

二 零 零 六 年 年 報
ANNUAL REPORT 2006

天
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天 安 中 國 投 資 有 限 公 司

TIAN AN CHINA INVESTMENTS COMPANY LIMITED (Stock code 股份代號 : 28)

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董事會

執行董事

李成偉，主席兼代理董事總經理
黃清海，副董事總經理
馬申
勞景祐
李志剛
Yasushi Ichikawa

非執行董事

鄭慕智
楊麗琛
Yuki Oshima

獨立非執行董事

鄭鑄輝
吳繼偉
魏華生
徐溯經

執行委員會

李成偉，主席
黃清海
馬申
勞景祐
李志剛
Yasushi Ichikawa

薪酬委員會

鄭鑄輝，主席
魏華生
徐溯經

審核委員會

魏華生，主席
鄭鑄輝
鄭慕智
Yuki Oshima
徐溯經
楊麗琛

BOARD OF DIRECTORS

Executive Directors

Patrick Lee Seng Wei, *Chairman and Acting Managing Director*
Ng Qing Hai, *Deputy Managing Director*
Ma Sun
Edwin Lo King Yau
Li Chi Kong
Yasushi Ichikawa

Non-Executive Directors

Moses Cheng Mo Chi
Lisa Yang Lai Sum
Yuki Oshima

Independent Non-Executive Directors

Francis J. Chang Chu Fai
Goodwin Gaw
Ngai Wah Sang
Xu Su Jing

EXECUTIVE COMMITTEE

Patrick Lee Seng Wei, *Chairman*
Ng Qing Hai
Ma Sun
Edwin Lo King Yau
Li Chi Kong
Yasushi Ichikawa

REMUNERATION COMMITTEE

Francis J. Chang Chu Fai, *Chairman*
Ngai Wah Sang
Xu Su Jing

AUDIT COMMITTEE

Ngai Wah Sang, *Chairman*
Francis J. Chang Chu Fai
Moses Cheng Mo Chi
Yuki Oshima
Xu Su Jing
Lisa Yang Lai Sum

註冊辦事處

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銀行

香港

中國銀行(香港)有限公司
東亞銀行有限公司
中信嘉華銀行有限公司
香港上海滙豐銀行有限公司
渣打銀行(香港)有限公司
永亨銀行有限公司

中國內地

中國農業銀行
中國銀行
交通銀行
中國建設銀行
招商銀行
中國工商銀行
興業銀行
上海浦東發展銀行

律師

萬盛國際律師事務所
胡百全律師事務所

核數師

德勤•關黃陳方會計師行

公司秘書

容綺媚

過戶登記處

秘書商業服務有限公司
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BANKERS

Hong Kong

Bank of China (Hong Kong) Limited
The Bank of East Asia, Limited
CITIC Ka Wah Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
Standard Chartered Bank (Hong Kong) Limited
Wing Hang Bank, Limited

Mainland China

Agricultural Bank of China
Bank of China
Bank of Communications
China Construction Bank Corporation
China Merchants Bank
Industrial and Commercial Bank of China
Industrial Bank Co., Ltd.
Shanghai Pudong Development Bank Co., Ltd.

SOLICITORS

Mallesons Stephen Jaques
P. C. Woo & Co.

AUDITORS

Deloitte Touche Tohmatsu

COMPANY SECRETARY

Cindy Yung Yee Mei

REGISTRAR

Secretaries Limited
26th Floor, Tesbury Centre
28 Queen's Road East
Hong Kong

本人欣然宣佈二零零六年之全年業績。

I am pleased to present to you the annual results for 2006.

業績

RESULTS

截至二零零六年十二月三十一日止年度，本集團營業額下降至889,302,000港元，較去年錄得的1,397,100,000港元下降36%。本公司股東應佔溢利為51,496,000港元（二零零五年：202,540,000港元），較去年下降75%。然而，股東應佔溢利減少，原因是本集團基於審慎原則將往年及本年度的土地增值稅撥備（往年以或有負債形式披露）於年內確認，往年及本年度的土地增值稅撥備分別為261,636,000港元及35,773,000港元。倘若不作撥備，股東應佔溢利為334,563,000港元。

The turnover of the Group for the year ended 31st December, 2006 was HK\$889,302,000, a decrease of 36% compared to the previous year of HK\$1,397,100,000. The profit attributable to equity holders of the Company was HK\$51,496,000 (2005: HK\$202,540,000), representing a 75% decrease over the previous year. However, the decrease is attributable to the recognition in the current year by the Group in the interest of prudence of a provision for past years and this year PRC Land Appreciation Tax ("LAT") previously noted as a contingent liability. These provisions amounted to HK\$261,636,000 and HK\$35,773,000 respectively. Had these provisions not been made, profit attributable to equity holders would have been HK\$334,563,000.

年內本公司股東應佔溢利（未計提額外土地增值稅）增加主要來自：

The increase in profit attributable to equity holders of the Company for the year before the provision for additional LAT was the result of:

(1) 投資物業公允價值之增加；

(1) an increase in fair value of investment properties,

(2) 出售一間共同控制公司之收益；及

(2) a gain on the disposal of a jointly controlled entity, and

(3) 租金收入增加70%。

(3) increase in rental income by 70%.

每股盈利為4.9港仙（二零零五年：23.1港仙），較去年下降79%。然而，倘若不計入之前於或有負債處理的額外土地增值稅撥備，則在利潤表中列示的每股基本盈利應為32.1港仙。

Earnings per share were HK4.9 cents (2005: HK23.1 cents), representing a decrease of 79% over last year. However, as set out in the income statement, if the provision for additional LAT previously treated as a contingent liability is excluded, basic earnings per share would have been HK32.1 cents.

股息及截止過戶日期

董事會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本公司股份2.5港仙(二零零五年：無) 予於二零零七年五月十八日(星期五) 名列本公司股東名冊內之股東(「股東」)。

本公司將於二零零七年五月十五日(星期二)至二零零七年五月十八日(星期五)(包括首尾兩天)暫停辦理本公司股份過戶登記手續，在此期間本公司股份不能過戶。為符合獲享末期股息資格，所有轉讓文件連同相關股票最遲須於二零零七年五月十四日(星期一)下午四時正前送交本公司之過戶登記處秘書商業服務有限公司(地址為香港皇后大道東28號金鐘匯中心26樓)辦理股份過戶登記手續。待股東於本公司即將舉行之股東週年大會上批准後，預期股息單將於二零零七年六月一日(星期五)寄發。

業務回顧

本集團主要經營範圍包括：在中國開發高端住宅、別墅、辦公樓及商用樓宇、物業投資、物業管理、酒店營運，以及生產及銷售建築材料。

二零零六年之業績均符合本集團之既定目標：

- (1) 持續出售非核心資產；
- (2) 增加經常性收入；
- (3) 優化發展溢利；
- (4) 於主要城市增加土地儲備；
- (5) 精簡營運模式；及
- (6) 持續加強專業管理團隊。

DIVIDEND AND BOOK CLOSE

The Board has recommended a final dividend of HK2.5 cents per share of the Company for the year ended 31st December, 2006 (2005: nil) payable to the shareholders of the Company (the "Shareholders") whose names appear on the register of members of the Company at the close of business on Friday, 18th May, 2007.

The register of members of the Company will be closed from Tuesday, 15th May, 2007 to Friday, 18th May, 2007 (both days inclusive), during which period no transfer of shares of the Company will be registered. In order to qualify for the final dividend, all transfers of shares of the Company accompanied by the relevant share certificates must be lodged with the Company's registrar, Secretaries Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong for registration not later than 4:00 p.m. on Monday, 14th May, 2007. Subject to approval by the Shareholders at the forthcoming annual general meeting of the Company, dividend warrants are expected to be despatched on Friday, 1st June, 2007.

BUSINESS REVIEW

The Group is engaged principally in the development of high-end apartments, villas, office buildings and commercial properties, property investment, property management and hotel operation, as well as the manufacture and sale of construction materials in China.

The 2006 results are in line with the Group's stated objectives of:

- (1) continuing to dispose of non-core assets,
- (2) increasing recurrent income,
- (3) maximising development profit,
- (4) increasing landbank in major cities,
- (5) streamlining operating processes, and
- (6) continuing to strengthen the professional management team.

有關本集團於二零零六年取得之成果，下文按此等既定目標作為框架逐點分析：

Utilising these stated objectives and using them as a framework for discussion, an analysis of the Group's achievements in 2006 is outlined below:

(1) 持續出售非核心資產

於本年度內，我們出售於上海新聯誼大廈有限公司（於上海外灘附近擁有一塊土地）之50%有效權益，以及上海國聯有限公司（於外高橋持有一間保稅倉）之10%權益。出售新聯誼大廈權益為利潤表帶來136,816,000港元的除稅後純利貢獻。

至於我們擁有少數權益之合營企業，我們正與擁有大多數權益股東進行磋商，以出售我們之股權或收購彼等之股權，從而撤出非核心投資或更有效地行使對此等投資之控制權。

有關可能被歸類列為閒置土地之物業項目，我們擬出售認為增長前景較為薄弱的物業，並專注發展位於福州之登雲綜合渡假村。我們認為該渡假村現已轉趨成熟，相信將能夠在可預見將來為本集團帶來締造收益。

(1) Continuing to dispose of non-core assets

During the year, we disposed of an effective 50% interest in Shanghai New Union Building Co., Ltd., which owned land near the Bund in Shanghai, and a 10% interest in Shanghai Interunited Co., Ltd., which held a bonded warehouse in Waigaoqiao. The sale of the New Union Building interest contributed a net profit after tax of HK\$136,816,000 to the income statement.

As for joint ventures where we have a minority stake, we are in the process of negotiating with the majority shareholders to either sell our stakes or acquire theirs so as to either exit our non-core investments or to exercise better control over them.

Regarding properties which may potentially be classified as idle land, we intend to dispose of those we believe may have lesser growth prospects and to focus on activating our Fuzhou Dengyun integrated resort which we believe is now maturing and should be able to contribute to our earnings in the foreseeable future.

(2) 增加經常性收入

為了增加經常性收入，我們自二零零五年起一直採取策略保留更多發展物業以作投資，我們相信此等物業將可增加租金收入來源，並可相應地提高資本價值。此舉背後之理由包括：中國嚴謹之新稅制會對所出售物業所取得之高邊際溢利徵收較高稅款；難以在主要城市收購優質土地；此外，再加上基於中國經濟持續增長，持有大量物業將較出售物業更為合理，原因為持有物業可令本集團受惠於資本增長，但出售物業卻會產生成本，且本集團亦難以另覓土地替代。

(2) Increasing recurrent income

As to increasing recurrent income, our policy since 2005 has been to retain more of our development properties for investment where we believe these properties will provide increasing rental streams and corresponding increases in capital value. The rationale behind this move includes a tough new PRC tax regime which penalises the high profit margins on property sales, the difficulty in acquiring quality land in major cities, and ultimately with the continuing growth in China, it is commercially sound policy to retain a substantial portion of our properties for their capital growth rather than dispose of them and incur the costs and difficulties of replacing the land.

每當我們將此等物業轉為投資物業，我們均錄得重大收益，此乃由於所有待發展物業乃根據會計準則按成本列值，因此不會重新估值所致。

本集團之租金收入於二零零六年上升70%，並預計將於未來幾年持續上升。

坐落於南京路人民廣場中心商務區附近之上海天安中心已大部分租出。租戶多為跨國大企業，且租金均隨著續租而錄得上升。位於中山路核心商務區之大連天安國際大廈亦已租出逾半總樓面面積，並預期將於本年底大部份租出。南京天安國際大廈之商場樓層均已全數租出，有關貢獻將於二零零八年隨著續租而進一步上升。天安數碼城合營企業亦已保留更多其位於深圳及番禺之發展項目以作出租用用途。

我們亦已著手保留部分住宅組合作出租之用，就此而言，我們已將北京天安豪園部分單位出租，而市場對我們公寓之整體反應一直良好。

上海天安陽光半島項目或稱作「麵粉廠」之發展進度令人滿意。有關自該地盤遷出餘下廠房之磋商已踏入最後階段，我們預計第一期發展工程將於今年稍後動工，此項目竣工後將成為上海重要地標之一，我們擬將此整個項目保留作為投資物業。

As and when we transfer these properties into our investment portfolio, we record a significant gain because all properties for development are stated at our cost under the accounting standards and as such are not revalued.

Rental income for the Group has increased by 70% in 2006 and is expected to continue to increase in the next few years.

Shanghai Tian An Centre, located in the business ring around People's Square in Nanjing Road, has been substantially leased. Most of the tenants are international enterprises and rents have been increasing on renewals. We have leased more than half of the Gross Floor Areas (the "GFA") of Dalian Tian An International Tower, which is located in the core business district of Zhongshan Road, and expect it to be substantially leased by the end of this year. The commercial podium of Nanjing Tian An Building is fully leased and its contribution should further increase in 2008 on rental revision. The Tian An Cyberpark joint ventures have also retained more of their developments in Shenzhen and Panyu for rental.

We have also commenced the retention of part of our residential portfolio for rental. In this regard, we are leasing part of our Beijing Park Apartments and the overall feedback on the apartments has been pleasing.

The Shanghai Sunshine Peninsula project, or the "Flour Mill" development, is also progressing satisfactorily. We are in the final stages of negotiation for the removal of the last remaining factories from the site. We envisage Phase 1 of the development should start in the latter part of the year. This project on completion will be a significant landmark in Shanghai and we currently intend to retain it as an investment property.

(3) 優化發展溢利

由於保留項目作為投資物業，我們所出售之總樓面面積大幅減少。本集團於二零零六年售出之總樓面面積約79,100平方米，而二零零五年及二零零四年分別為138,000平方米及225,000平方米。此乃管理層作出之主動決定；此項決定之成果可望於二零零八年及二零零九年各項用作出售之重要發展落成時實現，其中包括漕寶路之上海天安豪園、佘山之上海天安別墅、無錫 The Manhattan、深圳天安高爾夫花園(三期)。此等資產之價值於過去數年顯著上升，故我們將於出售時錄得可觀溢利。

於本年度內，於中國售出之物業包括南通天安花園(三期)、常州新城市花園(五期)、無錫紅山半島(三期)、廣州番禺節能科技園(二期及三期)、大連天安海景花園(二期B)及長春天安第一城。

於本年度內，已竣工商／住宅物業總樓面面積約為83,800平方米(二零零五年：182,000平方米)，較去年同期下降54%。截至二零零六年底，在建工程總樓面面積約為282,300平方米(二零零五年：246,400平方米)，較去年同期上升15%，包括南通天安花園(三期第二部分)、常州新城市花園(五期)、上海天安別墅(二期)、深圳天安高爾夫花園(三期)、深圳龍崗數碼新城(一期)、廣州番禺節能科技園(三期)及長春天安第一城(三期)。

(3) Maximising development profit

As a result of our retention policies there is a resulting drop in our GFA sold. The Group recorded sales of total GFA of approximately 79,100 m² in 2006, compared to 138,000 m² and 225,000 m² in 2005 and 2004 respectively. The benefits of this decision by management will be seen in 2008 and 2009 when key developments for sale will come on stream. This includes Shanghai Tian An Place in Cao Bao Lu, Shanghai Tian An Villa in Sheshan, The Manhattan in Wuxi and Shenzhen Tian An Golf Garden (Phase 3). These assets have significantly increased in value in the last couple of years and we expect to record a substantial profit on disposal.

During the year, properties sold in the PRC consist of Nantong Tian An Garden (Phase 3), Changzhou New City Garden (Phase 5), Wuxi Redhill Peninsula (Phase 3), Guangzhou Panyu Hi-Tech Ecological Park (Phases 2 and 3), Dalian Tian An Seaview Garden (Phase 2B) and Changchun Tian An City One.

A total GFA of approximately 83,800 m² (2005: 182,000 m²) of residential/commercial properties was completed during the year, representing a decrease of 54% over last year. By the end of 2006, a total GFA of approximately 282,300 m² (2005: 246,400 m²) was under construction, representing a 15% increase from the preceding year, including Nantong Tian An Garden (Phase 3 Part 2), Changzhou New City Garden (Phase 5), Shanghai Tian An Villa (Phase 2), Shenzhen Tian An Golf Garden (Phase 3), Shenzhen Longgang Cyber Park (Phase 1), Guangzhou Panyu Hi-Tech Ecological Park (Phase 3) and Changchun Tian An City One (Phase 3).

(4) 於主要城市增加土地儲備

目前，本集團擁有約632.2萬平方米總樓面面積的土地儲備（本集團應佔總樓面面積約為461.5萬平方米，包括已竣工投資物業約22.2萬平方米及待發展物業約439.3萬平方米），主要位於上海、深圳、北京、廣州、惠州、佛山、南通、無錫、常州、南京、福州、長春、大連、武漢、肇慶及江門。

在資本增長前景良好之前題下，我們不斷增加土地儲備。我們於二零零六年在廣東省惠州所收購之淡水物業包括三幅佔地共39.2萬平方米、總樓面面積78.3萬平方米之土地。我們亦與當地機關商討於常州（800畝）及南京（2,700畝）增加土地儲備。就此兩項項目而言，我們擬建設綜合商務園，將包括工業、商業、辦公樓及住宅。

我們之合營企業公司深圳天安數碼城有限公司亦於二零零六年積極增加土地儲備，其中包括東莞及南海。天安東莞數碼城坐落於全新之城市中央地區—南城區，覆蓋土地面積100萬平方米，總樓面面積220萬平方米。天安南海數碼城位於南海桂城，擔當著廣州與佛山都市圈之間的橋樑，覆蓋土地面積10萬平方米，總樓面面積25萬平方米。

整體而言，天安數碼城將擁有356.7萬平方米（本集團應佔152.2萬平方米）土地儲備，相信其土地儲備將會增加，惟需視乎與政府之磋商結果而定。

(4) Increasing landbank in major cities

The Group currently has a landbank of total GFA of approximately 6,322,000 m² (total GFA attributable to the Group is approximately 4,615,000 m², consisting of approximately 222,000 m² of completed investment properties and approximately 4,393,000 m² of properties for development), located mainly in Shanghai, Shenzhen, Beijing, Guangzhou, Huizhou, Foshan, Nantong, Wuxi, Changzhou, Nanjing, Fuzhou, Changchun, Dalian, Wuhan, Zhaoqing and Jiangmen.

We have continued to increase our landbank where we perceive good capital growth prospects. Our Danshui property in Huizhou, Guangdong which was acquired in 2006 comprises interests in three parcels of land with a total site area of 392,000 m² with total GFA of 783,000 m². We are also in the process of negotiating with local authorities to increase our landbank in Changzhou (800 mu) and Nanjing (2,700 mu). For these two projects, we intend to build integrated business parks, which will include industrial, commercial, office and residential components.

Our joint venture company, Shenzhen Tian An Cyberpark Co., Ltd. has also been actively increasing its landbank in 2006. These include Dongguan and Nanhai. Tian An Dongguan Cyber Park is situated in the new city central area – Nancheng District and covers a land area of 1,000,000 m² with gross floor area of 2,200,000 m². Tian An Nanhai Cyber Park is located in Guicheng of Nanhai, which plays a linkage role for Guangzhou-Foshan City Circle, covering a land area of 100,000 m², with gross floor area of 250,000 m².

As a whole, Tian An Cyberpark will have a landbank of 3,567,000 m² (1,522,000 m² attributable to the Group), and this should increase subject to negotiations with the government.

(5) 精簡營運模式

我們繼續在營運層面及業務層面上精簡我們集團的經營模式。

在營運層面上，我們繼續中央化處理財務、招標程序，以及行政職能。我們憑藉雄厚之財力，在可能情況下與往來銀行洽商更佳條款。管理層已設立一個更加全面之項目成本會計系統。為了降低營運成本，我們已訂立計劃關閉有關之閒置公司。

至於業務方面，我們一直利用重提土地增值稅所產生之不明朗市場氣氛，與少數權益合營企業夥伴洽商收購彼等之股權。此舉將使我們能更妥善管理及控制成本。

(6) 持續加強專業管理團隊

我們安排重要管理人員駐於上海，以縮短反應時間。我們一直招聘專業人才，包括工程師及室內設計師，使我們能為客戶提供更高質素之產品。

我們已加強採購部，以改善我們建築物料之訂價、協調及質素。

本公司主要股東之一Orix Corporation亦借調多位高級人員協助加強我們之財政規劃。彼等一直與我們共同發掘新項目，務求把握每個合資機會。引進Orix及其他幾位機構投資者，例如Penta Investments Advisers Limited，亦將有助提高我們的形象。

(5) Streamlining operating processes

We have continued to streamline our operating processes both at an operational and a business level.

At the operational level, we have continued to centralise financial controls, tender processes, and administrative functions. We have taken advantage of our strong financial position to negotiate better terms with bankers where possible. A more comprehensive project cost accounting system has been established. Plans are being made to close relevant dormant companies in order to lower operating costs.

On the business level, we have been taking advantage of the market uncertainties created by the revival of the LAT to negotiate with our minority joint venture partners to acquire their stakes. This is intended to enable us to exercise better management and cost control.

(6) Continuing to strengthen the professional management team

We have based additional key management personnel in Shanghai to reduce response time. We have recruited professionals including engineers and interior designers so as to enable us to deliver better quality products to our customers.

We have strengthened our sourcing division with the view to improving the pricing, consistency and quality of our building materials.

Orix Corporation, a substantial shareholder of the Company, has seconded several senior staff to help strengthen our financial planning. They have been exploring new projects with us with a view to co-investing with us should such opportunities arise. The introduction of Orix and several other institutional investors such as Penta Investments Advisers Limited will strengthen our shareholder profile.

建築物料生產及銷售

銷售建築物料之分類業績於本年度內為本集團帶來14,471,000港元溢利(二零零五年: 10,131,000港元虧損)。水泥及熟料銷量218.6萬噸,較去年同期上升23%。值得注意的是我們之上海水泥廠乃設於上海一個極具吸引力之地點,此項物業於我們賬目中按成本入賬,而我們正設法開啟其價值。

採用新公司標誌

為了提高品牌形象,本公司自二零零七年三月三十日已採用新公司標誌,其外形與本公司主要股東聯合集團有限公司所註冊之標誌相同,惟兩者顏色不同。原有的公司標誌保留給於中國之項目公司(包括附屬公司、聯營公司及共同控制公司)使用。

展望

在人民幣升值及通脹壓力強勁之帶動下,中國經濟繼於二零零六年錄得10.7%增長後,預期將於二零零七年增長約8%。中國政府正嘗試運用加息政策控制通脹壓力,而同時實施土地增值稅,將可能削弱物業市場之氣氛。董事會相信,鑒於物業及建築對中國經濟的強大支持,政府仍會意識到物業發展商所作的貢獻。

董事會認為,憑藉本集團之實力雄厚,本集團有信心能夠推行其於上文所述之既定策略及目標,為本公司全體股東爭取利益。

致謝

本人謹此衷心感謝各董事及員工於過去一年值得表揚之努力及對本集團之貢獻,並感謝各股東的諒解及支持,以及客戶之信任。

主席兼代理董事總經理
李成偉

香港,二零零七年三月三十日

Manufacture and Sale of Construction Materials

The segment results for sale of construction materials for the year provided segment profit of HK\$14,471,000 (2005: loss of HK\$10,131,000) to the Group. The sales volume of cement and clinker amounted to 2.186 million tonnes, representing an increase of 23% as compared to the previous year. Our Shanghai cement factory is located on an attractive site in Shanghai. This property is stated at cost in our books and we are examining ways to realise its value.

ADOPTION OF NEW COMPANY LOGO

In order to enhance the brand image, the Company has adopted a new company logo with effect from 30th March, 2007 by using the same shape as the logo registered by Allied Group Limited, a substantial shareholder of the Company, but in different colour. The old company logo is retained for use by the project companies, including subsidiaries, associates and jointly controlled entities, in the PRC.

OUTLOOK

The PRC economy is expected to grow at around 8% for 2007, following a 10.7% growth rate for 2006, fuelling not only RMB appreciation, but also creating strong inflationary pressure. The PRC Government is attempting to control the inflationary pressure with higher interest rates. This together LAT may weaken property sentiment. The Board believes however that the Government will remain aware of the contribution of property developers as property and construction have provided significant support for the PRC's strong economic growth.

The Board is confident that the Group is in a strong position, and will be able to carry out its stated strategies and objectives for the benefit of all shareholders.

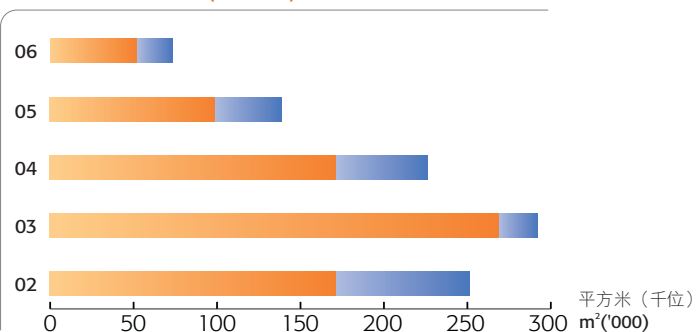
APPRECIATION

I would like to take this opportunity to thank my fellow Directors and the staff for their diligence and contributions to the Group in the past year, to the shareholders for their understanding and support, and to the customers for their trust.

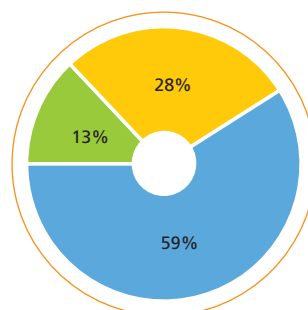
Patrick Lee Seng Wei
Chairman and Acting Managing Director

Hong Kong, 30th March, 2007

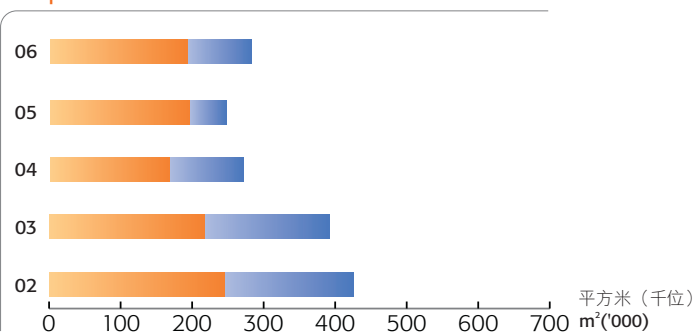
銷售樓面面積
Gross Floor Area ("GFA") Sold



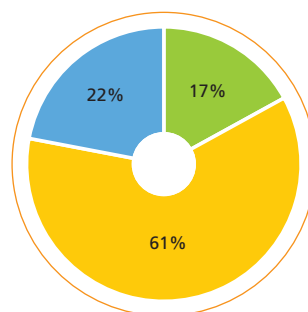
2006年銷售樓面面積之地區分佈
GFA Sold by Region in 2006



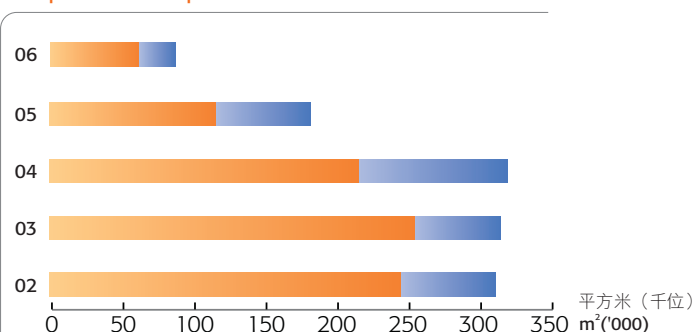
發展中物業樓面面積
Properties Under Construction in terms of GFA



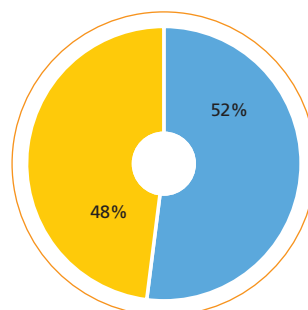
2006年發展中物業樓面面積之地區分佈
Properties Under Construction by Region in 2006



建成樓面面積
Properties Completed in terms of GFA



2006年建成樓面面積之地區分佈
Properties Completed by Region in 2006



住宅 Residential
商業 Commercial

華東 Eastern China
華南 Southern China
華北 Northern China

業務報告

1. 收入來源

在中國的物業發展、物業投資、合營企業投資及建築物料業務為本集團收入之主要來源。其明細如下：

(1) 物業發展

物業發展營業額由二零零五年940,207,000港元下降至345,975,000港元。年內推出的項目主要有廣州番禺節能科技園(二期及三期)、南通天安花園(三期)、常州新城市花園(五期)、無錫紅山半島(三期)、大連天安海景花園(二期B)及長春天安第一城。

(2) 物業投資

年內上海天安中心及大連天安國際大廈出租理想，令集團租金收入由56,445,000港元增至95,903,000港元，升幅約為70%。預計二零零七年租金收入將有所增長。

OPERATIONS REVIEW

1. REVENUE SOURCES

Revenue derived from operations in property development, property investment, joint venture investments and construction materials in the PRC constituted the most significant source of revenue to the Group. An analysis is as follows:

(1) *Property development*

Turnover derived from property development decreased from HK\$940,207,000 to HK\$345,975,000 compared with 2005. Projects offered for sale during the year mainly consisted of Guangzhou Panyu Hi-Tech Ecological Park (Phases 2 and 3), Nantong Tian An Garden (Phase 3), Changzhou New City Garden (Phase 5), Wuxi Redhill Peninsula (Phase 3), Dalian Tian An Seaview Garden (Phase 2B) and Changchun Tian An City One.

(2) *Property investments*

During the year, Shanghai Tian An Centre and Dalian Tian An International Tower had satisfactory leasing result and have led to rental income increase from HK\$56,445,000 to HK\$95,903,000, soaring by 70%. The rental income is expected to grow in 2007.

(3) 合營企業投資

溢利貢獻(虧損)：
應佔聯營公司(虧損)溢利
— 未計額外中國土地增值稅
 (「土地增值稅」)之除稅後
 (虧損)溢利
— 以往年度銷售所產生之
 額外土地增值稅
應佔共同控制公司溢利
— 未計額外土地增值稅之除稅後溢利
— 以往年度銷售所產生之
 額外土地增值稅
— 本年度銷售所產生
 之額外土地增值稅

於二零零六年共同控制公司的溢利貢獻受額外土地增值稅撥備所影響。

(4) 建築物

於二零零六年，上海聯合水泥股份有限公司的業務為本集團的業績帶來貢獻。

(3) Joint venture investments

	2006 千港元 HK\$'000	2005 千港元 HK\$'000
Contribution to profit (loss):		
Share of (loss) profit of associates		
– (Loss) profit after tax before additional PRC Land Appreciation Tax ("LAT")	(4,081)	15,122
– Additional LAT attributable to sales in previous years	(1,923)	—
Share of profit of jointly controlled entities		
– Profit after tax before additional LAT	71,617	82,125
– Additional LAT attributable to sales in previous years	(101,639)	—
– Additional LAT attributable to sales in current year	(12,430)	—
	(48,456)	97,247

Contribution from jointly controlled entities to profit for the year was affected by the provision of additional LAT.

(4) Construction materials

The business of Shanghai Allied Cement Limited contributed to the Group's results for 2006.

	2006 千港元 HK\$'000	2005 千港元 HK\$'000
營業額	385,562	347,342
溢利貢獻(虧損)	14,471	(10,131)

2. 主要銷售

截至二零零六年十二月三十一日止年度，本集團的銷售活動主要集中在以下項目：

2. MAJOR SALES

For the year ended 31st December, 2006, the Group's sales activities were concentrated principally on the following projects:

項目	Project	用途	Use	銷售樓面面積 GFA sold 平方米 m ²
廣州番禺節能科技園 (二及三期)	Guangzhou Panyu Hi-Tech Ecological Park (Phases 2 and 3)	辦公樓	Office	17,686
常州新城市花園(五期)	Changzhou New City Garden (Phase 5)	住宅	Residential	8,333
南通天安花園(三期)	Nantong Tian An Garden (Phase 3)	住宅	Residential	18,274
無錫紅山半島(三期)	Wuxi Redhill Peninsula (Phase 3)	住宅	Residential	8,681
長春天安第一城	Changchun Tian An City One	住宅	Residential	5,390
大連天安海景花園 (二期B)	Dalian Tian An Seaview Garden (Phase 2B)	住宅	Residential	4,006
其他項目	Other projects	商業／ 住宅	Commercial/ Residential	16,730
總計	Total			79,100

3. 土地組合

本集團擁有約632.2萬平方米總樓面面積的土地儲備(本集團應佔總樓面面積約為461.5萬平方米，包括已竣工投資物業約22.2萬平方米及待發展物業約439.3萬平方米)，主要位於上海、深圳、北京、廣州、惠州、佛山、南通、無錫、常州、南京、福州、長春、大連、武漢、肇慶及江門。

於二零零六年十二月三十一日，本集團主要土地組合如下：

3. LAND PORTFOLIO

The Group currently has a landbank of total GFA of approximately 6,322,000 m² (total GFA attributable to the Group is approximately 4,615,000 m², consisting of approximately 222,000 m² of completed investment properties and approximately 4,393,000 m² of properties for development), located mainly in Shanghai, Shenzhen, Beijing, Guangzhou, Huizhou, Foshan, Nantong, Wuxi, Changzhou, Nanjing, Fuzhou, Changchun, Dalian, Wuhan, Zhaoqing and Jiangmen.

As at 31st December, 2006, the Group's land portfolio principally consisted of the following:

(1) 待發展物業

(1) Properties for development

地區	Region	本集團應佔 總樓面面積 GFA attributable to the Group		
		商業 Commercial 平方米 m ²	住宅 Residential 平方米 m ²	平方米 m ²
華北	Northern China	–	374,400	374,400
華東	Eastern China	250,300	1,306,000	1,556,300
華南	Southern China	630,800	1,831,200	2,462,000
總計	Total	881,100	3,511,600	4,392,700

(2) 已竣工投資物業

(2) Completed investment properties

地區	Region	本集團應佔 總樓面面積 GFA attributable to the Group		
		商業 Commercial 平方米 m ²	住宅 Residential 平方米 m ²	平方米 m ²
華北	Northern China	68,500	5,100	73,600
華東	Eastern China	104,500	–	104,500
華南	Southern China	44,300	–	44,300
總計	Total	217,300	5,100	222,400

4. 僱員及培訓

於二零零六年十二月三十一日，本集團（包括附屬公司，但不包括聯營公司及共同控制公司）聘用2,560（二零零五年：2,661）名員工。本集團貫徹執行薪酬制度與市場相若之政策，並按僱員表現發放薪金及花紅獎勵。

於二零零六年十二月三十一日，本集團管理層之組織如下：

地區 Region	認可專業人士 Qualified Professionals	大學畢業生 University Graduates	25-35歲 Age 25-35	35歲以上 Age Over 35
香港 Hong Kong	13 (62%)	14 (67%)	4 (19%)	17 (81%)
華北 Northern China	35 (83%)	40 (95%)	12 (29%)	30 (71%)
華東 Eastern China	71 (64%)	83 (75%)	33 (30%)	78 (70%)
華南 Southern China	15 (60%)	21 (84%)	9 (36%)	16 (64%)

鑑於優質員工乃本集團不可或缺之無形資產，於年內透過組織培訓課程，致力維持前線員工的市場觸覺及後勤員工的成本意識。主要管理人員的酬金詳見綜合財務報表附註13、14和46。本公司及其附屬公司購股權計劃載於第155頁至第157頁。

4. EMPLOYEE AND TRAINING

As at 31st December, 2006, the Group, including its subsidiaries but excluding associates and jointly controlled entities, employed 2,560 (2005: 2,661) persons. The Group maintains a policy of paying competitive remuneration packages and employees are also rewarded on performance related basis including salary and bonus.

The profile of the Group's management staff as at 31st December, 2006 is listed below:

Quality staff has always been the Group's indispensable intangible asset. Training programmes were organised during the year to ensure that both the market sensitivity of the front line people and the cost consciousness of the back office staff were well maintained. The emoluments of key management personnel can be seen by reference to notes 13, 14 and 46 to the consolidated financial statements. Details of the share option schemes of the Company and its subsidiaries are set out in pages 155 to 157.

財務報告

1. 資金流動狀況及融資

於本年度內，本公司通過配售1.75億股新股份方式籌集所得款項淨額約8.61億港元，並通過非上市認股權證獲行使而發行7,880萬股新股份，獲得2.167億港元款項。這些資金主要用於為若干物業發展項目提供資金、減少借款及作為一般營運資金。

於二零零六年十二月三十一日，本集團致力維持流動資金在穩健之水平，財政資源組合分佈合理。本集團之銀行結餘及現金約6.77億港元，為本集團之日常運作提供足夠營運資金。

於二零零六年十二月三十一日，本集團之總借款約21.95億港元（二零零五年：24.95億港元），包括分別為8.7億港元（二零零五年：16.75億港元）及13.25億港元（二零零五年：8.2億港元）之流動負債及非流動負債。本集團之資產負債率（負債淨額除以權益總額）為約24%（二零零五年：37%）。借款乃主要用於購置土地儲備及為在建物業融資。融資成本增加主要是因市場利率上升及資本化的成本相對較少所致。

本集團約64%未償還借款將於兩年內到期。由於本集團之投資及營運乃在中國進行，故大部份銀行借款以人民幣計算及歸還。本集團借款中約66%為定息借款，餘下者則為浮息借款。

FINANCIAL REVIEW

1. Liquidity and Financing

During the year, the Company raised approximately HK\$861 million of net proceeds through the placement of 175 million new shares, and received HK\$216.7 million from the issuance of 78.8 million new shares pursuant to the exercise of unlisted warrants. These funds have been used to finance certain property development projects, reduce borrowings and for general working capital.

As at 31st December, 2006, the Group maintained its liquidity at a healthy level with a balanced portfolio of financial resources. The total bank balances and cash reserves of the Group were approximately HK\$677 million, providing sufficient working capital for the daily operations of the Group.

As at 31st December, 2006, the total borrowings of the Group amounted to approximately HK\$2,195 million (2005: HK\$2,495 million), including current liabilities of HK\$870 million (2005: HK\$1,675 million) and non-current liabilities of HK\$1,325 million (2005: HK\$820 million). The gearing ratio (net debt over total equity) of the Group was around 24% (2005: 37%). The borrowings were mainly used to finance the landbank and properties under construction. Increase in finance costs is mainly due to the increase in market interest rates and a relatively small amount of costs were capitalised.

