicles	3 to 5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2.9).

Construction in progress is investments in buildings on which construction work has not been completed and which, upon completion, management intends to hold for long-term as hotels. These properties are carried at cost which includes construction expenditures, borrowing costs directly attributable to construction of such properties and other direct costs less any impairment losses. On completion, the properties are transferred to the appropriate categories of properties and equipment at cost less accumulated impairment losses. No depreciation is provided for construction in progress until they are completed and put into commercial use.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the income statement.

## 2 主要會計政策概要 (續)

### 2.5 物業及設備

物業及設備(在建工程除外)按歷史成本減累計折舊和累計減值虧損列賬。歷史成本包括收購該項目直接應佔的開支。

其後成本只有在與該項目有關的未來經濟利益有可能流入本集團,而該項目的成本能可靠計量時,才包括在資產的賬面值或確認為獨立資產(按適用)。所有其他維修及保養在產生的財政期間內於損益表支銷。

物業及設備的折舊採用以下的估計可使用年期將成本或重估值按直線法分攤至剩餘價值計算:

酒店物業(上部構造)	28 年
樓宇	50 年
傢俬及辦公室設備	5 年
汽車	3 至 5 年

資產的剩餘價值及可使用年期在每個結算日進行檢討,及在適當時調整。

若資產的賬面值高於其估計可收回價值,其賬面值即時撇減至可收回金額(附註2.9)。

在建工程指投資的樓宇建設工程尚未完工,而於完工後,管理層擬長期持有作酒店用途。該等物業是以成本列賬,當中包括就建設該等物業直接應計的建設開支、借貸成本及其他直接費用減去任何減值虧損。物業於完工後轉至適當的物業及設備分項,按成本減累積減值虧損列賬。在建工程直至完工及投入作商業用途前不作折舊。

出售之損益乃按有關資產之銷售所得款項淨額與其賬面值之差額釐定,並列入損益表中。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.6 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property.

Investment property comprises land held under operating leases and buildings held under finance leases. Land held under operating leases are classified and accounted for as investment property when the rest of the definition of investment property is met. The operating lease is accounted for as if it were a finance lease.

Investment property is measured initially at its cost, including related transaction costs.

After initial recognition, investment property is carried at fair value. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. These valuations are performed in accordance with the guidance issued by the International Valuation Standards Committee. These valuations are performed annually by external valuers. Changes in fair values are recognised in the income statement as part of other gains.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Some of those outflows are recognised as a liability, including finance lease liabilities in respect of land classified as investment property; others, including contingent rent payments, are not recognised in the financial statements.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the income statement during the financial period in which they are incurred.

## 2 主要會計政策概要 (續)

### 2.6 投資物業

為獲得長期租金收益或資本增值或兩者兼備而持有，且並非由本集團佔用的物業列為投資物業。

投資物業包括以營業租約持有的土地及以融資租賃持有的樓宇。以營業租約持有的土地，如符合投資物業其餘定義，按投資物業分類及記賬。營業租約猶如其為融資租賃而記賬。

投資物業初步按其成本計量，包括相關的交易成本。

在初步確認後，投資物業按公平值列賬。公平值根據活躍市場價格計算，如有需要就個別資產的性質、地點或狀況的任何差異作出調整。如沒有此項資料，本集團利用其他估值方法，例如較不活躍市場的近期價格或貼現現金流量預測法。此等估值法根據國際估值準則委員會發出的指引執行。此等估值每年由外部估值師檢討。公平值之變動於損益表中作為其他收益之一部分確認。

投資物業的公平值反映（包括其他）來自現有租賃的租金收入，及在現時市場情況下未來租賃的租金收入假設。公平值亦反映，在類似基準下物業預期的任何現金流出。此等現金流出部份確認為負債，包括列為投資物業的土地有關的融資租賃負債；而其他，包括或然租金款項，不在財務報表列賬。

其後支出只有在與該項目有關的未來經濟利益有可能流入本集團，而該項目的成本能可靠衡量時，才計入在資產的賬面值中。所有其他維修及保養成本在產生的財政期間內於損益表支銷。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.6 Investment properties (Continued)

If an investment property becomes owner-occupied, it is reclassified as properties and equipment, and its fair value at the date of reclassification becomes its cost for accounting purposes. Property that is being constructed or developed for future use as investment property is classified as properties under development for long-term investment and stated at cost less any accumulated impairment losses until construction or development is complete, at which time it is reclassified and subsequently accounted for as investment property.

If an item of properties and equipment becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of this item at the date of transfer is recognised in equity as a revaluation of properties and equipment under HKAS 16. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in the income statement.

Investment property held for sale without redevelopment is classified within completed properties for sale, under HKFRS 5.

### 2.7 Properties under development and completed properties for sale

Properties under development for sale are included in current assets at the lower of cost and net realisable value. Properties under development for long-term investment included in non-current assets are stated at cost less any accumulated impairment losses. Completed properties for sale are included in current assets at the lower of cost and net realisable value.

The costs of properties under development and completed properties for sale consist of construction expenditures and borrowing costs directly attributable to construction of such properties and other direct costs. Net realisable value is based on estimated selling price in the ordinary course of business as determined by management with reference to the prevailing market conditions, less further costs expected to be incurred to completion and selling and marketing costs.

No depreciation is provided on properties under development and completed properties for sale.

## 2 主要會計政策概要 (續)

### 2.6 投資物業 (續)

倘投資物業成為業主自用，則重新分類為物業及設備，而就會計而言，其於重新分類當日之公平值成為其成本。在建或發展作未來投資物業用途之物業分類為發展作長期投資之物業，並按成本減累計減值虧損入賬，直至興建或發展竣工為止，有關物業將於當時重新分類並其後入賬列作投資物業。

倘物業及設備項目因其用途改變而成為投資物業，根據香港會計準則第16號，該項目於轉讓當日之面值與公平值間之差異將於股本內確認為物業及設備重估。然而，倘公平值收益導致過往之減值虧損出現轉回，有關收益將於損益表內確認。

持作出售且並無重新發展之投資物業，按香港財務報告準則第5號分類為持作出售之已落成物業。

### 2.7 可供出售之發展中物業及已落成物業

可供出售之發展中物業乃按成本值及可變現淨值兩者中的較低者列為流動資產。持作長期投資之發展中物業乃按成本值減去任何減值虧損後列為非流動資產。可供出售之已落成物業按成本值及可變現淨值兩者中的較低者列為流動資產。

可供出售之發展中物業及已落成物業之成本包括建造開支及因建造該等物業而直接產生之借貸成本及其他直接成本。可變現淨值乃於日常業務過程中管理層參照當時市況釐定的估計售價，減去預期至竣工時產生的其他成本以及銷售及市場推廣費用計算。

本集團並無就可供銷售之發展中物業及已落成物業計提折舊。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.8 Intangible assets

#### (a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate/jointly controlled entity at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates and jointly controlled entities is included in investments in associates and investment in a jointly controlled entity respectively.

Separately recognised goodwill is tested annually for impairment, as well as when there is indication of impairment, and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed.

Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

#### (b) Negative goodwill

Negative goodwill represents the excess of the Group's share of the fair value of the identifiable net assets acquired over the cost of acquisition and is recognised in the income statement.

## 2 主要會計政策概要 (續)

### 2.8 無形資產

#### (a) 商譽

商譽指收購成本高於本集團於收購日期應佔所收購附屬公司／聯營公司／共同控制實體可確認資產淨值之公平值之差額。收購附屬公司產生之商譽計入無形資產。收購聯營公司及共同控制實體產生之商譽分別計入於聯營公司之投資及於一間同控制實體之投資中。

獨立確認之商譽每年或當有減值跡象時檢討有否減值及按成本減累計減值虧損列賬。商譽之減值虧損概不予回撥。

出售實體之收益及虧損包括有關已售出實體之商譽賬面值。

為進行減值評估，商譽被劃分至現金產生單位。獲劃分商譽者為預期於產生商譽之業務合併中受惠之現金產生單位或現金產生單位組別。

#### (b) 負商譽

負商譽乃指本集團佔所收購可資識別淨資產之公平值超出收購成本之數額並於損益表確認。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.9 Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation, which are at least tested annually for impairment and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

### 2.10 Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Available-for-sale financial assets are initially recognised at fair value plus transaction costs. At each balance sheet date the available-for-sale financial assets are re-measured, with any changes in fair value being recognised directly in equity, except for impairment losses which are recognised directly in the income statement. When these assets are derecognised, the cumulative gain or loss previously recognised directly in equity is included in the income statement.

## 2 主要會計政策概要 (續)

### 2.9 資產減值

無可使用年限之資產毋須攤銷，並於每年或每當有事項或情況轉變顯示不可收回賬面值時檢討有否減值。受攤銷所限之資產於每年或每當有事項或情況轉變顯示賬面值不可收回時檢討有否減值。減值虧損按資產賬面值超出其可收回金額之金額確認。可收回金額為資產之公平值減銷售成本與使用價值之較高者。於評估減值時，資產將按可分開確認現金流量之最低水平（現金產生單位）集中歸類。

### 2.10 可供出售財務資產

可供出售財務資產為被指定非衍生項目，除非管理層計劃於結算日起計十二個月內出售有關投資，否則可供出售財務資產將計入非流動資產內。

可供出售財務資產最初按公平值另加交易成本確認。於各結算日重新計量可供出售財務資產，除減值虧損外，任何公平值之變動直接於股本中確認，而減值虧損則直接於損益表中確認。當終止確認該等資產時，之前直接於股本中確認之累積收益及虧損被記入收益表。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.11 Accounts receivable

Accounts receivable are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of accounts receivable is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

### 2.12 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

### 2.13 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any Group company purchases the Company's equity share capital, the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders until the shares are cancelled.

### 2.14 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability, including fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties. Borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

## 2 主要會計政策概要 (續)

### 2.11 應收賬款

應收賬款初步按公平值確認，而其後則採用實際利率法按已攤銷成本減減值撥備計量。倘有客觀憑證顯示本集團將不能按應收賬款之原有條款收回所有到期款項，則會對應收賬款作出減值撥備。撥備之數額為資產賬面值與估計未來現金流量現值之間之差額，並按實際利率貼現。撥備之數額於損益表中確認。

### 2.12 現金及現金等價物

現金及現金等價物包括手頭現金、存於銀行之通知存款及其他原定期限為三個月或以內而流通量極高之短期投資。

### 2.13 股本

普通股分類為股本。

發行新股或購股權直接應佔之新增成本乃於股本內列作所得款項（扣除稅項）之扣減。

倘任何本集團成員公司購買本公司之權益股本，則所支付之代價（包括任何直接應佔之新增成本減去所得稅）乃從本公司股權持有人應佔股本中扣除，直至該等股份被註銷。

### 2.14 借貸

借貸初步按公平值（扣除已產生之交易成本）確認。交易成本為收購、發行或出售財務資產或財務負債直接應佔之增量成本，包括向代理、顧問、經紀及交易商支付之費用及佣金、監管代理機構及證券交易所徵收之款項及過戶登記稅項及稅款。借貸其後按已攤銷成本列賬；所得款項（扣除交易成本）與贖回價值間之任何差額於借貸期使用實際利率法於損益表內確認。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.15 Borrowing cost

Borrowing costs incurred for the construction of any qualifying assets are capitalised during the period of time that is required to complete and prepare the assets for its intended use.

All other borrowing costs are charged to the income statement in the period in which they are incurred.

### 2.16 Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, associates and jointly controlled entities, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

## 2 主要會計政策概要 (續)

### 2.15 借貸成本

為建設任何合資格資產產生之借貸成本，於完成建設並預備有關資產作擬定用途所需期間內資本化。

所有其他借貸成本均於發生年度內在損益表支銷。

### 2.16 遞延所得稅

遞延所得稅乃利用負債法就資產與負債之稅基與它們在綜合財務報表之賬面值兩者之短暫時差作全數撥備。然而，若遞延所得稅來自在交易（不包括企業合併）中對資產或負債的初步確認，而在交易時不影響會計損益或應課稅盈虧，則不作記賬。遞延所得稅採用在結算日前已頒佈或實質採用，並在有關之遞延所得稅資產實現或遞延所得稅負債結算時預期將會適用之稅率（及法例）而釐定。

遞延所得稅資產乃就有可能將未來應課稅溢利與可動用之短暫時差抵銷而確認。

遞延所得稅會就有關在附屬公司、聯營公司及共同控制實體之投資所產生之短暫時差而撥備，但假若本集團可控制時差之撥回，並有可能在可預見未來不會撥回則除外。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.17 Employee benefits

#### (a) Pension obligations

Group companies operate defined contribution plans only. The Group pays contributions to publicly or privately administered pension insurance plans on a mandatory or contractual basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due and are reduced by contributions forfeited by those employees who leave the scheme prior to vesting fully in the contributions. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

#### (b) Share-based compensation

The Group operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as expenses. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the entity revises its estimates of the number of options that are expected to become exercisable.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

## 2 主要會計政策概要 (續)

### 2.17 僱員福利

#### (a) 退休金責任

本集團屬下公司僅設有界定供款計劃。本集團向公營或私人管理退休保險計劃作出強制或合約性質供款。作出供款後，本集團毋須作進一步供款承擔。該等供款會於到期支付時確認為僱員福利開支，並可就因本集團員工在供款全數歸屬該等員工前離職而被沒收之供款作出扣減。可提供現金退還或扣減未來付款之預付供款會確認為資產。

#### (b) 股份補償

本集團設有一項以股權結算之股份補償計劃。就交換僱員所提供之服務所授出之購股權之公平值，乃確認為開支。將於歸屬期內支銷之款項總額乃經參考所授出購股權之公平值釐訂，且不包括任何非市況歸屬條件（如盈利能力及銷售增長目標）之影響。非市況歸屬條件乃於估計將可予行使之購股權數目時考慮。於每個結算日，實體均會修訂其估計將可予行使之購股權數目。

於購股權獲行使時，所收取之所得款項淨額（扣除直接應佔之交易成本）乃計入股本（面值）及股份溢價中。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.18 Provisions

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

### 2.19 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of properties and services. Revenue is recognised as follows:

#### (a) Sale of properties

Revenue from sale of properties is recognised upon completion of sale agreement, which refers to the time when the risks and rewards of the sale transaction are transferred to the buyers. Deposits and instalments received on properties sold prior to completion of the respective sale agreements are included as deferred revenue under current liabilities.

#### (b) Rental income

Rental income is recognised on a straight-line basis over the period of the relevant leases.

#### (c) Property management fees, property design fees and marketing consultancy fees

Property management fees, property design fees and marketing consultancy fees are recognised when the services are rendered.

## 2 主要會計政策概要 (續)

### 2.18 撥備

在出現以下情況時就重建費用和法律索償作出撥備：本集團因已發生的事件而產生現有的法律或推定責任；較可能需要有資源流出以償付責任；金額已經可靠估計。未來經營虧損概不作撥備。

如有多項類似責任，其需要在償付中流出資源的可能性，根據責任的類別整體考慮。即使在同一責任類別所包含的任何一個項目相關的資源流出的可能性極低，仍須確認撥備。

### 2.19 收入確認

收入包括出售物業及服務收取之代價之公平值。收入確認如下：

#### (a) 銷售物業

銷售物業所得之收入乃於銷售協議完成時（即銷售交易之風險及回報轉移至買家之時）確認。於銷售協議完成前就出售物業所收取之按金及分期款項乃計入流動負債項下之遞延收入。

#### (b) 租金收入

租金收入按有關租約限期以直線法確認。

#### (c) 物業管理費、物業設計費及營銷顧問費

物業管理費、物業設計費及營銷顧問費於提供服務時確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.19 Revenue recognition (Continued)

#### (d) Interest income

Interest income is recognised on a time-proportion basis using the effective interest method.

#### (e) Government grants

A government grant is recognised when there is reasonable assurance that the Group will comply with the conditions attaching with it and that the grant will be received.

Grants relating to income are deferred and recognised in the income statement over the period necessary to match them with the costs they are intended to compensate. Grants relating to the purchase of properties and equipment are included in non-current liabilities as deferred income and are credited to the income statement on a straight-line basis over the expected lives of the related assets.

Amounts received for which the earning process has not been completed are accounted for as deferred revenue.

### 2.20 Operating leases (as the lessee)

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are expensed in the income statement on a straight-line basis over the period of the lease.

The up-front prepayments made for the land use rights are expensed in the income statement on a straight-line basis over the period of the lease or where there is impairment, the impairment is expensed in the income statement.

## 2 主要會計政策概要 (續)

### 2.19 收入確認 (續)

#### (d) 利息收入

利息收入採用實際利率法按時間比例確認。

#### (e) 政府補助

政府補助於可合理地確定將會收取而本集團符合所有相關條件時確認入賬。

有關收入之政府補助均會於符合擬彌償成本所需之期間遞延並在損益表確認入賬。有關購入物業及設備之政府補助計入非流動負債為遞延收入，在相關資產之預期年期以直線基準計入損益表內。

收益過程尚未完成的已收款項以遞延收入計算。

### 2.20 營業租約 (作為承租人)

如租約擁有權的重大部份風險和回報由出租人保留，分類為營業租約。根據營業租約支付的款項 (扣除自出租人收取之任何獎勵金後) 於租賃期內以直線法在損益表支銷。

土地使用權之前期預付款項將於租約期間內以直線法在損益表內扣除，或倘出現減值，減值將於損益表內扣除。

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2.21 Insurance contracts

The Group assesses at each balance sheet date the liabilities under its insurance contracts using current estimates of future cash flows. Changes in carrying amount of these insurance liabilities are recognised in the income statement.

The Group regards its financial guarantee contracts in respect of mortgage facilities provided to certain property purchasers and guarantees provided to its joint ventures and non-wholly owned subsidiaries as insurance contracts.

### 2.22 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

## 3 FINANCIAL RISK MANAGEMENT

### 3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: foreign exchange risk, credit risk, liquidity risk and cash flow and fair value interest-rate risk. The Group's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effect on the Group's financial performance. The Group regularly monitors its exposure and currently considers not necessary to hedge any of these financial risks.

#### (a) Foreign exchange risk

Majority of the subsidiaries of the Group operates in Mainland China with most of the transactions denominated in Renminbi. The Group is exposed to foreign exchange risk arising from the exposure of Renminbi and US dollars against Hong Kong dollars. It has not hedged its foreign exchange rate risk.

In addition, the conversion of Renminbi into foreign currencies is subject to the rules and regulations of the foreign exchange control promulgated by the Mainland China government.

## 2 主要會計政策概要 (續)

### 2.21 保險合約

本集團會於各結算日利用現時對未來現金流量之估計評估其於保險合約下之責任。此等保險責任之賬面值變動會於損益表確認。

本集團將有關給予若干物業買家之按揭信貸及給予其合營企業及非全資附屬公司之擔保之財務擔保合約視為保險合約。

### 2.22 股息分派

向本公司股東分派的股息在股息獲本公司股東批准的期間內於本集團的財務報表內列為負債。

## 3 財務風險管理

### 3.1 財務風險因素

本集團之業務令其承受多種財務風險：外匯風險、信貸風險、流動資金風險及現金流及公平值利率風險。本集團的整體風險管理政策專注於金融市場的低可測性，並力求減低對本集團財務表現的潛在不利影響。本集團經常監測其承受風險情況，並認為至目前為止無須為任何此等財務風險進行對沖。

#### (a) 外匯風險

本集團大部份附屬公司均於中國內地經營，而大部份交易均以人民幣計算。本集團須承受之外匯風險由人民幣兌港元及美元兌港元之匯率引致。本集團並無外幣匯率風險作出對沖。

此外，將人民幣換算為外幣須受中國內地政府所頒佈之外匯管制規則及規例監管。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 3 FINANCIAL RISK MANAGEMENT (Continued)

#### 3.1 Financial risk factors (Continued)

(b) Credit risk

The Group is exposed to concentration of credit risk as over 20% of its trade receivables is due by two customers. The Group has no other significant concentration of credit risk. The carrying amount of the accounts receivable included in the consolidated balance sheet represents the Group's maximum exposure to credit risk in relation to its financial assets.

(c) Liquidity risk

Due to the capital intensive nature of the Group's business, the Group ensures that it maintains sufficient cash and credit lines to meet its liquidity requirements.

(d) Cash flow and fair value interest-rate risk

The Group's interest-rate risk arises from interest-bearing bank deposits and borrowings. Bank deposits and borrowings issued at variable rates expose the Group to cash flow interest-rate risk. Borrowings issued at fixed rates expose the Group to fair value interest-rate risk. The Group has not hedged its cash flow and fair value interest-rate risk.

#### 3.2 Fair value estimation

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date.

The nominal value less estimated credit adjustments of accounts receivable, accounts payable, balances with related parties and land cost payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

### 3 財務風險管理 (續)

#### 3.1 財務風險因素 (續)

(b) 信貸風險

本集團有逾20%之應收賬款來自兩位客戶，故承受信貸過於集中之風險。但除此之外，本集團並無其他信貸過於集中之風險。綜合資產負債表內應收賬款之賬面值乃本集團就其金融資產所須承受之最大信貸風險。

(c) 流動資金風險

基於本集團業務具有資本密集之特性，本集團確保其備有足夠之現金及信用額度，以應付其流動資金所需。

(d) 現金流及公平值利率風險

本集團之利率風險乃由有息銀行存款及借貸產生。銀行存款及借貸令本集團承受現金流利率風險。而定息借貸則令本集團承受公平值利率風險。本集團並無就其現金流及公平值利率風險作出對沖。

#### 3.2 公平值估算

未有在活躍市場上交易的金融工具，其公平值乃透過估值而決定。本集團根據於結算當日存在之市場情況，採用各種方法作出估計。

應收賬款、應付賬款、與關連人士之結餘及應付土地成本之面值減去估計信貸調整後，乃假設與其公平值相若。就披露而言，金融負債之公平值乃按本集團可取得之類似金融工具之現行市場利率，把未來合約現金流量貼現作出估算。

## 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### 4.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

- (a) *Estimated impairment of properties and equipment, leasehold land and land use rights, properties under development for long-term investment and intangible assets*

Properties and equipment and leasehold land and land use rights are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Properties under development for long-term investment and intangible assets are reviewed for impairment at each balance sheet date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts of properties and equipment, leasehold land and land use rights, properties under development for long-term investment and intangible assets have been determined based on value-in-use calculations, taking into account latest market information and past experience. These calculation and valuations require the use of judgements and estimates.

## 4 重要會計推算及判斷

推算及判斷乃持續進行之評估，並以過往經驗及其他因素作為基礎，包括在目前情況下對未來事件之合理預期。

### 4.1 重要會計推算及假設

本集團就未來作出推算及假設。在定義上，由此而生之會計推算極少與相關之實際結果相同。具相當風險導致下個財政年度之資產與負債賬面值作重大調整之推算及假設將於下文論述。

- (a) 物業及設備、租賃土地與土地使用權、持作長期投資之發展中物業及無形資產之估計減值

物業及設備及租賃土地與土地使用權，乃於有事件或情況變動顯示其賬面值可能不能收回時作減值檢討。持作長期投資之發展中物業及無形資產乃於每個結算日或有事件或情況變動顯示其賬面值可能不能收回時作減值檢討。物業及設備、租賃土地與土地使用權、持作長期投資之發展中物業及無形資產之可收回金額乃按其使用價值釐訂並考慮最近期市場資料及過往經驗。此等計算及估值須運用判斷及推算。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### 4.1 Critical accounting estimates and assumptions (Continued)

- (b) *Estimated write-downs of properties under development for sale and completed properties for sale*

The Group writes down properties under development for sale and completed properties for sale to net realisable value based on assessment of the realisability of properties under development for sale and completed properties for sale, taking into account costs to completion based on past experience and net sales value based on prevailing market conditions. If there is an increase in cost to completion or a decrease in net sales value, the net realisable value will decrease and this might result in write-downs of properties under development for sale and completed properties of sale to net realisable value. Write-downs are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of judgement and estimates. Where the expectation is different from the original estimate, such difference will impact carrying value and write-downs of properties under development for sale and completed properties for sale in the periods in which such estimate is changed.

- (c) *Estimate of fair value of investment properties*

The best evidence of fair value is current prices in an active market for similar lease and other contracts. In the absence of such information, the Group determines the amount within a range of reasonable fair value estimates. In making its judgement, the Group considers information from a variety of sources including:

- (i) current prices in an active market for properties of different nature, condition or location (or subject to different lease or other contracts), adjusted to reflect those differences, by reference to independent valuations; and

### 4 重要會計推算及判斷 (續)

#### 4.1 重要會計推算及假設 (續)

- (b) 持作銷售發展中物業及持作銷售已落成物業估計撇減

本集團根據其對持作銷售發展中物業及持作銷售已落成物業所進行之變現能力評估，並根據過往經驗及當時市場環境估計之銷售淨值計算之完工成本，將持作銷售發展中物業及持作銷售已落成物業撇減至可變現淨值。倘完工成本增加或銷售淨值減少，可變現淨值將減少，並因而可能導致持作銷售發展中物業及持作銷售已落成物業須撇減至可變現淨值。撇減乃於有事件或情況變動顯示餘額可能未能變現時記錄。確認撇減時須運用判斷及推算。倘預期結果與原先之估算不同，有關差異將會對估算變動出現之期間內之可供出售發展中物業及可供出售已落成物業之賬面值及所撇減數額構成影響。

- (c) 投資物業之公平值估計

公平值之最佳憑證為類似租賃及其他合約於活躍市場中之現行價格。倘缺乏有關資料，本集團將會把金額釐訂在合理之公平值估算範圍內。於作出判斷時，本集團將考慮多項資料來源，包括：

- (i) 於交投活躍之市場中不同性質、狀況或地點（或訂有不同租約或其他合約）之物業之現行價格（經參考獨立估值），並作出調整以反映上述不同；及

## 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

### 4.1 Critical accounting estimates and assumptions (Continued)

(c) *Estimate of fair value of investment properties (Continued)*

- (ii) recent prices of similar properties in less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices.

(d) *Current taxation and deferred taxation*

The Group is subject to taxation in Mainland China and Hong Kong. Judgement is required in determining the amount of the provision for taxation and the timing of payment of the related taxation. There are many transactions and calculations for 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, such differences will impact the income tax and deferred tax provisions in the periods in which such determination are made.

Deferred tax assets relating to certain temporary differences and tax losses are recognised as management considers it is probable that future taxable profit will be available against which the temporary differences or tax losses can be utilised. Where the expectation is different from the original estimate, such differences will impact the recognition of deferred taxation assets and taxation in the periods in which such estimate is changed.

## 4 重要會計推算及判斷 (續)

### 4.1 重要會計推算及假設 (續)

(c) 投資物業之公平值估計 (續)

- (ii) 於交投較淡靜之市場中類似物業之近期價格，並作出調整以反映自交易日期以來經濟環境之任何變動對該等價格之影響。

(d) 當期稅項及遞延稅項

本集團須繳納中國內地及香港稅項。於釐訂相關稅項之稅項撥備金額及支付時間時須作出判斷。於日常業務過程中有頗多未能確定最終稅項之交易及計算。倘該等事宜之最終稅務結果與初步記錄之金額不同，有關差異將影響作出釐定之期間內之所得稅及遞延稅項撥備。

倘管理層認為未來應課稅溢利可用作對銷暫時性差異或稅項虧損可予動用時，則會確認與若干暫時性差異有關之遞延稅項資產淨值及稅項虧損。倘預期結果預原先之估算不同，有關差異會對有關估算出現變動之期間內遞延稅項資產及稅項之確認構成影響。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

#### 4.1 Critical accounting estimates and assumptions (Continued)

##### (e) Depreciation and amortisation

The Group's net book value of properties and equipment as at 31 December 2006 was approximately HK\$1,267,460,000. The Group depreciates the hotel property, building, furniture and office equipment and motor vehicles on a straight line basis over the estimated useful life of 28 years, 50 years, 5 years and 3 to 5 years, respectively, and after taking into account of their estimated residual value, using the straight-line method, at the rate of 2% to 33% per annum, commencing from the date the asset is placed into productive use. The estimated useful lives and dates that the Group places the properties and equipment into productive use reflects the directors' estimate of the periods that the Group intends to derive future economic benefits from the use of the Group's assets.

#### 4.2 Critical judgements in applying the entity's accounting policies

##### *Distinction between investment properties and owner-occupied properties*

The Group determines whether a property qualifies as an investment property. In making its judgement, the Group considers whether the property generates cash flows largely independently of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to property but also to other assets used in the production or supply process.

### 4 重要會計推算及判斷 (續)

#### 4.1 重要會計推算及假設 (續)

##### (e) 折舊及攤銷

本集團之物業及設備於二零零六年十二月三十一日之賬面淨值約為港幣1,267,460,000元。本集團由資產可投入作生產用途之日起，以直線法於分別28年、50年、5年以及3至5年之估計可用年期期間，按每年介乎2%至33%之折舊率並在計及資產估計剩餘價值後，對酒店物業、樓宇、傢俬及辦公室設備以及汽車計算折舊。估計可用年期及本集團把物業及設備投入生產用途之日期，反映董事對本集團擬自運用本集團資產產生未來經濟利益之期間之估計。

#### 4.2 於應用公司會計政策時作出之重大判斷

##### *分辨投資物業與自用物業*

本集團會釐訂物業是否合資格成為投資物業。於作出判斷時，本集團會考慮該物業能否產生大致獨立於公司所持其他資產之現金流量。自用物業所產生之現金流量不只有該物業佔有，亦會由生產或供應過程中所使用之其他資產佔有。

## 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

### 4.2 Critical judgements in applying the entity's accounting policies (Continued)

#### *Distinction between investment properties and owner-occupied properties (Continued)*

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions can be sold separately (or leased out separately under a finance lease), the Group accounts for the portions separately. If the portions cannot be sold separately, the property is accounted for investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is applied in determining whether ancillary services are so significant that a property does not qualify as investment property. The Group considers each property separately in making its judgement.

## 5 SEGMENT INFORMATION

### Primary reporting format – geographical segments

The Group operates in five main geographical areas for the following businesses:

Guangdong province	–	property development, property investment and property management
Beijing	–	hotel operation, property development, property investment and property management
Shanghai	–	property development and property investment
Tianjin	–	property development and property investment
Others	–	property design and consultancy services

## 4 重要會計推算及判斷 (續)

### 4.2 於應用公司會計政策時作出之重大判斷 (續)

#### *分辨投資物業與自用物業 (續)*

部份物業可分為持作賺取租金或資本增值之部份，或持作生產或供應貨物或服務或行政用途之部份。倘該等部份可分開出售（或根據融資租賃分開出租），本集團將會把該部份分開入賬。倘該等部份不可分開出售，該物業僅會於持作生產或供應貨物或服務或行政用途之部份只佔極少部份時，被確認為投資物業。於釐訂附屬服務對物業未能合資格成為投資物業是否重要時須作出判斷。本集團於作出判斷時均會對每項物業作獨立考慮。

## 5 分部資料

### 主要申報形式 – 地區分類

本集團於五個主要地區經營以下業務：

廣東省	–	物業發展、物業投資及物業管理
北京	–	酒店業務、物業發展、物業投資及物業管理
上海	–	物業發展及物業投資
天津	–	物業發展及物業投資
其他	–	物業設計及顧問服務

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 5 SEGMENT INFORMATION (Continued)

The segment results for the year ended 31 December 2006 are as follows:

### 5 分部資料 (續)

截至二零零六年十二月三十一日止年度之分類業績如下：

		Guangdong province 廣東省	Beijing 北京	Shanghai 上海	Tianjin 天津	Others 其他	Unallocated 未分配	Group 本集團
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Total gross segment revenues	分類業務總收益	3,385,271	2,174,922	665,551	699,523	34,726	–	6,959,993
Inter-segment revenues	內部分類收益	(2,805)	(1,439)	–	(729)	(34,726)	–	(39,699)
Revenues	收益	3,382,466	2,173,483	665,551	698,794	–	–	6,920,294
Operating profit/(loss)	經營溢利/(虧損)	1,302,201	598,993	298,488	122,931	(627)	69,281	2,391,267
Share of loss of an associate	分佔一間聯營公司之虧損	(80)	–	–	–	–	–	(80)
Share of profit of a jointly controlled entity	分佔一間共同控制實體 之溢利	128,343	–	–	–	–	–	128,343
Finance income	財務收入							26,814
Finance costs	財務成本							(84,808)
Profit before taxation	除稅前溢利							2,461,536
Taxation	稅項							(837,358)
Profit for the year	年度溢利							1,624,178

## 5 SEGMENT INFORMATION (Continued)

The segment results for the year ended 31 December 2005 are as follows:

## 5 分部資料 (續)

截至二零零五年十二月三十一日止年度之分類業績如下：

		Guangdong province 廣東省 HK\$'000 港幣千元	Beijing 北京 HK\$'000 港幣千元	Shanghai 上海 HK\$'000 港幣千元	Tianjin 天津 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Unallocated 未分配 HK\$'000 港幣千元	Group 本集團 HK\$'000 港幣千元
Total gross segment revenues	分類業務總收益	2,902,468	2,066,455	615,733	558,429	75,192	–	6,218,277
Inter-segment revenues	內部分類收益	(11,082)	–	–	–	(73,301)	–	(84,383)
Revenues	收益	<u>2,891,386</u>	<u>2,066,455</u>	<u>615,733</u>	<u>558,429</u>	<u>1,891</u>	<u>–</u>	<u>6,133,894</u>
Operating profit/(loss)	經營溢利/(虧損)	680,911	648,836	421,425	(29,540)	64	(58,038)	1,663,658
Share of profit of an associate	分佔一間聯營公司之溢利	44	–	–	–	–	–	44
Share of profit of and other gains relating to a jointly controlled entity	分佔一間共同控制實體 之溢利及其他收益	191,509	–	–	–	–	–	191,509
Finance income	財務收入							17,382
Finance costs	財務成本							(59,966)
Profit before taxation	除稅前溢利							1,812,627
Taxation	稅項							(611,446)
Profit for the year	年度溢利							<u>1,201,181</u>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 5 SEGMENT INFORMATION (Continued)

#### Primary reporting format – geographical segments (Continued)

The segment assets and liabilities at 31 December 2006 and depreciation, amortisation and capital expenditure for the year then ended are as follows:

### 5 分部資料 (續)

#### 主要申報形式－地區分類 (續)

於二零零六年十二月三十一日之分部資產及負債，以及截至當日止年度之折舊、攤銷及資本開支如下：

		Guangdong province 廣東省 HK\$'000 港幣千元	Beijing 北京 HK\$'000 港幣千元	Shanghai 上海 HK\$'000 港幣千元	Tianjin 天津 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Unallocated 未分配 HK\$'000 港幣千元	Group 本集團 HK\$'000 港幣千元
Assets	資產	10,898,038	5,179,197	5,003,021	2,690,951	633,962	42,357	24,447,526
Investment in an associate	於一間聯營公司之投資	—	—	—	—	—	—	—
Investment in a jointly controlled entity	於一間共同控制實體 之投資	1,033,245	—	—	—	—	—	1,033,245
Total assets	資產總值	11,931,283	5,179,197	5,003,021	2,690,951	633,962	42,357	25,480,771
Liabilities	負債	5,445,842	4,703,451	1,789,642	1,056,846	2,897,031	1,360,044	17,252,856
Depreciation	折舊	6,009	13,117	468	2,241	282	—	22,117
Amortisation	攤銷	50,918	1,753	18,076	1,719	7,231	—	79,697
Capital expenditure	資本開支	51,053	6,321	1,038	330,167	726	—	389,305

## 5 SEGMENT INFORMATION (Continued)

### Primary reporting format – geographical segments (Continued)

The segment assets and liabilities at 31 December 2005 and depreciation, amortisation and capital expenditure for the year then ended are as follows:

		Guangdong province 廣東省 HK\$'000 港幣千元	Beijing 北京 HK\$'000 港幣千元	Shanghai 上海 HK\$'000 港幣千元	Tianjin 天津 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Unallocated 未分配 HK\$'000 港幣千元	Group 本集團 HK\$'000 港幣千元
Assets	資產	9,449,135	4,413,130	2,419,199	1,948,052	434,454	51,962	18,715,932
Investment in an associate	於一間聯營公司之投資	80	–	–	–	–	–	80
Investment in a jointly controlled entity	於一間共同控制實體 之投資	867,632	–	–	–	–	–	867,632
Total assets	資產總值	10,316,847	4,413,130	2,419,199	1,948,052	434,454	51,962	19,583,644
Liabilities	負債	5,228,752	1,991,303	1,424,468	880,714	3,096,475	1,196,657	13,818,369
Depreciation	折舊	7,152	6,328	570	2,060	174	–	16,284
Amortisation	攤銷	41,616	1,392	15,686	586	1,755	–	61,035
Capital expenditure	資本開支	169,921	62,878	144	199,786	508	–	433,237

Segment assets consist primarily of all of the Group's operating assets and exclude tax assets.

Segment liabilities consist primarily of all of the Group's operating liabilities and exclude tax liabilities.

Capital expenditure comprises additions to land (Note 6), properties and equipment (Note 7), investment properties (Note 8) and properties under development for long-term investment (Note 9), including additions resulting from acquisitions through business combinations (Note 40).

## 5 分部資料 (續)

### 主要申報形式 – 地區分類 (續)

於二零零五年十二月三十一日分部資產及負債，以及截至該日止年度之折舊、攤銷及資本開支如下：

分類資產主要包括本集團之全部營運資產及撇除稅項資產。

分類負債主要包括本集團之全部營運負債及撇除稅項負債。

資本開支包括新增土地(附註6)、物業及設備(附註7)、投資物業(附註8)及持作長期投資之發展中物業(附註9)之添置，包括透過業務合併(附註40)註進行收購而產生之增加。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 5 SEGMENT INFORMATION (Continued)

#### Secondary reporting format – business segments

The Group is organised into three main business segments as follows:

- Property development – property development in residential and commercial projects
- Property investment – holding of offices, shops and car parks for investment potential and rental income
- Property management – management of residential and commercial properties

### 5 分部資料 (續)

#### 次要申報形式 – 業務分類

本集團由以下三個主要業務分類組成：

- 物業發展 – 住宅及商業項目之物業發展
- 物業投資 – 就潛在投資及租金收入持有辦公室、店舖及停車場
- 物業管理 – 管理住宅及商業物業

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Revenues	收益		
Property development	物業發展	6,692,714	5,990,942
Property investment	物業投資	54,243	46,983
Property management	物業管理	173,337	95,969
		<b>6,920,294</b>	<b>6,133,894</b>
Total assets	總資產		
Property development	物業發展	21,144,340	15,448,405
Property investment	物業投資	3,139,431	3,139,363
Property management	物業管理	121,398	76,202
Unallocated	未分配	42,357	51,962
		<b>24,447,526</b>	<b>18,715,932</b>
Investment in an associate	於一間聯營公司之投資	–	80
Investment in a jointly controlled entity	於一間共同控制實體之投資	1,033,245	867,632
		<b>25,480,771</b>	<b>19,583,644</b>
Capital expenditure	資本開支		
Property development	物業發展	343,490	267,819
Property investment	物業投資	43,835	164,230
Property management	物業管理	1,980	1,188
		<b>389,305</b>	<b>433,237</b>

## 5 SEGMENT INFORMATION (Continued)

### Secondary reporting format – business segments (Continued)

Analysis of revenues by category:

## 5 分部資料 (續)

### 次要申報形式 – 業務分類 (續)

按收入分類分析：

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Sales of properties	銷售物業	6,601,678	5,953,608
Rental income from investment properties	投資物業之租金收入	54,243	46,983
Property management fees	物業管理費	173,337	95,969
Others	其他	91,036	37,334
		<b>6,920,294</b>	<b>6,133,894</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 6 LAND COSTS

The Group's interests in land costs represent prepaid operating lease payments and their net book amount is analysed as follows:

### 6 土地成本

本集團於土地成本之權益指預付經營租賃款項·彼等之賬面淨額分析如下：

		Consolidated	
		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Beginning of the year	年初	5,557,964	4,536,737
Additions	新增	1,928,038	549,870
Acquisition of subsidiaries	收購附屬公司	1,388,383	992,791
Disposals	出售	(684,012)	(493,985)
Transfer to investment properties	轉撥至投資物業	(802)	(41,642)
Transfer to other non-current asset	轉撥至其他非流動資產	(768,277)	—
Amortisation	攤銷	(72,466)	(59,350)
Exchange difference	匯兌差額	287,490	73,543
End of the year	年終	<b>7,636,318</b>	<b>5,557,964</b>
Analysed as:	分析：		
Non-current	非流動		
– in relation to properties under development for long-term investment	— 持作長期投資之發展中物業	371,470	321,640
– in relation to properties and equipment	— 物業及設備	128,897	104,859
		<b>500,367</b>	426,499
Current	流動		
– in relation to properties under development for sale	— 可供出售之發展中物業	6,794,974	4,860,198
– in relation to completed properties for sale	— 可供出售之已落成物業	340,977	271,267
		<b>7,135,951</b>	5,131,465
		<b>7,636,318</b>	<b>5,557,964</b>

## 6 LAND COSTS (Continued)

The amount of the amortisation expenses recognised in the income statements is as follows:

		Consolidated 綜合	
		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Cost of sales	銷售成本	8,035	14,159
General and administrative expenses	一般及行政開支	1,142	1,562
		<b>9,177</b>	<b>15,721</b>

The balance of the amortisation expenses related to properties under development and has been capitalised as development costs included in properties under development and properties and equipment.

## 6 土地成本 (續)

於損益表中確認之攤銷開支如下：

		Consolidated 綜合	
		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Cost of sales	銷售成本	8,035	14,159
General and administrative expenses	一般及行政開支	1,142	1,562
		<b>9,177</b>	<b>15,721</b>

有關在建物業之攤銷開支餘額已資本化作發展成本計入發展中物業及物業及設備。

		Consolidated 綜合	
		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
In Mainland China, held on:	於中國大陸·按以下方式持有：		
Land use rights of over 50 years	50 年以上之土地使用權	6,019,842	3,605,959
Land use rights of between 10 and 50 years	介乎10 年至50 年之土地使用權	1,613,238	1,948,697
In Hong Kong held on:	於香港·按以下方式持有：		
Leases of over 50 years	50 年以上之租約	3,238	3,308
		<b>7,636,318</b>	<b>5,557,964</b>

As at 31 December 2006, net book amount of approximately HK\$1,116,347,000 (2005: HK\$1,932,476,000) of the Group's land were pledged as collateral for the Group's banking facilities (Note 25). As at 31 December 2006, net book amount of approximately HK\$82,562,000 (2005: HK\$150,945,000) of the Group's land were pledged as collateral for bank borrowings of a jointly controlled entity.

於二零零六年十二月三十一日，本集團賬面值約港幣1,116,347,000元（二零零五年：港幣1,932,476,000元）之土地成本已抵押作本集團之銀行信貸之抵押品（附註25）。於二零零六年十二月三十一日，本集團賬面值約港幣82,562,000元（二零零五年：港幣150,945,000元）之土地已抵押作一間共同控制實體之銀行借貸之抵押品。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 7 PROPERTIES AND EQUIPMENT

### 7 物業及設備

		Consolidated 綜合					Total 總額
		Construction in progress 在建工程 HK\$'000 港幣千元	Hotel property 酒店物業 HK\$'000 港幣千元	Buildings 樓宇 HK\$'000 港幣千元	Furniture and office equipment 傢俬及 辦公室設備 HK\$'000 港幣千元	Motor vehicles 汽車 HK\$'000 港幣千元	
<b>Year ended 31 December 2005</b>	<b>截至二零零五年十二月三十一日止年度</b>						
Opening net book amount	期初賬面淨值	673,381	–	2,321	16,326	17,749	709,777
Additions (including capitalisation of land use rights amortisation)	新增(包括資本化土地使用權攤銷)	210,613	–	–	29,643	3,288	243,544
Acquisition of subsidiaries	收購附屬公司	–	–	–	954	375	1,329
Depreciation	折舊	–	(4,089)	(71)	(6,241)	(5,883)	(16,284)
Disposals	出售	–	–	–	(856)	(7,517)	(8,373)
Transfer	轉撥	(294,834)	220,073	74,761	–	–	–
Exchange difference	匯兌差額	5,664	2,077	719	378	82	8,920
Closing net book amount	期終賬面淨值	594,824	218,061	77,730	40,204	8,094	938,913
<b>At 31 December 2005</b>	<b>於二零零五年十二月三十一日</b>						
Cost	成本	594,824	222,189	79,022	61,289	21,954	979,278
Accumulated depreciation	累計折舊	–	(4,128)	(1,292)	(21,085)	(13,860)	(40,365)
Net book amount	賬面淨值	594,824	218,061	77,730	40,204	8,094	938,913
<b>Year ended 31 December 2006</b>	<b>截至二零零六年十二月三十一日止年度</b>						
Opening net book amount	期初賬面淨值	594,824	218,061	77,730	40,204	8,094	938,913
Additions (including capitalisation of land use rights amortisation)	新增(包括資本化土地使用權攤銷)	250,707	–	51,994	16,670	1,813	321,184
Acquisition of subsidiaries	收購附屬公司	–	–	–	48	270	318
Depreciation	折舊	–	(8,368)	(133)	(10,645)	(2,971)	(22,117)
Disposals	出售	–	(8,193)	(378)	(10,505)	(305)	(19,381)
Exchange difference	匯兌差額	28,247	8,190	8,953	1,746	1,407	48,543
Closing net book amount	期終賬面淨值	873,778	209,690	138,166	37,518	8,308	1,267,460
<b>At 31 December 2006</b>	<b>於二零零六年十二月三十一日</b>						
Cost	成本	873,778	222,518	138,901	67,684	23,521	1,326,402
Accumulated depreciation	累計折舊	–	(12,828)	(735)	(30,166)	(15,213)	(58,942)
Net book amount	賬面淨值	873,778	209,690	138,166	37,518	8,308	1,267,460

## 7 PROPERTIES AND EQUIPMENT (Continued)

Hotel properties with a net book amount of approximately HK\$209,690,000 (2005: HK\$218,061,000) as at 31 December 2006 was pledged as collateral for the Group's banking facilities (Note 25).