Approximately 64% of the Group's outstanding borrowings will mature within 2 years. Since the investments and operation of the Group are carried out in the PRC, most of the bank borrowings are denominated in Renminbi ("RMB") which will be repaid in the same currency. Around 66% of the Group's borrowings bear interest at fixed rates while the remainder is at floating rates.

2. 資產抵押

於二零零六年十二月三十一日，本集團於一間附屬公司（賬面值為154,038,000港元）之權益已抵押予銀行，以便本集團取得銀行透支信貸。本集團於一間附屬公司（賬面值為481,669,000港元）之權益已抵押予銀行，以便本公司取得銀行信貸，而該附屬公司間接持有之投資物業、待售物業以及物業、廠房及設備賬面值分別為938,524,000港元、13,479,000港元及24,243,000港元已抵押予銀行，以便本集團取得銀行信貸。本集團於一間附屬公司（賬面值為374,723,000港元）之權益已抵押予放款人，以便本集團取得其他貸款。另外，306,878,000港元之銀行存款，賬面總值分別約22,083,000港元、1,221,299,000港元及802,372,000港元之物業、廠房及設備、發展物業及投資物業已抵押予放款人及銀行，以便本集團取得其他貸款及銀行信貸、物業買家取得按揭貸款及作為一貿易應付賬款之抵押。本集團的資產抵押明細見綜合財務報表附註47。

2. Pledge on Assets

As at 31st December, 2006, the Group's interest in a subsidiary with carrying value of HK\$154,038,000 was pledged against a bank overdraft facility granted to the Group. The Group's interest in a subsidiary with carrying value of HK\$481,669,000 was pledged against a banking facility granted to the Company and investment properties, properties for sale and property, plant and equipment indirectly held by that subsidiary with carrying values of HK\$938,524,000, HK\$13,479,000 and HK\$24,243,000 respectively were pledged against a banking facility granted to the Group. The Group's interest in a subsidiary with carrying value of HK\$374,723,000 was pledged against another loan facility granted to the Group. Additionally, bank deposits of HK\$306,878,000, aggregate carrying values of property, plant and equipment, development properties and investment properties of approximately HK\$22,083,000, HK\$1,221,299,000 and HK\$802,372,000 respectively, were pledged for other loans and banking facilities granted to the Group, mortgage loans granted to property purchasers and against a trade creditor. Details of the pledge on assets of the Group are shown in note 47 to the consolidated financial statements.

3. 土地增值稅

中國國家稅務總局（「稅務總局」）於二零零四年八月二日，就加強向物業發展商徵收土地增值稅而發出國稅函【2004】第938號之公告。其後，稅務總局於二零零六年十二月二十八日發出國稅法【2006】第187號，宣佈其有意加強向物業發展商收取土地增值稅之機制，以及授權地方稅務局發出切合當地環境之詳細執行規則及程序，有關法例已於二零零七年二月一日生效。本集團以往已按銷售金額乘以當地稅務局評定之若干稅率（介乎0.5%至3%不等）而支付及確認預繳土地增值稅。在向本集團物業發展所在若干相關城市之稅務顧問和稅務局諮詢後，我們明白有關二零零六年十二月之公告之執行詳情尚未公佈。由於欠缺執行規則及程序之詳情，故此本集團尚未能確定是否需要於已支付及確認預繳土地增值稅之上額外計提土地增值稅。然而，董事們決定現時採用較謹慎保守態度，於本年度為此項或有負債作全額預提。為了清晰指出此事對賬目造成之影響，我們已在利潤表及「業績」內加入附加資料說明此舉之財務影響。倘若日後此稅對過往年度之影響變得更加明確，此項預提亦可望部份回撥。

3. LAT

The State Administration of Taxation ("SAT") of the PRC issued a circular as Guo Shui Han [2004] No.938 on 2nd August, 2004 to strengthen the levy of land appreciation tax ("LAT") on property developers. Subsequently, SAT issued Guoshuifa [2006] No.187 dated 28th December, 2006, which became effective from 1st February, 2007, announcing its intention to strengthen the mechanism for collection of LAT on property developers, and authorising the local tax bureaux to issue detailed implementation rules and procedures appropriate to local environments. In the past, the Group has both paid and recognised provisional LAT calculated according to certain rates (varying from 0.5% to 3%) over sales amounts assessed by local tax bureaux. After consultation with tax consultants and the tax bureaux of certain relevant cities where the Group has property developments, we understand that the details of implementation in respect of the December 2006 announcement have not yet been announced. The issue of whether the Group will be liable for LAT additional to the paid and recognised provisional LAT is not yet capable of determination with any real degree of certainty because of the current absence of detailed implementation rules and procedures. However, the Directors have decided to now take a prudent and conservative approach and to fully provide for this contingent liability in the current year. In order to clearly indicate the impact of this matter on the accounts, we have included as additional information in the income statement as well as the "Results" section above clarifying the impact on the financials. As clarity of any impact of the tax on past years crystallises, it is possible that write-backs of part of this provision may eventuate.

4. 或有負債

於截至二零零六年十二月三十一日止年度內，中國政府加強執行有關中國國土資源部於一九九九年四月二十六日所頒佈之閒置土地處置法之規則。於二零零六年十二月三十一日，一項賬面總值為119,423,000港元之待發展物業被界定為閒置土地，原因是地方當局未能適當處理當地居民之調遷問題，以致發展受到延誤。本集團正與地方土地局商討，計劃以另一幅於市內並無調遷問題之土地掉換此閒置土地。本集團對有關問題作出評估及取得法律意見，並認為即使未能確定最後結果，有關被沒收的閒置土地或可以由替代土地作補償。其他總賬面總值為359,819,000港元之待發展物業及收購待發展物業之訂金可能被界定為閒置土地。本集團現正與當地部門緊密合作，包括商討發展方案之可行性。根據法律意見，董事們已對有關問題作出評估，並認為有關土地被沒收之情況可能不會發生。

於二零零六年十二月三十一日，本集團就授予一間共同控制公司及一名向本集團一間物業發展附屬公司出售土地使用權之賣方之銀行融資，向有關銀行提供分別約30,000,000港元及13,797,000港元之擔保。另就物業買家獲授之按揭貸款向銀行提供約252,986,000港元之擔保。本集團提供之所有擔保乃應銀行要求，並根據一般商業條款而作出。若干附屬公司及共同控制公司被採取法律行動所引起之或有負債分別約為241,127,000港元及14,969,000港元。本集團對此等索償進行評估並在徵求法律意見後，認為現時乃太早作評估可能產生之責任，或無需要作出額外撥備。本集團之或有負債明細見綜合財務報表附註44。

4. Contingent Liabilities

During the year ended 31st December, 2006, the PRC government has reinforced the compliance of regulations on idle land confiscation which was issued by the Ministry of Land Resources of the PRC on 26th April, 1999. As at 31st December, 2006, a property for development with carrying value of HK\$119,423,000 was identified as idle land because the resettlement problem of local residence by the local authority cannot be resolved and the development is delayed. The Group is working on a proposal with the local land bureau of swapping this idle land with another land site without resettlement problem in the same city. The Group has assessed the issue and obtained legal advice, and considers that although the final outcome is uncertain, the idle land confiscation may be compensated by a replacement land site. Other properties for development and deposits for acquisition of properties for development with aggregate carrying values of HK\$359,819,000 may be potentially classified as idle land. The Group is currently working diligently to prevent the possible classification, including negotiating the feasibility of development plans with local authorities. Based on legal advice, the Directors have assessed the issue and consider that the idle land confiscation may not materialise.

As at 31st December, 2006, guarantees given to banks by the Group in respect of banking facilities granted to a jointly controlled entity and a vendor of land use rights to a property development subsidiary were approximately HK\$30,000,000 and HK\$13,797,000 respectively. Guarantees given to banks in respect of mortgage loans granted to property purchasers amounted to approximately HK\$252,986,000. All the guarantees provided by the Group were requested by banks and under normal commercial terms. Legal actions were taken against certain subsidiaries and jointly controlled entity resulting in possible contingent liabilities of approximately HK\$241,127,000 and HK\$14,969,000 respectively. The Group has assessed the claims and obtained legal advice, and considers that either it is too early to assess the range of possible liability at this stage or no additional provision is required to be made. Details of the contingent liabilities of the Group are shown in note 44 to the consolidated financial statements.

項目報告

1. 主要物業發展

華南區

深圳天安數碼城 (50%)

數碼城位於深圳市中心區，毗鄰深圳高爾夫俱樂部。此大型項目佔地約273,500平方米，總樓面面積約787,700平方米。是一個集工業／辦公大樓、科技大廈、高級住宅及多功能會所於一體的科技園。

目前，可供出租的商業樓面為53,040平方米，包括數碼時代大廈、天安創新科技廣場一及二期及天安科技創業園大廈等部份樓面，其中48,225平方米已轉為投資物業。

天安高爾夫花園三期「瓏園」為高層豪華住宅，總樓面面積109,000平方米，預計在二零零八年第二季竣工。

另外位於東莞新城市中心區－南城區之新項目佔地約1,000,000平方米，可建樓面積約2,200,000平方米，現正與當地政府磋商中。

深圳龍崗數碼新城 (50%)

位於深圳市龍崗區的核心區域，該項目佔地約118,850平方米，可建樓面約356,500平方米，計劃按照深圳天安數碼城模式開發，二零零六年已開始第一期工程，樓面面積約51,800平方米，並預計於二零零七年內完工。

廣州番禺節能科技園 (49%)

位於廣州市番禺中心城區，整個大型項目佔地約517,153平方米，總樓面面積約712,500平方米。首期及二期樓面面積約72,700平方米已完工，第三期樓面面積約80,300平方米在建中，預計於二零零七年完工。此節能科技園計劃發展工業／辦公大樓、科技大廈、高級住宅及多功能會所。

PROJECT REVIEW

1. MAJOR PROPERTY DEVELOPMENT

Southern China

Shenzhen Tian An Cyber Park (50%)

Located at the heart of Shenzhen and adjacent to Shenzhen Golf Club, this large-scale project occupies a site area of approximately 273,500 m² with a total GFA of approximately 787,700 m². The Cyber Park consists of industrial/office buildings, cyber technology buildings, deluxe residential apartments and multi-function clubhouse.

The lettable commercial GFA is 53,040 m², including remaining areas of Cyber Times Building and Tian An New Technology Plaza (Phases 1 and 2) and Tian An Hi-Tech Venture Park, of which GFA of 48,225 m² have been transferred to property investment.

Tian An Golf Garden Phase 3 ("Long Yuan") with a total GFA of 109,000 m² comprises high-rise luxurious residential buildings. The project is expected to be completed in the second quarter of 2008.

Another new project situated right at the new city central area – Nancheng District of Dongguan and covers land area of 1,000,000 m² with gross floor area of 2,200,000 m² is under negotiation with the local government.

Shenzhen Longgang Cyber Park (50%)

Located in the core area of Longgang in Shenzhen, this project has a site area of approximately 118,850 m² and GFA of approximately 356,500 m². The model of Shenzhen Tian An Cyber Park will be used to develop this project. Phase 1 has been commenced in 2006, with GFA of approximately 51,800 m² and expected to be completed in 2007.

Guangzhou Panyu Hi-Tech Ecological Park (49%)

Located in the central district of Panyu in Guangzhou, this large scale project has a site area of 517,153 m² and a total GFA of approximately 712,500 m². Phases 1 and 2 with GFA of approximately 72,700 m² were completed. Phase 3 with GFA of approximately 80,300 m² is under construction and expected to be completed in 2007. The park development consists of industrial/office buildings, science and technology buildings, high-class residential buildings and multi-function clubhouse.

1. 深圳龍崗數碼新城（效果圖）
Perspective of Shenzhen Longgang Cyber Park



2. 南海天安鴻基花園
Nanhai Tian An Hung Kai Garden



3. 佛山南海天安數碼城（效果圖）
Perspective of Foshan Nanhai Tian An Cyber Park



佛山南海天安數碼城 (45%)

於二零零六年購入位於南海桂城土地，佔地約103,100平方米，可建樓面約257,800平方米，計劃以深圳天安數碼城相同概念開發，二零零七年將開始第一期工程。

Foshan Nanhai Tian An Cyber Park (45%)

This project was acquired in 2006, located in Guicheng of Nanhai with site area of approximately 103,100 m² and GFA of approximately 257,800 m². This project is planned to be developed with the similar concept as Shenzhen Tian An Cyber Park. Phase I will be commenced in 2007.

南海天安鴻基花園 (30%)

位於佛山市南海南國桃源渡假區內，佔地約八百畝，將開發成低密度的渡假式住宅小區，並附配套設施。第一、二期總樓面面積約91,600平方米，截至二零零六年底，已售出73%。

Nanhai Tian An Hung Kai Garden (30%)

Located in the Nan Guo Peach Garden resort area of Nanhai in Foshan, the 800 mu-site will be developed into a low-density residential complex with vacation amenities. Phases 1 and 2 consist of a total GFA of 91,600 m². By the end of 2006, 73% were sold.

惠州淡水地塊 (100%)

於二零零六年購入該土地，佔地約392,000平方米，可建樓面約783,000平方米，位於惠州淡水之淡水河兩岸，此項目擬建設商住綜合物業。

Huizhou Danshui Site (100%)

This project was acquired in 2006 with site area of approximately 392,000 m² and GFA of approximately 783,000 m². Located in Danshui of Huizhou and lying by both sides of Dan Shui River, the project is planned to be developed into a comprehensive commercial/residential composite.

江門天安花園 (60%)

該項目包括住宅、商場、會所及地下車庫，位於江門市中心地段，佔地42,388平方米，規劃總樓面面積122,200平方米，因考慮更改原先規劃，暫時停工。

Jiangmen Tian An Garden (60%)

The project comprising residential buildings, shopping mall, clubhouse and underground car park is located at the centre of Jiangmen city. Having a site area of 42,388 m² and total GFA is 122,200 m², the project is suspended for master plan improvement.

江門新會天安商業城 (100%)

該項目包括住宅、商場及寫字樓，位於江門新會區，佔地11,999平方米，總樓面面積24,300平方米，其中商場樓面面積7,300平方米，因考慮更改原先規劃，暫時停工。

Jiangmen Xinhui Tian An Plaza (100%)

The project comprising residential buildings, shopping mall and office building is located at Xinhui District, Jiangmen city. Having a site area of 11,999 m² and total GFA is 24,300 m², 7,300 m² of which is the GFA of the shopping mall, the project is suspended for master plan improvement.

華東區

上海天安豪園 (75.05%)

該項目位於東方及國際人士喜好聚居的金虹橋板塊，鄰近地鐵九號線出入口。該發展物業佔地約362,300平方米，將發展為一個總樓面面積約470,000平方米的高尚住宅社區，首期開發約80,000平方米樓面正在啟動中。

上海天安別墅 (85%)

本項目毗鄰上海佘山國家旅遊度假區，該項目將西方建築美學揉合東方建築風格，集島居、臨水、園林綠化於一體。首期樓面面積約32,200平方米之低密度高檔別墅已完工，第二期首批樓面面積約16,250平方米的別墅在建築中，預計於二零零七年底完工。

上海明苑別墅 (應佔餘下土地60%溢利)

該項目位於上海市著名的西郊國賓館旁，是虹橋區最暢銷的豪華花園別墅之一。集團主要參與餘下土地開發，現開發樓面面積約20,100平方米，預期二零零七年第二季竣工。

上海天安陽光半島 (100%)

該項目位於上海普陀區，沿蘇州河邊長達1,100米，佔地約82,752平方米。此項目已重新規劃為綜合性的商業和娛樂中心，而項目第一期計劃於二零零七年稍後動工。

Eastern China

Shanghai Tian An Place (75.05%)

This project is situated at the Golden Hongqiao District where the oriental and international residents like to reside and adjacent to the entrance of the transit station of Subway No. 9. The project will be developed to a deluxe residential district with a site area of approximately 362,300 m² and a total GFA of approximately 470,000 m². Phase 1 of the project has a GFA of approximately 80,000 m² and the development work is being commenced.

Shanghai Tian An Villa (85%)

This project is located near the Shanghai Sheshan National Travel and Resort Area. The project combines the art of western architecture and eastern architectural style, integrating island living, water facing, garden and greenery. Construction work for the Phase 1 low density high-class villas with GFA of approximately 32,200 m² was completed. Phase 2 Part 1 villas with GFA of approximately 16,250 m² are under construction and expected to be completed by the end of 2007.

Shanghai Elegant Garden (60% share of profit of the remaining site)

Situated by the side of the well-known Shanghai Xijiao Hotel, this development is one of the best-selling luxurious villa projects in the Hongqiao District. The Group participates mainly in the development of the remaining site. Development work for a total GFA of approximately 20,100 m² is under construction, and is scheduled to be completed in the second quarter of 2007.

Shanghai Tian An Sunshine Peninsula (100%)

Located in the Putuo District of Shanghai, this project is to be built along the 1,100 m bank of Suzhou River with a site area of approximately 82,752 m². This project has been re-planned as a commercial and entertainment complex. Construction work of Phase 1 is expected to commence in the latter part of 2007.

無錫紅山半島 (95%)

該項目位於無錫太湖流域的五里河畔，目前已全部建成，總樓面面積約159,300平方米，商鋪部份面積約2,850平方米，將保留作出租用途。

無錫曼哈頓 (100%) (前稱：無錫六藥廠地塊)

該項目位於無錫市中心西南部，佔地59,480平方米，工程總建築面積約141,000平方米，首期將於二零零七年年中動工，預計在二零零八年底竣工。

常州新城市花園 (100%)

該項目是常州最高檔住宅小區之一，目前已建成樓面面積約175,900平方米，最後一期樓面面積約36,800平方米，預計於二零零七年中完成。

常州天安別墅 (100%)

該項目位於常州政府重點規劃發展的武進區，是常州目前唯一最大的純獨幢別墅小區，地域優越，佔地473,335平方米，首期樓面面積39,400平方米已竣工，第二期正在規劃中。

南通天安花園 (100%)

該項目位於南通新城區核心地帶，佔地203,800平方米，總樓面面積230,000平方米，是南通第一個大型生態住宅小區。已建成樓面面積約154,200平方米，在建工程樓面面積約10,200平方米，預計於二零零七年第二季完工。

Wuxi Redhill Peninsula (95%)

This project is located at the bank of the Wu Li River in the Tai Lake district of Wuxi. The project has been completed with a total GFA of approximately 159,300 m² as a whole. The shop areas of approximately 2,850 m² are retained for leasing purpose.

Wuxi The Manhattan (100%) (Formerly known as Wuxi Liu Yao Chang Site)

This project is situated on a site of 59,480 m² to be developed into a total construction area of approximately 141,000 m² to the southwest of Wuxi city centre. Construction work for the Phase 1 of the project is expected to commence in mid-2007 and to be completed by the end of 2008.

Changzhou New City Garden (100%)

The project is one of the top grade residential areas in Changzhou City. The project so far has completed a GFA of approximately 175,900 m². The last phase with a GFA of approximately 36,800 m² is expected to be completed in mid-2007.

Changzhou Tian An Villa (100%)

This project is located in the Wu Jin District, the planning and development focus of the Changzhou government. With a favourable location, it is the largest deluxe villa district in Changzhou. The project occupies a site of 473,335 m². Construction work for Phase 1 with a total GFA of 39,400 m² has been completed. Phase 2 is under planning stage.

Nantong Tian An Garden (100%)

Situated on a site of 203,800 m² with a total GFA of 230,000 m² at the heart of the New City Zone of Nantong, this is the first massive ecological residential project in Nantong. Development for a GFA of approximately 154,200 m² was completed. Construction work for a GFA of approximately 10,200 m² is expected to be completed in the second quarter of 2007.

4. 上海天安陽光半島 (效果圖)
Perspective of Shanghai
Tian An Sunshine Peninsula



5. 常州新城市花園四期
Changzhou New City Garden
(Phase 4)



6. 無錫紅山半島三期
Wuxi Redhill Peninsula (Phase 3)

7. 南通天安花園會所
Clubhouse of Nantong
Tian An Garden



華北區

北京天安豪園 (100%)

此高尚住宅項目位於北京朝陽區朝陽公園西側，鄰近使館區，其總樓面面積為42,100平方米。該項目已出售約一半，餘下單元計劃作出租用用途。

大連天安海景花園 (60%)

此項目發展位於大連經濟及技術開發區內的高尚住宅。已開發第一期及第二期總樓面面積約84,100平方米，第三期在規劃設計中。

長春天安第一城 (100%)

該高級住宅項目位於長春市高新技術產業開發區內，佔地約389,200平方米，工程總建築面積約462,000平方米，將分期開發。已開發第一、二期總樓面面積約110,400平方米，第三期約48,100平方米預計於二零零七年九月完工。

2. 主要物業投資

上海天安中心 (98%)

該大廈坐落於上海市南京西路人民廣場中心商務區，鄰近地鐵一、二號線中轉入口。是一座三十層高的甲級商業大樓，總樓面面積為48,910平方米，已售出24,940平方米，自用樓面1,620平方米，餘下的22,350平方米，其中21,580平方米已轉為投資物業，租戶多為跨國大企業。

Northern China

Beijing Park Apartments (100%)

This premium residential project is located at the Beijing Chaoyang District to the west of Chaoyang Park and adjacent to the Embassy area. The project has a total GFA of approximately 42,100 m². Approximately half of the total number of units have been sold and the remaining units are planned to be kept for leasing purpose.

Dalian Tian An Seaview Garden (60%)

This project for high-class residential development is located in the Dalian Economic & Technology Development Zone. Phases 1 and 2 with a total GFA of approximately 84,100 m² have been completed. Phase 3 is under planning and design stage.

Changchun Tian An City One (100%)

This prestigious residential project is situated within the Changchun High-technology Industrial Development Area. Erected on a site of approximately 389,200 m², the project with a total construction area of approximately 462,000 m² is being developed by stages. Phases 1 and 2 with a total GFA of approximately 110,400 m² have been completed. Phase 3 consisting of a total GFA of approximately 48,100 m² is scheduled to be completed in September 2007.

2. MAJOR PROPERTY INVESTMENTS

Shanghai Tian An Centre (98%)

The office building is situated at the hub of Shanghai central business district of Nanjing Road, West and People's Square, adjacent to the entrances to the transit platforms of Subway Nos. 1 and 2. It is a 30-storey Grade A commercial building with a GFA of 48,910 m². 24,940 m² were sold, 1,620 m² were self occupied and the remaining GFA were 22,350 m², of which the GFA of 21,580 m² have been transferred to property investment. Most of the tenants are multinational companies.

9. 長春天安第一城(三期)別墅
Villas in Changchun Tian An City One (Phase 3)

10. 大連天安海景花園二期b
Dalian Tian An Seaview Garden (Phase 2b)

11. 北京天安豪園
Beijing Park Apartments

12. 大連天安國際大廈
Dalian Tian An International Tower



南京天安國際大廈 (100%)

該項目位於南京市中心新街口，是南京市最繁華的購物區，與地鐵站相連，商場樓面面積51,840平方米已全部出租給一家百貨公司。

常州天安城市廣場 (100%)

該十四層大樓是集大型購物商場、高級寫字樓和酒店於一體的綜合性大樓，總樓面面積48,400平方米，作出租用途的商場總樓面面積24,080平方米已租出。

大連天安國際大廈 (100%)

此甲級辦公樓位於大連市中山路中心商務區，面對勝利廣場，總樓面面積67,200平方米，樓高52層，是大連最高的標誌性建築物。已售出14,550平方米，自用樓面1,320平方米，餘下的51,330平方米，其中49,960平方米已轉為投資物業。

北京天安大廈 (40%)

毗鄰北京飯店及天安門廣場，其總樓面面積為9,700平方米。該大廈於二零零六年的平均出租率為60%。

天津國際大廈 (25%)

該大廈是天津最高檔辦公及公寓綜合大樓之一，位於中心商務區，租金收入及出租率仍保持較高水平。

深圳天安國際大廈 (50%)

該項目為高級商務大廈，位於深圳市羅湖區人民南路商業中心區。由於深圳市高級零售市場競爭增大，為該項目帶來影響。

Nanjing Tian An International Building (100%)

The project is located at Xinjiekou, the most flourishing shopping district in Nanjing City. The building links up the subway station. The shopping arcades with a GFA of 51,840 m² have been leased to a department store.

Changzhou Tian An City Plaza (100%)

This 14-storey building with a total GFA of 48,400 m² comprises a large shopping arcade, first-class offices and a hotel. The GFA of the shopping arcade for leasing purpose of 24,080 m² has been leased.

Dalian Tian An International Tower (100%)

This Grade A office building is situated in the Zhongshan Road central business district and faces the Victory Square in Dalian City. The total GFA is 67,200 m². This 52-storey building is the tallest landmark building of Dalian. 14,550 m² were sold, 1,320 m² were self occupied and the remaining GFA were 51,330 m², of which the GFA of 49,960 m² have been transferred to property investment.

Beijing Tian An Building (40%)

With a total GFA of 9,700 m², this office building is located at a prime site near the Beijing Hotel and Tian'anmen Square. The average occupancy rate for 2006 was 60%.

Tianjin International Building (25%)

Located in central business district and among the best office and apartment buildings in Tianjin, the property has maintained rental income and occupancy rate at a high level.

Shenzhen Tian An International Building (50%)

The building is located at the commercial centre of Renmin Nan Road in Luohu District of Shenzhen. The increased competition in high-class retail market in Shenzhen has affected the project.

13, 14 及 15. 福州登雲山莊 (效果圖 1、2、3)
Perspectives 1, 2 and 3 of Fuzhou Dengyun Resort



廣州越秀天安大廈 (48.75%)

位於廣州傳統經濟政治中心，毗鄰越秀公園，該酒店擁有約240間辦公室及公寓，二零零六年的平均入住率約78.7%。

Guangzhou Parkview Square (48.75%)

Adjacent to Yuexiu Park, with a total of approximately 240 units of offices and serviced apartments and situated at the heart of the traditional economic and political centre in Guangzhou, the hotel managed to achieve an average occupancy rate of about 78.7% in 2006.

3. 其他投資

上海聯合水泥股份有限公司 (54.77%)

上海聯合水泥股份有限公司(「上聯水泥」)為一間在香港聯合交易所有限公司上市的公司。主要業務為製造及銷售熟料、水泥和礦渣粉，並以國內為主要市場。

截至二零零六年十二月三十一日止十二個月，上聯水泥集團錄得股東應佔溢利為387,000港元。

3. OTHER INVESTMENTS

Shanghai Allied Cement Limited (54.77%)

Shanghai Allied Cement Limited ("SAC") is a listed company on The Stock Exchange of Hong Kong Limited. The primary business of SAC is the manufacture and sales of clinker, cement and slag powder, with China as their major market.

For the twelve months ended 31st December, 2006, the SAC Group recorded a profit of HK\$387,000 attributable to its shareholders.

福州登雲高爾夫球場及登雲山莊 (48.82%)

該項目佔地約2,500,000平方米，已發展成為一個佔地約1,718,400平方米的18洞高爾夫球場、練習場和會所，餘下佔地約781,600平方米將發展為花園別墅及其他豪華住所設施的高級居住社區。登雲山莊現已全面完成總體規劃的修訂並提交報批，新的總體規劃將更合理地利用土地資源，計劃於二零零七年開發新一期別墅。

Fuzhou Summit Golf Country Club & Dengyun Resort (48.82%)

Built on a site of approximately 2,500,000 m², of which site area of approximately 1,718,400 m² was developed into an 18-hole golf course, driving range and clubhouse, and the remaining site area of approximately 781,600 m² will be developed into villas and other deluxe living amenities. The revision of master planning of the Resort, which would optimise the application of land resources, was completed and submitted for approval. Development of a new phase of villas is planned to be commenced in 2007.

肇慶高爾夫渡假村 (56.83%)

截至二零零六年底共有1,410會員，全年的打球場次共為40,427場，比二零零五年上升11%。年內，新增加9洞夜燈光設施，並改善球場草地保養，增設會議渡假的配套設施，加強會所的服務，令收入有所增加。

Zhaoqing Resort & Golf Club (56.83%)

The total membership as at the end of 2006 reached 1,410. The club hosted a total of 40,427 games during the year representing an increase of 11% over 2005. During the year, the resort installed illumination facilities for the 9-hole course, improved maintenance of the golf course, and increased the convention and recreational facilities, as well as strengthened its services of the clubhouse, so as to increase the income.

物業發展資料

Particulars of Property Development

項目 Project Name	地盤面積 Site Area 平方米m ²		可建樓面面積 Buildable Gross Floor Area 平方米m ²	項目進度 Project Progress	已完成 樓面面積 Completed Gross Floor Area 平方米m ²	在建工程 樓面面積 Gross Floor Area under Construction 平方米m ²	集團 所佔權益 Interest Held by the Group	土地 使用權年期 Period of Land Use Rights 年Years	約滿年期 Expiry Date 年Year
深圳天安數碼城 深圳市·福田區·深南西路 Shenzhen Tian An Cyber Park Shennan West Road, Futian District, Shenzhen	273,500	廠房 Factory 宿舍 Dormitory 商業 Commercial 住宅 Residential	219,800 50,000 304,900 213,000	分期施工階段 Phased Construction Stage	219,800 50,000 304,900 104,000	– – – 109,000	50% 50% 50% 50%	50 50 50 70	2038 2038 2038 2058
			<u>787,700</u>		<u>678,700</u>	<u>109,000</u>			
深圳龍崗數碼新城 深圳市龍崗區 Shenzhen Longgang Cyber Park Longgang District, Shenzhen	118,850	商業 Commercial	<u>356,500</u>	分期 施工階段 Phased Construction Stage	–	<u>51,800</u>	50%	50	2055
廣州番禺節能科技園 廣州市·番禺區·市橋鎮· 龍美村迎賓路 Guangzhou Panyu Hi-Tech Ecological Park Ying Bin Road, Long Mei Cun, Shi Qiao Town, Panyu District, Guangzhou	517,153	商業 Commercial 住宅 Residential	568,300 144,200	分期 施工階段 Phased Construction Stage	72,700 –	80,300 –	49% 49%	50 50	2052 2052
			<u>712,500</u>		<u>72,700</u>	<u>80,300</u>			
佛山南海天安數碼新城 佛山市·南海區·桂城路 A2 地段 Foshan Nanhai Tian An Cyber Park Lot A2, Guicheng Road, Nanhai District, Foshan	103,100	商業 Commercial	<u>257,800</u>	規劃及 設計階段 Planning & Design Stage	–	–	45%	50	2056
南海天安鴻基花園 佛山市·南海區· 松崗鎮·鴻基大道 Nanhai Tian An Hung Kai Garden Hong Ji Main Road, Songgang Town, Nanhai District, Foshan	529,700	住宅 Residential	<u>180,000</u>	分期 施工階段 Phased Construction Stage	<u>91,600</u>	–	30%	70	2063

項目 Project Name	地盤面積 Site Area 平方米m ²	可建樓面面積 Buildable Gross Floor Area 平方米m ²	項目進度 Project Progress	已完成 樓面面積 Completed Gross Floor Area 平方米m ²	在建工程 樓面面積 Gross Floor Area under Construction 平方米m ²	集團 所佔權益 Interest Held by the Group	土地 使用權年期 Period of Land Use Rights 年Years	約滿年期 Expiry Date 年Year
惠州淡水地塊 惠州市、惠陽區、淡水鎮 Huizhou Dan Shui Site Dan Shui Town, Huiyang District, Huizhou	392,000	商業及住宅 Commercial & Residential <u>783,000</u>	規劃及 設計階段 Planning & Design Stage	—	—	100%	70	2074
江門天安花園 江門市、蓬江區 Jiangmen Tian An Garden Peng Jiang District, Jiangmen	42,388	住宅 Residential 商業 Commercial <u>111,900</u> <u>10,300</u> <u>122,200</u>	分期 施工階段 Phased Construction Stage	— —	38,600 10,300 <u>48,900⁽¹⁾</u>	60% 60%	70 70	2063 2063
江門新會天安商業城 江門市、會城鎮、城南村 Jiangmen Xinhui Tian An Plaza Cheng Nan Cun, Hui Cheng Town, Jiangmen	11,999	住宅 Residential 商業 Commercial <u>8,600</u> <u>15,700</u> <u>24,300</u>	施工階段 Construction Stage	— —	8,600 15,700 <u>24,300⁽¹⁾</u>	100% 100%	70 70	2064 2064
江門新會棠下鎮地塊 江門市、棠下鎮 Jiangmen Xinhui Tang Xia Town Site Tang Xia Town, Jiangmen	160,200	住宅 Residential <u>160,200</u>	規劃及 設計階段 Planning & Design Stage	—	—	100%	70	2071
肇慶高爾夫渡假村 肇慶、高要市、迴龍鎮 Zhaoqing Resort & Golf Club Huilong Town, Gaoyao City, Zhaoqing	1,128,500	住宅 Residential <u>500,000</u>	分期施工階段 Phased Construction Stage	<u>11,700</u>	—	56.83%	70	2062

附註：⁽¹⁾重新設計，暫時停工。

Note: ⁽¹⁾Construction suspended for redesign.

項目 Project Name	地盤面積 Site Area 平方米m²		可建樓面面積 Buildable Gross Floor Area 平方米m²	項目進度 Project Progress	已完成 樓面面積 Completed Gross Floor Area 平方米m²	在建工程 樓面面積 Gross Floor Area under Construction 平方米m²	集團 所佔權益 Interest Held by the Group	土地 使用權年期 Period of Land Use Rights 年Years	約滿年期 Expiry Date 年Year
福州登雲山莊 福州市，登雲路388號 Fuzhou Dengyun Resort No.388, Dengyun Road, Fuzhou	781,600	住宅 Residential 附屬及 商業 Ancillary & Commercial	604,500 <u>132,800</u> <u>737,300</u>	分期施工階段 Phased Construction Stage	10,200 <u>—</u> <u>10,200</u>	— —	48.82% 48.82%	70 70	2062 2062
武漢崇仁路地塊 武漢市，崇仁路，集賢村 Wuhan Chongren Street Site Ji Xian Cun, Chongren Street, Wuhan	22,100	住宅 Residential 辦公樓 及商業 Office & Commercial	83,500 <u>24,500</u> <u>108,000</u>	規劃及 設計階段 Planning & Design Stage	— —	— —	90% 90%	70 70	2064 2044
上海天安豪園 上海市，閔行區，漕寶路， 七寶鎮52號，地塊 Shanghai Tian An Place Lot No. 52, Qibao Town, Cao Bao Road, Minhang District, Shanghai	362,320	住宅 Residential 附屬及 商業 Ancillary & Commercial	405,800 <u>64,200</u> <u>470,000</u>	規劃及設計階段 Planning & Design Stage	— —	— —	75.05% 75.05%	70 70	2073 2073
上海天安別墅(二及三期) 上海市，松江654號地塊 Shanghai Tian An Villa (Phase 2 & 3) Lot No. 654, Song Jiang, Shanghai	363,200	住宅 Residential	<u>308,700</u>	分期施工階段 Phased Construction Stage	—	<u>16,250</u>	85%	70	2075
上海明苑別墅(二期3B及三期) 上海市，龍溪路189號 Shanghai Elegant Garden (Phase 2-3B & Phase 3) No.189, Long Xi Road, Shanghai	82,000	住宅 Residential	<u>38,500</u>	分期施工階段 Phased Construction Stage	<u>5,000</u>	<u>20,100</u>	60%	70	2062

項目 Project Name	地盤面積 Site Area 平方米m ²	可建樓面面積 Buildable Gross Floor Area 平方米m ²	項目進度 Project Progress	已完成 樓面面積 Completed Gross Floor Area 平方米m ²	在建工程 樓面面積 Gross Floor Area under Construction 平方米m ²	集團 所佔權益 Interest Held by the Group	土地 使用權年期 Period of Land Use Rights 年Years	約滿年期 Expiry Date 年Year
上海天安陽光半島 上海市，普陀區，昌化路 Shanghai Tian An Sunshine Peninsula Chang Hua Road, Putuo District, Shanghai	82,752	商業 及住宅 Commercial & Residential 194,100	規劃及 設計階段 Planning & Design Stage	—	—	100%	70	2071
上海天安花園(三期GS) 上海市，錦綉路1028號 Shanghai Central Garden (Phase 3 GS) No. 1028, Jin Xiu Road Shanghai	3,600	住宅 Residential 3,600	規劃及 設計階段 Planning & Design Stage	—	—	80%	70	2068
南京秣陵鎮地塊 南京市，江寧區，秣陵鎮 Nanjing Moling Town Site Moling Town, Jiangning District, Nanjing	333,330	住宅 Residential 400,000	規劃及 設計階段 Planning & Design Stage	—	—	95%	70	2073
無錫曼哈頓 (前稱：無錫六藥廠地塊) 無錫市，太湖大道與湖濱路 Wuxi The Manhattan (Formerly known as: Wuxi Liu Yao Chang Site) Taihu Main Road and Hubin Road, Wuxi	59,480	住宅 Residential 141,000	規劃及 設計階段 Planning & Design Stage	—	—	100%	70	2074
常州新城市花園 常州市，高新區，長江路與 珠江路 Changzhou New City Garden Changjiang Road and Zhujiang Road, Gaoxin District, Changzhou	137,368	住宅 Residential 212,700	分期施工階段 Phased Construction Stage	175,900	36,800	100%	70	2067

項目	地盤面積		可建樓面面積	項目進度	已完成樓面面積	在建工程樓面面積	集團所佔權益	土地 使用權年期	約滿年期
Project Name	Site Area		Buildable Gross Floor Area	Project Progress	Completed Gross Floor Area	Gross Floor Area under Construction	Interest Held by the Group	Period of Land Use Rights	Expiry Date
	平方米m ²		平方米m ²		平方米m ²	平方米m ²		年Years	年Year
常州天安別墅		住宅		分期施工階段					
常州市，武進區，滬湖	473,335	Residential	134,400	Phased	39,400	–	100%	70	2074
Changzhou Tian An Villa				Construction					
Ge Lake, Wu Jin District, Changzhou				Stage					
南通天安花園		住宅		分期施工階段					
南通市，工農路	203,800	Residential	230,000	Phased	154,200	10,200	100%	70	2071
Nantong Tian An Garden				Construction					
Gongnong Road, Nantong				Stage					
大連天安海景花園		住宅		分期施工階段					
大連市，經濟及技術開發區， 遼河西路	58,650	Residential	122,100	Phased	84,100	–	60%	50	2043
Dalian Tian An Seaview Garden				Construction					
Liaohe West Road, Economic & Technical Development Zone, Dalian				Stage					
長春天安第一城		商業		分期施工階段					
長春高新技術產業開發區	389,200	Commercial	6,100	Phased	6,100	–	100%	70	2071
科技新城區		住宅		Construction					
Changchun Tian An City One		Residential	455,900	Stage	104,300	48,100	100%	70	2071
High-Tech Industries Development Zone, Changchun			462,000		110,400	48,100			

附註：上表根據二零零六年十二月三十一日之資料編製。

Note: The above table is based on information as of 31st December, 2006.

項目 Project Name	樓面面積 Gross Floor Area 平方米m ²	集團所佔權益 Interest Held by the Group	集團所佔 樓面面積 Gross Floor Area Attributable to the Group 平方米m ²	預計完工日期 Estimated Completion Date	截至31/12/2006 集團所佔售出面積 Total Attributable Gross Floor Area Sold up to 31/12/2006 平方米m ²
1. 深圳天安數碼城 天安高爾夫花園(三期) Shenzhen Tian An Cyber Park Tian An Golf Garden (Phase 3)	109,000	50%	54,500	2Q/08	-(1)
2. 深圳龍崗數碼新城(一期) Shenzhen Longgang Cyber Park (Phase 1)	51,800	50%	25,900	4Q/07	-(1)
3. 廣州番禺節能科技園(三期) Guangzhou Panyu Hi-Tech Ecological Park (Phase 3)	80,300	49%	39,400	2Q/07	12,500
4. 江門新會天安商業城 Jiangmen Xinhui Tian An Plaza	24,300	100%	24,300	(2)	-(1)
5. 江門天安花園(一期) Jiangmen Tian An Garden (Phase 1)	48,900	60%	29,300	(2)	-(1)
6. 上海天安別墅(二期) Shanghai Tian An Villa (Phase 2)	16,250	85%	13,800	4Q/07	-(1)
7. 常州新城市花園(五期) Changzhou New City Garden (Phase 5)	36,800	100%	36,800	2Q/07	14,500
8. 南通天安花園(三期第二部份) Nantong Tian An Garden (Phase 3 Part 2)	10,200	100%	10,200	2Q/07	3,900
9. 長春天安第一城(三期) Changzhou Tian An City One (Phase 3)	48,100	100%	48,100	3Q/07	-(1)
總數： Total:	<u>425,650</u>		<u>282,300</u>		<u>30,900</u>

附註：

Notes:

(1) 未推出發售。

(1) Not yet offered for sale.

(2) 重新設計，暫時停工。

(2) Construction suspended for redesign.

(3) 上表根據二零零六年十二月三十一日之資料編製。

(3) The above table is based on information as of 31st December, 2006.

1. 物業
Property

物業 Property Name	約滿年期 Expiry Date 年 Year	物業 樓面面積 Property GFA 平方米m ²	車庫 樓面面積 Carparking GFA 平方米m ²	集團 所佔權益 Interest Held by the Group	集團應佔 樓面面積 GFA Attributable to the Group 平方米m ²	用途 Use
深圳天安數碼城 Shenzhen Tian An Cyber Park						
— 深圳天安創新科技廣場一期 Shenzhen Tian An Innovation Science and Technology Plaza, Phase 1	2038	10,540	—	50%	5,270	商業及辦公樓 Commercial and office
— 深圳天安創新科技廣場二期 Shenzhen Tian An Innovation Science and Technology Plaza, Phase 2	2038	3,400	—	50%	1,700	辦公樓 Office
— 深圳數碼時代 Shenzhen Cyber Times Building	2051	20,525	—	50%	10,260	商業及辦公樓 Commercial and office
— 深圳福田天安科技創業園大廈 Shenzhen Futian Tian An Hi-Tech Venture Park	2038	13,760	—	50%	6,880	辦公樓 Office
深圳數碼時代26樓全層 Whole Floor of 26/F, Shenzhen Cyber Times Building	2051	1,975	—	100%	1,975	辦公樓 Office
深圳天安國際大廈 Shenzhen Tian An International Building	2041	31,800	—	50%	15,900	商業及辦公樓 Commercial and office
深圳天安國際大廈20樓全層 Whole Floor of 20/F, Shenzhen Tian An International Building	2041	850	—	100%	850	辦公樓 Office
深圳田貝一路商舖 Shenzhen Tian Bei Yi Road, shops	2033	1,460	—	100%	1,460	商業 Commercial
上海天安中心 Shanghai Tian An Centre	2044	21,580	—	98%	21,150	商業及辦公樓 Commercial and office
無錫天安大廈 Wuxi Tian An Building	2043	2,830	—	95%	2,690	辦公樓 Office
南京天安國際大廈 Nanjing Tian An International Building	2032	51,840	—	100%	51,840	商業 Commercial

物業 Property Name	約滿年期 Expiry Date 年Year	物業 樓面面積 Property GFA 平方米m ²	車庫 樓面面積 Carparking GFA 平方米m ²	集團 所佔權益 Interest Held by the Group	集團應佔 樓面面積 GFA Attributable to the Group 平方米m ²	用途 Use
常州天安城市廣場 Changzhou Tian An City Plaza	2043	24,400	–	100%	24,400	商業及辦公樓 Commercial and office
南通新海通大廈4樓全層 Whole Floor of 4/F, Nantong Sun Hoi Tung Building	2043	714	–	100%	714	辦公樓 Office
江蘇太倉興業路廠房 Jiangsu Taicang Xingye Road, Factory Building	2043	3,730	–	100%	3,730	廠房 Factory
天津國際大廈 Tianjin International Building	2044	52,730	–	25%	13,182	辦公樓及 服務式公寓 Office and service apartment
北京天安大廈 Beijing Tian An Building	2016	9,700	–	40%	3,880	辦公樓 Office
北京清境明湖 Beijing Lakeside Garden	2064	3,390	–	100%	3,390	住宅 Residential
北京天安豪園 Beijing Park Apartments	2064	1,678	–	100%	1,678	住宅 Residential
大連天安國際大廈 Dalian Tian An International Tower	2035	49,960	–	100%	49,960	辦公樓 Office
長春天安第一城 Changchun Tian An City One	2051	1,496	–	100%	1,496	商業 Commercial
		<u>308,358</u>			<u>222,405</u>	
上海天安中心－車庫 Shanghai Tian An Centre, Carparking	2044	–	7,770	98%	7,614	
上海天安花園－車庫 Shanghai Central Garden, Carparking	2067	–	5,780	80%	4,624	
			<u>13,550</u>		<u>12,238</u>	

2. 酒店 Hotel

項目 Project Name	約滿年期 Expiry Date 年 Year	集團所佔權益 Interest Held by the Group	酒店面積 Hotel Gross Area	房間數目 No. of Rooms
廣州越秀天安大廈 Guangzhou Parkview Square	2009	48.75%	24,600	240
武漢天安假日酒店 Wuhan Tian An Holiday Inn	2026	55%	37,500	407
常州天安城市酒店9-12 樓 9/F to 12/F, Changzhou Tian An City Hotel	2043	100%	2,455	48
			<u>64,555</u>	

附註：上表根據二零零六年十二月三十一日之資料編製。

Note: The above table is based on information as of 31st December, 2006.

本公司致力於切合實際之範圍內維持高水平之企業管治，以強調高透明度、問責性及獨立性為原則。本公司董事會（「董事會」）相信優良之企業管治對本公司之成功及提升股東價值至為重要。

企業管治常規守則

根據已於二零零五年一月一日生效之香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄十四所載之企業管治常規守則（「企業管治守則」），董事會已審閱本公司之企業管治常規，並已採納及改進多項程序及檔案，詳情載於本報告內。除下文解釋之若干已闡明原因之偏離行為外，於截至二零零六年十二月三十一日止年度，本公司已應用企業管治守則之原則及遵守適用之守則條文。董事會將至少每年檢討現有常規及於適當時候作出修定。

The Company is committed to maintaining a high standard of corporate governance within a sensible framework with an emphasis on the principles of transparency, accountability and independence. The board of directors of the Company (the "Board") believes that good corporate governance is essential to the success of the Company and the enhancement of shareholders' value.

CODE ON CORPORATE GOVERNANCE PRACTICES

In the light of the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") which came into effect on 1st January, 2005, the Board has reviewed the corporate governance practices of the Company with the adoption and improvement of the various procedures and documentation which are detailed in this report. The Company has applied the principles of and complied with the applicable code provisions of the CG Code during the year ended 31st December, 2006, except for certain deviations as specified with considered reasons for such deviations as explained below. The Board will review the current practices at least annually and make appropriate changes if considered necessary.

董事會

董事會目前共由十三名董事組成，包括六名執行董事、三名非執行董事及四名獨立非執行董事（「獨立非執行董事」）。於本年度及截至本報告日期，董事會成員載列如下：

執行董事：

李成偉（主席兼代理董事總經理）
黃清海（副董事總經理）
馬申
勞景祐
李志剛
Yasushi Ichikawa
（於二零零六年五月十二日委任）

非執行董事：

鄭慕智
楊麗琛
Yuki Oshima
（於二零零六年五月十二日委任）

獨立非執行董事：

鄭鑄輝
吳繼偉
魏華生
徐溯經

董事之履歷詳情載於董事會報告第62頁至第66頁之「董事及高級管理人員之個人資料」一節內。

於年內，非執行董事（大部份為獨立非執行董事）為本集團提供廣泛之專業知識及經驗。彼等積極參與董事會及委員會會議，對本集團之策略、表現及管理程序之事宜提供獨立判斷，並顧及全體股東之利益。

THE BOARD

The Board currently comprises thirteen Directors in total, with six Executive Directors, three Non-Executive Directors and four Independent Non-Executive Directors ("INEDs"). The composition of the Board during the year and up to date of this report is set out as follows:

Executive Directors:

Patrick Lee Seng Wei (*Chairman and Acting Managing Director*)
Ng Qing Hai (*Deputy Managing Director*)
Ma Sun
Edwin Lo King Yau
Li Chi Kong
Yasushi Ichikawa
(*appointed on 12th May, 2006*)

Non-Executive Directors:

Moses Cheng Mo Chi
Lisa Yang Lai Sum
Yuki Oshima
(*appointed on 12th May, 2006*)

INEDs:

Francis J. Chang Chu Fai
Goodwin Gaw
Ngai Wah Sang
Xu Su Jing

The brief biographical details of the Directors are set out in the "Biographical Details of Directors and Senior Management" section in the Directors' Report on pages 62 to 66.

During the year, the Non-Executive Directors (a majority of whom are independent) provided the Group with a wide range of expertise and experience. Their active participation in the Board and committee meetings brings independent judgment on issues relating to the Group's strategy, performance and management process, taking into account the interests of all shareholders.

董事會 (續)

於年間，本公司之四名獨立非執行董事佔董事會人數接近三分之一。根據上市規則第3.10條，至少一名獨立非執行董事必須具備適當之專業資格或會計或相關財務管理專業知識。董事會已接獲每名獨立非執行董事有關其獨立性之年度確認書，並認為所有獨立非執行董事均具備上市規則第3.13條所載之指引下之獨立性。

董事會定期召開會議，討論本集團之整體策略以及營運及財務表現，並審閱及批准本集團之全年及中期業績。於年內，已舉行五次董事會會議，各董事之出席情況如下：

THE BOARD (CONTINUED)

Throughout the year, the Company had four INEDs representing nearly one-third of the Board. At least one of the INEDs has appropriate professional qualifications or accounting or related financial management expertise under Rule 3.10 of the Listing Rules. The Board has received from each INED an annual confirmation of his independence and considers that all the INEDs are independent under the guidelines set out in Rule 3.13 of the Listing Rules.

The Board meets regularly to discuss the overall strategy as well as the operation and financial performance of the Group, and to review and approve the Group's annual and interim results. During the year, five Board meetings were held and attendance of each Director at the Board meetings is set out as follows:

出席／具資格出席
董事會會議之次數
Number of Board meetings
attended/eligible to attend

執行董事：

李成偉

(主席兼代理董事總經理)

黃清海 (副董事總經理)

馬申

勞景祐

李志剛

Yasushi Ichikawa

(於二零零六年五月十二日委任)

Executive Directors:

Patrick Lee Seng Wei

(Chairman and Acting Managing Director)

Ng Qing Hai (Deputy Managing Director)

Ma Sun

Edwin Lo King Yau

Li Chi Kong

Yasushi Ichikawa

(appointed on 12th May, 2006)

4/5

0/5

3/5

5/5

5/5

2/3

非執行董事：

鄭慕智

楊麗琛

Yuki Oshima

(於二零零六年五月十二日委任)

Non-Executive Directors:

Moses Cheng Mo Chi

Lisa Yang Lai Sum

Yuki Oshima

(appointed on 12th May, 2006)

2/5

3/5

1/3

獨立非執行董事：

鄭鑄輝

吳繼偉

魏華生

徐溯經

INEDs:

Francis J. Chang Chu Fai

Goodwin Gaw

Ngai Wah Sang

Xu Su Jing

4/5

2/5

2/5

5/5

董事會 (續)

經董事會決定或考慮之事宜包括本集團整體策略、全年營運預算、全年及中期業績、董事委任或重新委任之建議、重大合約及交易，以及其他重要政策及財務等事宜。董事會已將日常職責委派予行政管理人員，並由執行委員會(其具有特定書面職權範圍)指示／監督。董事會及本公司管理層之職能已分別確立並以書面列載，且已於二零零五年六月獲董事會批准。董事會將每年對上述職能作出檢討。

每年之董事會會議預定為約每季及按業務需要而舉行。召開董事會會議一般會給予全體董事至少十四天之通知，以便彼等有機會提出商討事項列入會議議程。公司秘書協助主席編製會議議程，以及確保已遵守所有適用規則及規例。議程及隨附之董事會文件一般在舉行定期董事會會議(及就可行情況下亦適用於其他董事會會議)前至少三天發呈全體董事。每份董事會會議記錄之草稿於提交下次董事會會議審批前，先供全體董事傳閱並提供意見。所有會議記錄由公司秘書保存，並供任何董事於發出合理通知時，於任何合理時間內查閱。

根據現行董事會慣例，與主要股東或董事存有利益衝突而董事會認為屬重大之任何交易，將由董事會於正式召開之董事會會議上處理。本公司之組織章程細則(「章程細則」)亦規定，於批准董事或其任何聯繫人擁有重大利益之交易之會議上，該董事須放棄投票，且不得計入該會議之法定人數。

THE BOARD (CONTINUED)

The Board has reserved for its decision or consideration matters covering mainly the Group's overall strategy, annual operating budget, annual and interim results, recommendations on Directors' appointment or re-appointment, material contracts and transactions as well as other significant policy and financial matters. The Board has delegated the day-to-day responsibility to the executive management under the instruction/supervision of the Executive Committee which has its specific written terms of reference. The respective functions of the Board and management of the Company have been formalised and set out in writing which was approved by the Board in June 2005. The Board will review the same once a year.

Board meetings each year are scheduled to be held at approximately quarterly intervals and as required by business needs. At least 14 days' notice of a Board meeting is normally given to all Directors who are given an opportunity to include matters for discussion in the agenda. The Company Secretary assists the Chairman in preparing the agenda for meetings and ensures that all applicable rules and regulations are complied with. The agenda and the accompanying Board papers are normally sent to all Directors at least 3 days before the intended date of a regular Board meeting (and so far as practicable for such other Board meetings). Draft minutes of each Board meeting are circulated to all Directors for their comment before the same will be tabled at the following Board meeting for approval. All minutes are kept by the Company Secretary and are open for inspection at any reasonable time on reasonable notice by any Director.

According to current Board practice, any transaction which involves a conflict of interests for a substantial shareholder or a Director and which is considered by the Board to be material, will be dealt with by the Board at a duly convened Board meeting. The articles of association of the Company (the "Articles of Association") also stipulate that a Director should abstain from voting and not be counted in the quorum at meetings for approving transactions in which such Director or any of his associates have a material interest therein.

董事會 (續)

每位董事有權查閱董事會文件及相關資料，及可向公司秘書尋求意見及服務。董事會及各董事亦可個別及獨立地接觸本公司之高級行政人員。董事將獲持續提供上市規則及其他適用監管規定之最新發展之資料，以確保彼等遵守及秉持優秀企業管治常規。此外，書面程序已於二零零五年六月制定，讓各董事在履行彼等職務時，可在適當之情況下尋求獨立專業意見，有關合理費用由本公司承擔。

主席及行政總裁之角色

於二零零五年十二月，李成偉先生由主席改任為主席兼代理董事總經理，而黃清海先生由董事總經理改任為副董事總經理，故此與企業管治守則之守則條文A.2.1有所偏離，該條文規定主席及行政總裁角色應分離且不應由同一人擔任。

董事會目前包括六名執行董事（其中一名為主席兼代理董事總經理而另一名為副董事總經理）及七名非執行董事。該七名非執行董事中，四名為獨立非執行董事，佔董事會人數接近三分之一。主席兼代理董事總經理李成偉先生主要負責領導董事會，確保其在各方面職能之有效性並制定其議程，確保董事會以及時並有建設性地討論所有重要及適當之事項，確保於董事會會議上所有董事對提出的事項得到適當之知悉，以及確保董事可獲準確、及時和清晰之資料；至於本集團業務營運方面，各指定高級管理人員之行政責任亦已明確訂立。由於董事會具有強而獨立之非執行董事成員，並且本集團業務營運之責任分工清晰，故此董事會認為此架構不會導致董事會與本集團業務管理兩者間之權力及授權平衡受到影響。董事會相信上述之架構對本公司及其業務有利。主席及行政總裁之責任分工已以書面列載，並於二零零五年六月獲董事會批准。

THE BOARD (CONTINUED)

Every Director is entitled to have access to Board papers and related materials and has access to the advice and services of the Company Secretary. The Board and each Director also have separate and independent access to the Company's senior management. Directors will be continuously updated on the major development of the Listing Rules and other applicable regulatory requirements to ensure compliance and upkeep of good corporate governance practices. In addition, a written procedure was established in June 2005 to enable the Directors, in the discharge of their duties, to seek independent professional advice in appropriate circumstances at a reasonable cost to be borne by the Company.

ROLES OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER

In December 2005, Mr. Patrick Lee Seng Wei was re-designated from Chairman to Chairman and Acting Managing Director whereas Mr. Ng Qing Hai was re-designated from Managing Director to Deputy Managing Director, and thus there is a deviation from the code provision A.2.1 of the CG Code that the roles of chairman and chief executive officer ("CEO") should be separate and should not be performed by the same individual.

The Board currently comprises six Executive Directors (one of whom is the Chairman and Acting Managing Director and another is the Deputy Managing Director) and seven Non-Executive Directors. Of the seven Non-Executive Directors, four of them are INEDs which represent nearly one-third of the Board. Mr. Patrick Lee Seng Wei, being the Chairman and Acting Managing Director, is primarily responsible for leadership of the Board, ensuring the effectiveness in all aspects of its role and for setting its agenda, ensuring that all key and appropriate issues are discussed by the Board in a timely and constructive manner, that all Directors are properly briefed on issues arising at Board meetings, and that the Directors receive accurate, timely and clear information, whereas clearly established executive responsibilities for running of the business of the Group lie with different designated senior executives. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the business of the Group given that there is a strong and independent non-executive element on the Board and a clear division of responsibility for the running of the business of the Group. The Board believes that the structure outlined above is beneficial to the Company and its business. The division of responsibilities between the Chairman and CEO has been set out in writing and approved by the Board in June 2005.

董事之委任及重選

於二零零五年六月，董事會設立並採納一套以書面列載之提名程序（「提名程序」），具體列明本公司董事候選人之挑選及推薦程序及準則。執行委員會應以提名程序所載之該等準則（如恰當資歷、個人專長及投放時間等）作為基礎向董事會物色及建議人選以予批准委任。

新董事在獲委任後將會取得一套入職資料文件，載有所有主要法律及上市規則規定，以及有關董事應遵守之責任及義務之指引。資料文件亦包括本公司最新公佈之財務報告及董事會採納之企業管治常規文件。高級管理人員其後將於有需要時提供說明，以為新董事提供本集團業務及活動之詳細資料。

本公司每位非執行董事之委任設特定任期，惟董事之離任或退任須受章程細則之有關條文或任何其他適用法例所規限。每位非執行董事之該等任期於二零零六年十二月三十一日屆滿後已續期兩年。

根據章程細則，於本公司每屆股東週年大會（「股東週年大會」）上，三分之一當時在任之董事（或，倘董事人數並非三之倍數，則最接近但不少於三分之一之數目）須輪值退任。再者，任何填補臨時空缺而獲委任之董事僅可任職至本公司下屆股東大會為止，屆時彼可膺選連任。每名董事應至少每三年輪值退任一次。

APPOINTMENT AND RE-ELECTION OF DIRECTORS

In June 2005, the Board established and adopted a written nomination procedure (the "Nomination Procedure") specifying the process and criteria for the selection and recommendation of candidates for directorship of the Company. The Executive Committee shall, based on those criteria as set out in the Nomination Procedure (such as appropriate experience, personal skills and time commitment etc.), identify and recommend the proposed candidate to the Board for approval of an appointment.

New Directors, on appointment, will be given an induction package containing all key legal and Listing Rules' requirements as well as guidelines on the responsibilities and obligations to be observed by a director. The package will also include the latest published financial reports of the Company and the documentation for the corporate governance practices adopted by the Board. The senior management will subsequently conduct such briefing as is necessary to give the new Directors more detailed information on the Group's businesses and activities.

Each of the Non-Executive Directors of the Company was appointed for a specific term but subject to the relevant provisions of the Articles of Association or any other applicable laws whereby the Directors shall vacate or retire from their office. Such term for each of Non-Executive Directors has been renewed for further two years upon expiry on 31st December, 2006.

According to the Articles of Association, at each annual general meeting of the Company (the "AGM"), one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) should retire from office by rotation. Further, any Director appointed to fill a casual vacancy should hold office only until the next following general meeting of the Company and would then be eligible for re-election at that meeting. Every Director shall be subject to retirement by rotation at least once every three years.

董事委員會

董事會已成立各類委員會，包括薪酬委員會、審核委員會及執行委員會，各委員會均以書面具體列明其職權範圍。委員會之所有會議記錄及決議案由公司秘書保存，並提供副本予全體董事會成員傳閱，而各委員會需向董事會匯報其決定及建議（倘適用）。董事會會議之程序及安排（於上文第45頁之「董事會」一節提述）按可行情況下亦已獲委員會會議所採納。

薪酬委員會

薪酬委員會已於二零零五年六月成立及目前由三名成員組成，包括鄭鑄輝先生（主席）、魏華生先生及徐溯經先生，彼等均為獨立非執行董事。薪酬委員會獲提供充裕資源以履行其職務，並可按本公司政策在有需要時尋求獨立專業意見。

薪酬委員會之主要角色及職能為：

- (i) 檢討董事之薪酬政策及待遇並向董事會提出建議，及（倘適合）就有關其他執行董事薪酬之提案諮詢主席及／或董事總經理；
- (ii) 透過參照董事會不時批准之公司目標及宗旨，以檢討並建議按表現釐定之薪酬；
- (iii) 檢討並建議向執行董事支付與任何喪失或終止職務或委任有關之賠償；
- (iv) 檢討並建議因董事行為失當而遭解僱或罷免有關董事所涉及之賠償安排；及
- (v) 確保概無董事參與釐定其本身之薪酬。

BOARD COMMITTEES

The Board has established various committees, including a Remuneration Committee, an Audit Committee and an Executive Committee, each of which has its specific written terms of reference. Copies of minutes of all meetings and resolutions of the committees, which are kept by the Company Secretary, are circulated to all Board members and the committees are required to report back to the Board on their decision and recommendations where appropriate. The procedures and arrangements for a Board meeting, as mentioned on page 45 in the section “The Board” above, have been adopted for the committee meetings so far as practicable.

Remuneration Committee

The Remuneration Committee has been established since June 2005 and currently consists of three members, including Messrs. Francis J. Chang Chu Fai (Chairman), Ngai Wah Sang and Xu Su Jing, all of whom are INEDs. The Remuneration Committee is provided with sufficient resources to discharge its duties and has access to independent professional advice in accordance with the Company’s policy if considered necessary.

The major roles and functions of the Remuneration Committee are:

- (i) to review and recommend to the Board the remuneration policy and packages of the Directors and, where appropriate, to consult the Chairman and/or the Managing Director about the committee’s proposals relating to the remuneration of other Executive Directors;
- (ii) to review and recommend performance-based remuneration by reference to corporate goals and objectives approved by the Board from time to time;
- (iii) to review and recommend the compensation payable to Executive Directors relating to any loss or termination of their office or appointment;
- (iv) to review and recommend compensation arrangements relating to dismissal or removal of Directors for misconduct; and
- (v) to ensure that no Director is involved in deciding his own remuneration.

董事委員會 (續)

薪酬委員會 (續)

為遵守企業管治守則之守則條文B.1.3，本公司已於二零零五年六月採納薪酬委員會之職權範圍，惟就該守則條文在薪酬委員會須釐定上市公司所有執行董事及高級管理人員之特定薪酬待遇之職責方面有所偏離。董事會認為，本公司薪酬委員會僅會就執行董事（不包括高級管理人員）之薪酬待遇作出檢討（而非釐定），並僅向董事會提出建議，理由如下：

- (i) 董事會認為薪酬委員會並不適宜評估高級管理人員之表現，而有關評估程序由執行董事執行將更為有效；
- (ii) 薪酬委員會成員僅由獨立非執行董事組成，彼等來自不同行業、具有不同背景，或會對本公司經營之行業並不完全熟悉，且並無參與本公司之日常運作。彼等對業界慣例及薪酬待遇之標準亦可能無直接認識。故此，薪酬委員會並不適宜釐定執行董事之薪酬；
- (iii) 執行董事必須負責監管高級管理人員，因而須有權力操控彼等之薪酬；及
- (iv) 執行董事並無理由向高級管理人員支付高於業界標準之薪酬，而按此方法釐定薪酬待遇可減省支出，將有利於股東。

薪酬委員會之職權範圍可在本公司網站內瀏覽。

BOARD COMMITTEES (CONTINUED)

Remuneration Committee (continued)

The terms of reference of the Remuneration Committee of the Company were adopted in June 2005 to comply with the code provision B.1.3 of the CG Code, but with a deviation from the code provision of the remuneration committee's responsibilities to determine the specific remuneration packages of all executive directors and senior management of a listed company. The Board considers that the Remuneration Committee of the Company should review (as opposed to determine) and make recommendations to the Board on the remuneration packages of Executive Directors only and not senior management for the following reasons:

- (i) the Board believes that the Remuneration Committee is not properly in a position to evaluate the performance of senior management and that this evaluation process is more effectively carried out by the Executive Directors;
- (ii) the Remuneration Committee members only consist of INEDs who may not be industry skilled and come from differing professions and backgrounds and they are not involved in the daily operation of the Company. They may have little direct knowledge of industry practice and standard compensation packages. The Remuneration Committee is thus not in a position to properly determine the remuneration of the Executive Directors;
- (iii) the Executive Directors must be in a position to supervise and control senior management and thus must be able to control their compensation; and
- (iv) there is no reason for Executive Directors to pay senior management more than industry standards and thus shareholders will benefit by reducing costs in the fixing of such compensation packages.

The terms of reference of the Remuneration Committee are available at the Company's website.

董事委員會 (續)

薪酬委員會 (續)

薪酬委員會每年須至少召開一次會議。於二零零六年已舉行一次委員會會議，而各成員之出席情況如下：

BOARD COMMITTEES (CONTINUED)

Remuneration Committee (continued)

The Remuneration Committee shall meet at least once a year. One committee meeting was held in 2006 and the attendance of each member is set out as follows:

委員會成員	Committee member	出席／具資格出席 委員會會議之次數
		Number of Committee meeting attended/eligible to attend
鄭鑄輝 (主席)	Francis J. Chang Chu Fai (Chairman)	1/1
魏華生	Ngai Wah Sang	0/1
徐溯經	Xu Su Jing	1/1

除委員會會議外，薪酬委員會亦於二零零六年內透過傳閱文件方式處理事宜。於二零零六年內及截至本報告日期，薪酬委員會已履行之工作概述如下：

Apart from the Committee meeting, the Remuneration Committee also dealt with matters by way of circulation during 2006. In 2006 and up to date of this report, the Remuneration Committee had performed the work summarised as below:

- | | |
|--|---|
| (i) 檢討及建議董事會批准有關支付本公司副董事總經理黃清海先生之獎勵花紅； | (i) reviewed and recommended for the Board's approval regarding the payment of incentive bonus to Mr. Ng Qing Hai, the Deputy Managing Director of the Company; |
| (ii) 檢討及建議董事會批准有關本公司執行董事馬申先生之僱傭合約； | (ii) reviewed and recommended for the Board's approval regarding the contract of employment of Mr. Ma Sun, an Executive Director of the Company; |
| (iii) 檢討及商議截至二零零五年十二月三十一日止年度全體執行董事及非執行董事 (包括獨立非執行董事) 之現有薪酬待遇，包括董事薪酬之現行政策及架構；及 | (iii) reviewed and discussed the existing remuneration packages of all the Executive Directors and Non-Executive Directors (including the INEDs) for the year ended 31st December, 2005, including the existing policy and structure for the remuneration of Directors; and |
| (iv) 檢討及建議董事會批准於二零零六年七月一日起至二零零六年十二月三十一日止期間，就獨立非執行董事擔任本公司審核委員會及薪酬委員會主席／成員 (「指定獨立非執行董事」) 建議支付之服務費。 | (iv) reviewed and recommended for the Board's approval regarding the proposed service fee to the INEDs acting as chairmen/members of the Audit and Remuneration Committees of the Company (the "Designated INEDs") for the period from 1st July, 2006 to 31st December, 2006. |

董事委員會 (續)

薪酬委員會 (續)

每名董事將有權獲取之董事袍金需於每年股東週年大會上提呈予股東批准。就董事之額外職責及服務而應付予彼等之額外薪酬(包括任何應付指定獨立非執行董事之服務費)，將按彼等之僱傭或服務合約各自之合約條款而釐定，惟須經薪酬委員會建議及獲董事會批准。董事薪酬之詳情載於綜合財務報表附註13。本集團薪酬政策之詳情亦已載於管理層討論及分析第17頁之「僱員及培訓」一節內。

本公司已於一九九九年一月採納一項購股權計劃以吸引、延攬及推動本集團高級行政人員及主要僱員(包括執行董事)。該購股權計劃詳情載於董事會報告第68頁及綜合財務報表附註35。

審核委員會

審核委員會自一九九九年十一月成立，目前由六名非執行董事組成，其中三名為獨立非執行董事。為保持獨立性及客觀性，審核委員會由一名具備合適專業資格或會計或相關財務管理專業知識之獨立非執行董事擔任主席。審核委員會之現任成員為魏華生先生(主席)、鄭鑄輝先生、鄭慕智先生、Yuki Oshima先生、徐溯經先生及楊麗琛女士(「楊女士」)。楊女士前為本公司之獨立非執行董事，於二零零四年九月二十四日改任為本公司之非執行董事(「改任」)。改任後，楊女士繼續以獨立角色擔任本公司審核委員會之成員，因此本公司能受惠於彼在審核委員會之經驗。審核委員會之組成將會進一步檢討及如有需要，進行調動。審核委員會獲提供充裕資源以履行其職務，並可按本公司之政策在有需要時尋求獨立專業意見。

BOARD COMMITTEES (CONTINUED)

Remuneration Committee (continued)

Each Director will be entitled to a Director's fee which is to be proposed for the shareholders' approval at the AGM each year. Further remuneration payable to Directors (including any service fees to the Designated INEDs) for their additional responsibilities and services will depend on their respective contractual terms under their employment or service contracts as approved by the Board on the recommendation of the Remuneration Committee. Details of the Directors' Remuneration are set out in note 13 to the consolidated financial statements. Details of the remuneration policy of the Group are also set out in the "Employee and Training" section in the Management Discussion and Analysis on page 17.

In order to attract, retain and motivate the senior executives and key employees of the Group, including the Executive Directors, the Company has adopted a share option scheme in January 1999. Details of the share option scheme are set out in the Directors' Report on page 68 and note 35 to the consolidated financial statements.

Audit Committee

The Audit Committee has been established since November 1999 and currently consists of six Non-Executive Directors, three of whom are INEDs. To retain independence and objectivity, the Audit Committee is chaired by an INED with appropriate professional qualifications or accounting or related financial management expertise. The current members of the Audit Committee are Messrs. Ngai Wah Sang (Chairman), Francis J. Chang Chu Fai, Moses Cheng Mo Chi, Yuki Oshima, Xu Su Jing and Ms. Lisa Yang Lai Sum ("Ms. Yang"). Ms. Yang, previously as INED of the Company, had been re-designated as Non-Executive Director of the Company since 24th September, 2004 (the "Re-designation"). Upon her Re-designation, Ms. Yang continued to play an independent role to act as an Audit Committee member of the Company so that the Company could benefit from her experience in the Audit Committee. The composition of the Audit Committee will be further reviewed and amended if necessary. The Audit Committee is provided with sufficient resources to discharge its duties and has access to independent professional advice according to the Company's policy if considered necessary.

董事委員會 (續)

審核委員會 (續)

審核委員會之主要角色及職能為：

- (i) 考慮外聘核數師之委任、重新委任及罷免，並向董事會提出建議，以及批准外聘核數師之薪酬及聘用條款，並處理任何有關該核數師辭任或辭退該核數師之問題；
- (ii) 考慮及與外聘核數師討論每年核數之性質及範疇；
- (iii) 檢討及監察外聘核數師之獨立性及客觀性；
- (iv) 於中期及全年綜合財務報表提交董事會前先行審議；
- (v) 商議就中期審閱及年終審核而產生之任何問題及保留事項，以及外聘核數師擬商討之任何事宜；
- (vi) 審閱外聘核數師致管理層之函件及管理層之回應；
- (vii) 檢討本集團之財務監控、內部監控及風險管理制度；及
- (viii) 考慮董事會授予內部監控事項之主要調查之任何發現及管理層之回應。

BOARD COMMITTEES (CONTINUED)

Audit Committee (continued)

The major roles and functions of the Audit Committee are:

- (i) to consider and recommend to the Board on the appointment, re-appointment and removal of the external auditors, to approve the remuneration and terms of engagement of the external auditors, and any questions of resignation or dismissal of those auditors;
- (ii) to consider and discuss with the external auditors the nature and scope of each year's audit;
- (iii) to review and monitor the external auditors' independence and objectivity;
- (iv) to review the interim and annual consolidated financial statements before submission to the Board;
- (v) to discuss any problems and reservation arising from the interim review and final audit, and any matters the external auditors may wish to discuss;
- (vi) to review the external auditors' management letters and management's response;
- (vii) to review the Group's financial controls, internal control and risk management systems; and
- (viii) to consider any findings of major investigations of internal control matters as delegated by the Board and management's response.

董事委員會 (續)

審核委員會 (續)

為遵守企業管治守則之守則條文C.3.3，本公司審核委員會之職權範圍已於二零零五年六月作出修訂，惟就該守則條文在審核委員會之職責方面有所偏離：

- (i) 執行委聘外聘核數師提供非核數服務之政策；
- (ii) 確保管理層已履行其職責建立有效之內部監控系統；及
- (iii) 確保內部與外聘核數師之工作得到協調，也須確保內部核數功能在上市公司內部獲得足夠資源運作，並且有適當之地位。

董事會認為本公司審核委員會應就委聘外聘核數師提供非核數服務之政策作出建議（而非執行），理由如下：

- (i) 由董事會及其下設之委員會制定政策及作出合適之建議乃屬恰當及合適；
- (ii) 由執行董事及管理層執行該政策及建議乃屬恰當及合適之機制；及
- (iii) 獨立非執行董事並不適宜執行日常之政策及跟進工作。

此外，董事會認為審核委員會僅具備監察（而非確保）管理層已履行其職責建立有效之內部監控系統之有效能力。由於上述事宜涉及日常監控及僱用全職專家，因此審核委員會並沒有確保上述事宜獲得執行之能力。審核委員會並非確保內部和外聘核數師之工作得到協調之人選，惟其可推動上述事宜。同樣，審核委員會不可確保內部核數功能獲得足夠資源運作，惟可檢閱其是否獲得足夠資源運作。

BOARD COMMITTEES (CONTINUED)

Audit Committee (continued)

The terms of reference of the Audit Committee of the Company were revised in June 2005 to comply with the code provision C.3.3 of the CG Code, but with the deviations from the code provision of the audit committee's responsibility to:

- (i) implement policy on the engagement of the external auditors to supply non-audit services;
- (ii) ensure the management has discharged its duty to have an effective internal control system; and
- (iii) ensure coordination between the internal and external auditors, and ensure that the internal audit function is adequately resourced and has appropriate standing within the listed company.

The Board considers that the Audit Committee of the Company should recommend (as opposed to implement) the policy on the engagement of the external auditors to supply non-audit services for the following reasons:

- (i) it is proper, and appropriate for the Board and its committees to develop policy and make appropriate recommendations;
- (ii) the proper and appropriate mechanism for implementation of such policy and recommendations is through the Executive Directors and management; and
- (iii) INEDs are not in an effective position to implement policy and follow up the same on a day-to-day basis.

Further, the Board considers that the Audit Committee of the Company only possesses the effective ability to scrutinise (as opposed to ensure) whether management has discharged its duty to have an effective internal control system. The Committee is not equipped to ensure that the same is in place as this would involve day-to-day supervision and the employment of permanent experts. The Audit Committee is not in a position either to ensure coordination between the internal and external auditors but it can promote the same. Similarly, the Committee cannot ensure that the internal audit function is adequately resourced but it can check whether it is adequately resourced.

董事委員會 (續)

審核委員會 (續)

審核委員會經修訂之職權範圍可在本公司網站內瀏覽。

審核委員會每年須至少召開兩次會議。於二零零六年已舉行五次委員會會議(包括一次續會)，而各成員之出席情況如下：

委員會成員	Committee member	出席／具資格出席 委員會會議之次數
		Number of Committee meetings attended/eligible to attend
魏華生 (主席)	Ngai Wah Sang (Chairman)	3/5
鄭鑄輝	Francis J. Chang Chu Fai	5/5
鄭慕智	Moses Cheng Mo Chi	3/5
Yuki Oshima (於二零零六年五月十二日委任)	Yuki Oshima (appointed on 12th May, 2006)	1/2
徐溯經	Xu Su Jing	4/5
楊麗琛	Lisa Yang Lai Sum	5/5

除委員會會議外，審核委員會亦於二零零六年內透過傳閱文件方式處理事宜。於二零零六年內及截至本報告日期，審核委員會已履行之工作概述如下：

(i) 審閱及批准外聘核數師建議之本集團截至二零零五年十二月三十一日止年度之年終審核(「二零零五年年終審核」)及截至二零零六年六月三十日止六個月之中期業績審閱(「二零零六年中期審閱」)之核數範圍及費用；

(ii) 審閱外聘核數師之二零零五年年終審核結果之報告，以及就截至二零零五年十二月三十一日止年度取得聯交所授予豁免之關連交易之核數師報告；

(iii) 審閱外聘核數師就二零零六年中期審閱之獨立審閱報告；

BOARD COMMITTEES (CONTINUED)

Audit Committee (continued)

The revised terms of reference of the Audit Committee are available at the Company's website.