Building with a net book amount of approximately HK\$41,229,000 (2005: HK\$63,332,000) as at 31 December 2006 was pledged as collateral for the Group's banking facilities (Note 25).

Construction in progress represents hotel properties, which will be held for the long-term. All construction in progress is located in Mainland China and are located on land held under land use rights expiring from 2044 through 2046.

Depreciation expenses have been included in general and administrative expenses in the income statement.

## 7 物業及設備 (續)

於二零零六年十二月三十一日賬面淨值約港幣209,690,000元(二零零五年:港幣218,061,000元)之酒店物業已抵押作本集團銀行信貸之抵押品(附註25)。

於二零零六年十二月三十一日賬面淨值約港幣41,229,000元(二零零五年:港幣63,332,000元)之樓宇已抵押作本集團銀行信貸之抵押品(附註25)。

在建工程指長期持有之酒店物業。所有在建工程位於中國大陸,以及位於根據於二零四四年至二零四六年期間屆滿之土地使用權持有之土地。

折舊開支已計入損益表內之一般及行政開支。

## 8 INVESTMENT PROPERTIES

## 8 投資物業

		Consolidated 綜合	
		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Beginning of the year	年初	2,583,313	2,835,469
Transfer from properties under development and land costs	轉撥自發展中物業及土地成本	19,975	100,502
Disposals	出售	(460,607)	(391,493)
Surplus on revaluation	重估盈餘	261,414	14,232
Exchange difference	匯兌差額	99,750	24,603
End of the year	年終	2,503,845	2,583,313

All investment properties are located in Mainland China and are located on land held under land use rights expiring from 2037 through 2045. They were stated at fair values with reference to valuations performed on an open market value basis by DTZ Debenham Tie Leung Limited, independent qualified valuers, as at 31 December 2006.

所有投資物業均位於中國大陸及位於根據於二零三十七年至二零四五年期間屆滿的土地使用權持有之土地。所有投資物業已參考合資格獨立估值師戴德梁行於二零零六年十二月三十一日按公開市場價格基準進行之估值,以公平值列賬。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 8 INVESTMENT PROPERTIES (Continued)

As at 31 December 2006, approximately HK\$1,323,751,000 (2005: HK\$1,141,689,000) of the Group's investment properties were pledged as collateral for the Group's banking facilities (Note 25). As at 31 December 2006, approximately HK\$237,449,000 (2005: HK\$233,442,000) of the Group's investment properties were pledged as collateral for bank borrowings of a jointly controlled entity.

The Group leases out certain investment properties under operating leases, for an initial period of one to twenty years, with an option to renew on renegotiated terms. None of the leases includes contingent rentals.

### 8 投資物業 (續)

於二零零六年十二月三十一日，本集團約港幣1,323,751,000元（二零零五年：港幣1,141,689,000元）之投資物業已抵押作本集團銀行信貸之抵押品（見附註25）。於二零零六年十二月三十一日，本集團約港幣237,449,000元（二零零五年：港幣233,442,000元）之投資物業已抵押作一間共同控制實體銀行貸款之抵押品。

本集團根據經營租約出租若干投資物業，初始租期為一至二十年，可選擇根據重新磋商之條款續約。各租約概無包括或然租金。

### 9 PROPERTIES UNDER DEVELOPMENT FOR LONG-TERM INVESTMENT

### 9 持作長期投資之發展中物業

		Consolidated 綜合	
		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Beginning of the year	年初	234,411	338,586
Additions (including capitalisation of interest and land amortisation)	新增（包括資本化利息及土地攤銷）	3,466	119,125
Transfer to investment properties and properties under development for sale	轉撥至投資物業及可供出售之發展中物業	(19,173)	(225,644)
Exchange difference	匯兌差額	9,061	2,344
End of the year	年終	227,765	234,411

All properties under development for long-term investment are located in Mainland China on land held under land use rights expiring from 2037 through 2045.

As at 31 December 2006, approximately HK\$10,688,000 (2005: HK\$2,977,000) of the Group's properties under development for long-term investment were pledged as collateral for the Group's banking facilities (Note 25).

所有持作長期投資之發展中物業均位於中國大陸，並位於根據於二零三七年至二零四五年期間屆滿的土地使用權持有之土地。

於二零零六年十二月三十一日，本集團約港幣10,688,000元（二零零五年：港幣2,977,000元）之持作長期投資之發展中物業已抵押作本集團銀行信貸之抵押品。（見附註25）

## 10 PROPERTIES UNDER DEVELOPMENT FOR SALE

## 10 可供出售之發展中物業

		Consolidated 綜合	
		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Beginning of the year	年初	4,320,803	2,775,320
Additions (including capitalisation of interest and land amortisation)	新增(包括資本化利息及土地攤銷)	2,614,226	4,004,620
Acquisition of subsidiaries	收購附屬公司	508,269	85,912
Transfer to completed properties for sale	轉撥至可供出售之已落成物業	(3,335,672)	(2,767,141)
Transfer to other non-current asset	轉撥至其他非流動資產	(133,275)	—
Transfer from properties under development for long-term investment	轉撥自持作長期投資之發展中物業	—	166,784
Exchange difference	匯兌差額	172,391	55,308
End of the year	年終	4,146,742	4,320,803

All properties under development for sale are located in Mainland China and are located on land held under land use rights expiring from 2037 through 2076.

As at 31 December 2006, approximately HK\$150,291,000 (2005: HK\$789,601,000) of the Group's properties under development for sale were pledged as collateral for the Group's banking facilities (Note 25).

所有可供出售之發展中物業均位於中國大陸，並位於根據於二零三七年至二零七六年期間屆滿的土地使用權持有之土地。

於二零零六年十二月三十一日，本集團約港幣150,291,000元（二零零五年：港幣789,601,000元）之可供出售之發展中物業已抵押作本集團銀行信貸之抵押品（見附註25）。

## 11 COMPLETED PROPERTIES FOR SALE

## 11 可供出售之已落成物業

All completed properties for sale are located in Mainland China and are located on land held under land use rights expiring from 2037 through 2076.

As at 31 December 2006, approximately HK\$627,637,000 (2005: HK\$463,651,000) of the Group's completed properties for sale were pledged as collateral for the Group's banking facilities (Note 25). As at 31 December 2006, approximately HK\$10,926,000 (2005: Nil) of the Group's completed properties for sale were pledged as collateral for bank borrowings of a jointly controlled entity.

全部可供出售之已落成物業均位於中國大陸及位於根據於二零三七年至二零七六年期間屆滿的土地使用權持有之土地上。

於二零零六年十二月三十一日，本集團約港幣627,637,000元（二零零五年：港幣463,651,000元）之可供出售之已落成物業已抵押作本集團銀行信貸之抵押品（見附註25）。於二零零六年十二月三十一日，本集團約港幣10,926,000元（二零零五年：無）之可供出售之已落成物業已抵押作一間共同控制實體銀行信貸之抵押品。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 12 INTANGIBLE ASSETS

### 12 無形資產

		Consolidated 綜合 Goodwill 商譽 HK\$'000 港幣千元
Year ended 31 December 2005	截至二零零五年 十二月三十一日止年度	
Opening net book amount	期初賬面淨值	9,044
Additions	新增	92,038
Exchange difference	匯兌差額	1,060
Closing net book amount	期終賬面淨值	<u>102,142</u>
Year ended 31 December 2006	截至二零零六年 十二月三十一日止年度	
Opening net book amount	期初賬面淨值	102,142
Exchange difference	匯兌差額	4,207
Closing net book amount	期終賬面淨值	<u>106,349</u>

## 12 INTANGIBLE ASSETS (Continued)

### Impairment tests for goodwill

Goodwill is allocated to the Group's cash-generating units ("CGUs") identified according to geographical segment. A segment level summary of the goodwill allocation is presented below:

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Guangdong province	廣東省	82,499	79,210
Beijing	北京	23,850	22,932
		<b>106,349</b>	<b>102,142</b>

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a ten-year period.

Key assumptions used for value-in-use calculations:

		Guangdong Province 廣東省	Beijing 北京
Gross margin	毛利率	44.9%	48.0%
Discount rate	折現率	9.0%	9.0%

Management determined budgeted gross margin based on past performance and its expectations for the market development. The discount rates used are pre-tax and reflect specific risks relating to the relevant segments.

## 12 無形資產 (續)

### 商譽之減值測試

商譽分配至根據地區分部確認之本集團現金產生單位。商譽分配之分部概要呈列如下：

現金產生單位之可收回金額乃根據使用價值計算。該計算方法使用根據由管理層批核之財務預算得出涵蓋十年期間之現金流預測進行。

使用價值計算法之主要假設：

管理層會根據過往表現及其對市場發展之預測釐訂預算毛利率。所採用之折現率並未計及稅項，並反映相關分報之特定風險。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 13 INVESTMENTS IN SUBSIDIARIES AND DUE FROM SUBSIDIARIES

### 13 於附屬公司之投資及應收附屬公司款項

		Company 公司	
		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Unlisted shares, at cost	非上市股份·按成本值	74,900	74,900
Due from subsidiaries	應收附屬公司款項	5,230,914	4,201,451
		<b>5,305,814</b>	<b>4,276,351</b>

Amount of HK\$2,355,410,000 (2005: Nil) is unsecured, bears interest at 8% to 8.9% per annum and without pre-determined repayment terms. The remaining balance of HK\$2,875,504,000 (2005: HK\$4,201,451,000) is unsecured, non-interest bearing and without pre-determined repayment terms.

金額港幣2,355,410,000元(二零零五:無)是無抵押、付息(每年8厘至8.9厘)而並無既定還款期。餘額為港幣2,875,504,000元(二零零五年:港幣4,201,451,000元)應收附屬公司款項為無抵押、免息及並無預定還款時間。

Details of the principal subsidiaries as at 31 December 2006 are set out in Note 42.

於二零零六年十二月三十一日之主要附屬公司詳情載於附註42。

None of the subsidiaries had any loan capital in issue at any time during the year ended 31 December 2006.

於截至二零零六年十二月三十一日止年度內任何時間,各附屬公司概無擁有任何已發行借貸資本。

### 14 INVESTMENT IN AN ASSOCIATE

### 14 於一間聯營公司之投資

		Consolidated 綜合	
		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Beginning of the year	年初	80	36
Share of (loss)/profit of an associate	應佔一間聯營公司(虧損)/溢利	(80)	44
End of the year	年終	<b>—</b>	<b>80</b>

## 14 INVESTMENT IN AN ASSOCIATE (Continued)

## 14 於一間聯營公司之投資 (續)

The Group's interest in an associate, which is unlisted, is as follows:

本集團於一間非上市聯營公司之權益如下：

Name 名稱	Particulars of issued shares held 所持已發行股份詳情	Place of incorporation 註冊成立地點	Assets 資產 HK\$'000 港幣千元	Liabilities 負債 HK\$'000 港幣千元	Revenues 收入 HK\$'000 港幣千元	Profit/(loss) 溢利/(虧損) HK\$'000 港幣千元	Interest held 所持權益 %
2005	二零零五年						
Guangdong Huasheng Cultural Development Company Limited 廣東華生教育文化 發展有限公司	Registered capital of Rmb5,000,000 註冊股本人民幣 5,000,000元	Mainland China 中國大陸	11,640	11,436	2,158	111	39.6%
2006	二零零六年						
Guangdong Huasheng Cultural Development Company Limited 廣東華生教育文化 發展有限公司	Registered capital of Rmb5,000,000 註冊股本人民幣 5,000,000元	Mainland China 中國大陸	11,577	11,881	1,741	(510)	39.6%

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 15 INVESTMENT IN A JOINTLY CONTROLLED ENTITY 15 於一間共同控制實體之投資

		Consolidated 綜合		
		Share of net assets 分佔淨資產 HK\$'000 港幣千元	Goodwill 商譽 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 January 2005	於二零零五年一月一日	223,780	32,981	256,761
Acquisition of further interests	收購進一步權益	342,934	—	342,934
Capital injection	注資	46,740	20,176	66,916
Share of post-acquisition results	分佔收購後業績	76,983	—	76,983
Excess of acquirer's interest over cost of acquisition	收購者權益超逾 收購成本部分	114,526	—	114,526
Exchange difference	匯兌差額	9,045	467	9,512
At 31 December 2005	於二零零五年十二月三十一日	814,008	53,624	867,632
At 1 January 2006	於二零零六年一月一日	814,008	53,624	867,632
Share of post-acquisition results	分佔收購後業績	128,343	—	128,343
Exchange difference	匯兌差額	35,126	2,144	37,270
At 31 December 2006	於二零零六年十二月三十一日	977,477	55,768	1,033,245

Investment in a jointly controlled entity represents the Group's investment in a contractual joint venture, Guangzhou Zhujiang Qiaodao Real Estate Limited ("GZQREL"). GZQREL is established in Mainland China with an operating period of 20 years up to January 2018 to develop properties located in Guangzhou, Guangdong Province, Mainland China.

Prior to the acquisitions as described below, under the joint venture agreement, the Group was required to contribute 57.14% of the capital of GZQREL and was entitled to one-third of the voting right in GZQREL. The Group was entitled to share 40% of the profit of GZQREL but had to assume 57.14% of any losses of GZQREL, and was entitled to a distribution of 40% of GZQREL's assets upon expiry of the operating period.

於共同控制實體之權益乃指本集團於廣州珠江橋都房地產有限公司(「橋都」)之投資(橋都為一間合約合營企業)。橋都於中國大陸成立，經營期至二零一八年一月止，為期20年，其經營活動為開發位於中國大陸廣東省廣州之物業。

在下述之收購前，根據合營企業協議，本集團需要分擔橋都之57.14%資本貢獻及有權擁有橋都三分之一投票權。本集團亦有權分佔橋都之40%溢利，惟須承擔橋都虧損之57.14%，以及有權於經營期屆滿時獲分配橋都40%資產。

## 15 INVESTMENT IN A JOINTLY CONTROLLED ENTITY (Continued)

On 23 June 2004, the Group entered into conditional agreements to acquire further interests totalling 59.5% profit-sharing interest in GZQREL from other joint venturers. The acquisition in respect of the 29.5% profit-sharing interest in GZQREL was completed during the year ended 31 December 2005. Accordingly, the Group has recognised the acquisition of this 29.5% profit-sharing interest, including the gain on acquisition, representing the excess of the Group's share of the net identifiable assets over the cost of acquisition of approximately HK\$457,460,000, which amounted to HK\$114,526,000, in the income statement. Upon completion of this acquisition of a 29.5% interest in GZQREL, the Group is responsible for contributing 99.5% of the capital of GZQREL and is entitled to 44.4% of the voting power in GZQREL. It is entitled to share 69.5% of the profit of GZQREL but has to assume 99.5% at any losses of GZQREL, and is entitled to a distribution of 69.5% of GZQREL's assets upon expiry of the operating period.

The acquisition of the remaining 30% profit-sharing interest in GZQREL has not yet completed at 31 December 2006.

## 15 於一間共同控制實體之投資 (續)

於二零零四年六月二十三日，本集團訂立有條件協議，以進一步向其他合營方收購僑都合共59.5%溢利分佔權益。收購僑都合共29.5%溢利分佔權益已於截至二零零五年十二月三十一日止年度內完成。因此，本集團已於損益表確認該29.5%溢利分佔權益之收購，包括收購之收益（指本集團所分佔之可確認淨資產高於收購成本之差額約港幣457,460,000元）約港幣114,526,000元。在完成收購僑都之29.5%權益後，本集團須分擔僑都之99.5%資本貢獻及有權擁有僑都44.4%投票權。本集團亦有權分佔僑都之69.5%溢利，惟須承擔僑都虧損之99.5%，以及有權於經營期屆滿時獲分配僑都69.5%資產。

於二零零六年十二月三十一日尚未完成進一步收購僑都餘下30%溢利分佔權益。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 15 INVESTMENT IN A JOINTLY CONTROLLED ENTITY (Continued)

The following amounts represent the Group's 69.5% (2005: 69.5%) share of the assets, liabilities and commitments as at 31 December and the Group's share of sales and results of the jointly controlled entity of 69.5% for the year ended 31 December 2006 (40% from 1 January 2005 to 30 June 2005 and 69.5% from 1 July 2005 to 31 December 2005):

### 15 於一間共同控制實體之投資 (續)

以下金額為本集團於十二月三十一日所佔共同控制實體69.5% (二零零五年: 69.5%) 資產、負債及承擔，以及本集團分佔共同控制實體69.5%截至二零零六年十二月三十一日止年度之銷售額及業績 (自二零零五年一月一日至二零零五年六月三十日為40%及自二零零五年七月一日至二零零五年十二月三十一日為69.5%)：

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
<b>Assets:</b>	<b>資產:</b>		
Non-current assets	非流動資產	146,157	145,596
Current assets	流動資產	2,064,390	1,781,744
		<b>2,210,547</b>	<b>1,927,340</b>
<b>Liabilities:</b>	<b>負債:</b>		
Long-term liabilities	長期負債	(769,301)	(650,149)
Current liabilities	流動負債	(463,769)	(454,209)
		<b>(1,233,070)</b>	<b>(1,104,358)</b>
<b>Net assets</b>	<b>資產淨值</b>	<b>977,477</b>	<b>822,982</b>
Revenues	收益	605,613	593,711
Cost of sales and expenses	銷售成本及開支	(326,344)	(323,336)
Profit before taxation	除稅前溢利	279,269	270,375
Taxation	稅項	(150,926)	(78,866)
Profit for the year	本年度溢利	<b>128,343</b>	<b>191,509</b>
Proportionate interest in the jointly controlled entity's contingent liabilities (Note 38)	於共同控制實體或然負債之按比例權益 (附註38)	<b>241,892</b>	<b>191,388</b>
Proportionate interest in the jointly controlled entity's commitments (Note 39)	於共同控制實體股本承擔之按比例權益 (附註39)	<b>1,254,841</b>	<b>1,709,358</b>

## 16 INVESTMENTS IN JOINTLY CONTROLLED ASSETS

Certain subsidiaries of the Group entered into a jointly controlled assets arrangement with Guangzhou Zhuguang Real Estate Development Company Limited, an independent third party, under which each of the Group companies and Guangzhou Zhuguang Real Estate Development Company Limited contributed land and other assets for the development of properties located in Guangzhou, Guangdong Province, mainland China. During the year ended 31 December 2006, the Group's participating interest in these jointly controlled assets was 95.5% (2005: 95.5%). The Group's share of the net profit of the jointly controlled assets for the year amounted to HK\$184,801,000 (2005: HK\$205,841,000) and the net assets of the jointly controlled assets as at 31 December 2006 amounted to HK\$718,503,000 (2005: HK\$507,661,000).

## 16 於共同控制資產之投資

本集團若干附屬公司與一名獨立第三方廣州珠光房地產開發有限公司訂立一項共同控制資產安排。據此，本集團旗下公司及廣州珠光房地產開發有限公司各就開發位於中國大陸廣東省廣州之物業提供土地及其他資產。於截至二零零六年十二月三十一日止年度內，本集團擁有該等共同控制資產95.5%（二零零五年：95.5%）之參與權益。本集團年度應佔共同控制資產溢利為港幣184,801,000元（二零零五：港幣205,841,000元）而本集團於二零零六年應佔共同控制資產淨值部份為港幣718,503,000元（二零零五年：港幣507,661,000元）。

## 17 AVAILABLE-FOR-SALE FINANCIAL ASSET

## 17 可供出售財務資產

		Consolidated 綜合	
		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		港幣千元	港幣千元

Unlisted equity securities in  
Mainland China

中國大陸非上市股本證券

291,834

—

The fair value of the Group's available-for-sale financial asset is determined using the price/earnings multiple method taking into account the risks and nature of the underlying business.

本集團可供出售財務資產之公平值乃使用市盈率法並計及相關業務之風險及性質而釐定。

## 18 DEPOSIT PAID

Deposit paid represents the advance payment of approximately HK\$554,579,000 (equivalent to approximately RMB554,579,000) made for the assignment of loans and the acquisition of interest in a jointly controlled entity, namely Beijing Dongfangwenhua International Properties Company Limited ("BJ Dongfangwenhua"), a company with a property development project ("Project Cultural") in Beijing, Mainland China.

## 18 已付按金

已付按金指有關轉讓貸款及收購一間共同控制實體即北京東方文華國際置業有限公司（「北京東方文華」，其為擁有中國北京一個物業發展項目（「文化項目」）之公司）而墊付之款項約港幣554,579,000元（約相當於人民幣554,579,000元）。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 18 DEPOSIT PAID (Continued)

On 19 May 2006, the Group entered into agreements with Beijing Huaxia Chuang Ye Real Estate Development Company Limited ("BJ Huaxia"), a related company, to acquire BJ Huaxia's entire equity interest representing approximately 60.98% interest in BJ Dongfangwenhua and to purchase loans to BJ Dongfangwenhua and a joint venture partner from BJ Huaxia. Upon completion of the acquisition, the Group is responsible for contributing 95.8% of the capital of BJ Dongfangwenhua and is entitled to 100% of the profit arising from the office buildings and 45% of the profit arising from the hotels in Project Cultural.

The total consideration and capital contribution for the transaction amount to approximately HK\$795,584,000 (equivalent to approximately RMB795,584,000). As at 31 December 2006, the transaction has not yet completed.

### 18 已付按金 (續)

於二零零六年五月十九日，本集團與北京華夏創業房地產開發有限公司（「北京華夏」）（一間關連公司）訂立協議，以收購北京華夏於北京東方文華及一名合營伙伴之全部股本權益（約佔60.98%），並收購由北京華夏墊予北京東方文華之轉讓貸款。完成收購後，本集團需負責北京東方文華95.8%資本的出資，並可攤佔來自寫字樓之100%溢利及來自文化項目之酒店之45%溢利。

該宗交易的總代價及出資額約為港幣795,584,000元（相當於約人民幣795,584,000元）。於二零零六年十二月三十一日，該交易尚未完成。

### 19 OTHER NON-CURRENT ASSET AND LIABILITY

On 21 July 2006, the Company entered into a conditional share purchase agreement (the "Agreement") with Sun Advance Investments Limited, an indirect wholly-owned subsidiary of the Company ("Sun Advance"), Prime Essence Inc. ("Prime"), Interwell Developments Limited ("Interwell"), a 50% owned subsidiary of Comapny, Union Wise Investment Limited, Shanghai Mintai Real Estate Co., Ltd. ("Mintai") and Pacific Delta Investments Limited ("Pacific"), pursuant to which Pacific conditionally agreed to acquire the entire issued share capital of Interwell from Sun Advance and Prime in equal proportion for a consideration of US\$300 million, subject to adjustment in accordance with the Agreement.

Interwell, through Mintai, is currently constructing a building known as Shanghai Hopson International Tower situated at Meiyuan Street, Fang No. 9, Qiu No. 5, Pudong New District, Shanghai, PRC with a planned gross floor area of 85,784 square meters. The completion of the Agreement is conditional, among others, upon the issue of the occupation permit for Shanghai Hopson International Tower which the Group expects to obtain in 2008. As at 31 December 2006, the costs of land and construction of Shanghai Hopson International Tower have been classified as other non-current asset and the deposit of US\$75 million (HK\$581,250,000) received from Pacific has been classified as other non-current liability. The Group estimated a gain on disposal of its equity interest in Interwell of approximately HK\$500 million, which will be recognised upon the completion of the Agreement in 2008.

### 19 其他非流動資產及負債

於二零零六年七月二十一日，本公司與本公司之間接全資附屬公司Sun Advance Investments Limited（「Sun Advance」）、Prime Essence Inc.（「Prime」）、Interwell Developments Limited（「Interwell」）（本公司持有其50%股權之附屬公司）、Union Wise Investment Limited、上海民泰房地產有限公司（「民泰」）及Pacific Delta Investments Limited（「Pacific」）訂立有條件股份購買協議（「該協議」），據此，Pacific有條件同意按同一比例向Sun Advance及Prime收購Interwell全部已發行股本，代價為300,000,000美元，但可按照該協議作出調整。

Interwell透過民泰現正興建一座位於中國上海浦東新區梅園街道9坊5丘之大廈，名為上海合生國際大廈，規劃建築樓面面積為85,784平方米。完成該合約須受若干條件規限，該等條件包括（其中包括）發出上海合生國際大廈之佔用許可證（本集團預計可於二零零八年取得該許可證）。於二零零六年十二月三十一日，上海合生國際大廈之土地及建築成本已分類為其他非流動資產，而自Pacific收取之按金75,000,000美元（港幣581,250,000元）已分類為其他非流動負債。本集團售出Interwell股權之估計收益約為港幣500,000,000元，將於該協議於二零零八年完成後確認入賬。

## 20 PREPAYMENTS, DEPOSITS AND OTHER CURRENT ASSETS      20 預付款項、按金及其他流動資產

		Consolidated 綜合		Company 公司	
		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Deposits for acquisitions of equity interests (i)	收購股本權益之按金(i)	1,172,415	351,309	—	—
Prepayments for acquisition of land (ii)	收購土地之預付款項(ii)	643,080	635,071	—	—
Guarantee deposit	擔保按金	50,000	47,667	—	—
Prepaid construction expenditures	預付建築開支	22,454	43,260	—	—
Utility and other deposits	公用設施及其他按金	49,137	52,607	—	—
Others	其他	160,552	41,949	—	422
		<b>2,097,638</b>	<b>1,171,863</b>	<b>—</b>	<b>422</b>

Notes:

- (i) This represents advances made to independent third parties for the acquisition of majority interests in certain Mainland China entities whose principal activities are property holding and development. The acquisitions are not yet completed as at 31 December 2006.
- (ii) This represents advances made for the acquisition of land use rights in Beijing, Shanghai, Guangzhou and Tianjin, Mainland China.

附註：

- (i) 此乃指就收購若干中國大陸實體（其主要業務為物業持有及開發）之多數股東權益而向獨立第三方作出之墊款。於二零零六年十二月三十一日，收購尚未完成。
- (ii) 此乃指就收購位於中國大陸之土地使用權而向北京市、上海市、廣州市及天津市政府下屬部門作出之墊款。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 21 ACCOUNTS RECEIVABLE

Consideration in respect of properties sold is generally payable by the buyers at the time of completion of the sale and purchase agreements. Rentals in respect of leased properties and property management fees are generally payable in advance by the tenants on a monthly basis.

The ageing analysis of accounts receivable is as follows:

		Consolidated	
		2006	2005
		二零零六年	二零零五年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
0 to 3 months	0 至3 個月	39,059	35,697
3 to 6 months	3 至6 個月	7,840	1,433
6 to 9 months	6 至9 個月	3,780	448
9 to 12 months	9 至12 個	850	25,368
Over 12 months	超過12 個月	59,613	27,378
		<b>111,142</b>	<b>90,324</b>

Carrying values of accounts receivable approximate their fair values.

As at 31 December 2006, approximately 24% (2005: 22%) of the accounts receivable was due from two (2005: one) customers; other than this, there is no concentration of credit risk with respect to accounts receivable as the Group has a large number of customers.

### 21 應收賬款

已出售物業之代價一般須於買賣協議完成當日由買方支付。租賃物業之租金及物業管理費一般須由租戶每月預付。

應收賬款之賬齡分析如下：

應收賬款面值與其公平值相若。

於二零零六年十二月三十一日，應收賬款中約有24%（二零零五年：22%）乃由兩（二零零五年：一名）客戶結欠；除此以外，由於本集團顧客眾多，應收賬款並無信貸集中之風險。

## 22 PLEDGED/CHARGED BANK DEPOSITS AND CASH AND CASH EQUIVALENTS

## 22 已質押／抵押銀行存款及現金及現金等價物

		Consolidated 綜合		Company 公司	
		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Cash at bank and in hand	銀行及手頭現金	2,093,137	2,064,206	40,799	848
Short-term bank deposits	短期銀行存款	476,659	526,142	476,003	495,902
		<b>2,569,796</b>	<b>2,590,348</b>	<b>516,802</b>	<b>496,750</b>

The effective interest rate on short-term bank deposits was 3.5% (2005: 4%) per annum; these deposits have an average maturity of 1 (2005: 1) day.

短期銀行存款之實際年利率為3.5厘（二零零五年：4厘），該等存款之平均到期日數為1日（二零零五年：1日）。

As at 31 December 2006, the Group's bank deposits of nil (2005: HK\$71,344,000) were pledged as collateral for the Group's banking facilities (Note 25). In addition, the Group's bank deposits of approximately HK\$131,420,000 (2005: HK\$165,724,000) were charged by certain banks in respect of the processing of mortgage facilities granted by the banks to buyers of the Group's properties.

於二零零六年十二月三十一日，本集團並無（二零零五年：港幣71,344,000元）銀行存款已抵押作本集團銀行信貸之抵押品（見附註25）。此外，本集團銀行存款約港幣131,420,000元（二零零五年：港幣165,724,000元）已被若干銀行抵押，以便銀行處理有關向本集團物業買家授予按揭信貸額。

The carrying amounts of pledged/charged bank deposits and cash and cash equivalents are denominated in the following currencies:

已質押／抵押之銀行存款及現金及現金等價物之面值乃以下列貨幣列值：

		Consolidated 綜合		Company 公司	
		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Chinese Renminbi	人民幣	1,972,081	2,055,318	—	—
US dollar	美元	99,727	449,460	90,819	446,875
Hong Kong dollar	港元	497,938	85,511	425,983	49,875
Other currencies	其他貨幣	50	59	—	—
		<b>2,569,796</b>	<b>2,590,348</b>	<b>516,802</b>	<b>496,750</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 23 LAND COST PAYABLE

### 23 應付土地成本

		Consolidated 綜合	
		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Land premium payable	應付土地出讓金	390,041	318,958
Land compensation payable	應付土地補償款	680,887	681,603
		<b>1,070,928</b>	1,000,561
Less: Amount due within one year included in current liabilities	減：計入流動負債須 於一年內償還 之金額	<b>(1,070,928)</b>	(1,000,039)
		<b>—</b>	522

Carrying values of land cost payable approximate their fair values.

應付土地成本面值與其公平值相若。

### 24 ACCOUNTS PAYABLE

### 24 應付賬款

The ageing analysis of accounts payable (including amounts due to related companies of trading nature) is as follows:

應付賬款之賬齡分析(包括應付予關連公司屬於交易性質之賬款)如下:

		Consolidated 綜合	
		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
0 to 3 months	0至3個月	<b>563,378</b>	800,524

As at 31 December 2006, approximately HK\$344,617,000 (2005: HK\$449,404,000) of accounts payable was due to subsidiaries of minority shareholders of certain subsidiaries of the Company in respect of property construction fees.

於二零零六年十二月三十一日，就物業建築費應付本公司若干附屬公司少數股東之附屬公司之賬款約為港幣344,617,000元(二零零五年：港幣449,404,000元)。

Carrying values of accounts payable approximate their fair values.

應付賬款面值與其公平值相若。

## 25 BORROWINGS

## 25 借貸

		Consolidated 綜合		Company 公司	
		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Non-current	非流動				
Bank borrowings	銀行借貸	3,425,413	2,165,949	—	—
Senior notes	優先票據	2,651,550	2,660,902	2,651,550	2,660,902
		<u>6,076,963</u>	<u>4,826,851</u>	<u>2,651,550</u>	<u>2,660,902</u>
Current	流動				
Bank borrowings	銀行借貸	1,345,042	1,837,342	—	—
Total borrowings	總借貸	<u>7,422,005</u>	<u>6,664,193</u>	<u>2,651,550</u>	<u>2,660,902</u>

In November 2005, the Company issued 8.125% senior notes with an aggregate nominal value of US\$350,000,000 (equivalent to approximately HK\$2,730,000,000), for a total consideration of approximately HK\$2,733,182,000. The senior notes mature in seven years (November 2012) and are repayable at their nominal value of US\$350,000,000. The Company will be entitled at its option to redeem all or a portion of the senior notes on and after 9 November 2009 at the redemption prices specified in the offering circular, plus accrued and unpaid interest to the redemption date.

於二零零五年十一月，本公司發行總面值達350,000,000美元（約相當於港幣2,730,000,000元）之8.125厘優先票據，總代價約為港幣2,733,182,000元。優先票據於七年後到期（二零一二年十一月），並須償還按彼等之面值350,000,000美元。本公司將有權選擇於二零零九年十一月九日或以後按發售通函所訂明之贖回價（加截至贖回日期應付未付之利息）贖回全部或部份優先票據。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 25 BORROWINGS (Continued)

The senior notes recognised in the balance sheet are calculated as follows:

### 25 借貸 (續)

於資產負債表中確認之優先票據計算如下：

		2006 二零零六年 HK\$'000 港幣千元
Nominal value	面值	2,730,000
Premium component	溢價部分	3,182
Issue costs	發行費用	(73,965)
Fair value at the date of issuance	於發行日期之公平值	2,659,217
Amortisation of premium	溢價攤銷	(303)
Amortisation of issue costs	發行費用攤銷	10,136
Exchange difference	匯兌差額	(17,500)
Carrying amount at 31 December 2006	於二零零六年十二月三十一日之面值	2,651,550

As at 31 December 2006, the senior notes are jointly and severally guaranteed by certain subsidiaries and are secured by the capital stock of the subsidiaries. The net assets of these subsidiaries were approximately HK\$167,815,000 (2005: HK\$603,749,000) as at 31 December 2006.

於二零零六年十二月三十一日，優先票據由若干附屬公司共同及個別提供擔保，並以附屬公司之股本作抵押。於二零零六年十二月三十一日，該等附屬公司之資產淨值約為港幣167,815,000元（二零零五年：港幣603,749,000）。

## 25 BORROWINGS (Continued)

## 25 借貸 (續)

The maturity analysis of the borrowings is as follows:

借貸之到期分析如下：

		Bank borrowings		Senior notes		Total	
		銀行借貸		優先票據		總計	
		2006	2005	2006	2005	2006	2005
		二零零六年	二零零五年	二零零六年	二零零五年	二零零六年	二零零五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Within one year	一年內	1,345,042	1,837,342	–	–	1,345,042	1,837,342
Between one and two years	一年至兩年內	2,232,017	1,449,663	–	–	2,232,017	1,449,663
Between two and five years	兩年至五年內	1,193,396	716,286	–	–	1,193,396	716,286
Wholly repayable within five years	五年內 悉數償還	4,770,455	4,003,291	–	–	4,770,455	4,003,291
Over five years	超過五年	–	–	2,651,550	2,660,902	2,651,550	2,660,902
		<b>4,770,455</b>	<b>4,003,291</b>	<b>2,651,550</b>	<b>2,660,902</b>	<b>7,422,005</b>	<b>6,664,193</b>

The carrying amounts of the borrowings are denominated in the following currencies with the respective effective interest rates:

借貸面值以下列貨幣為單位及其各自之實際利率如下：

		2006		2005	
		二零零六年		二零零五年	
		Effective		Effective	
		HK\$'000	interest rate	HK\$'000	interest rate
		港幣千元	實際利率	港幣千元	實際利率
Chinese Renminbi	人民幣				
– Bank borrowings	– 銀行借貸	4,770,455	6.3%	3,987,691	5.9%
US dollar	美元				
– Bank borrowings	– 銀行借貸	–	–	15,600	7.3%
– Senior notes	– 優先票據	2,651,550	8.6%	2,660,902	8.6%
		<b>7,422,005</b>		<b>6,664,193</b>	

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 25 BORROWINGS (Continued)

The carrying amounts and the fair value of the borrowings are as follows:

### 25 借貸 (續)

借貸之面值及公平值如下：

		Carrying amounts		Fair values	
		面值		公平值	
		2006	2005	2006	2005
		二零零六年	二零零五年	二零零六年	二零零五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
Bank borrowings	銀行借貸	<b>4,770,455</b>	4,003,291	<b>4,787,416</b>	4,006,438
Senior notes	優先票據	<b>2,651,550</b>	2,660,902	<b>2,703,158</b>	2,715,277
		<b>7,422,005</b>	6,664,193	<b>7,490,574</b>	6,721,715

The fair values are based on cash flows discounted using a rate based on the Group's average borrowings rate of 6.3% to 8.6% (2005: 5.9% to 8.6%), depending on the currency denomination of the borrowings.

公平值乃利用根據本集團平均借貸利率6.3厘至8.6厘(二零零五年:5.9厘至8.6厘)釐訂之利率(視乎借貸貨幣種類)計算之折算現金流釐訂。

## 25 BORROWINGS (Continued)

As at 31 December 2006, the Group's banking facilities were secured by:

- (i) the Group's land costs of approximately HK\$1,116,347,000 (2005: HK\$1,932,476,000);
- (ii) the Group's hotel property of approximately HK\$209,690,000 (2005: HK\$218,061,000);
- (iii) the Group's building of approximately HK\$41,229,000 (2005: HK\$63,332,000);
- (iv) the Group's investment properties with an aggregate carrying amount of approximately HK\$1,323,751,000 (2005: HK\$1,141,689,000);
- (v) the Group's properties under development for long-term investment of approximately HK\$10,688,000 (2005: HK\$2,977,000);
- (vi) the Group's properties under development for sale of approximately HK\$150,291,000 (2005: HK\$789,601,000);
- (vii) the Group's completed properties for sale of approximately HK\$627,637,000 (2005: HK\$463,651,000); and
- (viii) the Group's bank deposits of nil (2005: HK\$71,344,000).

## 25 借貸 (續)

於二零零六年十二月三十一日，本集團之銀行信貸乃以下列抵押品擔保：

- (i) 約港幣1,116,347,000元(二零零五年：港幣1,932,476,000元)之本集團土地成本；
- (ii) 約港幣209,690,000元(二零零五年：港幣218,061,000元)之本集團酒店物業；
- (iii) 約港幣41,229,000元(二零零五年：港幣63,332,000元)之本集團樓宇；
- (iv) 總賬面值約港幣1,323,751,000元(二零零五年：港幣1,141,689,000元)之本集團投資物業；
- (v) 約港幣10,688,000元(二零零五年：港幣2,977,000元)之本集團持作長期投資之在建物業；
- (vi) 約港幣150,291,000元(二零零五年：港幣789,601,000元)之本集團可供銷售之發展中物業；
- (vii) 約港幣627,637,000元(二零零五年：港幣463,651,000元)之本集團可供銷售之已落成物業；及
- (viii) 並無(二零零五年：港幣71,344,000元)之本集團銀行存款。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 26 DEFERRED INCOME TAX

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same tax authority. The offset amounts are as follows:

### 26 遞延所得稅

遞延稅項資產及負債只可在現行稅項資產及負債有合法權利互相抵銷及遞延所得稅為同一稅務機關下，方可互相抵銷。抵銷金額載列如下：

		Consolidated 綜合	
		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Deferred tax assets:	遞延稅項資產：		
– Deferred tax assets to be recovered after more than twelve months	– 將於十二個月後收回之遞延稅項資產	31,032	44,073
– Deferred tax assets to be recovered within twelve months	– 將於十二個月內收回之遞延稅項資產	11,325	7,889
		<u>42,357</u>	<u>51,962</u>
Deferred tax liabilities:	遞延稅項負債：		
– Deferred tax liabilities to be realised after more than twelve months	– 將於十二個月後變現之遞延稅項負債	(584,550)	(328,252)
– Deferred tax liabilities to be realised within twelve months	– 將於十二個月內變現之遞延稅項負債	(311,475)	(284,214)
		<u>(896,025)</u>	<u>(612,466)</u>
		<u>(853,668)</u>	<u>(560,504)</u>

## 26 DEFERRED INCOME TAX (Continued)

## 26 遞延所得稅 (續)

The gross movements on deferred taxation are as follows:

遞延稅項總變動如下：

Assets/(liabilities)	資產／(負債)	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Beginning of the year	年初	(560,504)	(327,471)
Acquisition of subsidiaries	收購附屬公司	(31,606)	(147,913)
Recognised in the income statement	於損益表確認	(233,278)	(72,504)
Exchange difference	匯兌差額	(28,280)	(12,616)
End of the year	年終	(853,668)	(560,504)

The movements in deferred tax assets and deferred tax liabilities, without taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

遞延稅項資產及遞延稅項負債之變動(並無考慮相同司法權區內之結餘抵銷)如下：

### Deferred tax liabilities

### 遞延稅項負債

		Revaluation surplus 重估盈餘 HK\$'000 港幣千元	Timing difference in reporting revenue 收入申報 之時差 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
At 1 January 2005	於二零零五年一月一日	(527,814)	153,071	(374,743)
Recognised in the income statement	於損益表確認	65,230	(141,929)	(76,699)
Acquisition of subsidiaries	收購附屬公司	(147,913)	—	(147,913)
Exchange difference	匯兌差額	(5,870)	(7,241)	(13,111)
At 31 December 2005	於二零零五年十二月三十一日	(616,367)	3,901	(612,466)
Recognised in the income statement	於損益表確認	68,986	(290,810)	(221,824)
Acquisition of subsidiaries	收購附屬公司	(31,606)	—	(31,606)
Exchange difference	匯兌差額	(24,309)	(5,820)	(30,129)
At 31 December 2006	於二零零六年十二月三十一日	(603,296)	(292,729)	(896,025)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 26 DEFERRED INCOME TAX (Continued)

### 26 遞延所得稅 (續)

#### Deferred tax assets

#### 遞延稅項資產

		Tax losses 稅項虧損 HK\$'000 港幣千元
At 1 January 2005	於二零零五年一月一日	47,272
Recognised in the income statement	於損益表確認	4,195
Exchange difference	匯兌差額	495
At 31 December 2005	於二零零五年十二月三十一日	51,962
Recognised in the income statement	於損益表確認	(11,454)
Exchange difference	匯兌差額	1,849
At 31 December 2006	於二零零六年十二月三十一日	42,357

Deferred tax assets are recognised for tax loss carry forwards to the extent that the realisation of the related tax benefit through the future taxable profits is probable. As at 31 December 2006, the Group did not recognise deferred tax assets of approximately HK\$46,896,000 (2005: HK\$26,722,000) in respect of tax losses amounting to approximately HK\$224,727,000 (2005: HK\$113,007,000) which are expiring from 2007 through 2011.

遞延稅項資產乃因應相關稅務利益可透過未來應課稅溢利變現而就所結轉之稅項虧損作確認。於二零零六年十二月三十一日，本集團並無就稅損約港幣224,727,000元（二零零五年：港幣113,007,000元）確認遞延稅項資產約港幣46,896,000元（二零零五年：港幣26,722,000元）；此等稅項虧損將於二零零七年至二零一一年內屆滿。

## 27 SHARE CAPITAL

## 27 股本

		Number of shares 股份數目 '000 千股	Ordinary shares 普通股 HK\$'000 港幣千元
At 1 January 2005	於二零零五年一月一日	1,003,000	100,300
Issue of shares	發行股份		
– placements	– 配股	200,600	20,060
– employee share options scheme	– 僱員購股權計劃	10,000	1,000
At 31 December 2005	於二零零五年十二月三十一日	<u>1,213,600</u>	<u>121,360</u>
At 1 January 2006	於二零零六年一月一日	1,213,600	121,360
Issue of shares	發行股份		
– placement	– 配股	60,000	6,000
– employee share options scheme	– 僱員購股權計劃	11,500	1,150
At 31 December 2006	於二零零六年十二月三十一日	<u>1,285,100</u>	<u>128,510</u>

The total authorised number of ordinary shares is 2,000,000,000 shares (2005: 2,000,000,000 shares), with a par value of HK\$0.1 per share (2005: HK\$0.1 per share). All issued shares are fully paid.