The Audit Committee shall meet at least twice a year. Five committee meetings, including one adjournment meeting, were held in 2006 and the attendance of each member is set out as follows:

Committee member	出席／具資格出席 委員會會議之次數
	Number of Committee meetings attended/eligible to attend
Ngai Wah Sang (Chairman)	3/5
Francis J. Chang Chu Fai	5/5
Moses Cheng Mo Chi	3/5
Yuki Oshima (appointed on 12th May, 2006)	1/2
Xu Su Jing	4/5
Lisa Yang Lai Sum	5/5

Apart from the Committee meetings, the Audit Committee also dealt with matters by way of circulation during 2006. In 2006 and up to date of this report, the Audit Committee had performed the work summarised as below:

(i) reviewed and approved the audit scope and fees proposed by the external auditors in respect of the final audit of the Group for the year ended 31st December, 2005 (the "2005 Final Audit") and for the interim results review for the six months ended 30th June, 2006 (the "2006 Interim Review");

(ii) reviewed the external auditors' report of findings in relation to the 2005 Final Audit and the auditors' report of the connected transactions for the year ended 31st December, 2005 where waivers had been granted by the Stock Exchange;

(iii) reviewed the external auditors' independent review report in relation to the 2006 Interim Review;

董事委員會 (續)

審核委員會 (續)

- (iv) 審閱截至二零零五年十二月三十一日止年度及截至二零零六年六月三十日止六個月之財務報告，並建議董事會予以批准；
- (v) 審閱本集團之企業管治常規守則 — 內部監控 (守則條文C.2) 之報告及有關內部監控文件；
- (vi) 審閱及批准由外聘顧問就本集團一項位於中國大陸之主要地產發展項目之若干內部監控及程序進行檢討之建議範疇及費用；及
- (vii) 審閱外聘顧問及內部審核小組所編製之內部監控評估報告；並確保所提出之事項獲得儘快處置及處理。

執行委員會

執行委員會於二零零四年二月成立，目前由六名執行董事組成，包括李成偉先生 (主席)、黃清海先生、馬申先生、勞景祐先生、李志剛先生及Yasushi Ichikawa先生。執行委員會獲授予董事會所獲授予關於本集團業務之所有一般管理及控制權，惟根據執行委員會之書面職權範圍須留待董事會決定及批准之該等事項除外。

執行委員會於有需要時舉行會議，以討論本集團之營運事宜，亦可透過傳閱文件方式處理事宜。其主要負責處理及監察日常管理事宜，並獲授權：

- (i) 制定及執行有關本集團之商業活動、內部監控及行政政策；及
- (ii) 在董事會確定之本集團整體策略範圍內，規劃及決定就本集團商業活動將予採納之策略。

BOARD COMMITTEES (CONTINUED)

Audit Committee (continued)

- (iv) reviewed the financial reports for the year ended 31st December, 2005 and for the six months ended 30th June, 2006 and recommended the same to the Board for approval;
- (v) reviewed the Report on Code on Corporate Governance Practices – Internal Controls (Code Provision C.2) and the relevant internal control documentation of the Group;
- (vi) reviewed and approved the scope and fees proposed by an external consultant to perform the review of certain internal controls and procedures of a major property development project of the Group in the PRC; and
- (vii) reviewed the internal controls assessment report performed by the external consultant and internal audit team; and ensured that the issues raised were addressed and managed promptly.

Executive Committee

The Executive Committee has been established since February 2004 and currently consists of six Executive Directors, being Messrs. Patrick Lee Seng Wei (Chairman), Ng Qing Hai, Ma Sun, Edwin Lo King Yau, Li Chi Kong and Yasushi Ichikawa. The Executive Committee is vested with all the general powers of management and control of the activities of the Group as are vested in the Board, save for those matters which are reserved for the Board's decision and approval pursuant to the written terms of reference of the Executive Committee.

The Executive Committee will meet as and when necessary to discuss the operating affairs of the Group and may also deal with matters by way of circulation. It is mainly responsible for undertaking and supervising the day-to-day management and is empowered:

- (i) to formulate and implement policies for the business activities, internal control and administration of the Group; and
- (ii) to plan and decide on strategies to be adopted for the business activities of the Group within the overall strategy of the Group as determined by the Board.

董事及相關僱員進行證券交易之守則

本公司已採納上市規則附錄十所載之《上市發行人董事進行證券交易之標準守則》（「標準守則」）作為有關董事進行證券交易之行為守則。經本公司作出特定查詢後，全體董事已確認彼等已遵守標準守則所載之規定之標準。

為遵企業管治守則之守則條文A.5.4，本公司亦已於二零零五年六月採納標準守則，藉此對本公司或其附屬公司之若干僱員（彼等被視為可能知悉有關本公司或其證券之未刊發及價格敏感資料）就本公司之證券買賣作出規管。

問責及審核

財務匯報

於財務部之協助下，董事確認彼等編製本集團綜合財務報表之責任。於編製截至二零零六年十二月三十一日止年度之綜合財務報表時，本公司已採納香港公認會計原則，並遵守香港會計師公會頒佈之香港財務報告準則（其亦包括香港會計準則及詮釋）之規定及香港公司條例之披露規定。本公司亦已貫徹應用適合之會計政策。

本公司外聘核數師德勤•關黃陳方會計師行之匯報責任載於獨立核數師報告第80頁及第81頁。

CODES FOR SECURITIES TRANSACTIONS BY DIRECTORS AND RELEVANT EMPLOYEES

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 of the Listing Rules as its code of conduct regarding securities transactions by the Directors. All Directors have confirmed, following a specific enquiry by the Company, that they have complied with the required standard as set out in the Model Code.

To comply with the code provision A.5.4 of the CG Code, the Company has also adopted in June 2005 the Model Code, to regulate dealings in the securities of the Company by certain employees of the Company or any of its subsidiaries who are considered to be likely in possession of unpublished price sensitive information in relation to the Company or its securities.

ACCOUNTABILITY AND AUDIT

Financial Reporting

The Directors acknowledge their responsibility for preparing, with the support from the finance department, the consolidated financial statements of the Group. In preparing the consolidated financial statements for the year ended 31st December, 2006, the accounting principles generally accepted in Hong Kong have been adopted and the requirements of the Hong Kong Financial Reporting Standards (which also include Hong Kong Accounting Standards and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance were complied with. Appropriate accounting policies have also been applied consistently.

The reporting responsibilities of the Company's external auditors, Messrs. Deloitte Touche Tohmatsu, are set out in the Independent Auditors' Report on pages 80 and 81.

問責及審核 (續)

內部監控

董事會有責任檢討本集團內部監控系統之有效性，並確保該等監控措施穩妥有效，以隨時保障股東之投資及本集團之資產。

內部監控系統旨在合理地(但非絕對地)保證無重大失實陳述或損失，同時管理(但並非完全消除)系統失誤之風險，並協助本集團達致議定宗旨及目標。其對達致業務目標至為重要之風險管理具有重要作用。除了保障本集團之資產外，內部監控亦為妥善保存會計記錄提供準則，有助遵守有關法例及法規。

本集團已委聘一家外聘顧問對截至二零零六年十二月三十一日止年度之一項主要業務過程進行內部監控評估。該評估報告已提交審核委員會及董事會審閱。報告內提出之事宜已獲得及時之關注及處理。獨立審核乃董事會加強本集團之整體企業管治及遵守企業管治守則之守則條文C.2計劃之一部分。

外聘核數師之酬金

於年內，已付／應付本公司外聘核數師德勤•關黃陳方會計師行之酬金載列如下：

向本集團提供之服務

核數服務
非核數服務(包括稅項
諮詢服務費、
遵守職業退休計劃條例、
審閱中期業績、為
持續關連交易及初步業績公佈
所進行之議定程序)

總計：

ACCOUNTABILITY AND AUDIT (CONTINUED)

Internal Control

The Board has the responsibility to review the effectiveness of the Group's internal control systems and ensure that the controls are sound and effective to safeguard the shareholders' investment and the Group's assets at all times.

The internal control system is designed to provide reasonable, but not absolute, assurance against material misstatement or loss; to manage rather than completely eliminate the risk of system failure; and to assist in the achievement of the Group's agreed objectives and goals. It has a key role in the management of risks that are significant to the fulfilment of business objectives. In addition to safeguarding the Group's assets, it should provide a basis for the maintenance of proper accounting records and assist in the compliance with relevant laws and regulations.

The Group engaged an external consultant to perform an internal control assessment for a major business process for the year ended 31st December, 2006. The assessment report has been distributed to the Audit Committee and the Board for their review. The issues raised in the report have been addressed and managed promptly. The independent review is part of the Board's plan to enhance the standards of the Group's overall corporate governance and comply with the code provision C.2 of the CG Code.

External Auditors' Remuneration

During the year, the remuneration paid/payable to the Company's external auditors, Messrs. Deloitte Touche Tohmatsu, is set out as follows:

Services rendered for the Group	已付／應付費用
	Fee paid/payable 千港元 HK\$'000
Audit services	4,617
Non-audit services (including taxation advisory services fee, compliance of Occupational Retirement Scheme Ordinance, review of interim results, agreed-upon procedures for continuing connected transactions and preliminary announcement of results)	1,114
Total:	5,731

與股東之溝通

董事會瞭解與股東保持良好聯繫之重要性。有關本集團之資料乃透過多種正式途徑適時向股東傳達，包括中期報告及年報、公佈及通函。

本公司股東週年大會乃董事會直接與股東聯繫之寶貴機會。主席於股東週年大會上積極回應股東之任何查詢。審核委員會及薪酬委員會之主席，或在該等委員會主席缺席時由各自委員會之另一名委員於股東週年大會上回答提問。主席就每項須於股東週年大會上審議之議題提呈個別之決議案。股東週年大會之通函於股東週年大會舉行最少二十一天前發送予全體股東，通函載列每項擬提呈決議案之詳情、投票程序（包括要求以投票方式進行表決之程序）及其他相關資料。主席於股東週年大會開始時，會再次解釋要求以投票方式進行表決之程序，及（要求以投票方式表決者除外）宣佈就每項決議案已接獲委任代表之贊成及反對之票數。

提升企業管治水平

提升企業管治水平並非只為應用及遵守聯交所之企業管治守則，乃為推動及建立道德與健全之企業文化為依歸。吾等將不斷檢討並按經驗、監管變動及發展，於適當時候改善現行常規。本公司亦歡迎股東提供任何意見及建議以提高及改善本公司之透明度。

代表董事會
主席
李成偉

香港，二零零七年三月三十日

COMMUNICATION WITH SHAREHOLDERS

The Board recognises the importance of good communication with shareholders. Information in relation to the Group is disseminated to shareholders in a timely manner through a number of formal channels, which include interim and annual reports, announcements and circulars.

The Company's AGM is a valuable forum for the Board to communicate directly with the shareholders. The Chairman actively participates in the AGM and personally chairs the meeting to answer any questions from the shareholders. The chairmen of the Audit Committee and Remuneration Committee or in their absence, another member of the respective committees, are also available to answer questions at the AGM. A separate resolution is proposed by the Chairman in respect of each issue to be considered at the AGM. An AGM circular is distributed to all shareholders at least 21 days prior to the AGM, setting out details of each proposed resolution, voting procedures (including procedures for demanding and conducting a poll) and other relevant information. The Chairman explains the procedures for demanding and conducting a poll again at the beginning of the AGM, and (except where a poll is demanded) reveals how many proxies for and against have been received in respect of each resolution.

CORPORATE GOVERNANCE ENHANCEMENT

Enhancing corporate governance is not simply a matter of applying and complying with the CG Code of the Stock Exchange but about promoting and developing an ethical and healthy corporate culture. We will continue to review and, where appropriate, improve our current practices on the basis of our experience, regulatory changes and developments. Any views and suggestions from our shareholders to promote and improve our transparency are also welcome.

On behalf of the Board
Patrick Lee Seng Wei
Chairman

Hong Kong, 30th March, 2007

董事會同寅欣然將本集團及本公司截至二零零六年十二月三十一日止年度之報告連同經審核綜合財務報表呈覽。

主要業務

本公司為一間投資控股公司，其主要附屬公司、聯營公司及共同控制公司於二零零六年十二月三十一日之主要業務已分別載於綜合財務報表附註48、49及50。

本集團於年內之營業額主要來自中華人民共和國（「中國」）之業務。本集團截至二零零六年十二月三十一日止年度之營業額及除稅前之溢利貢獻按主要業務已載於綜合財務報表附註6。

附屬公司、聯營公司及共同控制公司

有關本公司於二零零六年十二月三十一日之主要附屬公司、聯營公司及共同控制公司之詳情已分別載於綜合財務報表附註48、49及50。

業績及溢利分配

本集團截至二零零六年十二月三十一日止年度之業績已載於第82頁及第83頁之綜合利潤表。

董事會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本公司股份2.5港仙予於二零零七年五月十八日（星期五）名列本公司股東名冊內之股東。

管理層討論及分析

管理層討論及分析已載於第13頁至第32頁。

The Board is pleased to present their report and the audited consolidated financial statements of the Group and the Company for the year ended 31st December, 2006.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. The principal activities of its principal subsidiaries, associates and jointly controlled entities as at 31st December, 2006 are set out in notes 48, 49 and 50 to the consolidated financial statements respectively.

The Group's turnover for the year was derived mainly from activities carried out in the People's Republic of China (the "PRC"). The breakdown by principal activities of the Group's turnover and the contribution to profit before taxation for the year ended 31st December, 2006 is set out in note 6 to the consolidated financial statements.

SUBSIDIARIES, ASSOCIATES AND JOINTLY CONTROLLED ENTITIES

Details of the Company's principal subsidiaries, associates and jointly controlled entities as at 31st December, 2006 are set out in notes 48, 49 and 50 to the consolidated financial statements respectively.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31st December, 2006 are set out in the consolidated income statement on pages 82 and 83.

The Board has recommended a final dividend of HK2.5 cents per share of the Company for the year ended 31st December, 2006 payable to the shareholders of the Company whose names appear on the register of members of the Company on Friday, 18th May, 2007.

MANAGEMENT DISCUSSION AND ANALYSIS

The management discussion and analysis is set out on pages 13 to 32.

物業、廠房及設備

於年內，本集團購入之物業、廠房及設備總值約25,074,000港元。

本集團及本公司於年內之物業、廠房及設備及其他變動之詳情已載於綜合財務報表附註17。

投資物業

於年內，本集團收購投資物業總值約259,781,000港元，而若干已建成待售物業以及物業、廠房及設備分別為62,841,000港元及6,800,000港元轉為投資物業。本集團重估其所有投資物業截至年底之價值，因重新估價而引致之盈餘為311,706,000港元，並已於綜合利潤表內確認。

本集團於年內之投資物業及其他變動之詳情已載於綜合財務報表附註18。

物業權益

本集團於二零零六年十二月三十一日之物業權益已載於第33頁至第41頁。

股本、認股權證及購股權

股本、認股權證及購股權之變動已載於綜合財務報表附註35。

儲備

本集團及本公司於年內之儲備變動已分別載於第88頁之綜合權益變動表及綜合財務報表附註36。

財務摘要

本集團於過去五個財政年度之業績及資產與負債概要已載於第188頁。

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group acquired property, plant and equipment totalling approximately HK\$25,074,000.

Details of these and other movements in property, plant and equipment of the Group and the Company during the year are set out in note 17 to the consolidated financial statements.

INVESTMENT PROPERTIES

During the year, the Group acquired investment properties totalling approximately HK\$259,781,000 and certain completed properties for sale and property, plant and equipment of HK\$62,841,000 and HK\$6,800,000 respectively were transferred to investment properties. The Group revalued all of its investment properties as at the year end date. The surplus arising on the revaluation amounted to HK\$311,706,000 and has been recognised in the consolidated income statement.

Details of these and other movements during the year in the investments properties of the Group are set out in note 18 to the consolidated financial statements.

INTEREST IN PROPERTIES

Particulars of the Group's interests in properties as at 31st December, 2006 are set out on pages 33 to 41.

SHARE CAPITAL, WARRANTS AND OPTIONS

Movements in share capital, warrants and options are set out in note 35 to the consolidated financial statements.

RESERVES

Movements in the reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity on page 88 and note 36 to the consolidated financial statements respectively.

FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out on page 188.

借款及資本化之利息

須於一年內償還或應要求下償還之銀行貸款、透支及其他借款歸納於流動負債內。有關附息及免息借款之還款詳情已分別載於綜合財務報表附註37及38。本集團於年內就發展中物業而轉作資本化之利息為19,070,000港元，詳情已載於綜合財務報表附註10。

董事

於本年度及截至本報告日期為止之董事如下：

執行董事：

李成偉
黃清海
馬申
勞景祐
李志剛
Yasushi Ichikawa
(於二零零六年五月十二日委任)

非執行董事：

鄭慕智
楊麗琛
Yuki Oshima
(於二零零六年五月十二日委任)

獨立非執行董事：

鄭鑄輝
吳繼偉
魏華生
徐溯經

BORROWINGS AND INTEREST CAPITALISED

Bank loans, overdrafts and other borrowings which are repayable within one year or on demand are classified as current liabilities. Repayment analysis of interest-bearing and interest-free borrowings are set out in notes 37 and 38 to the consolidated financial statements respectively. Interest capitalised by the Group during the year in respect of properties under development amounted to HK\$19,070,000, details of which are set out in note 10 to the consolidated financial statements.

DIRECTORS

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

Executive Directors:

Patrick Lee Seng Wei
Ng Qing Hai
Ma Sun
Edwin Lo King Yau
Li Chi Kong
Yasushi Ichikawa
(appointed on 12th May, 2006)

Non-Executive Directors:

Moses Cheng Mo Chi
Lisa Yang Lai Sum
Yuki Oshima
(appointed on 12th May, 2006)

Independent Non-Executive Directors:

Francis J. Chang Chu Fai
Goodwin Gaw
Ngai Wah Sang
Xu Su Jing

董事 (續)

根據本公司組織章程細則第105(A)條，馬申先生、勞景祐先生、鄭鑄輝先生及吳繼偉先生於將召開之股東週年大會上輪值告退，並願意膺選連任。

根據本公司組織章程細則第96條，於上屆股東週年大會後及本報告日期前獲委任之Yasushi Ichikawa先生及Yuki Oshima先生之任期於將召開之股東週年大會屆滿，並願意膺選連任。

董事及高級管理人員之個人資料

執行董事

李成偉，五十五歲，於一九九六年六月獲委任為本公司之執行董事，並分別於二零零四年二月及二零零五年十二月出任為本公司之董事會主席及代理董事總經理。李先生為一名建築師，曾於澳洲IBM服務，其後在馬來西亞及香港參與地產發展工作超過二十一年，彼於物業發展具廣泛經驗。李先生亦為本公司兩名主要股東聯合地產(香港)有限公司之行政總裁及新鴻基有限公司之非執行董事。

黃清海，五十歲，於二零零三年四月獲委任為本公司之執行董事，並於二零零三年十月出任本公司之董事總經理。彼於二零零五年十二月改任為本公司之副董事總經理。黃先生於一九八三年畢業於上海建材學院會計系，於一九九四年為中國註冊會計師協會會員，亦於一九八八年獲法國高等商學院集團(Group ESSEC)授予管理諮詢顧問資格。彼於二零零四年成為中國建材企業管理協會副會長，並於二零零六年成為亞洲知識管理協會院士。黃先生在管理企業方面擁有豐富經驗。彼亦為本公司之非全資附屬公司上海聯合水泥股份有限公司之總裁及行政總裁。

DIRECTORS (CONTINUED)

In accordance with Article 105(A) of the Company's Articles of Association, Messrs Ma Sun, Edwin Lo King Yau, Francis J. Chang Chu Fai and Goodwin Gaw shall retire by rotation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

In accordance with Article 96 of the Company's Articles of Association, Messrs. Yasushi Ichikawa and Yuki Oshima, who have been appointed after the last Annual General Meeting and before the date of the report, shall hold office until the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Patrick Lee Seng Wei, aged 55, was appointed an Executive Director of the Company in June 1996 and became the Chairman of the Board and the Acting Managing Director of the Company in February 2004 and December 2005 respectively. Mr. Lee is an architect and worked for IBM Australia before becoming involved in property development in Malaysia and Hong Kong for more than twenty-one years. He has extensive experience in the property field. Mr. Lee is also the chief executive of Allied Properties (H.K.) Limited and a non-executive director of Sun Hung Kai & Co. Limited, both are substantial shareholders of the Company.

Ng Qing Hai, aged 50, was appointed an Executive Director of the Company in April 2003 and became the Managing Director of the Company in October 2003. He was re-designated as the Deputy Managing Director of the Company in December 2005. Mr. Ng graduated from the Accounting Department of Shanghai Institute of Building Materials in 1983 and became a member of the Association of Registered Accountants of the PRC in 1994. He was admitted as Management Consultant by Group ESSEC of France in 1988. He became the vice chairman of China Building Materials Enterprises Management Association in 2004 and a fellow of Asian Knowledge Management Association in 2006. Mr. Ng has extensive experience in managing enterprises. He is also the president and chief executive officer of Shanghai Allied Cement Limited, a non-wholly owned subsidiary of the Company.

董事及高級管理人員之個人資料 (續)

執行董事 (續)

馬申，六十六歲，於二零零三年四月獲委任為本公司之執行董事。馬先生於一九八四年加入新鴻基證券有限公司，一九八五年轉調本集團。除擁有機電工程學士學位外，馬先生擁有豐富機電工程經驗及超過二十一年的中國商貿、金融投資及物業發展經驗。

勞景祐，四十六歲，為特許公司秘書，並為澳洲Macquarie University之應用財務碩士，於一九九九年八月獲委任為本公司之執行董事。彼曾於香港多間公司履任多項行政職位，包括在上市公司出任公司秘書。勞先生現為本公司之主要股東聯合集團有限公司之執行董事。

李志剛，五十三歲，為蘇格蘭特許會計師公會會員及香港會計師公會資深會員，於二零零四年二月獲委任為本公司之執行董事。彼於財務及會計行業具有豐富經驗，曾任職於兩間大型核數師事務所及擔任多間頗具規模之香港上市公司之集團財務總監。彼亦為本公司之主要股東聯合地產(香港)有限公司及本公司之間接非全資附屬公司上海聯合水泥股份有限公司之執行董事，亦為本公司另一主要股東聯合集團有限公司之集團財務總監。

Yasushi Ichikawa，五十五歲，於二零零六年五月獲委任為本公司之執行董事。彼曾任ORIX Corporation國際業務部之部門總經理，管理大中華地區之附屬公司及新拓展業務之發展。彼於結構資產融資構建及市場推廣方面擁有超過二十五年經驗。Ichikawa先生畢業於日本大阪市立大學，持有商業學士學位。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

Executive Directors (continued)

Ma Sun, aged 66, was appointed an Executive Director of the Company in April 2003. Mr. Ma joined Sun Hung Kai Securities Limited in 1984 and was then transferred to the Group in 1985. Besides holding a Bachelor's Degree of Electrical Engineering, he has extensive experience in electrical engineering and over twenty-one years of experience in China commercial business, financial investment and property development.

Edwin Lo King Yau, aged 46, a chartered company secretary and holder of a Master's Degree in Applied Finance from Macquarie University, Australia, was appointed an Executive Director of the Company in August 1999. He had served in various executive roles in several companies in Hong Kong including company secretary for publicly listed companies. He is currently an executive director of Allied Group Limited, a substantial shareholder of the Company.

Li Chi Kong, aged 53, a member of the Institute of Chartered Accountants of Scotland and a fellow of the Hong Kong Institute of Certified Public Accountants, was appointed an Executive Director of the Company in February 2004. He has broad experience in the finance and accounting field, having worked in two major audit firms and as group financial controller for several sizeable listed companies in Hong Kong. He is also an executive director of Allied Properties (H.K.) Limited, a substantial shareholder of the Company, and Shanghai Allied Cement Limited, an indirect non-wholly owned subsidiary of the Company, and the group financial controller of Allied Group Limited, another substantial shareholder of the Company.

Yasushi Ichikawa, aged 55, was appointed an Executive Director of the Company in May 2006. He was the managing director overseeing the subsidiaries in the Greater China Region and the development of new business at the International Business Department of ORIX Corporation. He has over twenty-five years of experience in structuring and marketing of structured asset finance. Mr. Ichikawa graduated from Osaka City University in Japan with a Bachelor's Degree in Commerce.

董事及高級管理人員之個人資料
(續)

非執行董事

鄭慕智，五十七歲，於一九九七年五月獲委任為本公司之獨立非執行董事，並於二零零四年九月改任為本公司之非執行董事。鄭先生乃本公司其中一所法律顧問香港胡百全律師事務所之首席合夥人。鄭先生於一九九一年至一九九五年間為香港立法局議員。彼為香港董事學會之創會主席，現為該會之榮譽會長及榮譽主席。彼同時亦為其他多間上市公司之獨立非執行董事。

楊麗琛，四十歲，於一九九九年十一月獲委任為本公司之獨立非執行董事，並於二零零四年九月改任為本公司之非執行董事。彼現為香港執業律師，亦為李梅生律師行之顧問。楊小姐畢業於澳洲雪梨大學，取得法律及經濟學士學位，亦取得澳洲及英國之律師資格。

Yuki Oshima，五十九歲，於二零零六年五月獲委任為本公司之非執行董事。彼為日本早稻田經濟學會會員，現時為ORIX Corporation之執行官。彼同時亦為多間海外上市公司之董事會成員，包括ORIX Investment Bank Pakistan Limited、ORIX Leasing Pakistan Limited及Lanka ORIX Leasing Company Limited。彼於租賃及融資方面擁有超過三十六年經驗。Oshima先生畢業於日本早稻田大學，持有商業學士學位。

BIOGRAPHICAL DETAILS OF DIRECTORS AND
SENIOR MANAGEMENT (CONTINUED)

Non-Executive Directors

Moses Cheng Mo Chi, aged 57, was appointed an Independent Non-Executive Director of the Company in May 1997 and was re-designated as Non-Executive Director of the Company in September 2004. Mr. Cheng is the senior partner of P. C. Woo & Co., a firm of solicitors and notaries in Hong Kong and one of the legal advisors of the Company. Mr. Cheng was a member of the Legislative Council of Hong Kong between 1991 and 1995. He is the Founder Chairman of the Hong Kong Institute of Directors of which he is now the Honorary President and Chairman Emeritus. He also serves on the boards of various listed companies as an independent non-executive director.

Lisa Yang Lai Sum, aged 40, was appointed an Independent Non-Executive Director of the Company in November 1999 and was re-designated as Non-Executive Director of the Company in September 2004. She is a practising solicitor in Hong Kong and is a consultant of Maurice Lee, Tsang, Ng-Quinn & Tang. Ms. Yang graduated from the University of Sydney with a Bachelor's Degree in Law and Economics and is also qualified as a solicitor in Australia and England.

Yuki Oshima, aged 59, was appointed a Non-Executive Director of the Company in May 2006. He is a member of the Association of Economics in Waseda, Japan and is currently the executive officer of ORIX Corporation. He also serves on the boards of various overseas listed companies namely ORIX Investment Bank Pakistan Limited, ORIX Leasing Pakistan Limited and Lanka ORIX Leasing Company Limited. He has over thirty-six years of experience in leasing and finance. Mr. Oshima graduated from Waseda University in Japan with a Bachelor's Degree in Commerce.

董事及高級管理人員之個人資料 (續)

獨立非執行董事

鄭鑄輝，五十二歲，於二零零四年九月獲委任為本公司之獨立非執行董事。彼現時為金豐21投資控股有限公司及卓施金網有限公司之執行董事，以及卓健亞洲有限公司及中意控股有限公司之獨立非執行董事。鄭先生現為根據證券及期貨條例註冊之投資顧問。自二零零零年，鄭先生擔任昱豐融資有限公司之董事總經理。彼擁有逾二十九年銀行、企業融資、投資及企業管理之經驗。鄭先生於一九七六年取得加拿大蒙特利爾孔科爾迪亞大學之商學學士學位，並於一九七七年畢業於加拿大多倫多約克大學，取得工商管理碩士學位。

吳繼偉，三十八歲，於二零零四年九月獲委任為本公司之獨立非執行董事。彼現時為建生國際集團有限公司之副主席，並為Global Gateway, L.P. (由建生集團及Morgan Stanley Real Estate Funds組成之電信基建合營公司) 之主席及行政總裁以及基滙資本(地產基金管理公司) 之主席。彼亦為Downtown Properties Holdings之總裁。吳先生畢業於美國賓夕凡尼亞大學，取得土木工程學士學位，其後取得Wharton Business School財務學位及史丹福大學建築管理科學碩士學位。

魏華生，四十八歲，於二零零四年九月獲委任為本公司之獨立非執行董事。彼現時為安利時投資控股有限公司之行政總裁。彼在核數、會計、財務管理以及處理業務發展及投資方面擁有豐富經驗，並曾任職香港及海外多間國際會計師事務所及上市公司。魏先生取得英國倫敦大學之理學士學位。彼亦為澳洲特許會計師公會資深會員及香港會計師公會資深會員。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT (CONTINUED)

Independent Non-Executive Directors

Francis J. Chang Chu Fai, aged 52, was appointed an Independent Non-Executive Director of the Company in September 2004. He is currently an executive director of Golden 21 Investment Holdings Limited and Trasy Gold Ex Limited; and an independent non-executive director of Quality HealthCare Asia Limited and Chitaly Holdings Limited. Mr. Chang is a registered person under the Securities and Futures Ordinance and since 2000 has been the managing director of Ceres Capital Limited. He has over twenty-nine years of experience in banking, corporate finance, investment and management. Mr. Chang holds a Bachelor's Degree in Commerce from Concordia University in Montreal, Canada since 1976 and a Master's Degree in Business Administration from York University in Toronto, Canada since 1977.

Goodwin Gaw, aged 38, was appointed an Independent Non-Executive Director of the Company in September 2004. He is currently the vice chairman of Pioneer Global Group Limited, and the chairman and chief executive officer of Global Gateway, L.P., a telecom infrastructure joint venture between Pioneer Group and Morgan Stanley Real Estate Funds, and the chairman of Gateway Capital, a real estate fund management company. He is also the president of Downtown Properties Holdings. Mr. Gaw graduated with a Bachelor of Science Degree in Civil Engineering from the University of Pennsylvania, a Finance Degree from Wharton Business School and a Master of Science Degree in Construction Management from Stanford University.

Ngai Wah Sang, aged 48, was appointed an Independent Non-Executive Director of the Company in September 2004. He is currently the chief executive officer of Earnest Investments Holdings Limited. He has broad experience in auditing, accounting, financial management and dealing with business development and investments and previously worked for international accounting firms and listed companies in Hong Kong and overseas. Mr. Ngai holds a Bachelor's Degree in Science from the University of London in United Kingdom. He is a fellow of The Institute of Chartered Accountants in Australia and also a fellow of the Hong Kong Institute of Certified Public Accountants in Hong Kong.

董事及高級管理人員之個人資料
(續)

獨立非執行董事 (續)

徐溯經，六十二歲，於二零零四年九月獲委任為本公司之獨立非執行董事。彼曾任中國石化集團公司企業改革部主任，但已於二零零五年六月退休。彼具有豐富之石化企業宏觀管理經驗。徐先生於一九八三年畢業於北京勞動保護研究所，主修安全技術工程，擁有工程學碩士學位及教授級高級經濟師職稱。

高級管理人員

宋珠峰，四十六歲，本集團合約部總經理，於二零零三年十二月加入本集團。宋先生畢業於北京清華大學土木工程系，擁有工程學學士學位。彼具有超過二十年工程管理及房地產發展經驗。

杜燦生，四十二歲，本公司合資格會計師及集團財務總監，於一九九四年五月加入本集團。杜先生為香港會計師公會會員及英國特許管理會計師公會會員，並擁有工商管理碩士學位。杜先生具有超過十年財務管理及中國商業經驗。

夏謙，四十四歲，本集團華北地區總經理，於一九九一年十一月加入本集團。夏先生擁有工商管理碩士學位。彼具有超過十六年中國房地產發展及投資經驗。

容綺媚，四十一歲，於二零零四年三月獲委任為本公司之公司秘書。彼為香港公司秘書公會及英國特許秘書及行政人員公會會員。容小姐亦為上海聯合水泥股份有限公司之公司秘書。

BIOGRAPHICAL DETAILS OF DIRECTORS AND
SENIOR MANAGEMENT (CONTINUED)

Independent Non-Executive Directors (continued)

Xu Su Jing, aged 62, was appointed an Independent Non-Executive Director of the Company in September 2004. He was the director of the Department of Enterprise Reform of Sinopec Group Company and has retired since June 2005. He has extensive experience in the macro-management of petrochemical enterprises. Mr. Xu graduated from the Beijing Research Institute of Labor Safety in 1983 majoring in safety technology engineering and holds a Master of Engineering and the title of a senior economist of professor level.

Senior Management

Song Zhu Feng, aged 46, is the General Manager of the Contracts Department of the Group. He joined the Group in December 2003. Mr. Song graduated from The Civil Engineering Department of Tsing Hua University in Beijing with a Bachelor's Degree of Engineering. He has over twenty years of experience in the fields of engineering and property development.

Sunny Tao Tsan Sang, aged 42, is the Qualified Accountant of the Company and Financial Controller of the Group. He joined the Group in May 1994. Mr. Tao is an associate of the Hong Kong Institute of Certified Public Accountants and The Chartered Institute of Management Accountants and holds a Master's Degree of Business Administration. Mr. Tao has over ten years of experience in financial management and China business field.

Xia Qian, aged 44, is the General Manager of the Northern China Region. He joined the Group in November 1991. Mr. Xia holds an Executive Master's Degree of Business Administration. He has over sixteen years of experience in property development and investment in China.

Cindy Yung Yee Mei, aged 41, was appointed the Company Secretary of the Company in March 2004. She is an associate of The Hong Kong Institute of Company Secretaries and The Institute of Chartered Secretaries and Administrators. Ms. Yung is also the company secretary of Shanghai Allied Cement Limited.

董事之權益

除下文所披露者外，於二零零六年十二月三十一日，概無本公司之董事或最高行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券期貨條例」）第XV部）之股份、相關股份及債權證中擁有根據證券期貨條例第352條須予備存之登記冊所記錄，或依據上市發行人董事進行證券交易之標準守則通知本公司及香港聯合交易所有限公司（「聯交所」）之任何權益或淡倉：

(a) 本公司

DIRECTORS' INTERESTS

Save as disclosed below, as at 31st December, 2006, none of the Directors or chief executives of the Company has any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept under section 352 of the SFO; or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers:

(a) The Company

董事姓名 Name of Director	權益性質 Nature of interests	持有股份之數目 Number of shares held	佔已發行股本之百分比 Percentage to the issued share capital
馬申 Ma Sun	個人 Personal	52,125 (附註) (Note)	0.005%

附註：該權益由馬申先生以實益擁有人身份所持有。

Note: The interests are held by Mr. Ma Sun as beneficial owner.

(b) 相聯法團－上海聯合水泥股份有限公司（「上聯水泥」）

(b) Associated Corporation – Shanghai Allied Cement Limited ("SAC")

董事姓名 Name of Director	權益性質 Nature of interests	持有股份及相關股份之數目 Number of shares and underlying shares held	佔已發行股本之百分比 Percentage to the issued share capital
馬申 Ma Sun	個人 Personal	100,000 (附註) (Note)	0.01%

附註：由馬申先生作為實益擁有人所持有之權益，全屬股份權益。

Note: The interests held by Mr. Ma Sun as beneficial owner are all interests in shares.

上述全部權益皆為好倉。於二零零六年十二月三十一日，根據證券期貨條例第352條須予備存之登記冊所載，並無淡倉記錄。

All the interests stated above represent long positions. As at 31st December, 2006, no short positions were recorded in the register required to be kept under section 352 of the SFO.

購股權

(a) 本公司

本公司購股權計劃之資料已載於綜合財務報表附註35。

於截至二零零六年十二月三十一日止年度內，並無根據本公司之購股權計劃授出任何購股權，於二零零五年十二月三十一日及二零零六年十二月三十一日亦無任何購股權仍未行使。

(b) 上聯水泥

有關上聯水泥購股權計劃（「上聯水泥計劃」）之資料已載於綜合財務報表附註35。

根據上聯水泥計劃授出及於二零零六年十二月三十一日尚未行使之購股權詳情載列如下：

SHARE OPTIONS

(a) The Company

Particulars of the Share Options Scheme of the Company are set out in note 35 to the consolidated financial statements.

No share option was granted under the Share Option Scheme of the Company during the year ended 31st December, 2006, nor was there any share option outstanding as at 31st December, 2005 and 31st December, 2006.

(b) SAC

Particulars of the share option scheme of SAC (the "SAC Scheme") are set out in note 35 to the consolidated financial statements.