法定普通股之總數為2,000,000,000股(二零零五年: 2,000,000,000股)每股面值港幣0.1元(二零零五年: 每股港幣0.1元)股份。所有已發行股份均已繳足股款。

In November 2006, the Company issued 60,000,000 shares (approximately 4.9% of the Company's issued share capital as enlarged by the subscription) for a cash consideration of HK\$996,000,000. The related transaction costs amounting to approximately HK\$16,738,000 have been netted off against the proceeds received.

於二零零六年十一月,本公司發行60,000,000股股份(約佔本公司經認購事項所擴大之已發行股本約4.9%)以換取現金代價港幣996,000,000元。有關交易成本約為港幣16,738,000元,已於所收取之款項中抵扣。

During the year ended 31 December 2006, the Company issued 11,500,000 shares for a cash consideration of HK\$52,300,000 upon exercise of employee share options.

於截至二零零六年十二月三十一日止年度內,本公司於僱員購股權獲行使時發行11,500,000股股份換取現金代價港幣52,300,000元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 27 SHARE CAPITAL (Continued)

#### Share options

The Company has an employee share options scheme, under which it may grant options to employees (including executive directors of the Company) to subscribe for shares in the Company, subject to a limit that the total number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the share options schemes of the Company shall not exceed 30% of the shares in issue from time to time. The exercise price will be determined by the Company's board of directors and shall at least be the highest of (i) the closing price of the Company's shares on the date of grant of the options, (ii) the average closing price of the Company's shares for the five trading days immediately preceding the date of grant of the options, and (iii) the nominal value of the Company's shares of HK\$0.1 each. This employee share options scheme will remain in force for a period of 10 years up to 2012.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

### 27 股本 (續)

#### 購股權

本公司有一項僱員購股權計劃，據此，本公司可向僱員（包括本公司執行董事）授出購股權以認購本公司股份，惟按本公司購股權計劃，所有已授出但未行使的購股權予以行使時發行的股份總數，不得超過本公司不時已發行股份的30%。行使價將由本公司董事會釐定，其將不少於下列三者之最高者：(i)本公司股份於購股權授出日期之收市價；(ii)於緊接購股權授出日期前五個交易日本公司股份之平均收市價；及(iii)本公司股份面值（每股港幣0.1元）。本僱員購股權計劃於截至二零一二年之十年期間維持有效。

未行使購股權數目及其相關加權平均行使價之變動如下：

		2006 二零零六年		2005 二零零五年	
		Average exercise price in HK\$ per share 每股平均 行使價 港元	Options 購股權 '000 千份	Average exercise price in HK\$ per share 每股平均 行使價 港元	Options 購股權 '000 千份
At 1 January	於一月一日	5.3	16,536	—	—
Granted	已授出	—	—	4.9	26,536
Exercised	已行使	4.3	(6,000)	4.3	(10,000)
		4.3	(4,000)	—	—
		6.2	(1,500)	—	—
At 31 December	於十二月三十一日	7.0	5,036	5.3	16,536

As at 31 December 2006, all of the 5,036,000 outstanding share options were exercisable.

於二零零六年十二月三十一日尚有5,036,000份可行使而未行使之購股權。

## 27 SHARE CAPITAL (Continued)

### Share options (Continued)

Share options outstanding have the following expiry dates and exercise prices:

Expiry date 到期日	Exercise price HK\$ per share 每股行使價(港元)		Share options 購股權	
			2006 二零零六年 '000 千份	2005 二零零五年 '000 千份
28 April 2010	二零一零年四月二十八日	4.3	—	10,000
10 August 2010	二零一零年八月十日	6.2	3,000	4,500
14 September 2010	二零一零年九月十四日	8.2	2,036	2,036
			<b>5,036</b>	<b>16,536</b>

Options exercised during the year ended 31 December 2006 resulted in 11,500,000 (2005: 10,000,000) shares being issued at HK\$4.3 and HK\$6.2 respectively (2005: HK\$4.3). The related weighted average share price at the time of exercise were HK\$14.9, HK\$15.0 and HK\$15.3 respectively (2005: HK\$10.7) per share. The related transaction costs amounting to HK\$5,000 (2005: HK\$5,000) have been netted off with the proceeds received.

On 6 February 2007, 1,500,000 share options were exercised to subscribe for the Company's shares at HK\$6.2 each.

## 27 股本 (續)

### 購股權 (續)

尚未行使購股權之到期日及行使價如下：

於截至二零零六年十二月三十一日止年度獲行使之購股權導致11,500,000股股份(二零零五年：10,000,000股)以每股港幣4.3元或港幣6.2元(二零零五年：港幣4.3元)之價格發行。行使當時之相關加權平均股價分別為每股港幣14.9元、15.0元及15.3元(二零零五年：港幣10.7元)。有關交易成本約為港幣5,000元(二零零五年：港幣5,000元)，已於所收取之款項中抵扣。

於二零零七年二月六日有1,500,000份購股權獲行使以按每股港幣6.2元之價格認購本公司股份。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 28 RESERVES

### 28 儲備

		Consolidated 綜合				
		Share premium	Statutory reserves	Currency translation difference 貨幣	Retained earnings	Total
		股份溢價 HK\$'000 港幣千元	法定儲備 HK\$'000 港幣千元	匯兌差額 HK\$'000 港幣千元	保留盈利 HK\$'000 港幣千元	總計 HK\$'000 港幣千元
Balance at 1 January 2005	於二零零五年 一月一日之結餘	619,915	133,378	3,959	2,481,065	3,238,317
Transfer to reserves (i)	轉至儲備(i)	–	20,636	–	(20,636)	–
Currency translation differences	貨幣匯兌差額	–	–	62,133	–	62,133
Profit for the year	年度溢利	–	–	–	1,217,323	1,217,323
Dividend relating to 2004	屬於二零零四年之股息	–	–	–	(60,180)	(60,180)
Dividend relating to 2005	屬於二零零五年之股息	–	–	–	(117,351)	(117,351)
Employee share options scheme	僱員購股權計劃					
– value of services provided	– 僱員服務價值	23,447	–	–	–	23,447
Issue of shares	發行股份					
– placement	– 配股	957,865	–	–	–	957,865
– employee share options scheme	– 僱員購股權計劃	42,000	–	–	–	42,000
Share issue expenses	股份發行開支	(21,206)	–	–	–	(21,206)
Balance at 31 December 2005	於二零零五年十二月 三十一日之結餘	1,622,021	154,014	66,092	3,500,221	5,342,348
Representing –	代表 –					
2005 Final dividend proposed	擬派二零零五年 末期股息				295,143	
Others	其他				3,205,078	
					<u>3,500,221</u>	
Analysed by –	分析 –					
Company and subsidiaries	本公司及附屬公司				3,174,591	
Jointly controlled entity	共同控制實體				327,438	
Associate	聯營公司				(1,808)	
					<u>3,500,221</u>	

## 28 RESERVES (Continued)

## 28 儲備 (續)

		Consolidated 綜合			Retained earnings	Total
		Share premium	Statutory reserves	Currency translation difference		
		股份溢價 HK\$'000 港幣千元	法定儲備 HK\$'000 港幣千元	匯兌差額 HK\$'000 港幣千元	保留盈利 HK\$'000 港幣千元	總計 HK\$'000 港幣千元
Balance at 1 January 2006	於二零零六年 一月一日之結餘	1,622,021	154,014	66,092	3,500,221	5,342,348
Transfer to reserves (i)	轉至儲備(i)	–	7,103	–	(7,103)	–
Currency translation differences	貨幣匯兌差額	–	–	214,482	–	214,482
Profit for the year	年度溢利	–	–	–	1,553,752	1,553,752
Dividend relating to 2005	屬於二零零五年之股息	–	–	–	(295,143)	(295,143)
Dividend relating to 2006	屬於二零零六年之股息	–	–	–	(132,311)	(132,311)
Employee share options scheme	僱員購股權計劃					
– value of services provided	– 僱員服務價值	1,620	–	–	–	1,620
Issue of shares	發行股份					
– placement	– 配股	990,000	–	–	–	990,000
– employee share options scheme	– 僱員購股權計劃	51,150	–	–	–	51,150
Share issue expenses	股份發行開支	(16,743)	–	–	–	(16,743)
Balance at 31 December 2006	於二零零六年十二月 三十一日之結餘	2,648,048	161,117	280,574	4,619,416	7,709,155
Representing –	代表 –					
2006 Final dividend proposed	擬派二零零六年 末期股息				348,669	
Others	其他				4,270,747	
					4,619,416	
Analysed by –	分析 –					
Company and subsidiaries	本公司及附屬公司				4,165,523	
Jointly controlled entity	共同控制實體				455,781	
Associate	聯營公司				(1,888)	
					4,619,416	

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 28 RESERVES (Continued)

### 28 儲備 (續)

		Company 本公司			
		Share premium 股份溢價 HK\$'000 港幣千元	Currency translation difference 貨幣匯兌差額 HK\$'000 港幣千元	Retained earnings 保留盈利 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Balance at	於二零零五年				
1 January 2005	一月一日之結餘	619,915	—	113,408	733,323
Profit for the year	年度溢利	—	—	387,827	387,827
Issue of shares	發行股份				
— placements	— 配股	957,865	—	—	957,865
— employee share options scheme	— 僱員購股權計劃	42,000	—	—	42,000
Share issue expenses	股份發行開支	(21,206)	—	—	(21,206)
Employee share options scheme	僱員購股權計劃				
— value of services provided	— 僱員服務價值	23,447	—	—	23,447
Payment of dividends	支付股息	—	—	(177,531)	(177,531)
Balance at	於二零零五年				
31 December 2005	十二月三十一日之結餘	<u>1,622,021</u>	<u>—</u>	<u>323,704</u>	<u>1,945,725</u>
Representing –	代表 –				
2005 Final dividend proposed	擬派二零零五年 末期股息			295,143	
Others	其他			28,561	
				<u>323,704</u>	

## 28 RESERVES (Continued)

## 28 儲備 (續)

		Company 本公司			
		Share premium 股份溢價 HK\$'000 港幣千元	Currency translation differences 貨幣匯兌差額 HK\$'000 港幣千元	Retained earnings 保留盈利 HK\$'000 港幣千元	Total 總計 HK\$'000 港幣千元
Balance at 1 January 2006	於二零零六年 一月一日之結餘	1,622,021	—	323,704	1,945,725
Profit for the year	年度溢利	—	—	492,376	492,376
Currency translation difference	貨幣匯兌差額	—	(45,570)	—	(45,570)
Issue of shares	發行股份				
– placements	— 配股	990,000	—	—	990,000
– employee share options scheme	— 僱員購股權計劃	51,150	—	—	51,150
Share issue expenses	股份發行開支	(16,743)	—	—	(16,743)
Employee share options scheme	僱員購股權計劃				
– value of services provided	— 僱員服務價值	1,620	—	—	1,620
Payment of dividends	支付股息	—	—	(427,454)	(427,454)
Balance at 31 December 2006	於二零零六年 十二月三十一日之結餘	<u>2,648,048</u>	<u>(45,570)</u>	<u>388,626</u>	<u>2,991,104</u>
Representing –	代表 –				
2006 Final dividend proposed	擬派二零零六年 末期股息			348,669	
Others	其他			39,957	
				<u>388,626</u>	

Note:

- (i) As stipulated by regulations in Mainland China, the Company's subsidiaries established and operated in Mainland China are required to appropriate a portion of their after-tax profit (after offsetting prior year losses) to the statutory reserves and enterprise expansion fund, at rates determined by their respective boards of directors. The statutory reserves can be utilised to offset prior year losses or be utilised for the issuance of bonus shares, whilst the enterprise expansion fund can be utilised for the development of business operations. During the year ended 31 December 2006, the boards of directors of the Company's subsidiaries in Mainland China appropriated an aggregate amount of approximately HK\$7,103,000 (2005: HK\$20,636,000) to the statutory reserves and determined not to make any appropriation to the enterprise expansion fund.

附註:

- (i) 按照中國大陸法規訂明，本公司於中國大陸成立及經營之附屬公司須於其除稅後溢利（經抵銷過往年度虧損後）中撥出一部份至法定儲備及企業發展基金，比率乃由各自董事會釐定。法定儲備可用作抵銷過往年度虧損或用作發行紅股，而企業發展基金則可用作發展業務。於截至二零零六年十二月三十一日止年度，本公司之中國大陸附屬公司之董事會共撥款約港幣7,103,000元（二零零五年：港幣20,636,000元）至法定儲備及決定不會撥款至企業發展基金。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 29 OTHER GAINS

### 29 其他收益

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Excess of acquirer's interest over cost of acquisition	收購人權益高於收購成本之款項	199,803	191,688
Fair value gains on investment properties	投資物業之公平值收益	261,414	14,232
Government grants (i)	政府補助(i)	44,314	56,074
		<b>505,531</b>	<b>261,994</b>

Note:

- (i) This represents grants received from government bureaus in Mainland China.

附註:

- (i) 此乃來自中國大陸政府機關之補助。

### 30 EXPENSES BY NATURE

### 30 按性質劃分之開支

Expenses included in cost of sales, selling and marketing costs and general and administrative expenses are analysed as follows:

開支包括銷售成本、銷售及市場推廣成本、以及一般及行政開支，分析如下：

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Advertising costs	廣告開支	159,280	175,130
Amortisation of land costs	土地成本攤銷	9,177	15,721
Auditor's remuneration	核數師酬金	3,450	2,350
Depreciation of properties and equipment	物業及設備折舊	22,117	16,284
Direct operating expenses arising from investment properties that – generated rental income	以下類別投資物業產生之直接經營開支 – 產生租金收入	1,699	1,342
– did not generate rental income	– 並無產生租金收入	3,491	3,121
Employees' benefits costs (including Directors' emoluments) (Note 31)	僱員福利成本(包括包括董事酬金)(附註31)	240,390	187,528
Loss on sale of properties and equipment	銷售物業及設備虧損	18,681	7,047
Net exchange (gain)/loss (included in general and administrative expenses)	匯兌(收益)/虧損淨額(計入一般及行政開支)	(111,373)	8,483
Operating lease rental in respect of premises	物業之經營租賃租金	12,467	9,296

### 31 EMPLOYEES' BENEFITS COSTS (INCLUDING DIRECTORS' EMOLUMENTS)

### 31 僱員福利成本(包括董事酬金)

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Salaries and allowances	薪金及津貼	154,577	89,838
Sales commission and bonus	銷售佣金及花紅	58,207	56,465
Share-based payments (Share options granted)	以股份為基礎之償付 (已授出之購股權)	1,620	23,447
Pension costs	退休金成本		
– Defined contribution plans	– 界定供款計劃	25,842	17,677
– Provision for long-service payment	– 長期服務金撥備	144	101
		<b>240,390</b>	<b>187,528</b>

#### (a) Pensions – defined contribution plans

The Group has arranged for its Hong Kong employees to join the Mandatory Provident Fund Scheme ("the MPF Scheme"), a defined contribution scheme managed by an independent trustee. Under the MPF scheme, each of the Group (the employer) and its employees make monthly contributions to the scheme at 5% of the employees' earnings as defined under the Mandatory Provident Fund legislation. The monthly contributions of each of the employer and employees are subject to a cap of HK\$1,000 and thereafter contributions are voluntary.

As stipulated by rules and regulations in mainland China, the Group contributes to state-sponsored retirement plans for its employees in mainland China. The Group's employees make monthly contributions to the plans at approximately 8% of the relevant income (comprising salaries, allowances and bonus), while the Group contributes 12% to 22% of such income and has no further obligations for the actual payment of pensions beyond the contributions. The state-sponsored retirement plans are responsible for the entire pension obligations payable to the retired employees.

During the year ended 31 December 2006, the aggregate amount of the employer contributions made by the Group amounted to approximately HK\$25,842,000 (2005: HK\$17,677,000).

#### (a) 退休金成本 — 界定供款計劃

本集團已替其香港僱員安排參與一項由一位獨立信託人管理之定額供款計劃，即強制性公積金計劃（「強積金計劃」）。根據強積金計劃，本集團（僱主）及其僱員各自須按強制性公積金法例所界定各自按該僱員收入之5%向該計劃作每月供款。僱主及僱員所作之每月供款上限各為港幣1,000元，而多於港幣1,000元以後之供款則屬自願性質。

按照中國大陸之法規規定，本集團為其於中國大陸之僱員選擇一個由國家資助之退休計劃。本集團僱員每月按其相關收入（包括薪金、津貼及花紅）約8%對計劃作出供款，本集團則按該等收入12%至22%作出供款。除這些供款外，本集團並無其他對實際退休金付款責任。國家資助之退休計劃負責支付退休僱員之全部退休金。

截至二零零六年十二月三十一日止年度期間，本集團作出之僱主供款總額達約港幣25,842,000元（二零零五年：港幣17,677,000元）。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 31 EMPLOYEES' BENEFITS COSTS (INCLUDING DIRECTORS' EMOLUMENTS) (Continued)

### 31 僱員福利成本(包括董事酬金)(續)

#### (b) Directors' emoluments

The remuneration of each director for the year ended 31 December 2006 is set out below:

#### (b) 董事酬金

截至二零零六年十二月三十一日止年度，各董事之酬金載列如下：

Name of Director		Fees	Salaries and allowance	Share-based payments	Employer's contribution to pension scheme	Total
董事姓名		袍金	薪金及津貼	股份形式付款	僱主對退休金計劃之供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Executive directors		執行董事				
Mr. Au Wai Kin	歐偉建先生	–	240	–	12	252
Mr. Chen Chang Ying	陳長纓先生	–	1,899	–	–	1,899
Mr. Tam Lai Ling	譚禮寧先生	–	4,520	–	12	4,532
Mr. Wu Jiesi	武捷思先生	–	7,510	–	12	7,522
Mr. Chu Mang Yee	朱孟依先生	–	–	–	–	–
Mr. Xiang Bin	項斌先生	–	2,000	–	12	2,012
Ms. Xiao Yan Xia	蕭燕霞女士	–	2,512	–	94	2,606
		–	18,681	–	142	18,823
Non-executive directors		非執行董事				
Mr. Hu Yongmin (i)	胡勇敏先生 (i)	–	–	–	–	–
Ms. Chen Xiaohong (i)	陳小紅女士 (i)	–	–	–	–	–
Mr. Shafran Steven	施盛勳先生	–	–	1,620	–	1,620
		–	–	1,620	–	1,620
Independent non-executive directors		獨立非執行董事				
Mr. Lee Tsung Hei, David	李頌熹先生	150	–	–	–	150
Mr. Wong Shing Kay, Oliver	黃承基先生	150	–	–	–	150
Mr. Yuen Pak Yiu, Philip	阮北耀先生	150	–	–	–	150
		450	–	–	–	450

### 31 EMPLOYEES' BENEFITS COSTS (INCLUDING DIRECTORS' EMOLUMENTS) (Continued)

### 28 僱員福利成本(包括董事酬金)(續)

#### (b) Directors' emoluments (Continued)

The remuneration of every director for the year ended 31 December 2005 is set out below:

#### (b) 董事酬金(續)

截至二零零五年十二月三十一日止年度，各董事之酬金載列如下：

Name of Director		Fees	Salaries and allowance	Share-based payments	Employer's contribution to pension scheme	Total
董事姓名		袍金	薪金及津貼	股份形式付款	僱主對退休金計劃之供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
<b>Executive directors</b>	<b>執行董事</b>					
Mr. Au Wai Kin	歐偉建先生	–	240	–	12	252
Mr. Chen Chang Ying	陳長纓先生	–	1,185	–	–	1,185
Mr. Chu Mang Yee	朱孟依先生	–	–	–	–	–
Mr. Tam Lai Ling	譚禮寧先生	–	2,530	7,400	8	9,938
Mr. Wu Jiesi	武捷思先生	–	3,361	11,187	8	14,556
Mr. Xiang Bin	項斌先生	–	2,008	–	12	2,020
Ms. Xiao Yan Xia	蕭燕霞女士	–	970	–	37	1,007
		–	10,294	18,587	77	28,958
<b>Non-executive directors</b>	<b>非執行董事</b>					
Ms. Chen Xiaohong (i)	陳小紅女士(i)	–	–	–	–	–
Mr. Hu Yongmin (i)	胡勇敏先生(i)	–	–	–	–	–
Mr. Shafran Steven	施盛勳先生	–	–	4,860	–	4,860
		–	–	4,860	–	4,860
<b>Independent non-executive directors</b>	<b>獨立非執行董事</b>					
Mr. Lee Tsung Hei, David	李頌熹先生	100	–	–	–	100
Mr. Wong Shing Kay, Oliver	黃承基先生	100	–	–	–	100
Mr. Yuen Pak Yiu, Philip	阮北耀先生	100	–	–	–	100
		300	–	–	–	300

Note: (i) Mr. Hu Yongmin resigned on 10 November 2006 and Ms. Chen Xiaohong resigned on 23 June 2006.

附註：(i) 胡勇敏先生於二零零六年十一月十日辭任，陳小紅女士於二零零六年六月二十三日辭任。

During the year, Mr. Chu Mang Yee waived emoluments of HK\$240,000 (2005: HK\$240,000).

年內，朱孟依先生放棄港幣240,000元之酬金(二零零五年：港幣240,000元)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 31 EMPLOYEES' BENEFITS COSTS (INCLUDING DIRECTORS' EMOLUMENTS) (Continued)

#### (c) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year are certain directors whose emoluments are reflected in the analysis presented above.