Details of the shares options granted under the SAC Scheme and the outstanding options as at 31st December, 2006 are as follows:

				購股權數目				
				Number of share options				
	授予日期	行使期	每股行使價	於二零零六年 一月一日 尚未行使	於年內授出	於年內失效	於年內註銷	於二零零六年 十二月三十一日 尚未行使
	Date of Grant	Exercisable Period	Exercise price per share 港元 HK\$	Outstanding as at 1st January, 2006	Granted during the year	Lapsed during the year	Cancelled during the year	Outstanding as at 31st December, 2006
本公司董事								
Directors of the Company								
黃清海	二零零三年 七月二十八日	二零零四年一月二十八日至 二零一三年七月二十七日	0.70	4,000,000	—	—	4,000,000	—
Ng Qing Hai	28th July, 2003	28th January, 2004 to 27th July, 2013						
李志剛	二零零三年 七月二十八日	二零零四年一月二十八日至 二零一三年七月二十七日	0.70	600,000	—	—	600,000	—
Li Chi Kong	28th July, 2003	28th January, 2004 to 27th July, 2013						
上聯水泥僱員	二零零三年 七月二十八日	二零零四年一月二十八日至 二零一三年七月二十七日	0.70	16,500,000	—	1,600,000	13,400,000	1,500,000
Employees of SAC	28th July, 2003	28th January, 2004 to 27th July, 2013						
合計								
Total				21,100,000	—	1,600,000	18,000,000	1,500,000

購股權 (續)

(b) 上聯水泥 (續)

上述全部購股權之歸屬期均為六個月。每位承授人就每份獲授之購股權支付代價10.00港元。

每股股份於緊接授出購股權當日前之收市價為0.53港元。

於截至二零零六年十二月三十一日止年度，上聯水泥董事會注意到上聯水泥股份在市場上以固定行使價之折讓價買賣，且根據上聯水泥計劃授出之購股權亦未曾獲行使，上聯水泥董事會於二零零六年十月向當時既有購股權持有人提出按每份購股權作價100.00港元購入合共32份購股權（該等購股權賦予彼等權利可按固定行使價每股購股權股份0.70港元之價格認購合共19,500,000股購股權股份）。因此，上聯水泥於二零零六年十一月二十九日向當時之購股權持有人購回共31份購股權，並最終合共註銷18,000,000股購股權股份。

除上文所披露者外，於截至二零零六年十二月三十一日止年度內，概無任何可認購上聯水泥股份之購股權獲授出、行使、失效或註銷。

上述已授出之購股權將於行使時方會在賬目確認。董事會認為，因對上述購股權進行之任何估值需作出多項特定、主觀及不確定之假設，故此不宜評估購股權價值。根據多項推測性假設而評估之購股權價值並無意義，且或會對股東有所誤導。因此，董事會認為僅披露可肯定之有關市價及行使價乃屬恰當。

除上文所披露者外，於年內，各董事或彼等之配偶或未滿十八歲子女概無獲授予認購本公司股本或債務證券之權利，亦無行使該等權利。

SHARE OPTIONS (CONTINUED)

(b) SAC (continued)

All share options referred to above are subject to six months' vesting period. The consideration paid by each grantee for each of grants was HK\$10.00.

The closing price per share immediately before the date on which the share options were granted was HK\$0.53.

During the year ended 31st December, 2006, the board of SAC noted that shares of SAC were traded on the market at a discount to the fixed exercise price and no option granted under the SAC Scheme had ever been exercised. The board of SAC made an offer in October 2006 to the then existing option holders to purchase a total of 32 options (with the right to subscribe for a total of 19,500,000 option shares at a fixed exercise price of HK\$0.70 per option share) at a consolidation of HK\$100.00 per option. As a result, SAC purchased a total of 31 options from the then existing option holders and subsequently cancelled a total of 18,000,000 option shares on 29th November, 2006.

Save as disclosed above, no share options for subscription of shares in SAC were granted, exercised, lapsed or cancelled during the year ended 31st December, 2006.

The above options granted are not recognised in the accounts until they are exercised. The Board considers that it is inappropriate to value the share options granted since any valuation of the options would be subject to a number of assumptions that would be selective, subjective and uncertain. Any valuation of the share options based on various speculative assumptions would be meaningless and could be misleading to the shareholders. The Board therefore considers the disclosure of only the relevant market price and exercise price, which are readily ascertainable, will be appropriate.

Save as disclosed above, no rights to subscribe for equity or debt securities of the Company had been granted to or exercised by any Directors or their spouses or children under the age of 18 at any time during the year.

購買股份或債券之安排

除根據本公司及上聯水泥各自之購股權計劃授予可認購本公司及上聯水泥股份之購股權外，本公司或其任何附屬公司於本年度內並無參與任何安排，使董事或彼等之配偶或十八歲以下子女可藉收購本公司或任何其他法人團體之股份或債券從而獲得利益。

董事於重要合約之權益

本公司或其任何附屬公司於本年度終結或本年度任何時間內，並無參與董事直接或間接擁有重大權益之重要合約。

董事之服務合約

概無擬於即將召開之股東週年大會上膺選連任之董事與本公司或其任何附屬公司簽訂僱主一方須付出賠償金（法定賠償除外）始能於一年內終止之服務合約。

主要客戶及供應商

於本年度，本集團最大五位客戶之銷售總額及本集團最大五位供應商之採購總額分別為本集團銷售總額及採購總額約21%及36%。

據董事所知，持有本公司已發行股本5%以上的董事、彼等之聯繫人士或任何股東並無於本集團最大五位供應商及客戶擁有任何實益權益。

ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors or their spouses or children under the age of 18 to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate with the exception of granting of share options to subscribe for shares in the Company and SAC under their respective share option schemes.

DIRECTORS' INTERESTS IN CONTRACTS OF SIGNIFICANCE

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

DIRECTORS' SERVICE CONTRACTS

No director proposed for re-election at the forthcoming Annual General Meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the employing company within one year without the payment of compensation (other than statutory compensation).

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the aggregate sales attributable to the Group's five largest customers and the aggregate purchases attributable to the Group's five largest suppliers were approximately 21% and 36% of the Group's sales and purchases respectively.

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

主要股東及其他人士之權益

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS

根據證券期貨條例第336條而須備存之登記冊所載，於二零零六年十二月三十一日，擁有本公司股份或相關股份之權益或淡倉之人士列示如下：

Set out below are the interests or short positions of persons in the shares or underlying shares of the Company as at 31st December, 2006 as recorded in the register required to be kept under section 336 of the SFO:

股東名稱 Name of Shareholders	持有股份之數目 Number of shares held			權益總額 Total Interests	權益總額 佔有關已發行股本之百分比 Percentage of total interests to the relevant issued share capital
	個人權益 (以實益 擁有人持有) Personal Interests (held as beneficial owner)	法團權益 (控制公司 持有之權益) Corporate Interests (interest of controlled corporation)	其他權益 (以投資 管理人持有) Other Interests (held as investment manager)		
新鴻基有限公司(「新鴻基」) Sun Hung Kai & Co. Limited ("SHK")	447,045,603	—	—	447,045,603	39.58%
聯合地產(香港)有限公司(「聯合地產」) Allied Properties (H.K.) Limited ("APL")	—	447,045,603 (附註1) (Note 1)	—	447,045,603 (附註2) (Note 2)	39.58%
聯合集團有限公司(「聯合集團」) Allied Group Limited ("AGL")	—	447,045,603 (附註3) (Note 3)	—	447,045,603 (附註2) (Note 2)	39.58%
Lee and Lee Trust ("LL Trust")	—	447,045,603 (附註4) (Note 4)	—	447,045,603 (附註2) (Note 2)	39.58%
Penta Investment Advisers Limited ("Penta")	—	—	192,124,000	192,124,000	17.01%
John Zwaanstra	—	192,124,000 (附註5) (Note 5)	—	192,124,000 (附註6) (Note 6)	17.01%
ORIX Corporation	87,500,000	—	—	87,500,000	7.75%
Mercury Real Estate Advisors, LLC ("Mercury")	—	—	56,480,000	56,480,000	5.00%
David R. Jarvis	—	56,480,000 (附註7) (Note 7)	—	56,480,000 (附註8) (Note 8)	5.00%
Malcolm F. MacLean	—	56,480,000 (附註9) (Note 9)	—	56,480,000 (附註8) (Note 8)	5.00%

主要股東及其他人士之權益 (續)

附註：

1. 聯合地產分別透過其直接及間接全資附屬公司AP Jade Limited及AP Emerald Limited持有新鴻基已發行股本約65.18%權益，故被視作擁有新鴻基所持有之股份之權益。
2. 此數字指新鴻基持有之同一批447,045,603股股份之權益。
3. 聯合集團持有聯合地產已發行股本約74.93%權益，故被視作擁有聯合地產所持有之股份之權益。
4. 李成輝先生、李淑慧女士及李成煌先生為全權信託LL Trust之信託人，彼等合共持有聯合集團已發行股本約41.25%權益，故被視作擁有聯合集團所持有之股份之權益。
5. John Zwaanstra 先生被視作擁有Penta所持有之100%股份之權益。
6. 此數字指Penta持有之同一批192,124,000股股份之權益。
7. David R. Jarvis 先生被視作擁有 Mercury所持有之57.50%股份之權益。
8. 此數字指Mercury持有之同一批56,480,000股股份之權益。
9. Malcolm F. MacLean先生被視作擁有Mercury所持有之42.50%股份之權益。

上述全部權益皆為好倉。於二零零六年十二月三十一日，根據證券期貨條例第336條須予備存之登記冊所載，並無淡倉記錄。

INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS (CONTINUED)

Notes:

1. Through AP Jade Limited and AP Emerald Limited, direct and indirect wholly owned subsidiaries of APL respectively, APL owned approximately 65.18% interest in the issued share capital of SHK and was therefore deemed to have an interest in the shares in which SHK was interested.
2. The figure refers to the same interest of SHK in 447,045,603 shares.
3. AGL owned approximately 74.93% interest in the issued share capital of APL and was therefore deemed to have an interest in the shares in which APL was interested.
4. Mr. Lee Seng Hui, Ms. Lee Su Hwei and Mr. Lee Seng Huang are the trustees of the LL Trust, being a discretionary trust. They together owned approximately 41.25% interest in the issued share capital of AGL and were therefore deemed to have an interest in the shares in which AGL was interested.
5. Mr. John Zwaanstra was deemed to be interested in the shares through his 100% interest in Penta.
6. The figure refers to the same interest of Penta in 192,124,000 shares.
7. Mr. David R. Jarvis was deemed to be interested in the shares through his 57.50% interest in Mercury.
8. The figure refers to the same interest of Mercury in 56,480,000 shares.
9. Mr. Malcolm F. MacLean deemed to be interested in the shares through his 42.50% interest in Mercury.

All the interests stated above represent long positions. As at 31st December, 2006, no short positions were recorded in the register required to be kept under section 336 of the SFO.

董事於競爭性業務之利益

於年內及截至本報告日期止，按聯交所證券上市規則（「上市規則」）規定，下列董事（獨立非執行董事除外）被視為於與本集團之業務構成競爭或可能構成競爭之業務中擁有利益，詳情如下：

1. 李成偉先生為新鴻基有限公司之董事，該公司透過其若干附屬公司部份從事經營借貸之業務。
2. 李成偉先生及李志剛先生為聯合地產（香港）有限公司之董事，該公司透過其一間附屬公司部份從事經營借貸之業務。
3. 勞景祐先生為聯合集團有限公司之董事，該公司透過其若干附屬公司部份從事經營借貸之業務。勞景祐先生及李志剛先生均為聯合集團有限公司之附屬公司聯合融資有限公司之董事，該公司部份從事經營借貸之業務。此外，勞景祐先生亦為建屋貸款（亞洲）有限公司之董事，該公司為新鴻基有限公司之附屬公司，部份從事借貸業務。彼於二零零六年九月二十八日辭任。

由於本公司之董事會與上述公司之董事會均獨立運作，而上述各董事亦未能控制本公司之董事會，故本集團能獨立於該等公司之業務運作，及基於各自利益來經營業務。

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

During the year and up to the date of this report, the following Directors (not being the Independent Non-Executive Directors) are considered to have interests in the businesses which compete or are likely to compete with the businesses of the Group pursuant to the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") as set out below:

1. Mr. Patrick Lee Seng Wei is a director of Sun Hung Kai & Co. Limited which, through certain of its subsidiaries, is partly engaged in the business of money lending.
2. Messrs. Patrick Lee Seng Wei and Li Chi Kong are directors of Allied Properties (H.K.) Limited which, through a subsidiary, is partly engaged in the business of money lending.
3. Mr. Edwin Lo King Yau is a director of Allied Group Limited which, through certain of its subsidiaries, is partly engaged in the business of money lending. Both Messrs. Edwin Lo King Yau and Li Chi Kong are directors of AG Capital Limited, a subsidiary of Allied Group Limited, which is partly engaged in the business of money lending. Also, Mr. Edwin Lo King Yau was a director of The Building and Loan Agency (Asia) Limited, being a subsidiary of Sun Hung Kai & Co. Limited, which is partly engaged in the business of money lending, and he resigned on 28th September, 2006.

As the Board of Directors of the Company is independent from the boards of the abovementioned companies and none of the above Directors can control the Board of the Company, the Group is capable of carrying on its businesses independently of, and at arm's length from, the businesses of such companies.

關連交易

1. 本公司之一間非全資附屬公司上海聯合水泥有限公司(「上海水泥」)與上海水泥之主要股東上海水泥廠(「上海水泥廠」)於一九九五年十二月十六日訂立一份租約，據此，上海水泥廠將若干器材及設施租予上海水泥使用(「該交易」)。截至二零零六年十二月三十一日止年度，該交易總額達5,769,000港元。該交易構成本公司之持續關連交易。

獨立非執行董事已審查該交易，並確認該交易乃：

- (i) 於本集團之一般及日常業務範圍內訂立；
- (ii) 按一般商業條款進行；
- (iii) 根據規管該交易之租約條款訂立，並屬公平合理及整體上符合本公司股東之利益；及
- (iv) 該交易於二零零六年全年之總額在聯交所同意之有關最高限額範圍之內。

CONNECTED TRANSACTIONS

1. A leasing agreement was entered into between Shanghai Allied Cement Co., Ltd. ("Shanghai SAC"), a non-wholly owned subsidiary of the Company, and Shanghai Cement Factory ("SCF"), a substantial shareholder of Shanghai SAC, on 16th December, 1995, pursuant to which certain equipments and facilities were leased from SCF for the use of Shanghai SAC (the "Transaction"). The aggregate amount of the Transaction for the year ended 31st December, 2006 amounted to HK\$5,769,000. The Transaction constituted a continuing connected transaction of the Company.

The Independent Non-Executive Directors have reviewed the Transaction and confirmed that the Transaction was:

- (i) entered into in the ordinary and usual course of business of the Group;
- (ii) conducted on normal commercial terms;
- (iii) entered into in accordance with the terms of the leasing agreement governing the Transaction and was fair and reasonable and in the interests of the shareholders of the Company as a whole; and
- (iv) the aggregate annual amount of the Transaction in 2006 was within the relevant maximum amount as agreed by the Stock Exchange.

關連交易 (續)

2. 誠如本公司日期為二零零五年三月二日之報章公佈所披露，本公司之間接全資附屬公司正景發展有限公司(「正景」)與捷橋財務有限公司(「捷橋」)及本公司於二零零五年三月二日訂立一份貸款協議(「貸款協議」)，據此，捷橋同意向正景提供最多100,000,000港元之循環備用貸款(「備用貸款」)作為其一般營運資金，而本公司則同意擔保備用貸款下之貸款會獲得償還。捷橋為本公司主要股東(定義見上市規則)新鴻基有限公司(「新鴻基」)之直接全資附屬公司，故此捷橋為本公司之關連人士。因此，根據上市規則，貸款協議項下之交易構成本公司之持續關連交易，並須根據上市規則遵守申報、公佈及獲得獨立股東批准之規定。由於該項交易之代價比率(定義見上市規則)超過5%但少於25%，根據上市規則，該項交易亦構成本公司之須予披露交易。批准貸款協議之普通決議案於二零零五年四月二十日舉行之股東特別大會上獲本公司獨立股東以投票表決方式通過。

其後，誠如本公司日期為二零零五年十一月八日之另一份報章公佈所披露，正景與捷橋、本公司、本公司之間接全資附屬公司天滿企業有限公司(「天滿」)及本公司之另一間間接全資附屬公司天安地產代理(中國)有限公司(「天安地產代理」)於二零零五年十一月七日訂立一份補充貸款協議(「補充貸款協議」)，據此，捷橋同意將向正景提供貸款協議項下之備用貸款，由100,000,000港元增加至280,000,000港元(「補充備用貸款」)作為其一般營運資金，而本公司、

CONNECTED TRANSACTIONS (CONTINUED)

2. As disclosed in the press announcement of the Company dated 2nd March, 2005, Join View Development Limited ("Join View"), an indirect wholly owned subsidiary of the Company, entered into a loan agreement (the "Loan Agreement") with Ranbridge Finance Limited ("Ranbridge") and the Company on 2nd March, 2005, pursuant to which Ranbridge agreed to make available to Join View a revolving credit facility up to HK\$100,000,000 (the "Loan Facility") for its general working capital and the Company agreed to guarantee the repayment of the loan under the Loan Facility. Ranbridge is a direct wholly owned subsidiary of Sun Hung Kai & Co. Limited ("SHK"), a substantial shareholder (as defined in the Listing Rules) of the Company, and therefore, a connected person of the Company. Accordingly, the transaction under the Loan Agreement constituted a continuing connected transaction for the Company under the Listing Rules and was subject to the reporting, announcement and independent shareholders' approval requirements under the Listing Rules. Since the consideration ratio (as defined in the Listing Rules) for such transaction was more than 5% but less than 25%, it also constituted a discloseable transaction for the Company under the Listing Rules. The ordinary resolution approving the Loan Agreement was passed by the independent shareholders of the Company by poll at the extraordinary general meeting held on 20th April, 2005.

Subsequently, as disclosed in another press announcement of the Company dated 8th November, 2005, Join View entered into a supplemental loan agreement (the "Supplemental Loan Agreement") with Ranbridge and the Company, Sky Full Enterprises Limited ("Sky Full"), an indirect wholly owned subsidiary of the Company, and Tian An Real Estate Agency (China) Limited ("Tian An Real Estate Agency"), another indirect wholly owned subsidiary of the Company, on 7th November, 2005, pursuant to which Ranbridge agreed with Join View to increase the Loan Facility under the Loan Agreement from HK\$100,000,000 to HK\$280,000,000 (the "Supplemental Loan Facility") for its general working capital and the Company,

關連交易 (續)

天滿及天安地產代理同意共同及個別擔保補充備用貸款下之貸款會獲得償還。此外，作為正景根據貸款協議（經補充貸款協議補充）下應付之所有款項之抵押，本公司之全資附屬公司天安中國酒店房地產投資有限公司，及本公司之間接全資附屬公司晉威集團有限公司同意就彼等於天滿之所有股權以捷橋為受益人設立一項按揭（「天滿股份按揭」），而本公司另一間間接全資附屬公司Tian An Real Estate (Dalian) Company Limited同意就其於天安地產代理之所有股權以捷橋為受益人設立另一項按揭（「天安股份按揭」）。因此，根據上市規則，補充貸款協議項下之交易、天滿股份按揭及天安股份按揭構成本公司之不獲豁免持續關連交易，並須根據上市規則須遵守申報、公佈及獲得獨立股東批准之規定。由於該等交易之代價比率（定義見上市規則）超過5%但少於25%，根據上市規則，該等交易亦構成本公司之須予披露交易。批准補充貸款協議、天滿股份按揭及天安股份按揭之普通決議案於二零零五年十二月六日舉行之股東特別大會上獲本公司獨立股東以投票表決方式通過。截至二零零六年十二月三十一日止年度，補充備用貸款之使用最高額為245,000,000港元，此筆貸款已於二零零六年償還。於二零零六年十二月三十一日，概無錄得未償還貸款結餘。天滿股份按揭已於二零零六年十一月六日解除。

CONNECTED TRANSACTIONS (CONTINUED)

Sky Full and Tian An Real Estate Agency agreed to jointly and severally guarantee the repayment of the loan under the Supplemental Loan Facility. In addition, as security for all moneys payable by Join View under the Loan Agreement as supplemented by the Supplemental Loan Agreement, Tian An China Hotel and Property Investments Company Limited, a wholly owned subsidiary of the Company, and Oxwell Holdings Limited, an indirect wholly owned subsidiary of the Company, agreed to create a mortgage in favour of Ranbridge over their entire shareholding in Sky Full (the "Sky Full Share Mortgage") whereas Tian An Real Estate (Dalian) Company Limited, another indirect wholly owned subsidiary of the Company, agreed to create another mortgage in favour of Ranbridge over its entire shareholding in Tian An Real Estate Agency (the "Tian An Share Mortgage"). Accordingly, the transactions under the Supplemental Loan Agreement, the Sky Full Share Mortgage and the Tian An Share Mortgage constituted non-exempt continuing connected transactions for the Company under the Listing Rules and were subject to the reporting, announcement and independent shareholders' approval requirements under the Listing Rules. Since the consideration ratio (as defined in the Listing Rules) for such transactions was more than 5% but less than 25%, they also constituted discloseable transactions for the Company under the Listing Rules. The ordinary resolution approving the Supplemental Loan Agreement, the Sky Full Share Mortgage and the Tian An Share Mortgage was passed by the independent shareholders of the Company by poll at the extraordinary general meeting held on 6th December, 2005. The maximum amount of the Supplemental Loan Facility utilised for the year ended 31st December, 2006 amounted to HK\$245,000,000 and was repaid in 2006. No outstanding balance was recorded as at 31st December, 2006. The Sky Full Mortgage was released on 6th November, 2006.

關連交易 (續)

獨立非執行董事已審查補充備用貸款，並確認補充備用貸款乃：

- (i) 於本集團之一般及日常業務範圍內訂立；
- (ii) 按一般商業條款進行；
- (iii) 根據規管補充備用貸款之貸款協議（由補充貸款協議補充）條款訂立，並屬公平合理及整體上符合本公司股東之利益；及
- (iv) 補充備用貸款於二零零六年全年之總額在聯交所同意之有關最高限額範圍之內。

3. 誠如本公司日期為二零零五年十二月十六日之報章公佈所披露，本公司與聯合集團有限公司（「聯合集團」）於二零零五年十二月十五日訂立行政服務及管理服務分攤協議（「服務協議」），據此，本公司同意支付聯合集團就其向本集團提供之行政服務（包括秘書服務、提供註冊辦事處地址、水電供應、速遞及送遞、電話（包括國際長途電話）、互聯網、影印及其他辦公室配套服務）（「行政服務」），以及管理服務（包括聯合集團之高級管理人員向本集團提供之管理、策略及業務諮詢服務）（「管理服務」）所產生之成本。由於聯合集團透過其於附屬公司聯合地產（香港）有限公司及新鴻基之權益成為本公司之主要股東（定義見上市規則），故聯合集團為本公司之關連人士。因此，根據上市規則第14A.14條，訂立服務協議及其項下之有關分攤管理服務之交易構成本公司持續關連交易，根據上市規則須遵守有關申報及

CONNECTED TRANSACTIONS (CONTINUED)

The Independent Non-Executive Directors have reviewed the Supplemental Loan Facility and confirmed that the Supplemental Loan Facility was:

- (i) entered into in the ordinary and usual course of business of the Group;
- (ii) conducted on normal commercial terms;
- (iii) entered into in accordance with the terms of the Loan Agreement as supplemented by the Supplemental Loan Agreement governing the Supplemental Loan Facility and was fair and reasonable and in the interests of the shareholders of the Company as a whole; and
- (iv) the aggregate annual amount of the Supplemental Loan Facility in 2006 was within the relevant maximum amount as agreed by the Stock Exchange.

3. As disclosed in the press announcement of the Company dated 16th December, 2005, the Company entered into a sharing of administrative services and management services agreement (the "Services Agreement") with Allied Group Limited ("AGL") on 15th December, 2005, pursuant to which the Company agreed to reimburse AGL the costs incurred in respect of the administrative services, which included the secretarial services, provision of registered office address, utilities, courier and delivery, telephone (including international telephone), internet, photocopying and other ancillary office services provided by AGL to the Group (the "Administrative Services") and management services, which included the management, strategic and business advice provided by the senior management of AGL to the Group (the "Management Services"). Since AGL is a substantial shareholder (as defined in the Listing Rules) of the Company through its interests in its subsidiaries, Allied Properties (H.K.) Limited and SHK, AGL is a connected person of the Company. Accordingly, the entering into of the Services Agreement and the transactions regarding the sharing of the Management Services contemplated thereunder constituted continuing connected transactions of the Company under Rule 14A.14 of

關連交易 (續)

公佈之規定，但獲豁免遵守獨立股東批准之規定。有關本公司與聯合集團根據服務協議項下之有關分攤行政服務之交易，乃根據上市規則第14A.31(8)條及第14A.33(2)條，獲豁免遵守申報、公佈及獲獨立股東批准之規定。截至二零零六年十二月三十一日止年度，管理服務之總金額為3,400,000港元。

獨立非執行董事已審查有關分攤管理服務之交易，並確認交易乃：

- (i) 於本集團之一般及日常業務範圍內訂立；
- (ii) 按一般商業條款進行；
- (iii) 根據規管分攤管理服務之服務協議條款訂立，並屬公平合理及整體上符合本公司股東之利益；及
- (iv) 管理服務於二零零六年全年之總額在聯交所同意之有關最高限額範圍之內。

CONNECTED TRANSACTIONS (CONTINUED)

the Listing Rules, which are subject to the reporting and announcement requirements but are exempt from the independent shareholders' approval requirements under the Listing Rules. The transactions regarding the sharing of the Administrative Services between the Company and AGL contemplated under the Services Agreement are exempt from the reporting, announcement and independent shareholders' approval requirements under Rules 14A.31(8) and 14A.33(2) of the Listing Rules. The aggregate amount of the Management Services for the year ended 31st December, 2006 amounted to HK\$3,400,000.

The Independent Non-Executive Directors have reviewed the transactions regarding the sharing of the Management Services and confirmed that the transactions were:

- (i) entered into in the ordinary and usual course of business of the Group;
- (ii) conducted on normal commercial terms;
- (iii) entered into in accordance with the terms of the Services Agreement governing the transactions regarding the sharing of the Management Services and was fair and reasonable and in the interests of the shareholders of the Company as a whole; and
- (iv) the aggregate annual amount of the Management Services in 2006 was within the relevant maximum amount as agreed by the Stock Exchange.

購回、出售或贖回證券

本公司或其任何附屬公司概無於本年度內購回、出售或贖回本公司任何證券。

公司管治

本公司致力於維持高水平之企業管治常規。有關本公司採納企業管治常規之資料已載於第42頁至第58頁之「企業管治報告」內。

公眾持股量

於本報告日期，根據本公司獲得之公開資料及據董事所知，本公司已按上市規則維持足夠之公眾持股量。

核數師

本公司截至二零零六年十二月三十一日止年度之綜合財務報表已經德勤•關黃陳方會計師行審核。一項關於重新委聘德勤•關黃陳方會計師行為本公司核數師之決議案，將於即將舉行之股東週年大會上提呈。

代表董事會
主席
李成偉

香港，二零零七年三月三十日

PURCHASE, SALE OR REDEMPTION OF SECURITIES

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

CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance practices. Information on the corporate governance practices adopted by the Company is set out in the "Corporate Governance Report" on pages 42 to 58.

PUBLIC FLOAT

As at the date of this report, the Company has maintained a sufficient public float under the Listing Rules, based on the information that is publicly available to the Company and within the knowledge of its Directors.

AUDITORS

The consolidated financial statements for the year ended 31st December, 2006 were audited by Messrs. Deloitte Touche Tohmatsu. A resolution to re-appoint Messrs. Deloitte Touche Tohmatsu as Auditors of the Company will be proposed at the forthcoming Annual General Meeting.

On behalf of the Board
Patrick Lee Seng Wei
Chairman

Hong Kong, 30th March, 2007

Deloitte. 德勤

致：天安中國投資有限公司各股東
(於香港註冊成立之有限公司)

吾等已審核列載於第82頁至187頁天安中國投資有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表。綜合財務報表包括二零零六年十二月三十一日之綜合和公司資產負債表，以及截至該日止年度之綜合利潤表、綜合權益變動表及綜合現金流量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佈之香港財務報告準則及香港公司條例編制及真實與公平地列報該等綜合財務報表。此責任包括設計、實施及維持與編製及真實而公平地列報綜合財務報表相關的內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述；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

吾等之責任是根據吾等之審核，對該等綜合財務報表提出意見，並根據香港公司條例第141條，僅向全體股東報告本行之意見，除此以外，本報告不可用作其他用途。吾等概不就本報告內容向任何其他人士承擔或負上任何責任。吾等乃根據香港會計師公會頒佈之香港審計準則進行審核工作。該準則要求吾等遵守道德規範，並策劃及執行審核，以合理確定該等綜合財務報表是否不存在任何重大錯誤陳述。

TO THE SHAREHOLDERS OF
TIAN AN CHINA INVESTMENTS COMPANY LIMITED
(incorporated in Hong Kong with limited liability)

We have audited the consolidated financial statements of Tian An China Investments Company Limited (the "Company") and its subsidiaries (collectively referred as the "Group") set out on pages 82 to 187, which comprise the consolidated and Company balance sheets as at 31st December, 2006, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement 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 consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of the consolidated 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.

AUDITORS' 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 141 of the Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. 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 consolidated financial statements are free from material misstatement.

核數師之責任 (續)

審核涉及執程序以取得與綜合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綜合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綜合財務報表相關之內部監控，以設計適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，及所作出之會計估計是否合理，以及評價綜合財務報表之整體呈列方式。

吾等相信吾等得到足夠及適當之審核憑證以作為提供該審核意見之基礎。

意見

吾等認為，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財政狀況及 貴集團於截至該日止年度之溢利及現金流量，並已按照香港公司條例妥善編製。

德勤•關黃陳方會計師行
執業會計師

香港，二零零七年三月三十日

AUDITORS' RESPONSIBILITY (CONTINUED)

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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 31st 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 Hong Kong Companies Ordinance.

DELOITTE TOUCHE TOHMATSU
Certified Public Accountants

Hong Kong, 30th March, 2007

綜合利潤表 (截至二零零六年十二月三十一日止年度)

Consolidated Income Statement (For the year ended 31st December, 2006)

		附註 NOTES	2006 千港元 HK\$'000	2005 千港元 HK\$'000
營業額	Turnover	6	889,302	1,397,100
銷售成本	Cost of sales		(657,803)	(1,196,586)
毛利	Gross profit		231,499	200,514
其他收入	Other income	7	128,476	102,162
市場及分銷費用	Marketing and distribution costs		(25,981)	(42,572)
行政費用	Administrative expenses		(163,719)	(131,742)
其他營運費用	Other operating expenses		(1,786)	(12,441)
待出售物業轉撥至投資 物業之公允價值收益	Fair value gain on transfer of properties held for sale to investment properties		18,045	160,622
投資物業公允價值之增加	Increase in fair value of investment properties		311,706	132,285
物業之減值撥備	Write-down of properties		(79,788)	(51,784)
呆壞賬準備	Allowance for bad and doubtful debts		(8,313)	(18,212)
待發展物業攤銷	Amortisation of properties for development		(21,494)	(16,900)
出售一間共同控制公司 之收益	Gain on disposal of a jointly controlled entity	8	150,390	–
收購附屬公司額外權益 之折讓	Discount on acquisition of additional interests in subsidiaries	9	1,147	25,290
融資成本	Finance costs	10	(117,346)	(107,086)
應佔聯營公司(虧損)溢利	Share of (loss) profit of associates			
– 未計額外中國土地增值稅 (「土地增值稅」)之 除稅後(虧損)溢利	– (Loss) profit after tax before additional PRC Land Appreciation Tax (“LAT”)		(4,081)	15,122
– 以往年度銷售所產生之額外 土地增值稅	– Additional LAT attributable to sales in previous years	*	(1,923)	–
應佔共同控制公司溢利	Share of profit of jointly controlled entities			
– 未計額外土地增值稅 之除稅後溢利	– Profit after tax before additional LAT		71,617	82,125
– 以往年度銷售所產生之額外 土地增值稅	– Additional LAT attributable to sales in previous years	*	(101,639)	–
– 本年度銷售所產生之額外 土地增值稅	– Additional LAT attributable to sales in current year	*	(12,430)	–
聯營公司權益之減值虧損	Impairment loss on interests in associates	23c	–	(17,451)
除稅前溢利	Profit before taxation		374,380	319,932

		附註 NOTES	2006 千港元 HK\$'000	2005 千港元 HK\$'000
稅項	Taxation	11		
– 未計額外土地增值稅之 稅務費用	– Tax expenses before additional LAT		(166,693)	(117,399)
– 以往年度銷售所產生之額外 土地增值稅	– Additional LAT attributable to sales in previous years	*	(158,074)	–
– 本年度銷售所產生之額外 土地增值稅	– Additional LAT attributable to sales in current year	*	(23,343)	–
			(348,110)	(117,399)
本年度溢利	Profit for the year	12	26,270	202,533
以下應佔：	Attributable to:			
本公司股東	Equity holders of the Company		51,496	202,540
少數股東權益	Minority interests		(25,226)	(7)
			26,270	202,533
股息	Dividend	15	28,232	–
			港仙 HK cents	港仙 HK cents
每股盈利 基本	Earnings per share Basic	16	4.9	23.1
攤薄	Diluted		4.9	23.1
* 請參閱附註16之額外土地增值稅對本公司股東應佔溢利及每股盈利之影響概要。	* Please refer to note 16 for a summary of the effect of these additional LAT items on the profit attributable to equity holders of the Company and earnings per share.			

綜合資產負債表 (二零零六年十二月三十一日結算)
Consolidated Balance Sheet (At 31st December, 2006)

		附註 NOTES	2006 千港元 HK\$'000	2005 千港元 HK\$'000
非流動資產	Non-current Assets			
物業、廠房及設備	Property, plant and equipment	17	590,812	565,052
收購物業、廠房及設備 及投資物業之按金	Deposits for acquisition of property, plant and equipment and investment properties		76,860	–
投資物業	Investment properties	18	3,042,800	2,305,922
無形資產	Intangible asset	19	7,142	7,013
待發展物業	Properties for development	20	1,415,251	1,161,723
收購待發展物業之 按金	Deposits for acquisition of properties for development		1,791,745	1,568,406
土地使用權預付租賃款項	Prepaid lease payments on land use rights	21	34,138	31,319
於聯營公司之權益	Interests in associates	23	540,550	540,312
於共同控制公司之權益	Interests in jointly controlled entities	24	631,102	716,854
可供出售投資	Available-for-sale investments	25	3,306	3,202
少數股東欠款	Amounts due from minority shareholders		–	8,574
商譽	Goodwill	26	39,386	39,386
應收分期付款	Instalments receivable	27	50,340	45,475
遞延稅項資產	Deferred tax assets	41	4,039	4,950
			8,227,471	6,998,188
流動資產	Current Assets			
於中國之物業存貨	Inventories of properties in the PRC	28		
– 發展中	– under development		324,553	400,037
– 已竣工	– completed		880,258	969,441
其他存貨	Other inventories	29	38,566	34,929
聯營公司欠款	Amounts due from associates		12,369	14,188
共同控制公司欠款	Amounts due from jointly controlled entities		67,370	1,279
少數股東欠款	Amounts due from minority shareholders		24,601	3,377
應收貸款	Loans receivable	30	62,131	61,715
應收分期付款	Instalments receivable	27	32,965	43,738
貿易及其他應收賬款、 按金及預付款	Trade and other receivables, deposits and prepayments	31	479,177	528,534
土地使用權預付租賃款項	Prepaid lease payments on land use rights	21	1,036	924
持作買賣投資	Held-for-trading investments	32	11,579	9,787
預繳稅項	Prepaid tax		26,319	14,879
用作抵押之銀行存款	Pledged bank deposits	47	306,878	68,270
銀行結存及現金	Bank balances and cash		369,625	565,673
			2,637,427	2,716,771
分類為待售之資產	Assets classified as held for sale	33	–	186,005
			2,637,427	2,902,776

		附註 NOTES	2006 千港元 HK\$'000	2005 千港元 HK\$'000
流動負債	Current Liabilities			
貿易及其他應付賬款	Trade and other payables	34	881,796	1,181,929
預售樓宇按金	Pre-sale deposits		135,994	84,896
稅項負債	Tax liabilities		52,842	92,792
應付少數股東股息	Dividends payable to minority shareholders		8,109	12,335
付息借款	Interest-bearing borrowings	37	712,841	1,532,320
免息借款	Interest-free borrowings	38	156,978	143,060
			1,948,560	3,047,332
流動資產(負債)淨值	Net Current Assets (Liabilities)		688,867	(144,556)
總資產減流動負債	Total Assets less Current Liabilities		8,916,338	6,853,632
股本及儲備	Capital and Reserves			
股本	Share capital	35	225,854	175,094
儲備	Reserves	36	5,718,150	4,481,008
本公司股東應佔之權益	Equity attributable to equity holders of the Company		5,944,004	4,656,102
少數股東權益	Minority interests		407,173	416,889
權益總額	Total Equity		6,351,177	5,072,991
非流動負債	Non-current Liabilities			
貿易應付賬款	Trade payables		–	4,644
付息借款	Interest-bearing borrowings	37	1,264,777	747,344
免息借款	Interest-free borrowings	38	60,143	72,664
一名租戶之遞延租金收入	Deferred rental income from a tenant	39	107,882	110,648
租戶之租金按金	Rental deposits from tenants		14,332	15,306
會籍債券	Membership debentures	40	32,591	30,205
遞延稅項負債	Deferred tax liabilities	41	1,085,436	799,830
			2,565,161	1,780,641
			8,916,338	6,853,632

刊載於第82頁至第187頁之綜合財務報表已於二零零七年三月三十日經董事會通過及授權發表，並由下列董事代表簽署：

The consolidated financial statements on pages 82 to 187 were approved and authorised for issue by the Board of Directors on 30th March, 2007 and are signed on its behalf by:

董事
李成偉

董事
勞景祐

Patrick Lee Seng Wei
Director

Edwin Lo King Yau
Director

公司資產負債表 (二零零六年十二月三十一日結算)
Company Balance Sheet (At 31st December, 2006)

		附註 NOTES	2006 千港元 HK\$'000	2005 千港元 HK\$'000
非流動資產	Non-current Assets			
物業、廠房及設備	Property, plant and equipment	17	1,968	1,958
於附屬公司之權益	Interests in subsidiaries	22	4,160,138	3,502,851
於共同控制公司之權益	Interests in jointly controlled entities	24	5,920	5,876
			4,168,026	3,510,685
流動資產	Current Assets			
其他應收賬款、按金及預付款	Other receivables, deposits and prepayments		2,885	11,721
附屬公司欠款	Amounts due from subsidiaries		1,490,314	761,765
銀行結存及現金	Bank balances and cash		47,030	1,111
			1,540,229	774,597
流動負債	Current Liabilities			
其他應付賬款	Other payables		12,012	11,789
稅項負債	Tax liabilities		13,914	13,914
付息借款	Interest-bearing borrowings	37	50,126	201,018
免息借款	Interest-free borrowings	38	30,459	70,320
			106,511	297,041
流動資產淨值	Net Current Assets		1,433,718	477,556
總資產減流動負債	Total Assets less Current Liabilities		5,601,744	3,988,241
股本及儲備	Capital and Reserves			
股本	Share capital	35	225,854	175,094
儲備	Reserves	36	5,187,018	3,734,318
			5,412,872	3,909,412
非流動負債	Non-current Liabilities			
付息借款	Interest-bearing borrowings	37	188,405	78,405
免息借款	Interest-free borrowings	38	467	424
			188,872	78,829
			5,601,744	3,988,241