### 31 僱員福利成本(包括董事酬金)(續)

#### (c) 五名最高薪人士

本年度本集團五名最高薪人士包括(二零零五年:五名)若干董事,彼等之酬金已於上文所呈列之分析反映。

### 32 FINANCE INCOME AND COSTS

### 32 財務收入及成本

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Interest expense:	利息開支:		
– on bank loans wholly repayable within five years	– 須於五年內悉數償還的銀行貸款	261,991	231,670
– on senior notes not wholly repayable within five years	– 不須於五年內悉數償還的優先票據	220,537	31,247
Total borrowing costs incurred	所涉及之總借貸成本	482,528	262,917
Less: Amount capitalised as part of the cost of properties under development	減:撥充作發展中物業之部份成本之款項	(397,720)	(202,951)
Interest income from bank	銀行利息收入	84,808 (26,814)	59,966 (17,382)
Net finance costs	淨財務成本	57,994	42,584

## 32 FINANCE INCOME AND COSTS *(Continued)*

The average interest rates of borrowing costs capitalised for the year ended 31 December 2006 was approximately 6.9% (2005: 5.9%) per annum.

## 33 TAXATION

### (a) Hong Kong profits tax

Hong Kong profits tax has been provided at the rate of 17.5% (2005: 17.5%) on the estimated assessable profit for the year ended 31 December 2006.

### (b) Other income tax

The Company is exempted from taxation in Bermuda until March 2016. Subsidiaries in the British Virgin Islands are incorporated under the International Business Companies Acts of the British Virgin Islands and, accordingly, are exempted from British Virgin Islands income taxes.

Subsidiaries established and operated in Mainland China are subject to Mainland China enterprise income tax at the rate of 33% (2005: 33%) for the year ended 31 December 2006.

## 32 財務收入及成本 (續)

於截至二零零六年十二月三十一日止年度，撥充資本的借貸成本的平均年利率約為6.9%（二零零五年：5.9%）。

## 33 稅項

### (a) 香港利得稅

香港利得稅乃就截至二零零六年十二月三十一日之估計應課稅溢利按17.5%（二零零五年：17.5%）的稅率撥備。

### (b) 其他所得稅

本公司獲豁免繳納百慕達稅項直至二零一六年三月。在英屬處女群島成立的附屬公司乃根據英屬處女群島國際商業公司法註冊成立，故此，獲豁免英屬處女群島所得稅。

截至二零零六年十二月三十一日止年度，本公司於中國大陸成立及經營的附屬公司按33%（二零零五年：33%）之稅率繳交中國大陸企業所得稅。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 33 TAXATION (Continued)

#### (c) Mainland China land appreciation tax

Mainland China land appreciation tax is levied at progressive rate ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including costs of land and development and construction expenditures.

### 33 稅項 (續)

#### (c) 中國大陸土地增值稅

中國大陸土地增值稅就土地增值，即出售房地產所得款項扣除可扣減項目（包括土地發展開支及建築成本），按累進稅率30%至60%徵收。

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Current tax	本期稅項		
Hong Kong profits tax	香港利得稅	(7,282)	17,426
Mainland China enterprise income tax	中國大陸企業所得稅	513,269	484,998
Mainland China land appreciation tax	中國大陸土地增值稅	98,093	36,518
		<b>604,080</b>	<b>538,942</b>
Transfer from/(to) deferred tax	轉自／(轉至) 遞延稅項		
Hong Kong profits tax	香港利得稅	7,650	(7,650)
Mainland China enterprise income tax	中國大陸企業所得稅	20,354	(78,117)
Mainland China land appreciation tax	中國大陸土地增值稅	205,274	158,271
		<b>233,278</b>	<b>72,504</b>
		<b>837,358</b>	<b>611,446</b>

Share of the jointly controlled entity's taxation for the year ended 31 December 2006 of approximately HK\$150,926,000 (2005: HK\$78,866,000) is included in the income statement as share of profits of and other gains relating to a jointly controlled entity.

截至二零零六年十二月三十一日止年度分佔共同控制實體稅項約為港幣150,926,000元（二零零五年：港幣78,866,000元），並已於損益表內列作分佔一間共同控制實體之溢利及其他收益。

### 33 TAXATION (Continued)

#### (c) Mainland China land appreciation tax (Continued)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated companies as follows:

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Profit before tax	除稅前溢利	2,461,536	1,812,627
Less: Share of profit of and other gains relating to a jointly controlled entity	減：分佔一間共同 控制實體溢利 及其他收益	(128,343)	(191,509)
		<b>2,333,193</b>	<b>1,621,118</b>
Tax calculated at domestic tax rates applicable to profits in the respective countries	按於各國之溢利 適用國內稅率計算 之稅項	764,073	514,020
Income not subject to tax	不用課稅收入	(166,473)	(68,297)
Expenses not deductible for tax	不可扣稅之支出	16,838	19,245
Land appreciation tax deductible for calculation of income tax purposes	可扣減作為計算所得稅 用途之土地增值稅	(100,111)	(64,281)
Utilisation of previously unrecognised tax losses	動用過往未確認 稅項虧損	(705)	(1,492)
Deferred tax asset not recognised	未入賬之遞延稅項資產	20,369	17,462
		<b>533,991</b>	<b>416,657</b>
Land appreciation tax	土地增值稅	<b>303,367</b>	<b>194,789</b>
		<b>837,358</b>	<b>611,446</b>

The weighted average applicable tax rate was 33% (2005: 32%). The increase is caused by a change in the profitability of the Group's subsidiaries in the respective jurisdictions.

### 33 稅項 (續)

#### (c) 中國大陸土地增值稅 (續)

本集團之除稅前溢利與按照合併公司加權平均適用溢利稅率計算之理論金額有所差異，詳情如下：

加權平均稅率為33%（二零零五年：32%）。上升乃由於本集團於相關司法權區之附屬公司之盈利變動所致。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 34 PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The profit attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of HK\$492,376,000 (2005: HK\$387,827,000).

### 35 EARNINGS PER SHARE

#### Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Profit attributable to equity holders of the Company	本公司股權持有人應佔溢利	<u>1,553,752</u>	<u>1,217,323</u>
Weighted average number of ordinary shares in issue ('000)	已發行普通股之加權平均數(千股)	<u>1,228,297</u>	<u>1,075,707</u>
Basic earnings per share (HK\$ per share)	每股基本盈利(每股港元)	<u>1.27</u>	<u>1.13</u>

#### Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has 5,036,000 share options outstanding during the year ended 31 December 2006, which are dilutive potential ordinary shares. Calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average daily market share price of the Company's shares) based on the monetary value of the subscription rights attached to the outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

### 34 本公司股權持有人應佔溢利

本公司股權持有人應佔溢利港幣492,376,000元(二零零五年:港幣387,827,000元)於本公司財務報表內反映。

### 35 每股盈利

#### 基本

每股基本盈利乃根據本公司股權持有人應佔溢利除以年內已發行普通股之加權平均數得出。

#### 攤薄

計算每股攤薄盈利時，已對已發行普通股之加權平均數作出調整，以假設所有具攤薄潛力之普通股獲悉數轉換。本公司於截至二零零六年十二月三十一日止年度有5,036,000股具攤薄潛力之尚未行使購股權。計算乃根據尚未行使購股權所附之認購權之貨幣值作出，用以釐訂原應以公平值(釐訂為本公司股份之每日平均股價)收購之股份之數目。上文所計算之股份數目乃與假設購股權獲行使而已發行之股份數目作比較。

### 35 EARNINGS PER SHARE (Continued)

#### Diluted (Continued)

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Profit attributable to equity holders of the Company	本公司股權持有人應佔溢利	<b>1,553,752</b>	1,217,323
Weighted average number of ordinary shares in issue ('000)	已發行普通股之加權平均數(千股)	<b>1,228,297</b>	1,075,707
Adjustments for share options ('000)	購股權調整(千份)	<b>2,896</b>	1,971
Weighted average number of ordinary shares for diluted earnings per share ('000)	計算每股攤薄盈利之普通股加權平均數(千股)	<b>1,231,193</b>	1,077,678
Diluted earnings per share (HK\$ per share)	每股攤薄盈利(每股港元)	<b>1.26</b>	1.13

### 36 DIVIDENDS

### 35 每股盈利(續)

#### 攤薄(續)

### 36 股息

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Interim dividend paid of HK\$0.108 (2005: HK\$0.0975) per ordinary share	已付中期股息每股普通股港幣0.108元(二零零五年:港幣0.0975元)	<b>132,311</b>	117,351
Proposed final dividend of HK\$0.271 (2005: HK\$0.242) per ordinary share	擬派末期股息每股普通股港幣0.271元(二零零五年:港幣0.242元)	<b>348,669</b>	295,143
		<b>480,980</b>	412,494

The proposed final dividends have to be approved by shareholders at Annual General Meeting subsequent to year end. The financial statements as at 31 December 2006 have not reflected such dividend payable.

擬派末期股息須經股東於年結日後舉行之股東週年大會上批准。於二零零六年十二月三十一日之財務報表中並無反映該等應付股息。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 37 CASH GENERATED FROM OPERATIONS

### 37 經營所得之現金

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Profit before taxation	未計所得稅前溢利	2,461,536	1,812,627
Adjustments for:	調整：		
– Interest income	– 利息收入	(26,814)	(17,382)
– Finance costs	– 財務成本	84,808	59,966
– Share-based payments (Share options granted)	– 以股份為基礎之償付 (已授出之購股權)	1,620	23,447
– Share of profit of and other gains relating to a jointly controlled entity	– 分佔一間共同控制實體 溢利及其他收益	(128,343)	(191,509)
– Share of loss/(profit) of an associate	– 分佔一間聯營公司 虧損／(溢利)	80	(44)
– Depreciation of properties and equipment	– 物業及設備折舊	22,117	16,284
– Loss on sale of properties and equipment (see below)	– 銷售物業及設備虧損 (見下文)	18,681	7,047
– Loss on disposal of equity interest in subsidiary	– 出售於附屬公司之 股本權益之虧損	1,116	–
– Amortisation of land costs	– 土地成本攤銷	9,177	15,721
– Fair value gains on investment properties	– 投資物業公平值收益	(261,414)	(14,232)
– Amortisation of issuance costs and premium of senior notes	– 發行成本攤銷及優先 票據溢價	8,148	1,685
– Excess of acquirer's interest over cost of acquisition	– 收購方權益高於收購 成本之部份	(199,803)	(191,688)
– Net exchange gain	– 匯兌收益淨額	(111,373)	–
Changes in working capital (excluding the effects of acquisition and exchange differences on consolidation):	營運資金變動(不包括收購 影響及綜合賬目之 匯兌差額)：		
– Land costs	– 土地成本	(1,084,160)	(478,212)
– Properties for sale	– 可供出售之物業	471,805	(18,797)
– Accounts receivable	– 應收賬款	(13,255)	(8,675)
– Prepayments, deposits and other current assets	– 預付款項·按金及其他 流動資產	787,335	(29,412)
– Accounts payable	– 應付賬款	(577,312)	127,797
– Land cost payables	– 應付土地成本	(1,201,931)	(27,663)
– Deferred revenue	– 遞延收入	1,609,971	(605,845)
– Accruals and other payables	– 應計款項及其他應付款項	(78,923)	(89,807)
– Mainland China business tax payable	– 應付中國大陸營業稅	(130,626)	65,355
Cash generated from operations	經營所得之現金	1,662,440	456,663

### 37 CASH GENERATED FROM OPERATIONS 37 經營所得之現金 (續)

(Continued)

In the cash flow statement, proceeds from sale of properties and equipment comprise:

於現金流量表內：銷售物業及設備之所得款項包括：

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Net book amount	賬面淨值	19,381	8,373
Loss on sale of properties and equipment	銷售物業及設備虧損	(18,681)	(7,047)
Proceeds from sale of properties and equipment	銷售物業及設備所得款項	700	1,326

### 38 CONTINGENCIES

### 38 或然負債

(a) Contingent liabilities not provided for in the financial statements are as follows:

(a) 並無於財務報表中作出撥備之或然負債如下：

		Consolidated 綜合		Company 公司	
		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Guarantees given to banks for mortgage facilities granted to certain buyers of the Group's properties	就購買本集團物業之買家提供按揭貸款而向銀行作出之擔保	5,297,090	4,023,544	—	—
Guarantees given to banks for bank borrowings of subsidiaries	就附屬公司之銀行貸款向銀行作出之擔保	—	—	2,374,790	1,423,071
		5,297,090	4,023,544	2,374,790	1,423,071

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 38 CONTINGENCIES (Continued)

- (b) The Group's share of contingent liabilities of the jointly controlled entity (Note 15), not included in the above, is as follows:

### 38 或然負債 (續)

- (b) 並未包括於上文之本集團攤佔共同控制實體之或然負債(附註15)如下:

		Consolidated 綜合	
		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Guarantees given to banks for mortgage facilities granted to certain buyers of the jointly controlled entity's properties	就購買共同控制實體物業之買家提供按揭貸款而向銀行作出之擔保	241,892	191,388

### 38 CONTINGENCIES (Continued)

- (c) Nambour Properties Limited (“Nambour”) and the project company of the Gallopade Park project (the “Gallopade Project Company”), each of which is a wholly-owned subsidiary of the Company, together with Guangdong Zhujiang Investment Company Limited (“Zhujiang Investment”), an affiliate of the Group, and another individual (the “Individual Defendant”), have been sued by Guangzhou Municipality Tianhe Technology Park Development Company Limited (“Tianhe Development”) in connection with the sale of the site of the Gallopade Park project in Guangzhou (the “Gallopade Site”) by the joint venture company (the “JV”) established by Zhujiang Investment and Tianhe Development to the Gallopade Project Company. The Group holds 100% of the equity in the Gallopade Project Company through Nambour. Tianhe Development has alleged that (i) Zhujiang Investment prejudiced its rights as a minority shareholder of the JV by procuring the JV to sell the Gallopade Site to the Gallopade Project Company without its consent and (ii) Nambour is jointly liable for its economic loss by accepting the sale. Tianhe Development claims damages for the value of the Gallopade Site and approximately RMB32 million in respect of the amount that was paid by Tianhe Development for the acquisition of the Gallopade Site, as well as a reinstatement of its rights under the JV’s shareholders’ agreement. The Group believes that (i) the allegation by Tianhe Development in respect of the disposal of the Gallopade Site is invalid as the JV has received monetary compensation for the disposal and an earn-out entitlement from the Gallopade Project Company; (ii) Tianhe Development does not have sufficient evidence to establish Nambour’s liabilities in the shareholders’ dispute between Zhujiang Investment and Tianhe Development; and (iii) Tianhe Development does not have a sufficient basis to claim the amount of damages claimed by it. In November 2006, the trial court of the Guangdong Provincial Court ordered (i) Nambour, Zhujiang Investment and the Individual Defendant to jointly and severally pay to the JV approximately RMB144 million plus interest; (ii) Zhujiang Investment to pay to the JV approximately RMB308 million plus interest; (iii) the Gallopade Project Company to pay to the JV approximately RMB4 million plus interest; and (iv) that all other claims of Tianhe Development be rejected. The defendants are in process of appealing the court’s decision. Based on the advice of the Group’s legal advisors, the Directors will vigorously defend the case and therefore no provision has been made in these financial statements.

### 38 或然負債 (續)

- (c) 南博置業有限公司(「南博」)以及駿景花園之項目公司(「駿景」)為本公司之全資子公司。廣州天河高新技術產業開發區建設總公司(「天河」)控告南博、廣州珠江投資有限公司(「珠投」)(為集團之關連公司)·以及一獨立被告人有關一宗由廣州天河科技園實業發展有限公司(「科技園」)出售駿景於廣州之地塊(「駿景地塊」)。科技園由珠投及駿景成立。本集團通過南博擁有駿景全部權益。天河之指控為(i)珠投在未經天河同意前令科技園出售駿景地塊·因而蔑視其於科技園之少數股東權益;(ii)南博因接受此出售因而需共同及分別承擔其經濟損失。天河要求其就駿景地塊支付人民幣3,200萬元的損失·另外·要求恢復其於科技園股東協議之權利。本集團認為(i)天河指控就有關其出售駿景地塊並不成立·因科技園就其出售駿景地塊接受金錢賠償及清繳;(ii)天河並未於珠投以及天河之股東爭拗中有足夠證據認為南博需負責;及(iii)天河並未有足夠理據要求其索求的賠償。於二零零六年十一月·廣東省地方人民法院命令(i)南博、珠投及獨立被告人共同支付天河人民幣1.44億元加利息;(ii)珠投支付天河人民幣3.08億元加利息;(iii)駿景支付天河人民幣4百萬元加利息;及(iv)拒絕天河之其他索償。被告現正就法院之判決提出上訴。基於本集團律師顧問之意見·本集團之董事將積極地為此案件辦護·因此無需要於本財務報表中進行預提。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 39 COMMITMENTS

#### (a) Capital commitments

Capital expenditures at the balance sheet date but not yet incurred are as follows:

### 39 承擔

#### (a) 資本承擔

於結算日尚未產生之資本開支如下：

		Consolidated 綜合	
		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Contracted but not provided for	已訂約但未入賬：		
– Property construction costs	– 物業建築成本	74,719	90,134
– Capital contribution to a jointly controlled entity	– 於一間共同控制實體之資本貢獻	112,716	100,980
– Acquisition of further interest in a jointly controlled entity	– 進一步收購一間共同控制實體之權益	135,000	129,808
– Acquisition of land and equity interests in certain Mainland China entities	– 收購若干中國大陸實體之土地及股本權益	1,531,117	955,903
– Capital contribution to a newly acquired jointly controlled entity	– 於一間新收購之共同控制實體之資本貢獻	241,005	–
		<b>2,094,557</b>	<b>1,276,825</b>
Authorised but not contracted for	已授權但未訂約		
– Land costs	– 土地成本	168,160	145,874
– Property construction costs	– 物業建築成本	1,528,236	1,460,793
		<b>1,696,396</b>	<b>1,606,667</b>
		<b>3,790,953</b>	<b>2,883,492</b>

### 39 COMMITMENTS (Continued)

#### (a) Capital commitments (Continued)

The Group's share of capital commitments of a jointly controlled entity (Note 15), not included in the above, is as follows:

		Consolidated 綜合	
		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Contracted but not provided for	已訂約但未入賬		
– Land costs	– 土地成本	7,967	105,348
– Property construction costs	– 物業建築成本	165,880	231,271
		<u>173,847</u>	<u>336,619</u>
Authorised but not contracted for	已授權但未訂約		
– Land costs	– 土地成本	94,595	90,520
– Property construction costs	– 物業建築成本	986,399	1,282,219
		<u>1,080,994</u>	<u>1,372,739</u>
		<u>1,254,841</u>	<u>1,709,358</u>

The Company has no capital commitment as at 31 December 2006 (2005: Nil).

### 39 承擔 (續)

#### (a) 資本承擔 (續)

並未包括在上文之本集團攤佔一間共同控制實體之其他承擔 (附註15) 如下:

		Consolidated 綜合	
		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Contracted but not provided for	已訂約但未入賬		
– Land costs	– 土地成本	7,967	105,348
– Property construction costs	– 物業建築成本	165,880	231,271
		<u>173,847</u>	<u>336,619</u>
Authorised but not contracted for	已授權但未訂約		
– Land costs	– 土地成本	94,595	90,520
– Property construction costs	– 物業建築成本	986,399	1,282,219
		<u>1,080,994</u>	<u>1,372,739</u>
		<u>1,254,841</u>	<u>1,709,358</u>

本公司於二零零六年十二月三十一日並無資本承擔 (二零零五年: 無)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 39 COMMITMENTS (Continued)

#### (b) Property development commitments

Property development expenditures at the balance sheet date but not yet incurred are as follows:

		Consolidated 綜合	
		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Contracted but not provided for	已訂約但未入賬		
– Property contraction costs	– 物業建築成本	5,656,421	5,676,622
Authorised but not contracted for	已授權但未訂約		
– Land costs	– 土地成本	1,346,251	739,044
– Property construction costs	– 物業建築成本	16,230,209	14,221,557
		17,576,460	14,960,601
		23,232,881	20,637,223

The Company has no property development commitment as at 31 December 2006 (2005: Nil).

於結算日尚未產生之物業發展開支載列如下：

本公司於二零零六年十二月三十一日並無物業發展承擔（二零零五年：無）。

#### (c) Operating lease commitments

The Group has operating lease commitments in respect of premises under various non-cancellable operating lease agreements. The future aggregate minimum lease payments under non-cancellable operating lease are as follows:

		Consolidated 綜合	
		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Amounts payable	下列期內須付之款項		
– Within one year	– 一年內	33,910	8,152
– Within two to five years	– 二至五年內	136,159	26,795
		170,069	34,947

### 39 承擔 (續)

#### (b) 物業發展承擔

於結算日尚未產生之物業發展開支載列如下：

#### (c) 經營租賃承擔

本集團就多份有關租賃物業之不可註銷經營租賃協議而有經營租賃承擔。根據不可註銷租約於日後之最低應付租金如下：

## 39 COMMITMENTS (Continued)

### (c) Operating lease commitments (Continued)

The Company has no operating lease commitment as at 31 December 2006 (2005: Nil).

### (d) Future minimum rental payments receivable

The Group leased out certain investment properties under operating leases. The future minimum rental receivable under non-cancellable operating leases is as follows:

		Consolidated 綜合	
		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Within one year	一年內	48,208	44,208
In the second to fifth years	第二至第五年	173,879	143,837
Over five years	五年以上	78,957	81,524
		<b>301,044</b>	<b>269,569</b>

The Company has no future rental receivable as at 31 December 2006 (2005: Nil).

## 39 承擔 (續)

### (c) 經營租賃承擔 (續)

本公司於二零零六年十二月三十一日並無經營租賃承擔 (二零零五年: 無)。

### (d) 未來最低應收租金款項

本集團根據經營租賃出租若干投資物業。依據不可撤銷經營租賃之未來最低應收租金如下:

## 40 業務合併

- (a) In January 2006, the Group acquired the entire equity interest in Guangzhou Xin Chang Jiang Development Limited, which holds the land use rights of a plot of land in Huadu, Guangzhou, mainland China for a consideration of approximately HK\$9,662,000.