董事
李成偉

董事
勞景祐

Patrick Lee Seng Wei
Director

Edwin Lo King Yau
Director

綜合權益變動表 (截至二零零六年十二月三十一日止年度)

Consolidated Statement of Changes in Equity (For the year ended 31st December, 2006)

		本公司股東應佔											
		Attributable to equity holders of the Company											
		股本溢價	資本儲備	認股	資本	滙兌					少數		
		Share	Special	權證儲備	Capital	Exchange	重估儲備	其他儲備	累計溢利	總計	股東權益	總計	
		premium	capital	Warrant	redemption	equalisation	Revaluation	Other	Accumulated	Total	Minority	Total	
		account	reserve	reserve	reserve	reserve	reserves	reserves	profits	HK\$ '000	interests	HK\$ '000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000	HK\$ '000
於二零零五年一月一日	At 1st January, 2005	175,094	357,164	1,417,669	-	130,691	(28,530)	(23,244)	7,532	2,335,042	4,371,418	470,471	4,841,889
可供出售投資公允價值變動之收益	Gain on fair value changes of available-for-sale investments	-	-	-	-	-	24,011	-	-	24,011	-	24,011	
因收購附屬公司額外權益而作出重估	Revaluation arising from acquisition of additional interests in subsidiaries	-	-	-	-	-	-	(3,733)	-	(3,733)	3,733	-	
換算海外業務所產生之滙兌差異	Exchange differences arising on translation of foreign operations	-	-	-	-	40,888	-	-	-	40,888	8,354	49,242	
應佔聯營公司及共同控制公司直接於權益確認之權益變動	Share of changes in equity of associates and jointly controlled entities that recognised directly in equity	-	-	-	-	12,753	-	-	-	12,753	-	12,753	
直接於權益確認之收支淨額	Net income and expense recognised directly in equity	-	-	-	-	53,641	24,011	(3,733)	-	73,919	12,087	86,006	
本年度溢利	Profit for the year	-	-	-	-	-	-	-	202,540	202,540	(7)	202,533	
於出售物業時所實現之儲備	Reserves released upon disposal of properties	-	-	-	-	-	-	425	-	425	-	425	
本年度確認之收支總額	Total recognised income and expense for the year	-	-	-	-	53,641	24,011	(3,308)	202,540	276,884	12,080	288,964	
發行認股權證	Issue of warrants	-	-	7,800	-	-	-	-	-	7,800	-	7,800	
少數股東之資本貢獻	Capital contribution from minority shareholders	-	-	-	-	-	-	-	-	-	142	142	
因收購附屬公司額外權益而導致少數股東權益減少	Decrease in minority interests as a result of acquisition of additional interests in subsidiaries	-	-	-	-	-	-	-	-	-	(50,578)	(50,578)	
轉撥至其他儲備	Transfer to other reserves	-	-	-	-	-	-	647	(647)	-	-	-	
股息分配	Dividend appropriation	-	-	-	-	-	-	-	-	-	(15,226)	(15,226)	
於二零零五年十二月三十一日	At 31st December, 2005	175,094	357,164	1,417,669	7,800	130,691	25,111	767	4,871	2,536,935	4,656,102	416,889	5,072,991

綜合權益變動表 (截至二零零六年十二月三十一日止年度)

Consolidated Statement of Changes in Equity (For the year ended 31st December, 2006)

		本公司股東應佔											
		Attributable to equity holders of the Company											
		特殊			資本		滙兌					少數	
		股本溢價	資本儲備	認股	贖回儲備	浮動儲備							
		股本	Share	Special	權證儲備	Capital	Exchange	重估儲備	其他儲備	累計溢利		股東權益	
		Share	premium	capital	Warrant	redemption	equalisation	Revaluation	Other	Accumulated	總計	Minority	總計
		capital	account	reserve	reserve	reserve	reserve	reserves	reserves	profits	Total	interests	Total
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
於二零零六年一月一日	At 1st January, 2006	175,094	357,164	1,417,669	7,800	130,691	25,111	767	4,871	2,536,935	4,656,102	416,889	5,072,991
轉撥至投資物業之 物業重估盈餘 (已扣除稅項)	Surplus on revaluation of properties upon transfer to investment properties (net of tax)	-	-	-	-	-	-	3,519	-	-	3,519	-	3,519
換算海外業務所產生 之滙兌差異	Exchange differences arising on translation of foreign operations	-	-	-	-	-	129,557	-	-	-	129,557	17,407	146,964
應佔聯營公司及共同控制 公司直接於權益 確認之權益變動	Share of changes in equity of associates and jointly controlled entities that recognised directly in equity	-	-	-	-	-	27,938	-	-	-	27,938	-	27,938
於出售一間共同控制 公司時轉撥至損益	Transfer to profit or loss on disposal of a jointly controlled entity	-	-	-	-	-	(1,258)	-	-	-	(1,258)	-	(1,258)
直接於權益確認之 收支淨額	Net income and expense recognised directly in equity	-	-	-	-	-	156,237	3,519	-	-	159,756	17,407	177,163
本年度溢利	Profit for the year	-	-	-	-	-	-	-	-	51,496	51,496	(25,226)	26,270
於出售物業時所實現之 儲備	Reserves released upon disposal of properties	-	-	-	-	-	-	-	412	-	412	-	412
於出售可供出售投資時 轉撥至損益	Transfer to profit or loss on sale of available-for-sale investments	-	-	-	-	-	-	(1,516)	-	-	(1,516)	-	(1,516)
本年度確認之收支 總額	Total recognised income and expense for the year	-	-	-	-	-	156,237	2,003	412	51,496	210,148	(7,819)	202,329
發行股份	Issue of shares	50,760	1,058,440	-	-	-	-	-	-	-	1,109,200	-	1,109,200
發行股份費用	Share issue expenses	-	(31,446)	-	-	-	-	-	-	-	(31,446)	-	(31,446)
於行使認股權證時 將認股權證儲備 轉撥至股本溢價	Transfer of warrant reserve to share premium account upon the exercise of warrants	-	7,800	-	(7,800)	-	-	-	-	-	-	-	-
因收購附屬公司額外 權益而導致少數 股東權益減少	Decrease in minority interests as a result of acquisition of additional interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	(1,765)	(1,765)
股息分配	Dividend appropriation	-	-	-	-	-	-	-	-	-	-	(132)	(132)
於二零零六年十二月三十一日	At 31st December, 2006	225,854	1,391,958	1,417,669	-	130,691	181,348	2,770	5,283	2,588,431	5,944,004	407,173	6,351,177

綜合現金流動表 (截至二零零六年十二月三十一日止年度)

Consolidated Cash Flow Statement (For the year ended 31st December, 2006)

		2006 千港元 HK\$'000	2005 千港元 HK\$'000
營運業務	OPERATING ACTIVITIES		
除稅前溢利	Profit before taxation	374,380	319,932
調整：	Adjustments for:		
其他收入	Other income		
— 股息收入	— Dividend income	(684)	(551)
— 銀行存款及應收 賬款利息收入	— Interest income on bank deposits and receivables	(25,253)	(8,994)
— 非流動免息應收賬款之 估算利息收入	— Imputed interest income on non-current interest-free receivables	(7,612)	(7,393)
— 持作買賣投資 公允價值之增加	— Increase in fair value of held-for-trading investments	(659)	(1,786)
— 金融負債公允價值 變動之收益	— Gain arising from changes in fair value of financial liabilities	(3,416)	(9,144)
— 免除過往年度已計 提未付利息	— Waiver of interest expenses accrued in prior years	—	(19,420)
其他營運費用	Other operating expenses		
— 出售投資物業之虧損	— Loss on disposal of investment properties	—	1,190
— 出售一間共同控制公司之虧損	— Loss on disposal of a jointly controlled entity	—	3,287
— 出售可供出售投資之虧損	— Loss on disposal of available-for-sale investments	1,786	—
— 金融資產公允價值變動之虧損	— Loss arising from changes in fair value of financial assets	—	3,802
待出售物業轉撥至投資物業之 公允價值收益	Fair value gain on transfer of properties held for sale to investment properties	(18,045)	(160,622)
投資物業公允價值之增加	Increase in fair value of investment properties	(311,706)	(132,285)
物業之減值撥備	Write-down of properties	79,788	51,784
呆壞賬準備	Allowance for bad and doubtful debts	8,313	18,212
出售一間共同控制公司之收益	Gain on disposal of a jointly controlled entity	(150,390)	—
收購附屬公司額外權益之折讓	Discount on acquisition of additional interests in subsidiaries	(1,147)	(25,290)
應佔聯營公司虧損(溢利)	Share of loss (profit) of associates	6,004	(15,122)
應佔共同控制公司虧損(溢利)	Share of loss (profit) of jointly controlled entities	42,452	(82,125)
聯營公司權益之減值虧損	Impairment loss on interests on associates	—	17,451
融資成本	Finance costs	117,346	107,086
折舊及攤銷	Depreciation and amortisation	54,189	43,593
出售及註銷物業、廠房 及設備之虧損	Loss on disposal and write-off of property, plant and equipment	339	249
營運資金變動前之營運現金流入	Operating cash inflows before movements in working capital	165,685	103,854
於中國之物業存貨減少	Decrease in inventories of properties in the PRC	9,135	228,459
待發展物業及收購待發展物業之 按金增加	Increase in properties for development and deposits for acquisition of properties for development	(413,465)	(304,669)
其他存貨(增加)減少	(Increase) decrease in other inventories	(3,637)	547
貿易及其他應收賬款、 按金及預付款減少	Decrease in trade and other receivables, deposits and prepayments	41,473	80,907
應收分期付款減少	Decrease in instalments receivable	10,786	281
貿易及其他應付賬款(減少)增加	(Decrease) increase in trade and other payables	(151,616)	334,985
預售樓宇定金增加(減少)	Increase (decrease) in pre-sale deposits	51,098	(73,729)
一名租戶之遞延租金收入減少	Decrease in deferred rental income from a tenant	(2,766)	—
租戶之租金按金(減少)增加	(Decrease) increase in rental deposits from tenants	(974)	15,306
(用於)來自營運業務之現金	Cash (used in) generated from operations	(294,281)	385,941
已付中國所得稅及土地增值稅	PRC income tax and land appreciation tax paid	(135,533)	(80,700)
中國所得稅退稅	PRC income tax refunded	—	289
(用於)來自營運業務之 現金淨值	NET CASH (USED IN) FROM OPERATING ACTIVITIES	(429,814)	305,530

綜合現金流動表 (截至二零零六年十二月三十一日止年度)
Consolidated Cash Flow Statement (For the year ended 31st December, 2006)

		2006 千港元 HK\$'000	2005 千港元 HK\$'000
投資業務	INVESTING ACTIVITIES		
已收利息	Interest received	23,698	18,515
已收股息來自	Dividends received from:		
— 聯營公司	— associates	1,249	7,231
— 共同控制公司	— jointly controlled entities	1,262	60,324
— 可供出售投資及 持作買賣投資	— available-for-sale investments and held-for-trading investments	684	551
購買物業、廠房及設備	Purchase of property, plant and equipment	(84,723)	(45,067)
出售物業、廠房及設備所得	Proceeds on disposal of property, plant and equipment	3,603	918
購買投資物業	Purchase of investment properties	(293,781)	(47,272)
出售投資物業所得	Proceeds on disposal of investment properties	5,353	10,362
土地使用權預付租賃款項	Prepaid lease payments for land use rights	—	(324)
購買無形資產	Purchase of intangible asset	—	(7,099)
購買附屬公司額外權益	Purchase of additional interests in subsidiaries	(618)	(25,288)
股本投入至一間共同控制公司	Capital contribution to a jointly controlled entity	(700)	—
股本投入至一間聯營公司	Capital contribution to an associate	—	(32,456)
出售一間共同控制公司所得	Proceeds on disposal of a jointly controlled entity	136,893	7,759
來自聯營公司之還款	Repayment from associates	3,551	8,628
借款予共同控制公司	Advances to jointly controlled entities	(2,410)	—
來自共同控制公司之還款	Repayment from jointly controlled entities	—	15,647
借款予少數股東	Advances to minority shareholders	(12,144)	(13,012)
購買持作買賣投資	Purchase of held-for-trading investments	(4,980)	—
出售持作買賣投資所得	Proceeds on disposal of held-for-trading investments	4,000	—
出售可供出售投資所得	Proceeds on disposal of available-for-sale investments	59,390	—
來自所投資公司之還款	Repayment from an investee company	—	2,830
給予貸款	Loans advanced	(416)	(42,342)
用作抵押之銀行存款(增加)減少	(Increase) decrease in pledged bank deposits	(238,608)	7,377
用於投資業務之現金淨值	NET CASH USED IN INVESTING ACTIVITIES	(398,697)	(72,718)

		2006 千港元 HK\$'000	2005 千港元 HK\$'000
融資業務	FINANCING ACTIVITIES		
已付利息	Interest paid	(128,611)	(124,622)
已付少數股東股息	Dividends paid to minority shareholders	(4,358)	(6,877)
發行股份所得款項	Proceeds from issue of shares	1,109,200	–
發行股份費用	Expenses on issue of shares	(31,446)	–
新借銀行及其他貸款	New bank and other loans raised	1,476,146	1,472,716
歸還銀行及其他貸款	Repayment of bank and other loans	(1,786,752)	(1,472,080)
來自少數股東借款	Advances from minority shareholders	2,463	–
歸還少數股東借款	Repayment to minority shareholders	–	(33,620)
來自少數股東之股本投入	Capital contribution from minority shareholders	–	142
歸還前少數股東借款	Repayment to former minority shareholders	(49,855)	–
來自聯營公司借款	Advances from associates	3,282	3,965
來自共同控制公司借款	Advances from jointly controlled entities	41,706	–
歸還共同控制公司借款	Repayment to jointly controlled entities	–	(39,739)
會籍債券借款	Advances of membership debentures	1,003	395
來自(用於)融資業務之 現金淨值	NET CASH FROM (USED IN) FINANCING ACTIVITIES	632,778	(199,720)
現金及現金等值項目(減少) 增加淨額	NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(195,733)	33,092
於一月一日之現金及現金 等值項目金額	CASH AND CASH EQUIVALENTS AT 1ST JANUARY	499,339	437,859
外匯兌換率改變之影響	Effect of foreign exchange rate changes	50,014	28,388
於十二月三十一日之現金及 現金等值項目金額	CASH AND CASH EQUIVALENTS AT 31ST DECEMBER	353,620	499,339
現金及現金等值項目 結餘分析	ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS		
銀行結存及現金	Bank balances and cash	369,625	565,673
銀行透支	Bank overdrafts	(16,005)	(66,334)
		353,620	499,339

1. 概括

本公司為一間在香港註冊成立之公眾上市有限公司，其股份在香港聯合交易所有限公司（「聯交所」）上市。本公司註冊辦事處地址及主要營業地點於本年報「公司資料」一節中披露。

本集團主要從事物業發展及投資、銷售建築物料、高爾夫球場營運、酒店及物業管理及投資控股。

2. 應用新訂香港財務報告準則

於本年度，本集團及本公司首次應用多項由香港會計師公會頒佈之新訂準則、修訂及詮釋（「新香港財務報告準則」），該等新準則於二零零五年十二月一日或二零零六年一月一日或其後開始之會計期間生效。採納該等新香港財務報告準則對本會計年度或過往會計年度之業績及財務狀況編制及呈列方式並無重大影響。因此，無須作出任何前期調整。

1. GENERAL

The Company is a public limited company incorporated in Hong Kong and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The addresses of the registered office and principal place of business of the Company are disclosed in the "Corporate Information" section to the annual report.

The principal activities of the Group are property development and investment, sale of construction materials, golf course operation, the provision of hotel and property management and investment holding.

2. APPLICATION OF NEW HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group and the Company has applied, for the first time, a number of new standards, amendments and interpretations (the "new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), which are either effective for accounting periods beginning on or after 1st December, 2005 or 1st January, 2006. The adoption of these new HKFRSs has had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

2. 應用新訂香港財務報告準則 (續)

未生效之新訂會計準則可能產生之影響

本集團並未提早應用下列已頒佈但尚未生效之新訂準則、修訂或詮釋。本集團現仍未能合理地評估因應用該等新訂準則、修訂或詮釋而可能產生之影響。

香港會計準則第1號(修訂)	資本披露 ¹
香港財務報告準則第7號	金融工具：披露 ¹
香港財務報告準則第8號	營業分類 ²
香港(國際財務報告詮釋委員會) — 詮釋第7號	應用香港會計準則第29號 「嚴重通貨膨脹經濟中之 財務報告」之重列方法 ³
香港(國際財務報告詮釋委員會) — 詮釋第8號	香港財務報告準則第2號 之範圍 ⁴
香港(國際財務報告詮釋委員會) — 詮釋第9號	內含衍生工具之重新評估 ⁵
香港(國際財務報告詮釋委員會) — 詮釋第10號	中期財務報告及減值 ⁶
香港(國際財務報告詮釋委員會) — 詮釋第11號	香港財務報告準則第2號 — 集團及庫存股份交易 ⁷
香港(國際財務報告詮釋委員會) — 詮釋第12號	特許權服務安排 ⁸

- ¹ 於二零零七年一月一日或其後開始之年度期間生效。
- ² 於二零零九年一月一日或其後開始之年度期間生效。
- ³ 於二零零六年三月一日或其後開始之年度期間生效。
- ⁴ 於二零零六年五月一日或其後開始之年度期間生效。
- ⁵ 於二零零六年六月一日或其後開始之年度期間生效。
- ⁶ 於二零零六年十一月一日或其後開始之年度期間生效。
- ⁷ 於二零零七年三月一日或其後開始之年度期間生效。
- ⁸ 於二零零八年一月一日或其後開始之年度期間生效。

2. APPLICATION OF NEW HONG KONG FINANCIAL REPORTING STANDARDS

(CONTINUED)

Potential impact arising on the new accounting standards not yet effective

The Group has not early applied the following new standards, amendment or interpretations that have been issued but are not yet effective. The Group is still not in the position to reasonably estimate the impact that may arise from the application of these standards, amendment or interpretations.

HKAS 1 (Amendment)	Capital Disclosures ¹
HKFRS 7	Financial Instruments: Disclosures ¹
HKFRS 8	Operating Segments ²
HK(IFRIC)-INT 7	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies ³
HK(IFRIC)-INT 8	Scope of HKFRS 2 ⁴
HK(IFRIC)-INT 9	Reassessment of Embedded Derivatives ⁵
HK(IFRIC)-INT 10	Interim Financial Reporting and Impairment ⁶
HK(IFRIC)-INT 11	HKFRS2 – Group and Treasury Share Transactions ⁷
HK(IFRIC)-INT 12	Service Concession Arrangements ⁸

- ¹ Effective for annual periods beginning on or after 1st January, 2007.
- ² Effective for annual periods beginning on or after 1st January, 2009.
- ³ Effective for annual periods beginning on or after 1st March, 2006.
- ⁴ Effective for annual periods beginning on or after 1st May, 2006.
- ⁵ Effective for annual periods beginning on or after 1st June, 2006.
- ⁶ Effective for annual periods beginning on or after 1st November, 2006.
- ⁷ Effective for annual periods beginning on or after 1st March, 2007.
- ⁸ Effective for annual periods beginning on or after 1st January, 2008.

3. 重要會計政策

誠如下列會計政策所述，財務報表乃按歷史成本基準編製，惟若干物業及金融工具按公允價值計算者除外。

財務報表乃根據香港會計師公會所頒佈之香港財務報告準則編製。此外，本財務報表包括聯交所證券上市規則及香港公司條例規定之適用披露。

綜合賬目編製準則

綜合財務報表包括本公司及由本公司控制之實體(其附屬公司)之財務報表。控制是指本公司有權力掌管該實體之財務及營運政策，從而自其經營活動獲得利益。

於年內所收購或出售之附屬公司，其業績乃由收購日期起或至出售日期止(如適用)計算在綜合利潤表內。

如有需要，本集團會就附屬公司之財務報表作出調整，使其會計政策與本集團其他成員公司所採用者保持一致。

所有集團內交易、結餘、收入及開支均於綜合賬目內抵銷。

少數股東權益應佔之綜合附屬公司資產淨值與本集團所佔之權益分開列賬。少數股東所佔資產淨值包括其於原業務合併日期之應佔數額，以及自合併日期起少數股東應佔權益的變動。倘少數股東所佔的虧損超過少數股東於該附屬公司應佔的股本權益，除非該少數股東須受約束性責任及有能力支付額外資金以彌補附屬公司的虧損，否則該虧損餘額應由本集團承擔。

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared on the historical cost basis except for certain properties and financial instruments, which are measured at fair values, as explained in the accounting policies set out below.

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with others used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Minority interests in the net assets of consolidated subsidiaries are presented separately from the Group's equity therein. Minority interests in the net assets consist of the amount of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses applicable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the interests of the Group except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses.

3. 重要會計政策 (續)

業務合併

收購附屬公司乃採用收購法處理。收購成本乃按為換取被收購方控制權而於交易日期所付出之資產、所產生或承擔之負債及本集團所發行之股本權益工具之公允價值總額，及任何業務合併之直接應佔成本計算。被收購方符合香港財務報告準則第3號「業務合併」之確認條件之可確定資產、負債及或有負債，須按其於收購日期之公允價值確認。

收購產生之商譽，即為業務合併成本超出本集團於已確認之可確定資產、負債及或有負債之公允價值淨額所佔權益之差額，被確認為資產，並首先按成本計算。如在重新評估後，本集團於被收購方之可確定資產、負債及或有負債之公允價值淨額所佔權益超過業務合併成本，該等超出之部份立即在損益內確認。

被收購方之少數股東權益首先按少數股東所佔已確認之資產、負債及或有負債之公允價值淨額計算。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Business combinations

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under HKFRS 3 "Business Combinations" are recognised at their fair values at the acquisition date.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

The interest of minority shareholders in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

3. 重要會計政策 (續)

商譽

於二零零五年一月一日之前自收購所產生之商譽

收購一間附屬公司(協議日期為於二零零五年一月一日之前)所產生之商譽乃指收購成本超逾本集團於收購當日應佔相關附屬公司可確定資產及負債公允價值之權益之差額。

對於原先已資本化之商譽，本集團自二零零五年一月一日起不再繼續攤銷，而有關商譽每年及當有跡象顯示與商譽有關之產生現金單位有可能發生減值時進行減值測試(見下文會計政策)。

於二零零五年一月一日或之後自收購所產生之商譽

收購一間附屬公司(協議日期為於二零零五年一月一日或之後)所產生之商譽乃指收購成本超逾本集團於收購當日應佔相關附屬公司可確定資產、負債及或有負債公允價值之權益之差額。有關商譽乃按成本減任何累計減值虧損列賬。

收購附屬公司所產生之已資本化商譽乃於綜合資產負債表內分開列賬。

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Goodwill

Goodwill arising on acquisitions prior to 1st January, 2005

Goodwill arising on an acquisition of a subsidiary for which the agreement date is before 1st January, 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of the relevant subsidiary at the date of acquisition.

For previously capitalised goodwill arising on acquisitions of subsidiaries, the Group has discontinued amortisation from 1st January, 2005 onwards, and such goodwill is tested for impairment annually, and whenever there is an indication that the cash-generating unit to which the goodwill relates may be impaired (see the accounting policy below).

Goodwill arising on acquisitions on or after 1st January, 2005

Goodwill arising on an acquisition of a subsidiary for which the agreement date is on or after 1st January, 2005 represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets, liabilities and contingent liabilities of the relevant subsidiary at the date of acquisition. Such goodwill is carried at cost less any accumulated impairment losses.

Capitalised goodwill arising on an acquisition of a subsidiary is presented separately in the consolidated balance sheet.

3. 重要會計政策 (續)

商譽 (續)

已資本化商譽之減值測試

就減值測試而言，收購附屬公司所產生之商譽乃被分配到各個預期從收購之協同效應中受益之有關產生現金單位，或產生現金單位之組別。已獲配商譽之產生現金單位每年及有跡象顯示該單位有可能出現減值時進行減值測試。就於某個財政年度收購所產生之商譽而言，已獲配商譽之產生現金單位於該財政年度完結前進行減值測試。當產生現金單位之可收回金額少於該單位之賬面值，則減值虧損首先被分配至削減任何已分配到該單位之商譽賬面值，及其後以單位內各資產之賬面值為基準按比例分配到該單位之其他資產。商譽之任何減值虧損乃直接於綜合利潤表內確認。商譽之減值虧損於其後期間不予撥回。

其後於出售附屬公司時，其所屬已資本化但還未減值之商譽金額計入出售之損益金額內。

收購附屬公司額外權益

當本集團增加其於本公司已控制企業之權益時，該收購所產生之商譽乃指收購額外權益之成本與本集團應佔可確定資產、負債及或有負債公允價值之增加的差額。重估該附屬公司所有可確定資產、負債及或有負債所產生之重估盈餘(虧損)並不會於綜合資產負債表內確認。公允價值(即代價減商譽)與收購額外權益之淨資產賬面值的差額被確認為儲備變動。此差額乃指自原收購日本集團於該附屬公司所增加權益應佔之重估差額。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Goodwill (continued)

Impairment testing on capitalised goodwill

For the purpose of impairment testing, goodwill arising from an acquisition of a subsidiary is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the consolidated income statement. An impairment loss for goodwill is not reversed in subsequent periods.

On subsequent disposal of a subsidiary, the attributable amount of goodwill capitalised but not yet impaired is included in the determination of the amount of profit or loss on disposal.

Acquisition of additional interest in a subsidiary

When the Group increases its interest in an entity that is already controlled by the Company, goodwill arising on such acquisition represents the difference between the cost of additional interest acquired and the increase in the Group's share of the fair value of the identifiable assets, liabilities and contingent liabilities. No revaluation surplus or deficit on revaluating all of the identifiable assets, liabilities and contingent liabilities of the subsidiary to current fair value is recognised in the consolidated balance sheet. The difference between the fair value, representing the amount of consideration less the amount of goodwill, and the carrying amount of the net assets attributable to the additional interest acquired is recognised as a reserve movement. This difference represents the portion of the revaluation difference that arose since the original acquisition date that is attributable to the Group's increased interest in the subsidiary.

3. 重要會計政策 (續)

於附屬公司之投資

於附屬公司之投資乃按成本值扣除任何已確定之減值虧損於本公司之資產負債表內列賬。

於聯營公司之權益

聯營公司乃指投資方對其有重大影響力之實體，且並非附屬公司或共同控制公司。

聯營公司之業績、資產及負債乃以權益會計法計入綜合財務報表，惟分類為待售之投資除外，此投資需按香港財務報告準則第5號「持作待售的非流動資產和終止經營」處理。根據權益法，於聯營公司之投資乃按成本於綜合資產負債表中列賬，並就本集團於收購後應佔該聯營公司資產淨值之變動作出調整，以及減去任何已確定之減值虧損。當本集團應佔某聯營公司之虧損相等於或超出其於該聯營公司之權益（包括實質上構成本集團於該聯營公司部份投資淨額之任何長期權益），則本集團不再繼續確認其應佔之進一步虧損。當本集團已產生法定或推定責任或代表該聯營公司作出付款時，才會以該等金額為限，額外為應佔之虧損撥備及確認負債。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments in subsidiaries

Investments in subsidiaries are included in the Company's balance sheet at cost less any identified impairment loss.

Interests in associates

An associate is an entity over which the investor has significant influence and that is neither a subsidiary nor a jointly controlled entity.

The results and assets and liabilities of associates are incorporated in the consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for under HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations". Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of net assets of the associate, less any identified impairment loss. When the Group's share of losses of an associate equals or exceeds its interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that associate.

3. 重要會計政策 (續)

於聯營公司之權益 (續)

於二零零五年一月一日之前自收購所產生之商譽

收購成本超逾本集團於收購當日應佔聯營公司已確認之可確定資產及負債公允價值淨額之差額被確認為商譽。自二零零五年一月一日起，本集團不再繼續攤銷商譽，而有關商譽則包括在投資之賬面值內，並作為投資的一部份以作減值評估。

於二零零五年一月一日或之後自收購所產生之商譽

收購成本超逾本集團於收購當日應佔聯營公司已確認之可確定資產、負債及或有負債公允價值淨額之差額被確認為商譽。商譽包括在投資之賬面值內，並作為投資的一部份以作減值評估。

本集團應佔之可確定資產，負債及或有負債的公允價值淨額超逾收購成本之差額於重新評估後立即在損益內確認。

當集團個體與本集團之聯營公司進行交易，則按本集團所佔有關聯營公司之權益為限抵銷損益。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interests in associates (continued)

Goodwill arising on acquisitions prior to 1st January, 2005

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of the associate recognised at the date of acquisition is recognised as goodwill. From 1st January, 2005 onwards, the Group has discontinued amortisation of goodwill and such goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment.

Goodwill arising on acquisitions on or after 1st January, 2005

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment.

Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

Where a group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

3. 重要會計政策 (續)

合營企業

共同控制公司

合營企業安排若涉及設立一家各合營者共同控制其商業活動之獨立個體，該合營企業則稱為共同控制公司。

共同控制公司之業績、資產及負債乃以權益會計法計入綜合財務報表，惟分類為待售之投資除外，此投資需按香港財務報告準則第5號「持作待售的非流動資產和終止經營」處理。根據權益法，於共同控制公司之投資乃按成本於綜合資產負債表中列賬，並就本集團於收購後應佔該共同控制公司之損益及權益變動作出調整，以及減去任何已確定之減值虧損。當本集團應佔某共同控制公司之虧損相等於或超出其於該共同控制公司之權益（包括實質上構成本集團於該共同控制公司部份投資淨額之任何長期權益），則本集團不再繼續確認其應佔之進一步虧損。當本集團已產生法定或推定責任或代表該共同控制公司作出付款時，才會以該等金額為限，額外為應佔之虧損撥備及確認負債。

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Joint ventures

Jointly controlled entities

Joint venture arrangements that involve the establishment of a separate entity in which venturers have joint control over the economic activity of the entity are referred to as jointly controlled entities.

The results and assets and liabilities of jointly controlled entities are incorporated in the consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for under HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations". Under the equity method, investments in jointly controlled entities are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the profit or loss and of changes in equity of the jointly controlled entities, less any identified impairment loss. When the Group's share of losses of a jointly controlled entity equals or exceeds its interest in that jointly controlled entity (which includes any long-term interests that, in substance, form part of the Group's net investment in the jointly controlled entity), the Group discontinues recognising its share of further losses. An additional share of losses is provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of that jointly controlled entity.

3. 重要會計政策 (續)

合營企業 (續)

共同控制公司 (續)

於二零零五年一月一日之前自收購所產生之商譽

收購成本超逾本集團於收購當日應佔共同控制公司已確認之可確定資產及負債公允價值淨額之差額被確認為商譽。自二零零五年一月一日起，本集團不再繼續攤銷商譽，而有關商譽則包括在投資之賬面值內，並作為投資的一部分以作減值評估。

於二零零五年一月一日或之後自收購所產生之折讓

本集團應佔之可確認資產，負債及或有負債的公允價值淨額超逾收購成本之差額於重新評估後立即在損益內確認。

當集團個體與本集團之共同控制公司進行交易，則未實現損益以本集團於有關共同控制公司中之權益為限抵銷。若未實現虧損顯示所轉讓之資產發生減值，則此虧損需全額確認。

本公司於共同控制公司之投資，乃按成本值扣除任何已確定減值虧損列賬。本公司只按已收及應收的股息計算共同控制公司的業績。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Joint ventures (continued)

Jointly controlled entities (continued)

Goodwill arising on acquisitions prior to 1st January, 2005

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of the jointly controlled entity recognised at the date of acquisition is recognised as goodwill. From 1st January, 2005 onwards, the Group has discontinued amortisation of goodwill and such goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment.

Discount on acquisition arising on or after 1st January, 2005

Any excess of the Group's share of the net fair value the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

Where a group entity transacts with a jointly controlled entity of the Group, unrealised profits or losses are eliminated to the extent of the Group's interest in the jointly controlled entity, except to the extent that unrealised losses provide evidence of an impairment of the asset transferred, in which case, the full amount of losses is recognised.

The Company's investments in jointly controlled entities are stated at cost, as reduced by any identified impairment loss. Results of jointly controlled entities are accounted for by the Company on the basis of dividends received and receivable.

3. 重要會計政策 (續)

合營企業 (續)

其他合營企業安排

當投資項目是以合營企業架構成立，而本集團並不因此與其他合營者共同控制此合營企業時，本集團會將其視為附屬公司(當本集團擁有權力監管其財務及經營政策)、聯營公司(當本集團可對其發揮重大影響力)、或其他投資(當本集團不能控制及發揮重大影響力)。

待售非流動資產

若非流動資產之賬面值主要是透過出售交易收回，而非透過持續使用，則分類為待售資產。當出售之可能性很高，同時該資產可以現時狀態即時出售者，方能視為達到上述條件。

待售之非流動資產以資產原先之賬面值或公允價值扣除出售成本之較低者入賬，惟金融資產需以公允價值計量除外。

金融工具

當某集團實體成為工具合同條文之訂約方時，金融資產及金融負債便於資產負債表確認。金融資產及金融負債按公允價值首次確認。因收購或發行金融資產及金融負債而直接應佔之交易成本(透過損益按公允價值處理之金融資產及金融負債除外)乃於首次確認時按適用情況加入或扣自該金融資產或金融負債之公允價值。收購透過損益按公允價值處理之金融資產或金融負債而直接應佔之交易成本立即於損益內確認。

3. SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED)

Joint ventures (continued)

Other joint venture arrangements

Investments made by means of joint venture structures which do not result in the Group having joint control with the other venturers are accounted for as subsidiaries (where the Group has the power to govern the financial and operating policies of an enterprise), associates (where the Group is in a position to exercise significant influence) or other investments (where the Group exercises neither control nor significant influence).

Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition.

Non-current assets classified as held for sale are measured at the lower of the assets' previous carrying amount and fair value less costs to sell except for financial assets which are measured at fair value.

Financial instruments

Financial assets and financial liabilities are recognised on the balance sheet when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3. 重要會計政策 (續)

金融工具 (續)

金融資產

本集團及本公司之金融資產歸入下列四個類別之其中一個，包括透過損益按公允價值處理之金融資產、貸款及應收款項、持有至到期日之投資及可供出售之金融資產。所有透過正常方式購買或出售金融資產乃按交易日基準確認及取消確認。透過正常方式進行之購買或出售乃按市場規則或慣例設定之時間框架內交付資產之金融資產購買或銷售。就各類金融資產所採納之會計政策乃載於下文。

透過損益按公允價值處理之金融資產

透過損益按公允價值處理之金融資產包括持作買賣投資。於首次確認後之各結算日，透過損益按公允價值處理之金融資產乃按公允價值計量，而公允價值之變動在變動產生期間直接在損益內確認。

貸款及應收款項

貸款及應收款項乃非於活躍市場報價而具有固定或可釐定付款之非衍生金融資產。於首次確認後之各結算日，貸款及應收款項（包括貿易及其他應收賬款、應收分期付款、應收貸款、聯營公司欠款、共同控制公司欠款及少數股東欠款）均採用實際利率法按攤銷成本減任何已確定減值虧損入賬。減值虧損於有客觀證據顯示資產出現減值時於損益中確認，並按該資產之賬面值與按原先實際利率折現之估計未來現金流量之現值間的差額計量。當日後資產之可收回數額增加，並可客觀地證實是於確認減值後發生之事件引致，則減值虧損予以回撥，惟該資產於減值被回撥之日之賬面值不得超過未確認減值時之已攤銷成本。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets

The Group's and the Company's financial assets are classified into one of the four categories, including financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. The accounting policies adopted in respect of each category of financial assets are set out below.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include held-for-trading investments. At each balance sheet date subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. At each balance sheet date subsequent to initial recognition, loans and receivables (including trade and other receivables, instalments receivable, loans receivable, amounts due from associates, amounts due from jointly controlled entities, amounts due from minority shareholders) are carried at amortised cost using the effective interest method, less any identified impairment losses. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

3. 重要會計政策 (續)

金融工具 (續)

金融資產 (續)

可供出售之金融資產

可供出售之金融資產為非衍生項目，其須指定為可供出售金融資產或未有劃分為透過損益按公允價值處理之金融資產、貸款和應收款項或持有至到期日之投資。於首次確認後之各結算日，可供出售金融資產按公允價值計算。公允價值之變動於權益確認，直至該金融資產被出售或決定有所減值，屆時過往於權益確認之累計收入或虧損會自權益剔除，並於損益賬確認。可供出售金融資產之任何減值虧損於損益賬確認。可供出售之股權投資之減值虧損將不會於以後期間透過損益撥回。就可供出售債權性投資而言，若日後此投資之公允價值上升，並可客觀地證實是於確認減值虧損後發生之事件而引致，則減值虧損將會撥回。

該等並無活躍市場之市價報價，及其公允價值未能可靠計量的可供出售股權投資，及與該等股本權益工具關連且必須透過交付這類股權投資作結算之衍生工具，於首次確認後之各個結算日按成本值減任何已確定減值虧損計算。倘具備客觀證明資產減值，則減值虧損於損益內確認。減值虧損數額按資產賬面值與按類似金融資產之現行市場回報率折現估計未來現金流量之現值間之差額計算。有關減值虧損將不會於以後期間撥回。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments. At each balance sheet date subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Changes in fair value are recognised in equity, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously recognised in equity is removed from equity and recognised in profit or loss. Any impairment losses on available-for-sale financial assets are recognised in profit or loss. Impairment losses on available-for-sale equity investments will not reverse in profit or loss in subsequent periods. For available-for-sale debt investments, impairment losses are subsequently reversed if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

For available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments, they are measured at cost less any identified impairment losses at each balance sheet date subsequent to initial recognition. An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired. The amount of the impairment loss is measured as the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses will not reverse in subsequent periods.

3. 重要會計政策 (續)

金融工具 (續)

金融負債及股本權益

由集團實體發行之金融負債及股本權益工具乃根據合同安排之性質與金融負債及股本權益工具之定義分類。

股本權益工具乃證明集團於扣減所有負債後之資產中擁有剩餘權益之任何合同。就金融負債及股本權益工具所採納之會計政策乃載於下文。

金融負債

金融負債包括附息及免息借款，貿易及其他應付賬款及會籍債券，於確認後乃採用實際利息法按攤銷成本計量。

股本權益工具

本公司所發行之股本權益工具按所收取金額扣除直接發行成本入賬。

財務擔保合約

財務擔保合約是因指定債務人未能按債務票據之原有或經修改條款如期付款時，發行者需支付指定金額給持有人以補償其所遭受損失之合約。本集團及本公司已發行及並不是以透過損益按公允價值處理之財務擔保合約首次以公允價值減發行財務擔保合約之直接交易費用確認。於首次確認後，本集團以(i)按照香港會計準則第37號「撥備、或有負債及或有資產」釐定之金額及(ii)首次確認之金額減(當合適時)按照香港會計準則第18號「收入」確認之累計攤銷兩者中之較高者計量財務擔保合約。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial liabilities and equity

Financial liabilities and equity instruments issued by a group entity are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities. The accounting policies adopted in respect of financial liabilities and equity instruments are set out below.

Financial liabilities

Financial liabilities including interest-bearing and interest-free borrowings, trade and other payables and membership debentures are subsequently measured at amortised cost, using the effective interest method.

Equity Instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument. A financial guarantee contract issued by the Group and the Company and not designed as at fair value through profit or loss is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group and the Company measure the financial guarantee contract at the higher of: (i) the amount determined in accordance with HKAS 37 "Provisions, Contingent Liabilities and Contingent Assets"; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with HKAS 18 "Revenue".

3. 重要會計政策 (續)

金融工具 (續)

取消確認

若從資產收取現金流量之權利已到期，或金融資產已轉讓及本集團或本公司已將其於金融資產擁有權之絕大部份風險及回報轉移，則金融資產將被取消確認。於取消確認金融資產時，資產賬面值與已收及應收代價及已直接於權益確認之累計損益之總和之差額，將於損益中確認。

當有關合約之特定責任獲解除、取消或到期，金融負債則取消確認。取消確認之金融負債賬面值與已付及應付代價之差額乃於損益中確認。

發展物業

待出售之已建成物業和發展中物業均以成本值或可變現淨值之較低者入賬。成本包括土地成本、發展費用、其他應佔成本及資本化之借貸成本。可變現淨值乃按管理階層根據現行市場環境而作出估計。當營業租賃開始時，發展物業以公允價值轉撥至投資物業，賬面值與公允價值之差額直接確認於損益內。

待發展物業

待發展物業包含購買土地使用權之代價，開發費用及使該土地使用權達到適合物業開發所需之狀態的其他直接成本。購買土地使用權之代價為持作將來發展之土地使用權乃以成本值扣除累計分攤及任何已確定之減值虧損入賬。開發費用及使該土地使用權達到適合物業開發所需之狀態的其他直接成本乃以成本值扣除任何已確定之減值虧損入賬。

待發展物業攤銷乃以直接法按有關租賃期於損益內扣除。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the assets expire or, the financial assets are transferred and the Group or the Company has transferred substantially all the risks and rewards of ownership of the financial assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised directly in equity is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Development properties

Completed properties held for sale and properties under development are stated at the lower of cost and net realisable value. Cost comprises the cost of land, development expenditure, other attributable costs and borrowing costs capitalised. Net realisable value is determined by reference to management estimates based on prevailing market conditions. Development properties are transferred to investment properties at fair value when there is a commencement of an operating lease. The difference between the carrying amount and the fair value are recognised directly in profit or loss.

Properties for development

Properties for development comprises the consideration for acquisition of land use rights, development expenditure and other costs directly attributable to bringing the leasehold land to the condition necessary for it to be capable of development of the properties. The consideration for acquisition of land use rights represent leasehold land held for future development is stated at cost less accumulated amortisation and any identified impairment loss. The development expenditure and other costs directly attributable to bringing the leasehold land to the condition necessary for it to be capable of development of the properties are stated at cost less any identified impairment loss.

Amortisation of properties for development are charged to profit or loss on a straight-line basis over the term of the relevant lease.

3. 重要會計政策 (續)

物業、廠房及設備

物業、廠房及設備(在建工程除外)以成本值扣除其後累計折舊及累計減值虧損列賬。

物業、廠房及設備(在建工程除外)之折舊以直線法，按該資產估計可使用之年期及考慮其殘值撇銷其成本值。採用之折舊年率如下：

中期租約之樓宇	按租約剩餘年期
中期租約之高爾夫球場	按租約剩餘年期
廠房及機器	4% – 8%
其他	20% – 30%

在建工程指用作生產或自用之興建中物業、廠房及設備。在建工程以成本值扣除任何已確認減值虧損列賬。於工程完成及可供預期使用時，在建工程分類為物業、廠房及設備之適當類別。此等資產按其他物業資產之相同基準進行折舊，於可供擬定用途時開始計算。

物業、廠房及設備項目於出售時或當繼續使用該資產預期不會產生任何未來經濟利益時取消確認。資產取消確認所產生之任何收益或虧損(按該項目之出售所得款項淨額及賬面值間之差額計算)於該項目取消確認之年度計入利潤表。

當有證據顯示物業不作自用時，該自用物以公允價值轉撥至投資物業。賬面值與公允價值之差額於轉撥當日於權益內確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property, plant and equipment

Property, plant and equipment, other than construction in progress, are stated at cost less subsequent accumulated depreciation and accumulated impairment losses.

Depreciation is provided to write off the cost of items of property, plant and equipment other than construction in progress over their estimated useful lives and after taking into account of their estimated residual value, using the straight-line method, at the following rates per annum:

Buildings on medium-term lease	Over the unexpired lease term
Golf course on medium-term lease	Over the unexpired lease term
Plant and machinery	4% – 8%
Others	20% – 30%

Construction in progress represents property, plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is carried at cost less any recognised impairment loss. Construction in progress is classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement in the year in which the item is derecognised.

Owner-occupied property is transferred to investment property at fair value when it is evidenced by end of owner-occupation. The difference between the carrying amount and its fair value at the date of transfer is recognised in reserve.

3. 重要會計政策 (續)

投資物業

投資物業指為獲得租金收益或資本增值或兩者兼備而持有之物業。

投資物業於首次確認時按成本(包括所有有關的直接支出)計量。於首次確認後，投資物業按公允價值模式入賬。公允價值變動所產生之收益或虧損直接於產生期間確認為損益。

投資物業於出售時或當投資物業永久地不再使用或當出售該資產預期不會產生任何未來經濟利益時取消確認。資產取消確認所產生之任何收益或虧損(按該資產之出售所得款項淨額及賬面值之差額計算)於該項目取消確認之年度計入綜合利潤表。

無形資產

在首次確認時，分開收購及從業務合併收購回來之無形資產分別以成本值及公允價值確認。於首次確認後，具明確可使用年期之無形資產以成本值扣除累計攤銷和任何累計減值虧損。具明確可使用年期之無形資產之攤銷乃按其估計可使用年期以直線法計提。

取消確認無形資產之收益或虧損以出售所得款項淨額與資產賬面值之差額計量，並在取消確認資產時在利潤表中確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment properties

Investment properties are properties which are held for earning rentals or for capital appreciations or both.

On initial recognition, investment properties are measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured using the fair value model. Gains or losses arising from changes in the fair value of investment properties are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use or no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the asset, calculated as the difference between the net disposal proceeds and the carrying amount of the asset, is included in the consolidated income statement in the year in which the item is derecognised.

Intangible asset

On initial recognition, intangible assets acquired separately and from business combinations are recognised at cost and at fair value respectively. After initial recognition, intangible assets with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives.

Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

3. 重要會計政策 (續)

減值虧損 (商譽除外)

於各結算日，本集團會檢討其有形和具明確可使用年期之無形資產的賬面值，以確定是否有任何迹象顯示這些資產已發生減值損失。如果估計資產的可收回金額低於其賬面值，則將該資產的賬面值減少至其可收回金額。減值損失會立即確認為費用。

如果減值損失在以後撥回，該資產的賬面值會增加至其可收回金額的重新估計值，但增加後的賬面值不能超過該資產以前年度未確認減值損失時的賬面值。減值損失的撥回立即確認為收入。

租賃

如果租賃條款將所涉及擁有權之絕大部份風險和回報轉讓給承租人時，該租賃則歸類為融資租賃。所有其他租賃則歸類為營業租賃。

按融資租賃持有的資產按租賃開始時之公允價值或(倘為較低者)按最低租賃付款之現值確認為本集團資產。出租人相應承擔的負債則會在資產負債表上列作融資租賃承擔。租賃付款按比例於融資費用及減少租賃承擔之間作出分配，從而使該等負債之應付餘額之息率固定。融資費用於損益中直接扣除。

營業租賃下之應收(應付)租金以直線法按有關租賃期於利潤表內加入(扣除)。用作鼓勵訂立營業租賃之已收及應收利益以直線法按有關租賃期確認為租金減少之部份。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment losses (other than goodwill)

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets of the Group at their fair values at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to profit or loss.

Rentals receivable (payable) under operating leases are credited (charged) to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis.

3. 重要會計政策 (續)

租賃土地及樓宇

租賃土地及樓宇之土地及樓宇部份應視乎租賃類別獨立入賬。若租賃土地之產權在租賃期結束時並不會轉至承租人，則被分類為營業租賃，除非有關租賃付款額未能可靠地分配為土地或樓宇部份，在此情況下則一概以融資租賃處理。

其他存貨

其他存貨以成本值或可變現淨值之較低者入賬，成本以加權平均成本之方法計算。

借貸成本

因購買、建造或生產合格資產(即需要一段較長時期作準備以作既定用途或銷售之資產)而直接產生的借貸成本會被資本化為該資產成本之一部分，當資產可大致上用作既定用途或出售時這些借貸成本亦會停止被資本化。

所有其餘借貸成本發生時均確認為當期費用。

稅項

所得稅支出乃指本期應付稅項加上遞延稅項之總額。

本期應付稅項乃按本年度之應課稅溢利計算。由於應課稅溢利不包括於其他年度應課稅或可獲減免之收支項目，亦不包括利潤表內毋須課稅或不獲減免之項目，故應課稅溢利與利潤表所列示之淨溢利所有不同。即期稅務負債乃按結算日已實行之稅率計算。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leasehold land and buildings

The land and building elements of a lease of land and building are considered separately for the purpose of lease classification. Leasehold land when title is not expected to pass to the lessee by the end of the lease term is classified as operating lease unless the lease payments cannot be allocated reliably between the land and building elements, in which case, the entire lease is classified as a finance lease.

Other inventories

Other inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average cost method.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. Capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes income statement items that are never taxable or deductible. Liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

3. 重要會計政策 (續)

稅項 (續)

遞延稅項乃按財務報表所載資產及負債賬面值與計算應課稅溢利所採用相應稅基之差異而確認，並採用資產負債表負債法計算。一切應課稅臨時差異一般確認為遞延稅項負債，及倘應課稅溢利可能足以抵銷可獲減免之臨時差異，則確認為遞延稅項資產。倘因商譽或首次確認(業務綜合除外)交易之其他資產負債而產生之臨時差異不會影響應課稅溢利或會計溢利，則有關資產及負債不予確認。

遞延稅項資產之賬面值會於各結算日審核，及調低至再無可能有應課稅溢利足以撥回全部或部分資產。

遞延稅項乃按預期於償還負債或變現資產期間適用之稅率計算。遞延稅項將於利潤表扣除或計入利潤表，除非遞延稅項與直接於權益扣除或計入權益之項目有關，在此情況下則遞延稅項亦計入權益內。

收入確認

收入按已收或應收代價之公允價值計算。收入指日常業務運作中所供應貨品及服務(扣除折扣)之應收賬款。

供銷售發展物業之收入於已發出的樓宇竣工證或簽訂具有法律約束力之銷售協議時(以兩者之較後時間為準)確認。在建築期完成前整個發展物業出售所得的溢利或虧損，乃當一個有約束力的銷售合同成為無條件及於擁有權之風險及回報已轉讓給買方時被確認。已收取的預售樓宇定金則列入資產負債表之流動負債內。

銷售其他貨品乃按貨品付運及已將貨品權益轉至客戶時確認入賬。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (continued)

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of discounts.

Income from properties developed for sale is recognised upon the issuance of a completion certificate or the execution of a binding sales agreement, whichever is the later. Profit or loss arising from the outright sale of an entire development property prior to completion is recognised when a binding sales contract becomes unconditional and the risks and rewards of the ownership have been transferred to the buyer. Deposits received from forward sales of properties are carried in the balance sheet under current liabilities.

Sales of other goods are recognised when goods are delivered and title has passed.

3. 重要會計政策 (續)

收入確認 (續)

高爾夫球場營運及酒店及物業管理收入於提供服務時確認。

金融資產產生之利息收入乃按時間基準，並參照尚未償還本金額及按所適用之實際利率計提，而實際利率為透過金融資產之預期可用年期將估計未來現金收入折現至該資產之賬面淨值之比率。

從投資收取之股息收入在本集團確定有收取權利時被確認。

外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)進行之交易均按交易日期之適用匯率換算為相關功能貨幣(即該實體主要經營之經濟地區之貨幣)記賬。於各結算日，以外幣為定值之貨幣項目均按結算日之適用匯率重新換算。按公允價值以外幣定值之非貨幣項目乃按於公允價值釐定當日之適用匯率重新換算。按外幣歷史成本計量之非貨幣項目毋須重新換算。

於結算及換算貨幣項目時產生之滙兌差額均於彼等產生期間於損益內確認。以公允價值定值之非貨幣項目經重新換算後產生之滙兌差額於該期間列作損益，惟換算直接於權益內確認盈虧之非貨幣項目產生之差額除外，在此情況下，滙兌差額亦直接於權益內確認。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (continued)

Income from golf course operation and hotel and property management is recognised when services are provided.

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

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

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity, in which cases, the exchange differences are also recognised directly in equity.

3. 重要會計政策 (續)

外幣 (續)

就呈列綜合財務報表而言，本集團海外經營業務之資產及負債乃按於結算日之適用匯率換算為本公司之列賬貨幣(即港元)，而其收入及支出乃按該年度之平均匯率進行換算，除非匯率於該期間內出動大幅波動則作別論，於此情況下，則採用交易當日之適用匯率。所產生之滙兌差額(如有)乃確認作權益之獨立部份(滙兌浮動儲備)。該等滙兌差額乃於海外業務被出售期間在損益賬內確認。

於二零零五年一月一日或以後，於收購海外業務時產生之有關所收購可確定資產之商譽及公允價值調整乃處理為該海外經營業務之資產及負債，並按於結算日之適用匯率進行換算。產生之滙兌差額乃於滙兌浮動儲備內確認。

於二零零五年一月一日前因收購海外業務所產生之商譽和公允價值調整當作收購者之非貨幣性外幣項目處理，並按收購日之歷史兌換率計算。

退休福利費用

向定額供款退休福利計劃、國家監管退休福利計劃及強制性公積金計劃的供款於僱員提供有權收取供款之服務時計作開支。

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currencies (continued)

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Company (i.e. Hong Kong dollars) at the rate of exchange prevailing at the balance sheet date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transaction are used. Exchange differences arising, if any, are recognised as a separate component of equity (the exchange equalisation reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after 1st January, 2005 are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the balance sheet date. Exchange differences arising are recognised in the exchange equalisation reserve.

Goodwill and fair value adjustments arising on acquisitions of foreign operations prior to 1st January, 2005 are treated as non-monetary foreign currency items of the acquirer and reported using the historical exchange rate prevailing at the date of the acquisition.

Retirement benefit costs

Payments to defined contribution retirement benefit plans, state-managed retirement benefit schemes and the Mandatory Provident Fund Scheme are charged as an expense when employees have rendered service entitling them to the contributions.

4. 不確定性估計之主要來源

於應用本集團及本公司之會計政策(如附註3所述)時,管理層作出下列估計,該等估計存在可能導致下一個財務年度資產及負債賬面值有重大調整之嚴重風險。

呆壞賬準備

本集團及本公司呆壞賬準備政策以可收回性評估、賬齡分析及管理層判斷為基礎。評估該等應收賬款之最終變現能力需要進行大量判斷,包括客戶及借款人之現時信譽及過往收款歷史記錄。倘本集團客戶及借款人財務狀況日趨惡化,削弱其付款能力,則須提撥額外準備。

商譽之預計減值

釐定商譽是否減值須對獲分配商譽之產生現金單位之使用價值作出估計。使用價值計算要求本集團估計預期賺取自產生現金單位之日後現金流量及合適之折現率以計算現值。於二零零六年十二月三十一日,商譽之賬面價值為39,386,000港元。可收回金額計算方法之詳情披露於附註26。

投資物業公允價值之估計

於結算日,投資物業是按獨立專業評估師之評估,以公允價值入賬。評估師於決定公允價值時乃根據包含若干估計之估值方法進行,管理層於信賴估值報告時已作出了判斷及認同該估值方法乃反映市場現況。

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the process of applying the Group and the Company's accounting policies, which are described in note 3, management has made the following estimates that may have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities in the next financial year.

Allowance for bad and doubtful debts

The policy for allowance for bad and doubtful debts of the Group and the Company is based on the evaluation of collectability and aging analysis of accounts and on management's judgment. A considerable amount of judgment is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each customer and borrower. If the financial conditions of customers and borrowers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

Estimated impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. As at 31st December, 2006, the carrying amount of goodwill was HK\$39,386,000. Details of the recoverable amount calculation are disclosed in note 26.

Estimate of fair value of investment properties

At the balance sheet date, investment properties are stated at fair value based on the valuation performed by independent professional valuers. In determining the fair value, the valuers have based on a method of valuation which involves certain estimates. In relying on the valuation report, the management has exercised their judgment and is satisfied that the assumption used in valuation is reflective of the current market conditions.

4. 不確定性估計之主要來源 (續)

稅項

於二零零六年十二月三十一日，有關未動用稅項虧損之遞延稅項資產4,879,000港元已被確認，見附註41。由於無法預知未來溢利，故無就餘下之稅項虧損325,267,000港元確認遞延稅項資產。變現遞延稅項資產主要有賴於是否有足夠未來溢利或將來可供利用之應課稅暫時差額而定。倘產生之未來實際溢利乃少於預期溢利，重大遞延稅項資產可能會予以撥回，而該撥回會於其發生期間之利潤表內確認。

土地增值稅

中國土地增值稅乃就土地價值的增值數額（即出售物業所得款項減包括出售費用、借貸成本及所有物業發展開支在內的可扣減開支）按介乎30%至60%不等的遞增稅率徵收。

本集團須支付中國的土地增值稅。然而，大部份主要城市之地方稅務局並未公佈有關執行的細節，而本集團尚未與中國任何地方稅務局落實土地增值稅的計算及付款方法。因此，須作出重大判斷以釐定土地增值額及其相關稅項。土地增值稅之範圍、數額及追溯效力並不能在沒有詳細執行規則及程序下獲得確定。本集團根據管理層按其對稅務規則的理解作出的最佳估計，確定此等土地增值稅。最終稅務結果可能與最初記錄的金額不同，而有關差異將於有關執行細節落實期間影響所得稅撥備。

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Taxation

At 31st December, 2006, a deferred tax asset of HK\$4,879,000 in relation to unused tax losses has been recognised as set out in note 41. No deferred tax asset has been recognised on the tax losses of HK\$325,267,000 due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future profits generated are less than expected, a material reversal of deferred tax assets may arise, which would be recognised in the income statement for the period in which such a reversal takes place.

Land appreciation tax

PRC land appreciation tax is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds of sales of properties less deductible expenditures including sales charges, borrowing costs and all property development expenditures.

The Group is subject to land appreciation taxes in the PRC. However, the details of implementation have not yet been announced by local tax bureaux in most of the major cities, and the Group has not finalised its LAT calculation and payments with any local tax bureaux in the PRC. Accordingly, significant judgments are required in determining the amount of land appreciation and its related taxes. The extent, magnitude and retrospection of LAT cannot be ascertained in the absence of the detailed implementation rules and procedures. The Group recognises these liabilities based on management's best estimates according to the understanding of the tax rules. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax provisions in the period in which such determination is made.

5. 金融工具

5a. 財務風險管理目標及政策

本集團之主要金融工具包括應收貸款、應收分期付款、聯營公司欠款、共同控制公司欠款、少數股東欠款、貿易及其他應收賬款、用作抵押之銀行存款、銀行結存、貿易及其他應付賬款、借款及會籍債券。該等金融工具詳情於各附註披露。下文載列與該等金融工具有關之風險及如何降低該等風險之政策。管理層管理及監控該等風險，以確保及時和有效地採取適當之措施。

市場風險

外匯風險

外匯風險指來自金融工具之價值隨外幣匯率變動而波動之風險。本集團之業務主要於中華人民共和國（「中國」），當中並不包含香港地區，而本集團若干銀行貸款以外匯列值（見附註37）。本集團現時並無任何外匯對沖政策。然而，管理層會密切監察相關外匯風險，並將在有需要時考慮對沖重大外匯風險。

一實體以其功能貨幣以外之貨幣進行買賣所帶來之外匯風險對組成本集團之公司的影響極低。

公允價值及流動資金利率風險

本集團之固定利率計息銀行借款及其他貸款票據承受公允價值利率變動風險。本集團之流動資金利率風險主要涉及以浮動利率計息之銀行及其他借款。本集團仍然會保持合理的浮息及定息借款組合，並於有需要時作出對沖可預見之利率風險。本集團之銀行借款之利率及償還條款於附註37披露。

5. FINANCIAL INSTRUMENTS

5a. Financial risk management objective and policies

The Group's major financial instruments include loans receivable, instalments receivable, amounts due from associates, amounts due from jointly controlled entities, amounts due from minority shareholders, trade and other receivables, pledged deposits, bank balances, trade and other payables, borrowings and membership debentures. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's operations are mainly in the People's Republic of China (the "PRC") other than Hong Kong and certain bank loans of the Group are denominated in foreign currencies (see note 37). The Group currently does not have a foreign currency hedging policy. However, the management monitors the related foreign exchange exposure closely and will consider hedging significant foreign currency exposure should the need arise.

The companies comprising the Group have minimal currency exposure which arises from sales or purchases by an entity in currencies other than its functional currency.

Fair value and cash flow interest rate risk

The Group is exposed to fair value interest rate risk through the impact of rate changes on fixed-rate bank loans and other loan notes. The Group's cash flow interest rate risk relates primarily to variable-rate bank and other loans. The Group will continue to maintain a reasonable mix of floating rate and fixed rate borrowings and take actions to hedge against any foreseeable interest rate exposure, if necessary. The interest rates and terms of repayment of bank borrowings of the Group are disclosed in note 37.

5. 金融工具 (續)

5a. 財務風險管理目標及政策 (續)

市場風險 (續)

價格風險

本集團須承受股本證券之價格風險，而管理層將監察價格變動，並於有需要時採取適當行動。

信貸風險

於二零零六年十二月三十一日，倘相關人士或債務人因未能履行由本集團提供財務擔保之承擔而導致本集團財務虧損，則本公司及本集團須承受之最大信貸風險為已於綜合資產負債表列值之金融資產賬面值及於附註44披露之或有負債金額。為了將信貸風險降至最低，本集團已實行監控措施，以確保採取跟進措施收回逾期未付之債項。此外，於各結算日，本集團定期評估每項個別貿易應收款及其他債項之可收回金額，以確保就不可收回金額所作出之減值虧損已足夠。就本公司向附屬公司提供之財務擔保，董事們認為由於該等附屬公司之財務狀況良好，信貸風險較低。同時管理層認為向物業買家提供財務擔保的信貸風險亦較低，原因是該等按揭貸款乃以物業作抵押，而該等物業之市場價值高於擔保金額。就此而言，本公司董事認為本集團之信貸風險已大幅降低。

由於往來銀行均為由國際評級機構評為高信貸評級之銀行，故流動資金之信貸風險有限。

本集團之信貸風險並無過份集中，有關風險乃分散至多個合作方及客戶。

5. FINANCIAL INSTRUMENTS (CONTINUED)

5a. Financial risk management objective and policies (continued)

Market risk (continued)

Price risk

The Group is exposed to equity security price risk. The management will monitor the price movements and take appropriate actions when it is required.

Credit risk

As at 31st December, 2006, the Company's and the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties or debtors which the Group has provided financial guarantees is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated balance sheet and the amount of contingent liabilities disclosed in note 44. In order to minimise the credit risk, the monitoring procedures are carried out to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade and other debt at each balance sheet date to ensure that adequate impairment losses are made for irrecoverable amounts. With respect to financial guarantees provided to subsidiaries by the Company, the directors consider the credit risk is limited because the subsidiaries have strong financial positions. The management considers the credit risk exposure to financial guarantees provided to property purchasers is also limited because the facilities are secured by the properties and the market price of the properties is higher than the guaranteed amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

The Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

5. 金融工具 (續)

5a. 財務風險管理目標及政策 (續)

流動性風險

在管理流動性風險方面，本集團監控及維持現金和現金等值項目在管理層認為足夠的水平，為本集團之營運提供資金及減輕資金浮動之影響。管理層控制銀行貸款之使用及確保遵守貸款承諾。

5b. 金融工具之公允價值

金融資產和金融負債之公允價值按下列而釐定：

- (a) 有固定條件及於活躍的流動市場交易之金融資產和金融負債公允價值乃按所報之市場價格釐定；
- (b) 其他金融資產和金融負債乃根據一般認可之報價方法，以現金流量折現分析按可觀察之當時市場交易之價格而釐定。

綜合財務報表包括以公允價值計量之非上市投資(見附註25和32)。公允價值乃按現金流量折現法估計的，此方法包括了一些沒有可觀察之市場價格或利率所支持之假設。

董事們認為金融資產和金融負債之賬面值以攤銷成本於財務報表入賬。該賬面值與其公允價值相若。

5. FINANCIAL INSTRUMENTS (CONTINUED)

5a. Financial risk management objective and policies (continued)

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

5b. Fair value of financial instruments

The fair value of financial assets and financial liabilities are determined as follows:

- (a) the fair value of financial assets with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market bid prices; and
- (b) the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions.

The consolidated financial statements include holdings in unlisted investments which are measured at fair value (notes 25 and 32). Fair value is estimated using a discounted cash flow model, which included some assumptions that are not supportable by observable market prices or rates.

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements approximate their fair values.

6. 分類資料

營業額指本年度之已竣工物業銷售收入、租金收入、銷售建築物料、高爾夫球場營運收入、酒店及物業管理收入，並分析如下：

6. SEGMENTAL INFORMATION

Turnover represents the aggregate of proceeds from the sale of completed properties, rental income, sale of construction materials, income from golf course operation, hotel and property management during the year as follows:

		2006 千港元 HK\$'000	2005 千港元 HK\$'000
銷售已竣工之物業	Sale of completed properties	345,975	940,207
租金收入	Rental income	95,903	56,445
銷售建築物料	Sale of construction materials	385,562	347,342
高爾夫球場營運收入	Income from golf course operation	20,974	17,952
酒店及物業管理收入	Income from hotel and property management	40,888	35,154
		889,302	1,397,100

6. 分類資料 (續)

6. SEGMENTAL INFORMATION (CONTINUED)

本集團於本年度之營業額主要來自在中國所經營之業務，當中並不包含香港地區。本集團之營業額及分類業績按主要業務分析如下：

The Group's turnover for the year was derived mainly from activities carried out in the PRC other than Hong Kong. An analysis of the Group's turnover and segment results by business segment is as follows:

		銷售建築物料					合併
		物業發展	物業投資	Sale of	其他營運	抵銷	
		Property	Property	construction	Other	Eliminations	Consolidated
		development	investment	materials	operations		
		千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
截至二零零六年十二月三十一日止年度之利潤表		Income statement for the year ended 31st December, 2006					
營業額		TURNOVER					
對外銷售	External sales	345,975	95,903	385,562	61,862	-	889,302
分類間銷售	Inter-segment sales	-	-	2,714	7,384	(10,098)	-
總額	Total	345,975	95,903	388,276	69,246	(10,098)	889,302
業績		RESULTS					
分類業績	Segment results	30,867	63,087	14,471	(11,501)	-	96,924
未能分攤之企業費用	Unallocated corporate expenses						(56,911)
其他收入	Other income	27,314	64	18,848	82,250	-	128,476
待出售物業轉撥至投資物業之公允價值收益	Fair value gain on transfer of properties held for sale to investment properties	18,045	-	-	-	-	18,045
投資物業公允價值之增加	Increase in fair value of investment properties	-	311,706	-	-	-	311,706
物業之減值撥備	Write-down of properties	(79,788)	-	-	-	-	(79,788)
呆壞賬準備	Allowance for bad and doubtful debts	(3,317)	-	(4,996)	-	-	(8,313)
待發展物業攤銷	Amortisation of properties for development	(21,494)	-	-	-	-	(21,494)
出售一間共同控制公司之收益	Gain on disposal of a jointly controlled entity	150,390	-	-	-	-	150,390
收購一間附屬公司額外權益之折讓	Discount on acquisition of additional interest in a subsidiary	1,147	-	-	-	-	1,147

6. 分類資料 (續) 6. SEGMENTAL INFORMATION (CONTINUED)

		物業發展	物業投資	銷售建築物料	其他營運	抵銷	合併
		Property development	Property investment	Sale of construction materials	Other operations	Eliminations	Consolidated
		千港元	千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
融資成本	Finance costs						(117,346)
應佔聯營公司	Share of (loss) profit of associates						
(虧損)溢利							
– 未計額外土地增值稅之除稅後(虧損)溢利	– (Loss) profit after tax before additional LAT	(8,805)	4,159	–	565	–	(4,081)
– 以往年度銷售所產生之額外土地增值稅	– Additional LAT attributable to sales in previous years	(1,923)	–	–	–	–	(1,923)
應佔共同控制公司	Share of profit of jointly controlled entities						
溢利							
– 未計額外土地增值稅之除稅後溢利	– Profit after tax before additional LAT	16,453	54,429	–	735	–	71,617
– 以往年度銷售所產生之額外土地增值稅	– Additional LAT attributable to sales in previous years	(101,639)	–	–	–	–	(101,639)
– 本年度銷售所產生之額外土地增值稅	– Additional LAT attributable to sales in current year	(12,430)	–	–	–	–	(12,430)
除稅前溢利	Profit before taxation						374,380
稅項	Taxation						(348,110)
本年度溢利	Profit for the year						26,270

6. 分類資料 (續)

6. SEGMENTAL INFORMATION (CONTINUED)

		物業發展 Property development 千港元 HK\$'000	物業投資 Property investment 千港元 HK\$'000	銷售建築物料 Sale of construction materials 千港元 HK\$'000	其他營運 Other operations 千港元 HK\$'000	合併 Consolidated 千港元 HK\$'000
於二零零六年十二月三十一日 之資產負債表	Balance sheet as at 31st December, 2006					
資產	ASSETS					
分類資產	Segment assets	4,678,652	3,175,353	782,063	145,771	8,781,839
於聯營公司之權益	Interests in associates	360,736	192,686	–	(503)	552,919
於共同控制公司之 權益	Interests in jointly controlled entities	197,976	477,388	–	23,108	698,472
未能分攤之企業資產	Unallocated corporate assets					831,668
合併總資產	Consolidated total assets					10,864,898
負債	LIABILITIES					
分類負債	Segment liabilities	792,222	149,429	118,782	36,768	1,097,201
未能分攤之企業負債	Unallocated corporate liabilities					3,416,520
合併總負債	Consolidated total liabilities					4,513,721
截至二零零六年十二月三十一日 止年度之其他資料	Other information for the year ended 31st December, 2006					
物業、廠房及設備 增加	Additions of property, plant and equipment	4,105	3,935	9,307	4,840	
待發展物業及 收購待發展 物業之按金 增加	Additions of properties for development and deposits for acquisition of properties for development	426,554	–	–	–	
投資物業及 收購投資物業 之按金增加	Additions of investment properties and deposits for acquisition of investment properties	–	293,781	–	–	
折舊及攤銷	Depreciation and amortisation	22,738	2,115	23,157	5,221	
出售及註銷物業、廠房和設備 之(收益)虧損	(Gain) loss on disposal and write off of property, plant and equipment	106	95	225	(774)	

6. 分類資料 (續) 6. SEGMENTAL INFORMATION (CONTINUED)

	物業發展 Property development 千港元 HK\$'000	物業投資 Property investment 千港元 HK\$'000	銷售建築物料 Sale of construction materials 千港元 HK\$'000	其他營運 Other operations 千港元 HK\$'000	抵銷 Eliminations 千港元 HK\$'000	合併 Consolidated 千港元 HK\$'000
截至二零零五年十二月 三十一日止年度之利潤表	Income statement for the year ended 31st December, 2005					
營業額	TURNOVER					
對外銷售	940,207	56,445	347,342	53,106	–	1,397,100
分類間銷售	–	–	2,095	23,954	(26,049)	–
總額	940,207	56,445	349,437	77,060	(26,049)	1,397,100
業績	RESULTS					
分類業績	39,160	32,313	(10,131)	(10,784)	–	50,558
未能分攤之企業 費用						(36,799)
其他收入	19,276	383	17,231	65,272	–	102,162
待出售物業轉撥至 投資物業之公允 價值收益	160,622	–	–	–	–	160,622
投資物業公允價值 之增加	–	132,285	–	–	–	132,285
物業之減值撥備	(51,784)	–	–	–	–	(51,784)
呆壞賬 準備	(5,891)	(589)	(11,263)	(469)	–	(18,212)
待發展物業 攤銷	(16,900)	–	–	–	–	(16,900)
收購附屬公司 額外權益 之折讓	25,290	–	–	–	–	25,290
融資成本						(107,086)
應佔聯營公司(虧損) 溢利	(5,237)	19,915	–	444	–	15,122
應佔共同控制公司 溢利	59,996	20,910	–	1,219	–	82,125
聯營公司權益之 減值虧損	(17,451)	–	–	–	–	(17,451)
除稅前溢利						319,932
稅項						(117,399)
本年度溢利						202,533

6. 分類資料 (續)

6. SEGMENTAL INFORMATION (CONTINUED)

		物業發展 Property development 千港元 HK\$'000	物業投資 Property investment 千港元 HK\$'000	銷售建築物料 Sale of construction materials 千港元 HK\$'000	其他營運 Other operations 千港元 HK\$'000	合併 Consolidated 千港元 HK\$'000
於二零零五年十二月三十一日 之資產負債表	Balance sheet as at 31st December, 2005					
資產	ASSETS					
分類資產	Segment assets	4,414,546	2,374,268	796,738	144,369	7,729,921
於聯營公司之權益	Interests in associates	373,060	181,259	–	181	554,500
於共同控制公司 之權益	Interests in jointly controlled entities	464,412	357,428	–	19,631	841,471
未能分攤之企業資產	Unallocated corporate assets					775,072
合併總資產	Consolidated total assets					9,900,964
負債	LIABILITIES					
分類負債	Segment liabilities	834,047	141,097	160,812	49,270	1,185,226
未能分攤之企業負債	Unallocated corporate liabilities					3,642,747
合併總負債	Consolidated total liabilities					4,827,973

截至二零零五年十二月三十一日
止年度之其他資料

Other information for the year
ended 31st December, 2005

物業、廠房及 設備增加	Additions of property, plant and equipment	2,857	1,236	39,847	1,639	
待發展物業及 收購待發展 物業之按金 增加	Additions of properties for development and deposits for acquisition of properties for development	304,669	–	–	–	
投資物業增加	Additions of investment properties	–	47,272	–	–	
折舊及攤銷	Depreciation and amortisation	18,757	442	17,290	5,260	
出售及註銷物業、廠房及 設備之(收益)虧損	(Gain) loss on disposal and write off of property, plant and equipment	63	–	(73)	46	
出售投資物業 之虧損	Loss on disposal of investment properties	–	1,190	–	–	

所有主要資產均位於中
國。

Substantially all the assets are located in the PRC.

7. 其他收入

股息收入
 — 非上市股份
 — 上市股份
 銀行存款及應收賬款利息收入
 非流動免息應收賬款
 之估算利息收入
 中國增值稅退回
 從一物業發展項目
 所取得之收入(附註27)
 持作買賣投資公允價值之增加
 金融負債公允價值
 變動之收益
 利潤再投資於中國之退稅
 淨外匯匯兌收益
 免除過往年度已計提未付利息
 其他

7. OTHER INCOME

Dividend income
 – unlisted shares
 – listed shares
 Interest income on bank deposits and receivables
 Imputed interest income on
 non-current interest-free receivables
 Refund of PRC value-added tax
 Income from a property
 development project (note 27)
 Increase in fair value of held-for-trading investments
 Gain arising from changes in fair value
 of financial liabilities
 Tax refund for reinvestment of profits in the PRC
 Net foreign exchange gains
 Waiver of interest expenses accrued in prior years
 Others

2006 千港元 HK\$'000	2005 千港元 HK\$'000
684	326
–	225
25,253	8,994
7,612	7,393
14,589	15,831
23,068	–
659	1,786
3,416	9,144
14,438	9,656
16,869	4,883
–	19,420
21,888	24,504
128,476	102,162

8. 出售一間共同控制公司之收益

於截至二零零六年十二月三十一日止年度內，本集團以現金代價272,470,000港元，出售本集團於一間共同控制公司之全部50%權益及股東貸款，產生了出售收益150,390,000港元。該共同控制公司乃於中國成立，並從事物業發展業務。

8. GAIN ON DISPOSAL OF A JOINTLY CONTROLLED ENTITY

During the year ended 31st December, 2006, the Group disposed of its entire 50% interest in and shareholder's loan to a jointly controlled entity which is established in the PRC and engaged in property development for a cash consideration of HK\$272,470,000, resulting in a gain on disposal of HK\$150,390,000.

9. 收購附屬公司額外權益之折讓

於二零零六年十二月三十一日止年度內，本集團以現金代價594,000港元收購一間附屬公司額外5%權益，自此該公司成為本公司之全資附屬公司。該附屬公司於中國成立，並從事物業發展。此項收購之收購折讓為1,147,000港元。

9. DISCOUNT ON ACQUISITION OF ADDITIONAL INTERESTS IN SUBSIDIARIES

During the year ended 31st December, 2006, the Group acquired an additional 5% interest in a subsidiary for a cash consideration of HK\$594,000, after which it becomes a wholly owned subsidiary of the Company. The subsidiary is established in the PRC and engaged in property development. This acquisition results in a discount on acquisition of HK\$1,147,000.