Details of net assets acquired and the excess of acquirer's interest at fair value over costs are as follows:

		HK\$'000 港幣千元
Purchase consideration	購買代價	9,662
Less: Fair value of net assets acquired – shown as below	減: 已收購資產淨值之公平值 – 列示如下	(31,383)
Excess of acquirer's interest at fair value over costs	按公平值計算之收購方權益高於成本之部份	<b>(21,721)</b>

- (a) 於二零零六年一月，本集團以約港幣9,662,000元代價收購廣州新長江建設開發有限公司全部股本權益，該公司擁有一幅位於中國廣州花都之用地之土地使用權。

已收購之資產淨值及按公平值計算之收購方權益高於成本之部份之詳情如下:

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 40 BUSINESS COMBINATIONS (Continued)

(a) (Continued)

The assets and liabilities arising from the acquisition are as follows:

		Fair value 公平值 HK\$'000 港幣千元	Acquiree's carrying amount 被收購方之賬面值 HK\$'000 港幣千元
Land costs and properties under development	土地成本及發展中物業	228,986	201,816
Other receivable	其他應收款項	83	83
Cash and cash equivalents	現金及現金等價物	872	872
Short-term borrowings	短期借貸	(11,884)	(11,884)
Other payable	其他應付款項	(4,184)	(4,184)
Land costs payable	應付土地成本	(177,408)	(177,408)
Deferred taxation	遞延稅項	(5,082)	—
Net assets acquired	已收購資產淨值	31,383	9,295
Purchase consideration	購買代價		9,662
Cash and cash equivalents acquired	已收購之現金及現金等價物		(872)
Cash outflow on acquisition	收購時之現金流出		8,790

(b) In January 2006, the Group acquired a 72.14% equity interest in Shanghai San Xiang Real Estate Development Limited, which holds the land use rights of a plot of land in Shanghai, mainland China for a consideration of approximately HK\$19,515,000. In December 2006, the Group acquired the remaining 27.86% equity interest for a consideration of approximately HK\$7,408,000.

Details of net assets acquired and the excess of acquirer's interest at fair value over costs are as follows:

		HK\$'000 港幣千元
Purchase consideration	購買代價	26,923
Less: Fair value of net assets acquired – shown as below	減：已收購資產淨值之公平值 — 列示如下	(44,591)
Excess of acquirer's interest at fair value over costs	按公平值計算之收購方權益 高於成本之部份	(17,668)

### 40 業務合併 (續)

(a) (續)

收購所產生之資產及負債如下：

(b) 於二零零六年一月，本集團以約港幣19,515,000元之代價收購上海三象房產發展有限公司72.14%股本權益，該公司擁有位於中國上海一幅用地之土地使用權。於二零零六年十二月，本集團以約港幣7,408,000元之代價收購餘下之27.86%股本權益。

已收購資產淨值及按公平值計算之收購方權益高於成本之部份之詳情如下：

## 40 BUSINESS COMBINATIONS (Continued)

(b) (Continued)

The assets and liabilities arising from the acquisition are as follows:

		Fair value 公平值 HK\$'000 港幣千元	Acquiree's carrying amount 被收購方 之賬面值 HK\$'000 港幣千元
Properties and equipment	物業及設備	279	279
Land costs and properties under development	土地成本及發展中物業	238,590	203,073
Other receivable	其他應收款項	283	283
Cash and cash equivalents	現金及現金等價物	306	306
Other payable	其他應付款項	(187,176)	(187,176)
Deferred taxation	遞延稅項	(7,691)	—
Net assets acquired	已收購淨資產	<u>44,591</u>	<u>16,765</u>
Purchase consideration	購買代價		26,923
Cash and cash equivalents acquired	已收購之現金及現金等 價物		<u>(306)</u>
Cash outflow on acquisition	收購時之現金流出		<u>26,617</u>

(c) In January 2006, the Group acquired the entire equity interest in Shanghai Long Jia Properties Limited, which possesses the right to develop a land site in Shanghai, mainland China for a consideration of approximately HK\$19,324,000.

Details of net assets acquired and the excess of acquirer's interest at fair value over costs are as follows:

		HK\$'000 港幣千元
Purchase consideration	購買代價	19,324
Less: Fair value of net assets acquired — shown as below	減：已收購資產淨值之公平值 — 列示如下	<u>(59,319)</u>
Excess of acquirer's interest at fair value over costs	按公平值計算之收購方權益高於成本之部份	<u>(39,995)</u>

## 40 業務合併 (續)

(b) (續)

收購所產生之資產及負債如下：

(c) 於二零零六年一月，本集團以約港幣19,324,000元代價收購上海龍嘉置業有限公司全部股本權益，該公司有權發展一幅位於中國上海之地塊。

已收購資產淨值及按公平值計算之收購方權益高於成本之部份之詳情如下：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 40 BUSINESS COMBINATIONS (Continued)

(c) (Continued)

The assets and liabilities arising from the acquisition are as follows:

		Fair value 公平值 HK\$'000 港幣千元	Acquiree's carrying amount 被收購方 之賬面值 HK\$'000 港幣千元
Land costs and properties under development	土地成本及發展中物業	695,652	653,569
Other receivables	其他應收款項	23	23
Cash and cash equivalents	現金及現金等價物	6	6
Other payable	其他應付款項	(281,208)	(281,208)
Land costs payable	應付土地成本	(353,066)	(353,066)
Deferred taxation	遞延稅項	(2,088)	—
Net assets acquired	已收購之資產淨值	<u>59,319</u>	<u>19,324</u>
Purchase consideration	購買代價		19,324
Cash and cash equivalents acquired	已收購之現金及現金等價物		<u>(6)</u>
Cash outflow on acquisition	收購時之現金流出		<u>19,318</u>

(d) In June 2006, the Group completed the acquisition of a 90% equity interest in Shanghai Ze Yu Properties Limited, which possesses the right to develop a land site in Song Jiang District, Shanghai, for a consideration of approximately HK\$6,957,000.

Details of net assets acquired and the excess of acquirer's interest at fair value over costs are as follows:

		HK\$'000 港幣千元
Purchase consideration	購買代價	6,957
Less: Fair value of net assets acquired – shown as below	減：已收購資產淨值之公平值 — 列示如下	<u>(23,457)</u>
Excess of acquirer's interest at fair value over costs	按公平值計算之收購方權益 高於成本之部份	<u>(16,500)</u>

### 40 業務合併 (續)

(c) (續)

收購所產生之資產及負債如下：

(d) 於二零零六年六月，本集團完成以約港幣6,957,000元代價收購上海澤宇置業有限公司之90%股本權益，該公司擁有一項權利發展位於上海松江區之一幅用地。

已收購資產淨值及按公平值計算之收購方權益高於成本之部份詳情如下：

## 40 BUSINESS COMBINATIONS (Continued)

(d) (Continued)

The assets and liabilities arising from the acquisition are as follows:

		Fair value 公平值 HK\$'000 港幣千元	Acquiree's carrying amount 被收購方 之賬面值 HK\$'000 港幣千元
Land costs and properties under development	土地成本及 發展中物業	273,430	252,988
Other receivable	其他應收款項	15,459	15,459
Other payable	其他應付款項	(113,026)	(113,026)
Land costs payable	應付土地成本	(147,691)	(147,691)
Deferred taxation	遞延稅項	(2,108)	—
Net assets	資產淨值	26,064	7,730
Minority interest	少數股東權益	(2,607)	
Net assets acquired	已收購之資產淨值	23,457	
Cash outflow on acquisition	收購時之現金流出		6,957

- (e) On 11 July 2006, the Group completed the acquisition of the 100% equity interest in Karworld Holdings Limited ("Karworld") a company with a development project in Haizhu, Guangzhou, mainland China, for a consideration of approximately HK\$4,817,000.

於二零零六年七月十一日，本集團完成收購嘉和集團有限公司（「嘉和」）（於中國內地廣州海珠區擁有物業發展項目之公司）之100%股本權益，代價為港幣4,817,000元。

		HK\$'000 港幣千元
Purchase consideration	購買代價	4,817
Less: Fair value of net assets acquired — shown as below	減：已收購資產淨值之公平值 — 列示如下	(108,736)
Excess of acquirer's interest at fair value over costs	按公平值計算之收購方權益高於成本之部份	(103,919)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 40 BUSINESS COMBINATIONS (Continued)

(e) (Continued)

The assets and liabilities arising from the acquisition are as follows:

### 40 業務合併 (續)

(e) (續)

收購所產生之資產及負債如下：

		Fair value	Acquiree's carrying amount
		公平值	被收購方之賬面值
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Properties and equipment	物業及設備	39	39
Land costs and properties under development	土地成本及發展中物業	459,994	399,099
Other receivable	其他應收款項	9,783	9,783
Cash and cash equivalents	現金及現金等價物	216	216
Other payable	其他應付款項	(281,439)	(281,439)
Land costs payable	應付土地成本	(65,220)	(65,220)
Deferred taxation	遞延稅項	(14,637)	—
Net assets acquired	已收購資產淨值	108,736	62,478
Purchase consideration	購買代價		4,817
Cash and cash equivalents acquired	已收購之現金及現金等價物		(216)
Cash outflow on acquisition	收購時之現金流出		4,601

## 41 RELATED-PARTY TRANSACTIONS

The Company is controlled by Mr. Chu Mang Yee, who owns approximately 52.5% to 54.3% (2005: 52.5% to 63.6%) of the Company's shares during the year ended 31 December 2006. The remaining shares are widely held.

**(a) The following significant transactions were carried out with related parties:**

*Sales of goods and services*

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Rental services to a related company (i)	提供予關連公司之租賃服務(i)	692	2,625
Consultancy services to related companies	提供予關連公司之顧問服務	—	4,828
Property management services to related companies (i)	提供予關連公司之物業管理服務(i)	4,652	—
		<b>5,344</b>	<b>7,453</b>

*Purchases of goods and services*

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Property construction services from related companies (i)	關連公司提供之物業建築服務(i)	1,475,868	3,092,000
Property design services from related companies (i)	關連公司提供之物業設計服務(i)	29,814	13,574
Communication network installation services from a related company (i)	關連公司提供之通訊網絡安裝服務(i)	11,161	15,235
Decoration services from a related company (i)	關連公司提供之裝飾服務(i)	24,667	6,124
Office rental services from related companies (i)	關連公司提供之辦公室租賃服務(i)	4,974	5,648
Property management services from related companies (i)	關連公司提供之物業管理服務(i)	49	4,159
		<b>1,546,533</b>	<b>3,136,740</b>

## 41 關連人士交易

本公司由朱孟依先生控制，其於截至二零零六年十二月三十一日止年度內擁有約52.5%至54.3%（二零零五年：52.5%至63.6%）本公司股份。餘下股份由其他人士廣泛持有。

**(a) 下列為與關連人士進行之重要交易：**

*銷售貨品及服務*

	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
提供予關連公司之租賃服務(i)	692	2,625
提供予關連公司之顧問服務	—	4,828
提供予關連公司之物業管理服務(i)	4,652	—
	<b>5,344</b>	<b>7,453</b>

*購買貨品及服務*

	2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
關連公司提供之物業建築服務(i)	1,475,868	3,092,000
關連公司提供之物業設計服務(i)	29,814	13,574
關連公司提供之通訊網絡安裝服務(i)	11,161	15,235
關連公司提供之裝飾服務(i)	24,667	6,124
關連公司提供之辦公室租賃服務(i)	4,974	5,648
關連公司提供之物業管理服務(i)	49	4,159
	<b>1,546,533</b>	<b>3,136,740</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 41 RELATED-PARTY TRANSACTIONS (Continued)

#### (a) The following significant transactions were carried out with related parties: (Continued)

In May 2006, the Group entered into agreements with BJ Huaxia to acquire BJ Huaxia's equity interest in BJ Dongfangwenhua and to purchase BJ Huaxia's loans to BJ Dongfangwenhua and a joint venture partner. The transaction has not yet completed as at 31 December 2006. Details of the transaction and deposit paid by the Group are set out in Note 18.

Note:

- (i) These related companies are minority shareholders of certain subsidiaries of the Company and subsidiaries of these minority shareholders.

#### (b) Amounts due from/to related parties were as follows:

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Due from related companies	應收關連公司		
Amount due from minority shareholders of certain subsidiaries of the Company and subsidiaries of these minority shareholders	應收本公司若干附屬公司的少數股東及該等少數股東的附屬公司之款項	18,531	2,285
Due to an associate	應付聯營公司	5,343	5,146
Due to directors	應付董事		
Mr. Chu Mang Yee	朱孟依先生	—	13,227
Mr. Au Wai Kin	歐偉建先生	—	664
		—	13,891
Due to related companies	應付關連公司		
Amount due to minority shareholders of certain subsidiaries of the Company and subsidiaries of these minority shareholders	應付本公司若干附屬公司的少數股東及該等少數股東的附屬公司之款項		
— purchase consideration	— 購買代價	—	144,284
— advances	— 墊款	103,398	122,078
		103,398	266,362
Due to a jointly controlled entity	應付共同控制實體	1,037,287	148,117
Due to a holding company	應付一間控股公司款項	—	18,997

### 41 關連人士交易 (續)

#### (a) 下列為與關連人士進行之重要交易：(續)

於二零零六年五月，本集團與北京華夏訂立協議，以收購北京華夏於北京東方文華之股本權益，並收購由北京華夏墊予北京東方文華及一名合營夥伴之轉讓貸款。於二零零六年十二月三十一日，該交易尚未完成。該交易之詳情及本集團已付按金之詳情載於附註18。

附註：

- (i) 該等關連公司為本公司若干附屬公司的少數股東及該等少數股東的附屬公司。

#### (b) 應收／付關連人士款項如下：

## 41 RELATED-PARTY TRANSACTIONS (Continued)

### (b) Amounts due from/to related parties were as follows: (Continued)

As at 31 December 2006, the Group had accounts payable of approximately HK\$344,617,000 (2005: HK\$449,404,000) due to subsidiaries of minority shareholders of certain subsidiaries of the Company in respect of property construction fees.

As at 31 December 2006, all outstanding balances with related companies, an associate and a jointly controlled entity were unsecured, non-interest bearing and without pre-determined repayment terms.

### (c) Pledges and guarantees provided to banks for related parties are as follows:

As at 31 December 2006, approximately HK\$237,449,000 (2005: HK\$233,442,000) of the Group's investment properties, approximately HK\$10,926,000 (2005: nil) of the Group's completed properties for sale, and approximately HK\$82,562,000 (2005: HK\$150,945,000) of the Group's land use rights were pledged as collateral for bank loans borrowed by a jointly controlled entity.

### (d) Key management compensation:

		2006 二零零六年 HK\$'000 港幣千元	2005 二零零五年 HK\$'000 港幣千元
Salaries and allowances	薪金及津貼	19,131	10,594
Share-based payments (Share options granted)	以股份為基礎之償付 (已授出之購股權)	1,620	23,447
Pension costs	退休金成本	142	77
		<b>20,893</b>	<b>34,118</b>

## 41 關連人士交易 (續)

### (b) 應收／付關連人士款項如下：(續)

於二零零六年十二月三十一日，本集團應付本公司若干附屬公司少數股東之附屬公司之物業建築費約港幣344,617,000元（二零零五年：港幣449,404,000元）。

於二零零六年十二月三十一日，與關連公司、一間聯營公司及一間共同控制實體之全部結餘均無抵押、免息及並無預定還款期。

### (c) 為關連人士向銀行作出之抵押及擔保如下：

於二零零六年十二月三十一日，已抵押約港幣237,449,000元（二零零五年：港幣233,442,000元）之本集團投資物業、港幣10,926,000元（二零零五年：無）之本集團可供出售之落成物業及約港幣82,562,000元（二零零五年：港幣150,945,000元）之本集團土地使用權，作為一間共同控制實體所借的銀行貸款之抵押品。

### (d) 主要管理層報酬：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 42 DETAILS OF PRINCIPAL SUBSIDIARIES

The following is a list of the principal subsidiaries at 31 December 2006:

### 42 主要附屬公司詳情

以下為於二零零六年十二月三十一日之主要附屬公司名單：

Name of company 公司名稱	Place of incorporation and operations 註冊成立及營運地點	Issued and fully paid capital 已發行及繳足股本	Percentage of equity interest attributable to the Group 本集團應佔股權百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Hopson Development International Limited 合生創展國際有限公司	British Virgin Islands 英屬處女群島	US\$2,000 2,000美元	100%	–	Investment holding 投資控股
Archibald Properties Limited 愛寶置業有限公司	British Virgin Islands 英屬處女群島	US\$2 2美元	–	100%	Investment holding 投資控股
Beijing Hopson Beifang Education and Technology Limited <sup>o</sup> 北京合生北方教育科技有限公司	Mainland China 中國大陸	RMB1,000,000 人民幣1,000,000元	–	49% (ii)	Provision of training and consultancy services 提供技術培訓及教育諮詢
Beijing Hopson Beifang Real Estate Development Limited <sup>#</sup> 北京合生北方房地產開發有限公司	Mainland China 中國大陸	US\$12,000,000 12,000,000美元	–	100%	Property development 物業發展
Beijing Hopson Lu Zhou Real Estate Development Limited <sup>#</sup> 北京合生綠洲房地產開發有限公司	Mainland China 中國大陸	RMB463,370,000 人民幣463,370,000元	–	100%	Property development 物業發展
Beijing Hopson Yujing Real Estate Development Limited <sup>#</sup> 北京合生愉景房地產開發有限公司	Mainland China 中國大陸	US\$12,000,000 12,000,000美元	–	100%	Property development 物業發展

## 42 DETAILS OF PRINCIPAL SUBSIDIARIES (Continued) 42 主要附屬公司詳情 (續)

Name of company 公司名稱	Place of incorporation and operations 註冊成立及營運地點	Issued and fully paid capital 已發行及繳足股本	Percentage of equity interest attributable to the Group 本集團應佔股權百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Beijing Zhujiang Century Property Management Limited # 北京珠江世紀物業管理有限公司	Mainland China 中國大陸	RMB5,000,000 人民幣5,000,000元	—	100%	Property management 物業管理
Chia Lung Group Company Limited 佳龍集團有限公司	Samoa 薩摩亞國	US\$6,500,000 6,500,000美元	—	100%	Investment holding 投資控股
Dynawell Investment Limited 頤和投資有限公司	Hong Kong 香港	HK\$10,000 港幣10,000元	—	50% (ii)	Investment holding 投資控股
Ever New Properties Limited 恒新置業有限公司	Hong Kong 香港	HK\$2 ordinary HK\$3 non-voting deferred shares (i) 港幣2元普通股 港幣3元無投票權 遞延股份(i)	— —	100% 100%	Investment holding and property investment 投資控股及物業投資
Funland Properties Limited 奔騰置業有限公司	British Virgin Islands 英屬處女群島	US\$2 2美元	—	100%	Investment holding 投資物業
Guangdong Esteem Property Services Limited # 廣東康景物業服務有限公司	Mainland China 中國大陸	HK\$5,000,000 港幣5,000,000元	—	100%	Property management 物業管理
Guangdong Hopson Djing Real Estate Co. Ltd. # 廣東合生帝景房地產有限公司	Mainland China 中國大陸	US\$25,000,000 25,000,000美元	—	100%	Property development 物業發展
Guangdong Hopson Hong Jing Real Estate Company Limited # 廣東合生泓景房地產有限公司	Mainland China 中國大陸	RMB4,069,191 人民幣4,069,191元	—	100%	Property development 物業發展

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 42 DETAILS OF PRINCIPAL SUBSIDIARIES (Continued) 42 主要附屬公司詳情 (續)

Name of company 公司名稱	Place of incorporation and operations 註冊成立及營運地點	Issued and fully paid capital 已發行及繳足股本	Percentage of equity interest attributable to the Group 本集團應佔股權百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Guangdong Hopson Lejing Real Estate Co. Limited # 廣東合生樂景房地產有限公司	Mainland China 中國大陸	RMB83,000,000 人民幣83,000,000元	—	100%	Property development 物業發展
Guangdong Hopson Minghui Real Estate Limited <sup>1</sup> 廣東合生明暉房地產有限公司	Mainland China 中國大陸	RMB41,532,852 人民幣41,532,852元	—	90%	Property development 物業發展
Guangdong Hopson Yuehua Real Estate Limited # 廣東合生越華房地產有限公司	Mainland China 中國大陸	RMB41,500,000 人民幣41,500,000元	—	100%	Property development 物業發展
Guangdong Huajingxincheng Real Estate Limited # 廣東華景新城房地產有限公司	Mainland China 中國大陸	RMB93,500,018 人民幣93,500,018元	—	100%	Property development 物業發展
Guangdong Huanan New City Real Estate Limited <sup>1</sup> 廣東華南新城房地產有限公司	Mainland China 中國大陸	RMB464,898,684 人民幣464,898,684元	—	99%	Property development 物業發展
Guangdong Huanan Real Estate Limited <sup>1</sup> 廣東華南房地產有限公司	Mainland China 中國大陸	RMB48,046,856 人民幣48,046,856元	—	70%	Property development 物業發展
Guangdong Jinan Real Estate Limited <sup>1</sup> 廣東暨南房地產有限公司	Mainland China 中國大陸	RMB65,084,340 人民幣65,084,340元	—	90%	Property development 物業發展
Guangdong New Tai An Real Estate Limited # 廣東新泰安房地產有限公司	Mainland China 中國大陸	RMB19,100,000 人民幣19,100,000元	—	100%	Property development 物業發展

## 42 DETAILS OF PRINCIPAL SUBSIDIARIES (Continued) 42 主要附屬公司詳情 (續)

Name of company 公司名稱	Place of incorporation and operations 註冊成立及營運地點	Issued and fully paid capital 已發行及繳足股本	Percentage of equity interest attributable to the Group 本集團應佔股權百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Guangzhou Hopson Cuijing Real Estate Limited <sup>1</sup> 廣州合生翠景房地產有限公司	Mainland China 中國大陸	RMB53,550,000 人民幣53,550,000元	—	97%	Property development 物業發展
Guangzhou Esteem Property Agency Limited <sup>o</sup> 廣州市康景物業代理有限公司	Mainland China 中國大陸	RMB1,010,000 人民幣1,010,000元	—	100%	Property agency 物業代理
Guangzhou Hopson Dongyu Real Estate Limited <sup>1</sup> 廣州合生東宇房地產有限公司	Mainland China 中國大陸	RMB42,500,000 人民幣42,500,000元	—	100%	Property development 物業發展
Guangzhou Hopson Junjing Real Estate Limited <sup>1</sup> 廣州合生駿景房地產有限公司	Mainland China 中國大陸	RMB221,670,000 人民幣221,670,000元	—	95%	Property development 物業發展
Guangzhou Hopson Keji Garden Real Estate Limited <sup>1</sup> 廣州合生科技園房地產有限公司	Mainland China 中國大陸	RMB133,340,000 人民幣133,340,000元	—	95%	Property development 物業發展
Guangzhou Hopson Qinghui Real Estate Limited <sup>1</sup> 廣州合生清暉房地產有限公司	Mainland China 中國大陸	RMB42,287,624 人民幣42,287,624元	—	100%	Property development 物業發展
Guangzhou Hopson Qingyuan Water Supply Limited <sup>o</sup> 廣州合生清源淨水有限公司	Mainland China 中國大陸	RMB3,000,000 人民幣3,000,000元	—	100%	Water supply 供水

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 42 DETAILS OF PRINCIPAL SUBSIDIARIES (Continued) 42 主要附屬公司詳情 (續)

Name of company 公司名稱	Place of incorporation and operations 註冊成立及營運地點	Issued and fully paid capital 已發行及繳足股本	Percentage of equity interest attributable to the Group 本集團應佔股權百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Guangzhou Hopson Yihui Real Estate Limited <sup>1</sup> 廣州合生怡輝房地產有限公司	Mainland China 中國大陸	RMB131,420,019 人民幣131,420,019元	–	100%	Property development 物業發展
Guangzhou Hopson Xingjing Business Services Limited <sup>o</sup> 廣州合生星景商務有限公司	Mainland China 中國大陸	RMB500,000 人民幣500,000元	–	100%	Provision of clubhouse and residential services 提供會所及住宅服務
Guangzhou Hopson Yijing Real Estate Limited <sup>1</sup> 廣州合生逸景房地產有限公司	Mainland China 中國大陸	RMB82,073,720 人民幣82,073,720元	–	99.5%	Property development 物業發展
Guangzhou Hopson Yujing Real Estate Limited <sup>1</sup> 廣州合生愉景房地產有限公司	Mainland China 中國大陸	RMB47,250,000 人民幣47,250,000元	–	70%	Property development 物業發展
Guangzhou Xin Chang Jiang Development Limited <sup>o</sup> 廣州新長江建設開發有限公司	Mainland China 中國大陸	RMB10,000,000 人民幣10,000,000元	–	95.5%	Property development 物業發展
Guangzhou Yijing Arts and Culture Company Limited <sup>o</sup> 廣州藝景文化藝術發展有限公司	Mainland China 中國大陸	RMB11,200,000 人民幣11,200,000元	–	100%	Investment holding 投資控股

## 42 DETAILS OF PRINCIPAL SUBSIDIARIES (Continued) 42 主要附屬公司詳情 (續)

Name of company 公司名稱	Place of incorporation and operations 註冊成立及營運地點	Issued and fully paid capital 已發行及繳足股本	Percentage of equity interest attributable to the Group 本集團應佔股權百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Guangzhou Yiming Real Estate Development Company Limited <sup>#</sup> 廣州頤明房地產開發有限公司	Mainland China 中國大陸	RMB43,800,000 人民幣43,800,000元	—	50% (ii)	Property development 物業發展
Guangzhou Yi Cheng Real Estate Development Limited <sup>1</sup> 廣州市溢晟房地產開發有限公司	Mainland China 中國大陸	RMB42,000,000 人民幣42,000,000元	—	75%	Property development 物業發展
Guangzhou Yi Hui Real Estate Development Limited <sup>1</sup> 廣州市溢暉房地產開發有限公司	Mainland China 中國大陸	RMB37,000,000 人民幣37,000,000元	—	75%	Property development 物業發展
Hopeson Holdings Limited 合生集團有限公司	Hong Kong 香港	HK\$2 ordinary HK\$10,000 non-voting deferred shares (i) 港幣2元普通股 港幣10,000元 無投票權遞延股份(i)	—	100%	Investment holding 投資控股
Hopson Development (Consultants) Limited 合生創展(顧問)有限公司	British Virgin Islands 英屬處女群島	US\$2 2美元	—	100%	Provision of property design and advisory services 提供物業設計及顧問服務
Hopson Development (Properties) Limited 合生創展(置業)有限公司	Hong Kong 香港	HK\$10,000 港幣10,000元	—	100%	Property investment 物業投資
Hopson (Guangzhou) Industries Limited <sup>#</sup> 合生(廣州)實業有限公司	Mainland China 中國大陸	US\$4,830,000 4,830,000美元	—	100%	Property development 物業發展

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 42 DETAILS OF PRINCIPAL SUBSIDIARIES (Continued) 42 主要附屬公司詳情 (續)

Name of company 公司名稱	Place of incorporation and operations 註冊成立及營運地點	Issued and fully paid capital 已發行及繳足股本	Percentage of equity interest attributable to the Group 本集團應佔股權百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Hopson Properties (China) Limited 合生中國房地產有限公司	British Virgin Islands 英屬處女群島	US\$1 1美元	–	100%	Investment holding 投資控股
Huizhou Yaxin Real Estate Company Limited <sup>#</sup> 惠州市亞新房地產有限公司	Mainland China 中國大陸	RMB119,000,000 人民幣119,000,000元	–	100%	Property development 物業發展
Interwell Developments Limited	British Virgin Islands 英屬處女群島	US\$100 100美元	–	50% (ii)	Investment holding 投資控股
Karworld Holdings Limited 嘉和集團有限公司	Hong Kong 香港	HK\$10,000 港幣10,000元	–	100%	Investment holding 投資控股
Ningbo Hopson Real Estate Company Limited <sup>a</sup> 寧波合生創展房地產有限公司	Mainland China 中國大陸	RMB20,000,000 人民幣20,000,000元	–	100%	Investment holding 投資控股
Nambour Properties Limited 南博置業有限公司	British Virgin Islands 英屬處女群島	US\$2 2美元	–	100%	Investment holding 投資控股
Outward Expanse Investments Limited 廣大投資有限公司	British Virgin Islands 英屬處女群島	US\$2 2美元	–	100%	Investment holding 投資控股
Plaza Royale Water Palace Convention Hotel Tianjin Co. Limited <sup>A</sup> 天津帝景溫泉酒店有限公司	Mainland China 中國大陸	RMB72,000,000 人民幣72,000,000元	–	70%	Hotel operation 酒店經營
Pomeroy Properties Limited 邦萊置業有限公司	British Virgin Islands 英屬處女群島	US\$2 2美元	–	100%	Investment holding 投資控股
Prestige Dragon Development Limited 譽龍發展有限公司	Hong Kong 香港	HK\$10,000 港幣10,000元	–	100%	Investment holding 投資控股

## 42 DETAILS OF PRINCIPAL SUBSIDIARIES (Continued) 42 主要附屬公司詳情 (續)

Name of company 公司名稱	Place of incorporation and operations 註冊成立及營運地點	Issued and fully paid capital 已發行及繳足股本	Percentage of equity interest attributable to the Group 本集團應佔股權百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Shanghai Hopson Property Development Company Limited # 上海合生房地產開發有限公司	Mainland China 中國大陸	US\$15,000,000 15,000,000美元	—	100%	Property development 物業發展
Shanghai Long Jia Properties Limited # 上海龍嘉置業有限公司	Mainland China 中國大陸	RMB20,000,000 人民幣20,000,000元	—	100%	Property development 物業發展
Shanghai Lung Meng Company Limited # 上海龍盟有限公司	Mainland China 中國大陸	US\$10,000,000 10,000,000美元	—	100%	Property development 物業發展
Shanghai Mintai Real Estate Company Limited # 上海民泰房地產有限公司	Mainland China 中國大陸	US\$30,100,000 30,100,000美元	—	50% (ii)	Property development 物業發展
Shanghai Ze Yu Properties Limited # 上海澤宇置業有限公司	Mainland China 中國大陸	RMB8,000,000 人民幣8,000,000元	—	84%	Property development 物業發展
Shine Wealth Consultants Limited 亮豐顧問有限公司	British Virgin Islands 英屬處女群島	US\$1 1美元	—	100%	Provision of consultancy services 提供顧問服務
Solawide Properties Limited 崇偉置業有限公司	British Virgin Islands 英屬處女群島	US\$2 2美元	—	100%	Investment holding 投資控股
Sun Yick Properties Limited 新益置業有限公司	British Virgin Islands 英屬處女群島	US\$2 2美元	—	100%	Investment holding 投資控股
Sun Advance Investments Limited 日進投資有限公司	British Virgin Islands 英屬處女群島	US\$1 1美元	—	100%	Investment holding 投資控股
Tianjin Hopson Binhai Real Estate Development Company Limited <sup>1</sup> 天津合生濱海房地產開發有限公司	Mainland China 中國大陸	RMB20,000,000 人民幣20,000,000元	—	70%	Property development 物業發展

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

### 42 DETAILS OF PRINCIPAL SUBSIDIARIES (Continued) 42 主要附屬公司詳情 (續)

Name of company 公司名稱	Place of incorporation and operations 註冊成立及營運地點	Issued and fully paid capital 已發行及繳足股本	Percentage of equity interest attributable to the Group 本集團應佔股權百分比		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Tianjin Hopson Environmental Protection and Energy Saving Technology Development Company Limited *	Mainland China 中國大陸	US\$375,000 375,000美元	–	70%	Research and development of environmental technology and product 研究及開發環保技術及產品
Tianjin Hopson Zhujiang Real Estate Development Limited <sup>1</sup>	Mainland China 中國大陸	RMB72,000,000 人民幣72,000,000元	–	70%	Property development 物業發展
Tumen Properties Limited	British Virgin Islands 英屬處女群島	US\$2 2美元	–	100%	Investment holding 投資控股
Value-Added Guangzhou Limited <sup>º</sup>	Mainland China 中國大陸	RMB8,000,000 人民幣8,000,000元	–	70%	Property development 物業發展

# These are wholly owned foreign enterprises established in Mainland China.

△ These are equity joint ventures established in Mainland China.

<sup>1</sup> These are cooperative joint ventures established in Mainland China.

<sup>º</sup> These are domestic enterprises established in Mainland China.

\* These are foreign enterprises established in Mainland China.

Notes:

(i) The non-voting deferred shares have no voting rights and are not entitled to any dividend or distributions upon winding up unless a sum of HK\$100,000,000,000,000 has been distributed to the holders of the ordinary shares and thereafter one-half of the assets are distributable to holders of the non-voting deferred shares.

(ii) These are subsidiaries because the Group has the power to govern the financial and operating policies of these companies, notwithstanding that the Group's equity interests in these companies are not more than 50%.

# 該等為於中國大陸成立之全資擁有外資企業。

△ 該等為於中國大陸成立之合資合營企業。

<sup>1</sup> 該等為於中國大陸成立之合作合營企業。

<sup>º</sup> 該等為於中國大陸成立之內資企業。

\* 該等為於中國大陸成立之外資企業。

附註:

(i) 無投票權遞延股份並無投票權，無權收取任何股息或無權於清盤時享有分派，除非港幣100,000,000,000,000元已分派予普通股持有人，則其後資產之一半可分派予無投票權遞延股份持有人。

(ii) 儘管本集團於該等公司之股本權益並不超過50%，該等公司為附屬公司乃由於本集團有權規管該等公司之財務及經營政策。

## 43 EVENTS AFTER THE BALANCE SHEET DATE

- (a) On 19 January 2007, the Company granted 7,964,000 share options with an exercise price of HK\$20.75 to a director.
- (b) On 2 February 2007, the Company completed the issue of RMB1,830.4 million aggregate principal amount of USD settled Zero Coupon Convertible Bonds due 2010 with the right to convert into ordinary shares of the Company.
- (c) On 1 March 2007, the Group completed the acquisition of the 100% equity interest in Tianjin Babo Real Estate Development Limited for a consideration of approximately HK\$215 million (equivalent to RMB215 million) which owns the land use right of a site located in Nan Kai District, Tianjin with a GFA of approximately 90,000 square metres.
- (d) Pursuant to the New PRC corporate income tax law passed by the Tenth National People's Congress on 16 March 2007, the new corporate income tax rates for almost all enterprises established in the PRC shall be subject to a unified rate of 25% and will be effective from 1 January 2008. The impact of such change of corporate income tax on the Group's consolidated financial statements will depend on detailed pronouncements that will be subsequently issued. The Group will evaluate the impact of the new PRC corporate income tax law upon the issuance of detailed pronouncements.

## 43 結算日後事項

- (a) 於二零零七年一月十九日，本公司向一董事授與行使價為港幣20.75元的7,964,000購股權證。
- (b) 於二零零七年二月二日，本公司完成發行人民幣18.304億元於二零一零年到期以美元結算之零息可換股債券，有權可變換為本公司之普通股。
- (c) 於二零零七年三月一日，本公司完成以港幣2.15億元（約人民幣2.15億元）收購天津巴博房地產開發有限公司之100%股權，此公司擁有位於天津市南開區一塊約90,000平米土地之土地使用權。
- (d) 根據將於二零零八年一月一日起生效之新訂中國企業所得稅法（由第十屆全國人民代表大會於二零零七年三月十六日通過），對幾乎所有於中國成立之企業將按劃一之25%稅率徵收新企業所得稅。該等企業所得稅法之變動對本集團綜合財務報表之影響須視乎日後所頒佈之實施細則而定。本集團將於實施細則頒佈後對新訂中國企業所得稅法所造成之影響進行評估。

# Summary of Financial Information

## 財務資料概要

### CONSOLIDATED BALANCE SHEETS

### 綜合資產負債表

		2002	2003	2004	2005	2006
		二零零二年	二零零三年	二零零四年	二零零五年	二零零六年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		(Restated)	(Restated)	(Restated)		
		(重列)	(重列)	(重列)		
<b>ASSETS</b>	<b>資產</b>					
Non-current assets	非流動資產					
Land costs	土地成本	813,488	1,139,277	760,827	426,499	<b>500,367</b>
Properties and equipment	物業及設備	28,413	35,730	709,777	938,913	<b>1,267,460</b>
Investment properties	投資物業	2,738,470	2,568,758	2,835,469	2,583,313	<b>2,503,845</b>
Properties under development	持作長期投資之					
for long-term investment	發展中物業	256,410	659,486	338,586	234,411	<b>227,765</b>
Intangible assets	無形資產	54,632	4,072	(155,846)	102,142	<b>106,349</b>
Investment in an associate	於一間聯營公司					
	之投資	1,888	770	36	80	<b>-</b>
Investment in a jointly	於一間共同控制					
controlled entity	實體之投資	56,526	107,297	256,761	867,632	<b>1,033,245</b>
Available-for-sale financial asset	可供出售財務資產	-	-	-	-	<b>291,834</b>
Deposit paid	已付按金	-	-	-	-	<b>554,579</b>
Deferred tax assets	遞延稅項資產	30,857	55,387	47,272	51,962	<b>42,357</b>
Other non-current asset	其他非流動資產	-	-	-	-	<b>919,584</b>
		<u>3,980,684</u>	<u>4,570,777</u>	<u>4,792,882</u>	<u>5,204,952</u>	<u><b>7,447,385</b></u>
Current assets	流動資產					
Land costs	土地成本	2,167,032	2,180,028	3,775,910	5,131,465	<b>7,135,951</b>
Properties under	可供出售之					
development for sale	發展中物業	1,186,499	2,209,479	2,775,320	4,320,803	<b>4,146,742</b>
Completed properties for sale	可供出售之已落成					
	物業	846,397	1,011,727	1,177,729	1,071,604	<b>1,953,586</b>
Prepayments, deposits and	預付款項、按金及					
other current assets	其他流動資產	306,541	450,150	758,574	1,171,863	<b>2,097,638</b>
Accounts receivable	應收賬款	11,349	43,415	80,789	90,324	<b>111,142</b>
Due from related companies	應收關連公司款項	2,765	3,138	2,170	2,285	<b>18,531</b>
Pledged/charged bank deposits	已抵押／押記銀行					
	存款	281,034	309,732	258,650	237,068	<b>157,317</b>
Cash and cash equivalents	現金及現金等價物	208,368	350,247	477,959	2,353,280	<b>2,412,479</b>
		<u>5,009,985</u>	<u>6,557,916</u>	<u>9,307,101</u>	<u>14,378,692</u>	<u><b>18,033,386</b></u>

# Summary of Financial Information

## 財務資料概要

		2002 二零零二年 HK\$'000 港幣千元 (Restated) (重列)	2003 二零零三年 HK\$'000 港幣千元 (Restated) (重列)	2004 二零零四年 HK\$'000 港幣千元 (Restated) (重列)	2005 二零零五年 HK\$'000 港幣千元	2006 二零零六年 HK\$'000 港幣千元
<b>LIABILITIES</b>	<b>負債</b>					
Current liabilities	流動負債					
Accounts payable	應付賬款	1,017,349	1,329,840	662,854	800,524	<b>563,378</b>
Land cost payable	應付土地成本	346,252	108,819	828,128	1,000,039	<b>1,070,928</b>
Borrowings	借款	1,181,352	1,384,093	1,957,752	1,837,342	<b>1,345,042</b>
Deferred revenue	遞延收益	885,025	1,850,377	3,408,938	2,837,090	<b>4,167,431</b>
Accruals and other payables	預提費用及其他應付款項	292,799	411,026	451,049	866,831	<b>941,792</b>
Due to an associate	應付一間聯營公司款項	1,109	2,226	1,192	5,146	<b>5,343</b>
Due to directors	應付董事款項	4,188	1,922	5,667	13,891	–
Due to related companies	應付關連公司款項	303,314	215,732	479,818	266,362	<b>103,398</b>
Due to a jointly controlled entity	應付一間共同控制實體款項	212,567	185,347	391,006	148,117	<b>1,037,287</b>
Due to a holding company	應付控股公司款項	–	–	–	18,997	–
Current tax liabilities	本期稅項負債	172,303	188,682	353,051	584,191	<b>464,019</b>
		<u>4,416,258</u>	<u>5,678,064</u>	<u>8,539,455</u>	<u>8,378,530</u>	<u><b>9,698,618</b></u>
Net current assets	流動資產淨值	<u>593,727</u>	<u>879,852</u>	<u>767,646</u>	<u>6,000,162</u>	<u><b>8,334,768</b></u>
Total assets less current liabilities	總資產減流動負債	<u>4,574,411</u>	<u>5,450,629</u>	<u>5,560,528</u>	<u>11,205,114</u>	<u><b>15,782,153</b></u>
Non-current liabilities	非流動負債					
Land cost payable	應付土地成本	75,338	11,847	190,566	522	–
Borrowings	借款	822,598	1,662,224	1,547,805	4,826,851	<b>6,076,963</b>
Deferred revenue	遞延收益	57,359	53,934	49,640	–	–
Deferred tax liabilities	遞延稅項負債	694,269	546,286	374,743	612,466	<b>896,025</b>
Due to a director	應付一名董事款項	10,000	10,000	10,000	–	–
Due to a holding company	應付控股公司款項	20,000	32,000	59,000	–	–
Other non-current liability	其他非流動負債	–	–	–	–	<b>581,250</b>
		<u>1,679,564</u>	<u>2,316,291</u>	<u>2,231,754</u>	<u>5,439,839</u>	<u><b>7,554,238</b></u>
Net assets	資產淨值	<u>2,894,847</u>	<u>3,134,338</u>	<u>3,328,774</u>	<u>5,765,275</u>	<u><b>8,227,915</b></u>
<b>EQUITY</b>	<b>權益</b>					
Capital and reserves attributable to the Company's equity holders	本公司股權持有人應佔股本及儲備					
Share capital	股本	100,200	100,200	100,300	121,360	<b>128,510</b>
Reserves	儲備	2,393,558	2,544,804	3,073,427	5,342,348	<b>7,709,155</b>
		<u>2,493,758</u>	<u>2,645,004</u>	<u>3,173,727</u>	<u>5,463,708</u>	<u><b>7,837,665</b></u>
Minority interests	少數股東權益	401,089	489,334	155,047	301,567	<b>390,250</b>
Total equity	權益總額	<u>2,894,847</u>	<u>3,134,338</u>	<u>3,328,774</u>	<u>5,765,275</u>	<u><b>8,227,915</b></u>

# Summary of Financial Information

## 財務資料概要

### CONSOLIDATED INCOME STATEMENT

### 綜合損益表

		2002	2003	2004	2005	2006
		二零零二年	二零零三年	二零零四年	二零零五年	二零零六年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		(Restated)	(Restated)	(Restated)		
		(重列)	(重列)	(重列)		
Revenues	收益	2,394,115	2,511,630	3,973,184	6,133,894	<b>6,920,294</b>
Cost of sales	銷售成本	(1,592,461)	(1,892,421)	(2,895,770)	(4,189,275)	<b>(4,509,340)</b>
Gross profit	毛利	801,654	619,209	1,077,414	1,944,619	<b>2,410,954</b>
Other gains	其他收益	—	—	113,222	261,994	<b>505,531</b>
Selling and marketing costs	銷售及市場推廣費用	(208,386)	(230,080)	(180,699)	(211,880)	<b>(228,618)</b>
General and administrative expenses	一般及行政費用	(146,201)	(139,852)	(241,898)	(331,075)	<b>(296,600)</b>
Operating profit	經營溢利	447,067	249,277	768,039	1,663,658	<b>2,391,267</b>
Finance income	財務收入	2,632	7,211	4,484	17,382	<b>26,814</b>
Finance costs	財務成本	(12,644)	(4,280)	(13,375)	(59,966)	<b>(84,808)</b>
Share of (loss)/profit of an associate	分佔一間聯營公司 (虧損)/溢利	(3,033)	(1,118)	(734)	44	<b>(80)</b>
Share of profit of and other gains relating to a jointly controlled entity	分佔一間共同控制實體 溢利及其他收益	32,150	51,671	57,732	191,509	<b>128,343</b>
Profit before taxation	除稅前溢利	466,172	302,761	816,146	1,812,627	<b>2,461,536</b>
Taxation	稅項	(183,882)	(101,192)	(298,338)	(611,446)	<b>(837,358)</b>
Profit for the year	年度溢利	<u>282,290</u>	<u>201,569</u>	<u>517,808</u>	<u>1,201,181</u>	<b><u>1,624,178</u></b>
Attributable to:	應佔:					
Equity holders of the Company	本公司股權持有人	243,340	168,905	432,785	1,217,323	<b>1,553,752</b>
Minority interests	少數股東權益	<u>38,950</u>	<u>32,664</u>	<u>85,023</u>	<u>(16,142)</u>	<b><u>70,426</u></b>
		<u>282,290</u>	<u>201,569</u>	<u>517,808</u>	<u>1,201,181</u>	<b><u>1,624,178</u></b>
Dividends	股息	<u>40,080</u>	<u>50,100</u>	<u>90,270</u>	<u>412,494</u>	<b><u>480,980</u></b>



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