9. 收購附屬公司額外權益之折讓 (續)

於截至二零零五年十二月三十一日止年度內，

(a) 本集團以總現金代價19,263,000港元收購一間附屬公司額外40%權益，自此該公司成為本公司之全資附屬公司。該附屬公司於中國成立，並從事物業發展及投資。此項收購之收購折讓為15,873,000港元。

(b) 本集團以總現金代價2,110,000港元收購兩間附屬公司額外10%權益，自此該兩間公司成為本公司之全資附屬公司。該兩間附屬公司於中國成立，並從事物業發展。此兩項收購之收購折讓為9,417,000港元。

9. DISCOUNT ON ACQUISITION OF ADDITIONAL INTERESTS IN SUBSIDIARIES (CONTINUED)

During the year ended 31st December, 2005,

(a) The Group acquired an additional 40% interest in a subsidiary for an aggregate cash consideration of HK\$19,263,000, after which it becomes a wholly owned subsidiary of the Company. The subsidiary is established in the PRC and engaged in property development and investment. This acquisition results in a discount on acquisition of HK\$15,873,000.

(b) The Group acquired additional 10% interests in two subsidiaries for an aggregate cash consideration of HK\$2,110,000, after which they become wholly owned subsidiaries of the Company. Both subsidiaries are established in the PRC and engaged in property development. These acquisitions result in discount on acquisition of HK\$9,417,000.

10. 融資成本

10. FINANCE COSTS

		2006 千港元 HK\$'000	2005 千港元 HK\$'000
利息付予：	Interest on:		
銀行貸款及透支	Bank loans and overdrafts	113,788	112,868
貸款票據 (附註37(a))	Loan notes (note 37(a))	1,961	1,960
融資租賃承擔	Obligations under finance lease	—	2
其他貸款	Other loans	9,147	14,480
其他借貸成本	Other borrowing costs	2,920	550
非流動免息借款	Imputed interest expenses on non-current		
之估算利息費用	interest-free borrowings	8,600	7,953
		136,416	137,813
減：資本化於發展中物業金額	Less: amount capitalised on properties under development	(19,070)	(29,786)
資本化於物業、廠房及設備金額	amount capitalised on property, plant and equipment	—	(941)
		117,346	107,086

10. 融資成本 (續)

於本年度內已資本化之借貸成本來自一般借貸，其計算方法是以合資格資產之支出按資本化率6.3%（二零零五年：6.2%）計算。

11. 稅項

中國企業所得稅及
土地增值稅
— 本年度撥備
— 前年度撥備（超額）不足

遞延稅項（附註41）
— 未計額外土地增值稅之
遞延稅項
— 以往年度銷售所產生之
額外土地增值稅
— 本年度銷售所產生之
額外土地增值稅

10. FINANCE COSTS (CONTINUED)

Borrowing costs capitalised during the year arose on the general borrowing pool and are calculated by applying a capitalisation rate of 6.3% (2005: 6.2%) to expenditure on qualifying assets.

11. TAXATION

The charge (credit) comprises:

PRC Enterprise Income Tax and Land
Appreciation Tax
— current year provision
— (over) underprovision in prior years

Deferred tax (note 41)
— Deferred tax before
additional LAT
— Additional LAT attributable to
sales in previous years
— Additional LAT attributable to
sales in current year

2006 千港元 HK\$'000	2005 千港元 HK\$'000
83,029	127,698
(1,495)	702
81,534	128,400
85,159	(11,001)
158,074	—
23,343	—
266,576	(11,001)
348,110	117,399

11. 稅項 (續)

本集團於香港經營之公司於兩年度內並無任何應課稅溢利，因此並沒有就香港利得稅作出撥備。本公司若干於中國經營之附屬公司享有稅務減免優惠。中國企業所得稅按各附屬公司適用稅率計算提撥。

中國國家稅務總局(「稅務總局」)於二零零六年十二月二十八日發出國稅法【2006】第187號，宣佈其有意加強向物業發展商收取土地增值稅之機制，以及授權地方稅務局發出切合當地環境之詳細執行規則及程序，有關法例已於二零零七年二月一日起生效。本集團以往計提預繳土地增值稅乃按銷售金額乘以當地稅務局評定之若干稅率(介乎0.5%至3%不等)而計算。然而，為了減低導致額外土地增值稅負債之不明朗因素，即使有關的地方稅務局尚未發出詳細執行規則及程序，本集團仍然於本年度按照稅務總局之規定全額預提土地增值稅。

11. TAXATION (CONTINUED)

No provision for Hong Kong Profits Tax has been made as the group companies operating in Hong Kong do not have any assessable profit for both years. Certain of the Company's subsidiaries operating in the PRC are eligible for tax exemptions and concessions. The PRC Enterprise Income Tax is calculated at the rates applicable to respective subsidiaries.

The State Administration of Taxation ("SAT") of the PRC issued Guoshuifa [2006] No.187 dated 28th December, 2006, which has become effective from 1st February, 2007, announcing its intention to strengthen the mechanism for collection of LAT on property developers, and authorising the local tax bureaux to issue detailed implementation rules and procedures appropriate to local environment. The Group has previously accounted for provisional LAT calculated according to certain rates (varying from 0.5% to 3%) of sales amount assessed by local tax bureaux. However, in order to minimise the uncertainties in the accounts due to exposure to the additional LAT liabilities, the Group has provided for LAT in the current year fully in according to the requirements of SAT even though detailed implementation rules and procedures are not issued by the relevant local tax bureaux.

11. 稅項 (續)

本年度稅項支出與綜合利潤表內溢利之對照如下：

11. TAXATION (CONTINUED)

The tax charge for the year can be reconciled to the profit per the consolidated income statement as follows:

		2006 千港元 HK\$'000	2005 千港元 HK\$'000
除稅前溢利	Profit before taxation	374,380	319,932
按國內所得稅稅率33% (二零零五年：33%) 計算之稅項	Tax at the domestic income tax rate of 33% (2005: 33%)	123,545	105,578
應佔聯營公司及共同控制公司虧損(溢利)之稅項影響	Tax effect of share of loss (profit) of associates and jointly controlled entities	15,990	(32,092)
於釐定應課稅溢利時不可扣稅開支之稅項影響	Tax effect of expenses not deductible for tax purpose	47,163	28,554
於釐定應課稅溢利時毋須課稅收入之稅項影響	Tax effect of income not taxable for tax purpose	(20,275)	(23,990)
本年度未確認稅項虧損及其他可扣減暫時差異之稅項影響	Tax effect of tax losses and other deductible temporary differences not recognised	62,428	47,162
動用過往未確認稅項虧損及其他可扣減暫時差異之稅項影響	Tax effect of utilisation of taxes losses and other deductible temporary differences previously not recognised	(18,395)	(3,653)
中國附屬公司享有免稅期及稅項優惠之稅項影響	Tax effect of entitlement to tax holiday and concession by subsidiaries in the PRC	–	(1,924)
中國附屬公司不同稅率之影響	Effect of different tax rates of subsidiaries in the PRC	(49,292)	(4,122)
土地增值稅	Land appreciation tax	188,089	2,678
前年度撥備(超額)不足	(Over) underprovision in prior years	(1,495)	702
其他	Others	352	(1,494)
本年度稅項支出	Tax charge for the year	348,110	117,399

附註：

本集團所使用之國內稅率是按本集團主要經營地點法律所規限之當地稅率(即中國企業所得稅稅率)。

Note:

The domestic tax rate (which is PRC Enterprise Income Tax rate) in the jurisdiction where the operation of the Group is substantially based is used.

12. 本年度溢利

12. PROFIT FOR THE YEAR

		2006 千港元 HK\$'000	2005 千港元 HK\$'000
本年度溢利已扣除(加入)：	Profit for the year has been arrived at after charging (crediting):		
物業、廠房及設備折舊	Depreciation of property, plant and equipment		
自置資產	Owned assets	32,219	26,850
按融資租賃持有之資產	Assets held under finance leases	5	8
減：資本化於發展中物業金額	Less: amount capitalised on properties under development	(697)	(1,100)
		31,527	25,758
攤銷：	Amortisation of:		
無形資產	Intangible asset	147	86
土地使用權預付租賃款項	Prepaid lease payments on land use rights	1,021	849
待發展物業	Properties for development	21,494	16,900
		54,189	43,593
折舊和攤銷總額	Total depreciation and amortisation		
核數師酬金	Auditors' remuneration	5,019	4,860
存貨之成本作費用處理	Cost of inventories recognised as an expense	563,321	1,087,183
淨外匯匯兌收益	Net foreign exchange gains	(16,869)	(4,883)
出售投資物業之虧損	Loss on disposal of investment properties	-	1,190
出售及註銷物業、廠房及設備之虧損	Loss on disposal and write-off of property, plant and equipment	339	249
出售可供出售投資之虧損	Loss on disposal of available-for-sale investments	1,786	-
營業租賃費用：	Operating lease charges in respect of:		
— 土地及樓宇	— land and buildings	7,816	12,515
— 廠房及機器	— plant and machinery	1,346	601
其他租金費用	Other rental expenses	585	1,256
員工費用(包括董事酬金)(附註)	Staff costs (including directors' emoluments) (note)	86,549	77,954
應佔聯營公司稅項(已包括在應佔聯營公司(虧損)溢利內)	Share of tax of associates (included in share of (loss) profit of associates)	1,478	8,023
應佔共同控制公司稅項(已包括在應佔共同控制公司溢利內)	Share of tax of jointly controlled entities (included in share of profit of jointly controlled entities)	134,413	15,624
從投資物業收取之租金收入	Gross rental income from investment properties	(95,903)	(56,445)
減：於年內產生租金收入之投資物業的直接營運費用	Less: direct operating expenses from investment properties that generated rental income during the year	14,309	12,937
		(81,594)	(43,508)

附註：

Note:

員工費用並不包括如綜合財務報表附註13及附註46(ii)所披露的管理費分攤予若干董事及其他非本公司董事之管理層人員。

The staff costs have excluded the apportionment of management fee as disclosed in note 13 and note 46(ii) to the consolidated financial statements for certain directors as well as management personnel who are not directors of the Company.

13. 董事酬金

已付或應付予十三位(二零零五年：十一位)董事之酬金如下：

13. DIRECTORS' EMOLUMENTS

The emoluments paid or payable to each of the thirteen (2005: eleven) directors were as follows:

		2006				
		董事袍金	薪金及 其他福利	與業績有關 之獎金 Performance related incentive payments	退休福利 計劃供款 Retirement benefits scheme contributions	總計 Total
		fee	Salaries and other benefits			
		千港元	千港元	千港元	千港元	千港元
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
李成偉	Patrick Lee Seng Wei	10	453	—	—	463
黃清海	Ng Qing Hai	10	1,603	—	72	1,685
馬申	Ma Sun	10	1,548	—	130	1,688
勞景祐	Edwin Lo King Yau	10	614	455	28	1,107
李志剛	Li Chi Kong	10	720	525	33	1,288
Yasushi Ichikawa	Yasushi Ichikawa	6	—	—	—	6
鄭慕智	Moses Cheng Mo Chi	10	—	—	—	10
楊麗琛	Lisa Yang Lai Sum	10	—	—	—	10
Yuki Oshima	Yuki Oshima	6	—	—	—	6
鄭鑄輝	Francis J. Chang Chu Fai	40	20	—	—	60
吳繼偉	Goodwin Gaw	10	—	—	—	10
魏華生	Ngai Wah Sang	60	20	—	—	80
徐溯經	Xu Su Jing	40	20	—	—	60
		232	4,998	980	263	6,473

13. 董事酬金 (續)

13. DIRECTORS' EMOLUMENTS (CONTINUED)

		2005			
		薪金及 其他福利	與業績有關 之獎金	退休福利 計劃供款	
董事袍金	Salaries and other benefits	Performance related incentive payments	Retirement scheme contributions	總計 Total	
千港元	千港元	千港元	千港元	千港元	千港元
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
李成偉	Patrick Lee Seng Wei	10	–	–	10
黃清海	Ng Qing Hai	10	2,209	131	2,382
馬申	Ma Sun	10	1,279	–	1,390
勞景祐	Edwin Lo King Yau	10	494	95	622
李志剛	Li Chi Kong	10	735	130	909
鄭慕智	Moses Cheng Mo Chi	10	–	–	10
楊麗琛	Lisa Yang Lai Sum	10	–	–	10
鄭鑄輝	Francis J. Chang Chu Fai	40	–	–	40
吳繼偉	Goodwin Gaw	10	–	–	10
魏華生	Ngai Wah Sang	60	–	–	60
徐溯經	Xu Su Jing	40	–	–	40
		220	4,717	356	5,483

若干本公司董事從一家擁有本公司重大權益之公司或其全資附屬公司收取酬金。該公司向本集團提供管理服務，並向本集團就該等董事及其他並非本公司董事之管理層人員所提供服務收取費用，該費用已包括在附註46(ii)所披露之管理費中。

上述之管理費在二零零五年開始收取。管理費乃按管理層人員於本集團事務所付出之時間計算，並可分配至上述董事。總分配金額為2,365,000港元(二零零五年：1,448,000港元)，並已包括在上表內。

Certain directors of the Company received remuneration from a company, or a wholly owned subsidiary of such company, which has significant beneficial interests in the Company. Such company provided management services to the Group and charged the Group a fee, which has been included in management fee as disclosed in note 46(ii), for services provided by those directors as well as other management personnel who were not directors of the Company.

The above-mentioned management fee commenced to be charged in 2005 and is calculated by reference to the time devoted by the management personnel on the affairs of the Group and can be apportioned to the directors mentioned above. The total of such apportioned amounts, which has been included in the above table, is HK\$2,365,000 (2005: HK\$1,448,000).

14. 僱員酬金

本集團五位最高酬金人士包括三位(二零零五年：兩位)本公司董事，其酬金已包括於附註13中。其餘兩位(二零零五年：三位)人士之酬金如下：

薪金及其他福利
與業績有關之獎金
退休福利計劃供款
已付離職之補償

其酬金之分佈如下：

1,000,000港元或以下
1,000,001港元－1,500,000港元

本集團之薪酬政策按現行市場薪酬水平及各相關集團公司及個別僱員之表現釐定。於這兩年內，本集團並無支付任何酬金予該五名最高薪之人士作為鼓勵彼等加入本集團之報酬。

14. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, three (2005: two) were directors of the Company whose emoluments are included in note 13 above. The emoluments of the remaining two (2005: three) individuals were as follows:

	2006 千港元 HK\$'000	2005 千港元 HK\$'000
Salaries and other benefits	1,530	2,560
Performance related incentive payments	590	–
Retirement benefits scheme contributions	77	140
Compensation for loss of office paid	575	–
	2,772	2,700

Their emoluments were within the following bands:

	2006 僱員數目 Number of employees	2005 僱員數目 Number of employees
Nil to HK\$1,000,000	–	2
HK\$1,000,001 to HK\$1,500,000	2	1

The remuneration policies of the Group are based on the prevailing remuneration level in the market and the performance of respective group companies and individual employees. During both years, no emoluments were paid by the Group to the five highest paid individuals as an inducement to join or upon joining the Group.

15. 股息

15. DIVIDEND

	2006 千港元 HK\$'000	2005 千港元 HK\$'000
已宣派末期股息每股2.5 港仙(二零零五年：無)	Proposed final dividend of HK2.5 cents per share (2005: nil)	
	28,232	—

16. 每股盈利

16. EARNINGS PER SHARE

本公司普通股股東應佔之每股基本及攤薄盈利乃按下列資料計算：

The calculation of the basic and diluted earnings per share attributable to the ordinary equity holders of the Company is based on the following data:

	2006 千港元 HK\$'000	2005 千港元 HK\$'000
盈利	Earnings	
用以計算每股基本及攤薄 盈利之盈利(年內本公司 股東應佔之溢利)	Earnings for the purposes of basic and diluted earnings per share (Profit for the year attributable to equity holders of the Company)	
	51,496	202,540
股數	Number of shares	
用以計算每股基本盈利之 普通股加權平均數	Weighted average number of ordinary shares for the purpose of basic earnings per share	
	1,042,467,178	875,469,918
潛在攤薄普通股之影響： — 認股權證	Effect of dilutive potential ordinary shares: — Warrants	
	9,076,783	—
用以計算每股攤薄盈利之 普通股加權平均數	Weighted average number of ordinary shares for the purpose of diluted earnings per share	
	1,051,543,961	875,469,918

計算兩年每股攤薄盈利並未假設一間附屬公司之尚未行使購股權獲行使，因相關之行使價均高於每股之平均市場價格。

The computation of diluted earnings per share for both years does not assume the exercise of the outstanding share options of a subsidiary as the exercise price was higher than the average market price per share.

計算截至二零零五年十二月三十一日止年度每股攤薄盈利並未假設本公司之尚未行使認股權證獲行使，因相關之行使價均高於每股之平均市場價格。

The computation of diluted earnings per share for the year ended 31st December, 2005 does not assume the exercise of the Company's outstanding warrants as the exercise price was higher than the average market price per share.

16. 每股盈利 (續)

16. EARNINGS PER SHARE (CONTINUED)

		2006 千港元 HK\$'000	
額外土地增值稅對本公司股東應佔溢利之影響：	Effect of additional LAT on profit attributable to equity holders of the Company:		
本公司股東應佔溢利 (未計提額外土地增值稅)	Profit attributable to equity holders of the Company before provision for additional LAT	334,563	
以往年度銷售所產生之額外土地增值稅	Additional LAT attributable to sales in previous years		
— 本集團	— the Group	(158,074)	
— 一間聯營公司	— an associate	(1,923)	
— 共同控制公司	— jointly controlled entities	(101,639)	
		(261,636)	
本年度銷售所產生之額外土地增值稅	Additional LAT attributable to sales in current year		
— 本集團	— the Group	(23,343)	
— 共同控制公司	— jointly controlled entities	(12,430)	
		(35,773)	
少數股東權益所佔額外土地增值稅	Provision for additional LAT shared by minority interests	14,342	
本公司股東應佔溢利 (已計提額外土地增值稅)	Profit attributable to equity holders of the Company after provision for additional LAT	51,496	
		基本 Basic 港仙 HK cents	攤薄 Diluted 港仙 HK cents
每股盈利(未計提額外土地增值稅)	Earnings per share before provision for additional LAT	32.1	31.8
計提額外土地增值稅之影響	Effect of provision for additional LAT	(27.2)	(26.9)
每股盈利(已計提額外土地增值稅)	Earnings per share after provision for additional LAT	4.9	4.9

17. 物業、廠房及設備

17. PROPERTY, PLANT AND EQUIPMENT

	在香港 持有之中期 租約樓宇 Buildings in Hong Kong on medium- term lease 千港元 HK\$'000	在中國 持有之中期 租約樓宇 Buildings in the PRC on medium- term lease 千港元 HK\$'000	中期租約之 高爾夫球場 Golf course on medium- term lease 千港元 HK\$'000	在建工程 Construction in progress 千港元 HK\$'000	廠房及機器 Plant and machinery 千港元 HK\$'000	裝修、 傢俬及設備 Leasehold improvements, furniture, fixtures and equipment 千港元 HK\$'000	汽車 Motor vehicles 千港元 HK\$'000	總計 Total 千港元 HK\$'000
本集團	THE GROUP							
成本值	COST							
於二零零五年一月一日	413	165,365	93,024	169,597	245,789	36,809	26,944	737,941
滙兌調整	-	4,195	1,516	3,384	5,496	766	343	15,700
購置	-	549	-	35,218	2,379	4,795	3,067	46,008
於竣工時從發展中物業 轉入	-	13,743	-	-	-	-	-	13,743
從待售物業轉入	-	14,277	-	-	-	-	-	14,277
重新分類	-	68,577	-	(201,188)	132,574	37	-	-
出售及註銷	-	(833)	-	-	(35)	(335)	(1,794)	(2,997)
於二零零五年十二月三十一日	413	265,873	94,540	7,011	386,203	42,072	28,560	824,672
滙兌調整	-	11,739	3,781	56	17,311	885	921	34,693
購置	-	1,502	3,590	4,423	1,817	5,746	7,996	25,074
轉撥至投資物業之 物業重估盈餘	-	1,786	-	-	-	-	-	1,786
從待售物業轉入	-	15,509	-	-	-	-	-	15,509
重新分類	-	6,229	-	(11,210)	4,981	-	-	-
出售及註銷	-	(2,104)	-	(5)	(52)	(3,057)	(4,307)	(9,525)
轉撥至投資物業	-	(6,800)	-	-	-	-	-	(6,800)
於二零零六年十二月三十一日	413	293,734	101,911	275	410,260	45,646	33,170	885,409
折舊	DEPRECIATION							
於二零零五年一月一日	154	48,329	868	-	140,392	23,307	16,909	229,959
滙兌調整	-	1,003	40	-	2,816	597	177	4,633
本年度計提	10	6,012	2,854	-	10,476	3,603	3,903	26,858
於出售及註銷時撇除	-	(158)	-	-	(27)	(163)	(1,482)	(1,830)
於二零零五年十二月三十一日	164	55,186	3,762	-	153,657	27,344	19,507	259,620
滙兌調整	-	2,580	210	-	6,995	425	480	10,690
本年度計提	9	8,367	2,991	-	14,532	3,224	3,101	32,224
於重估時撇除	-	(2,354)	-	-	-	-	-	(2,354)
於出售及註銷時撇除	-	(399)	-	-	(17)	(1,811)	(3,356)	(5,583)
於二零零六年十二月三十一日	173	63,380	6,963	-	175,167	29,182	19,732	294,597
賬面值	CARRYING VALUES							
於二零零六年十二月三十一日	240	230,354	94,948	275	235,093	16,464	13,438	590,812
於二零零五年十二月三十一日	249	210,687	90,778	7,011	232,546	14,728	9,053	565,052

於二零零五年十二月三十一日，本集團按融資租賃持有之裝修、傢俬及設備賬面值為5,000港元。

At 31st December, 2005, the carrying value of the Group's leasehold improvements, furniture, fixtures and equipment included an amount of HK\$5,000 in respect of assets held under finance leases.

17. 物業、廠房及設備 (續) 17. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

		裝修、傢俬及設備 Leasehold improvements, furniture, fixtures and equipment 千港元 HK\$'000	汽車 Motor vehicles 千港元 HK\$'000	總計 Total 千港元 HK\$'000
本公司	THE COMPANY			
成本值	COST			
於二零零五年一月一日	At 1st January, 2005	16,426	6,373	22,799
購置	Additions	396	–	396
出售及註銷	Disposals and write-off	(2)	–	(2)
於二零零五年十二月三十一日	At 31st December, 2005	16,820	6,373	23,193
購置	Additions	775	877	1,652
出售及註銷	Disposals and write-off	(2,031)	(1,826)	(3,857)
於二零零六年十二月三十一日	At 31st December, 2006	15,564	5,424	20,988
折舊	DEPRECIATION			
於二零零五年一月一日	At 1st January, 2005	13,965	6,088	20,053
本年度計提	Provided for the year	951	231	1,182
於二零零五年十二月三十一日	At 31st December, 2005	14,916	6,319	21,235
本年度計提	Provided for the year	546	112	658
於出售及註銷時 撇除	Eliminated on disposals and write-off	(1,047)	(1,826)	(2,873)
於二零零六年十二月三十一日	At 31st December, 2006	14,415	4,605	19,020
賬面值	CARRYING VALUES			
於二零零六年十二月三十一日	At 31st December, 2006	1,149	819	1,968
於二零零五年十二月三十一日	At 31st December, 2005	1,904	54	1,958

18. 投資物業

18. INVESTMENT PROPERTIES

		本集團 THE GROUP	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000
公允價值	FAIR VALUE		
於一月一日	At 1st January	2,305,922	1,214,400
滙兌調整	Exchange adjustments	101,103	21,249
購置	Additions	259,781	47,272
於竣工時從發展中物業 轉入	Transferred from properties under development upon completion	–	557,941
從待售物業轉入	Transferred from properties held for sale	62,841	344,327
從物業、廠房及設備 轉入	Transferred from property, plant and equipment	6,800	–
出售	Disposals	(5,353)	(11,552)
確認於利潤表內之公允價值 增加淨額	Net increase in fair value recognised in the income statement	311,706	132,285
於十二月三十一日	At 31st December	3,042,800	2,305,922

18. 投資物業 (續)

本集團投資物業於二零零六年十二月三十一日之公允價值乃由與本集團無任何關係的獨立專業評估師－普敦國際評估有限公司於當日進行估值。普敦國際評估有限公司擁有合適的資格及近期有關地區相近物業估值的經驗。該估值乃遵守香港測量師學會所頒佈的物業估值準則（第一版），並根據租金資本化所得。

所有投資物業位於中國，並按其租約分析如下：

長期租約
中期租約

18. INVESTMENT PROPERTIES (CONTINUED)

The fair value of the Group's investment properties at 31st December, 2006 have been arrived at on the basis of a valuation carried out on that date by Norton Appraisals Limited, a firm of independent and qualified professional valuers not connected with the Group. Norton Appraisals Limited have appropriate qualifications and recent experiences in the valuation of similar properties in the relevant locations. The valuation, which conforms to The Hong Kong Institute of Surveyors Valuation Standards on Properties (1st Edition) published by the Hong Kong Institute of Surveyors, was based on rental capitalisation.

Investment properties are all located in the PRC and comprise properties held under:

Long lease
Medium-term lease

本集團 THE GROUP	
2006 千港元 HK\$'000	2005 千港元 HK\$'000
633,400	76,700
2,409,400	2,229,222
3,042,800	2,305,922

19. 無形資產

19. INTANGIBLE ASSET

採礦權
Mining right
千港元
HK\$'000

本集團

THE GROUP

成本值

COST

購置及於二零零五年十二月三十一日
滙兌調整

Additions and at 31st December, 2005
Exchange adjustments

7,099
284

於二零零六年十二月三十一日

At 31st December, 2006

7,383

攤銷

AMORTISATION

本年度計提及於二零零五年
十二月三十一日

Charge for the year and at
31st December, 2005

86

滙兌調整

Exchange adjustments

8

本年度計提

Charge for the year

147

於二零零六年十二月三十一日

At 31st December, 2006

241

賬面值

CARRYING VALUE

於二零零六年十二月三十一日

At 31st December, 2006

7,142

於二零零五年十二月三十一日

At 31st December, 2005

7,013

採礦權有明確的可使用年期，以直線法
分五十年攤銷。

The mining right has a definite useful life and is amortised on a straight-line basis over 50 years.

20. 待發展物業

20. PROPERTIES FOR DEVELOPMENT

		本集團 THE GROUP	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000
於中國之物業，按成本值			
於一月一日結存	Balance at 1st January	1,221,379	939,340
滙兌調整	Exchange adjustments	34,006	11,890
購置	Additions	167,193	51,260
轉撥自收購待發展物業 之按金	Transferred from deposits for acquisition of properties for development	–	321,270
轉撥自發展中物業	Transferred from properties under development	102,290	–
轉撥至發展中物業	Transferred to properties under development	–	(102,381)
從損益表內扣除	Charge to income statement	(13,089)	–
於十二月三十一日結存	Balance at 31st December	1,511,779	1,221,379
攤銷及減值			
於一月一日結存	Balance at 1st January	59,656	42,980
滙兌調整	Exchange adjustments	2,287	–
本年度攤銷	Amortisation for the year	21,494	16,900
本年度確認之減值虧損	Impairment loss recognised for the year	11,479	–
轉撥自發展中物業	Transferred from properties under development	1,612	–
轉撥至發展中物業	Transferred to properties under development	–	(224)
於十二月三十一日結存	Balance at 31st December	96,528	59,656
賬面值		1,415,251	1,161,723
本集團待發展物業 包括：			
於中國之租賃土地			
長期租約	Long lease	1,176,763	931,331
中期租約	Medium-term lease	238,488	230,392
		1,415,251	1,161,723

21. 土地使用權預付租賃款項

21. PREPAID LEASE PAYMENTS ON LAND USE RIGHTS

		本集團 THE GROUP	
		千港元 HK\$'000	千港元 HK\$'000
本集團土地使用權 預付租賃款項包括：	The Group's prepaid lease payments on land use rights comprise:		
於中國之租賃土地 中期租約	Leasehold land in the PRC Medium-term lease	35,174	32,243
就報告而作出之分析如下：	Analysed for reporting purposes as:		
非流動資產	Non-current asset	34,138	31,319
流動資產	Current asset	1,036	924
		35,174	32,243

22. 於附屬公司之權益

22. INTERESTS IN SUBSIDIARIES

		本公司 THE COMPANY	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000
非上市投資	Unlisted investments	2,354,556	1,965,793
附屬公司欠款	Amounts due from subsidiaries	1,893,282	1,653,092
減：累計減值	Less: accumulated impairment	(87,700)	(116,034)
		4,160,138	3,502,851

主要附屬公司於二零零六年十二月三十一日之資料詳載於附註48。附屬公司將不會於結算日後十二個月內償還欠款，故列作非流動金額。

Details of the principal subsidiaries at 31st December, 2006 are set out in note 48. The subsidiaries are not expected to repay the advances within twelve months from the balance sheet date and the balances are classified as non-current.

23. 於聯營公司之權益

23. INTERESTS IN ASSOCIATES

於非上市聯營公司投資之成本
應佔收購後之損益及儲備
減已收股息
聯營公司欠款
減：呆壞賬準備

Cost of investment in unlisted associates
Share of post-acquisition profits and losses
and reserves, net of dividends received
Amounts due from associates
Less: allowance for doubtful debts

本集團 THE GROUP	
2006 千港元 HK\$'000	2005 千港元 HK\$'000
431,183	431,183
103,915	103,120
5,651	9,440
(199)	(3,431)
540,550	540,312

附註：

- (a) 主要聯營公司於二零零六年十二月三十一日之資料詳載於附註49。聯營公司將不會於結算日後十二個月內償還欠款，故列作非流動金額。
- (b) 於聯營公司投資之成本包括於過往年度收購聯營公司所產生之商譽874,000港元（二零零五年：874,000港元）。
- (c) 前年度聯營公司權益之減值虧損乃調低聯營公司權益賬面值至其根據估計售價淨額計算之可收回金額。

Notes:

- (a) Details of the principal associates at 31st December, 2006 are set out in note 49. The associates are not expected to repay the advances within twelve months from the balance sheet date and the balances are classified as non-current.
- (b) Included in the cost of investment in associates is goodwill of HK\$874,000 (2005: HK\$874,000) arising on acquisitions of associates in prior years.
- (c) Impairment loss on interests in associates in prior year represented a write-down of the carrying amount of interests in associates to their recoverable amount based on the estimated net selling price.

23. 於聯營公司之權益 (續)

本集團聯營公司之財務資料概要呈列如下：

23. INTERESTS IN ASSOCIATES (CONTINUED)

The summarised financial information in respect of the Group's associates is set out below:

		2006 千港元 HK\$'000	2005 千港元 HK\$'000
資產總額	Total assets	2,066,860	2,590,474
負債總額	Total liabilities	(604,510)	(1,129,750)
少數股東權益	Minority interests	(119,643)	(110,473)
資產淨值	Net assets	1,342,707	1,350,251
營業額	Turnover	71,238	71,060
本年度(虧損)溢利	(Loss) profit for the year	(7,689)	68,590

24. 於共同控制公司之權益

24. INTERESTS IN JOINTLY CONTROLLED ENTITIES

		本集團 THE GROUP	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000
於非上市共同控制公司	Cost of investment in unlisted		
投資之成本 (附註b)	jointly controlled entities (note b)	474,337	473,637
應佔收購後之損益及	Share of post-acquisition profits and losses		
儲備減已收股息	and reserves, net of dividends received	136,314	223,863
共同控制公司	Amounts due from jointly		
欠款	controlled entities	59,058	57,961
減：呆壞賬準備	Less: allowance for doubtful debts	(38,607)	(38,607)
		631,102	716,854
		本公司 THE COMPANY	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000
於一間非上市共同控制	Cost of investment in an unlisted		
公司投資之成本	jointly controlled entity	4,333	4,333
共同控制公司	Amounts due from jointly		
欠款	controlled entities	1,587	1,543
		5,920	5,876

附註：

Notes:

- (a) 主要共同控制公司於二零零六年十二月三十一日之資料詳載於附註50。共同控制公司將不會於結算日後十二個月內償還欠款，故列作非流動金額。
- (b) 於共同控制公司投資之成本包括於過往年度收購共同控制公司所產生之商譽409,000港元（二零零五年：409,000港元）。

- (a) Details of the principal jointly controlled entities at 31st December, 2006 are set out in note 50. The jointly controlled entities are not expected to repay the advances within twelve months from the balance sheet date and the balances are classified as non-current.
- (b) Included in the cost of investment of jointly controlled entities is goodwill of HK\$409,000 (2005: HK\$409,000) arising on acquisitions of jointly controlled entities in prior years.

24. 於共同控制公司之權益 (續)

本集團共同控制公司之財務資料概要呈列如下：

24. INTERESTS IN JOINTLY CONTROLLED ENTITIES (CONTINUED)

The summarised financial information in respect of the Group's jointly controlled entities is set out below:

		2006 千港元 HK\$'000	2005 千港元 HK\$'000
資產總額	Total assets	2,825,215	2,167,488
負債總額	Total liabilities	(1,696,688)	(862,191)
少數股東權益	Minority interests	(6,182)	(5,635)
資產淨值	Net assets	1,122,345	1,299,662
營業額	Turnover	371,995	457,796
本年度(虧損)溢利	(Loss) profit for the year	(82,681)	164,523

25. 可供出售投資

25. AVAILABLE-FOR-SALE INVESTMENTS

		本集團 THE GROUP	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000
非上市股本證券	Unlisted equity securities	3,306	3,202

非上市股本證券指投資於中國成立之公司所發行之發起人股份。本集團之非上市股本證券於結算日之公允價值是按結算日流行之市場利率折現其估計可收回之股息而計算出來之現值，該公允價值與投資之賬面值相若。

Unlisted equity securities represent investments in founders' shares issued by the entities established in the PRC. The fair value of the Group's unlisted equity securities at the balance sheet date, determined based on the present value of the estimated dividend recovered discounted using the prevailing market rate at the balance sheet date, approximates the carrying amount of the investments.

26. 商譽及商譽減值測試

按附註6所述，於報告分類資料時，本集團以業務分類作為基本分類。於進行減值測試時，商譽被分配至兩個產生現金單位，其中包括一分類為物業發展之附屬公司及另一分類為銷售建築物料之附屬公司。於二零零六年十二月三十一日之商譽帳面值分配至下列單位：

物業發展
銷售建築物料

關於銷售建築物料分類之業務單位，其可收回金額基礎及假設如下：

該業務單位之可收回金額乃以在使用價值計算方法釐定。在使用價值計算方法之主要假設乃與預測期內之折現率、增長率及預期售價及直接成本變動有關。管理層採用除稅前比率，估計折現率為8.56%（二零零五年：9.49%），該除稅前比率反映該業務單位之貨幣時間價值及特定風險之現有市場評估。售價及直接成本之變動乃根據過往做法及預期市場未來變動。

本集團編製之現金流量預測，乃取材自經管理層審批之最近期財政預算案，其涵蓋五年時間並按持平增長率推斷該業務單位於未來九年之現金流量。

於截至二零零六年十二月三十一日止年度內，本集團管理層認定包含商譽之產生現金單位並未發生減值之情況。

26. GOODWILL AND IMPAIRMENT TESTING ON GOODWILL

As explained in note 6, the Group uses business segment as its primary segment for reporting segment information. For the purpose of impairment testing, goodwill has been allocated to two individual cash-generating units ("CGUs"), including one subsidiary in property development segment and one subsidiary in sale of construction materials segment. The carrying amounts of goodwill as at 31st December, 2006 allocated to these units are as follows:

	2006 千港元 HK\$'000	2005 千港元 HK\$'000
Property development	640	640
Sale of construction materials	38,746	38,746
	39,386	39,386

The basis of the recoverable amount of the relevant business unit in the sale of construction materials segment and its major underlying assumptions are summarised below:

The recoverable amounts of the business unit in the sale of construction materials segment are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the forecasted period. Management estimates discount rates of 8.56% (2005: 9.49%), using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the business unit. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by management covering a five-year period and extrapolates cash flows of the business unit for the following nine years using zero growth rate.

During the year ended 31st December, 2006, management of the Group determines that there are no impairments of any of its CGUs containing goodwill.

27. 應收分期付款

應收分期付款中包括81,274,000港元(二零零五年：87,181,000港元)乃以前年度出售待發展物業時產生，此款為免息及按該物業之開發和銷售進度償還。除出售代價外，本集團亦應佔該項目之部份溢利。

28. 於中國之物業存貨

於中國之物業存貨中，包括了已竣工物業 2,252,000 港元 (二零零五年：5,354,000 港元) 乃自貿易債務人轉讓以代替現金還款。

29. 其他存貨

原料
在製品
製成品

27. INSTALMENTS RECEIVABLE

Instalments receivable arising from sale of property for development in prior years to the extent of HK\$81,274,000 (2005: HK\$87,181,000) is interest free and repayable based on the progress of development and sale of a property project. In addition to the consideration, the Group is entitled to share part of the profit from this project.

28. INVENTORIES OF PROPERTIES IN THE PRC

Included in inventories of properties in the PRC are completed properties of HK\$2,252,000 (2005: HK\$5,354,000) transferred from trade debtors in lieu of cash settlement.

29. OTHER INVENTORIES

本集團 THE GROUP

2006 千港元 HK\$'000	2005 千港元 HK\$'000
22,884	25,455
3,266	1,879
12,416	7,595
38,566	34,929

Raw materials
Work in progress
Finished goods

30. 應收貸款

於二零零六年十二月三十一日，應收貸款 40,650,000 港元（二零零五年：40,650,000 港元）為有抵押借款，年利率為 20%（二零零五年：20%），於二零零七年七月償還。應收貸款 8,792,000 港元（二零零五年：8,792,000 港元）為有抵押貸款，年利率為最優惠利率（二零零五年：最優惠利率），於二零零七年二月償還。應收貸款 12,689,000 港元（二零零五年：無）為無抵押貸款，年利率為最優惠利率加 1 厘，於二零零七年一月償還。於二零零五年十二月三十一日，應收貸款 12,273,000 港元為有抵押貸款，年利率為 12%，並已於二零零六年內償還。

31. 貿易及其他應收賬款

應收租戶之租金乃於發出發票時到期支付。本集團一般給予物業買家及其他客戶之信用期限為三十日至一百二十日。於結算日，貿易應收賬款（包括在貿易及其他應收賬款、按金及預付款內）之賬齡分析如下：

未到期
逾期三個月內
逾期四至六個月
逾期七至十二個月
逾期超過十二個月

30. LOANS RECEIVABLE

At 31st December, 2006, loans receivable of HK\$40,650,000 (2005: HK\$40,650,000) bear interests at 20% (2005: 20%) per annum, are secured and repayable in July 2007. Loans receivable of HK\$8,792,000 (2005: HK\$8,792,000) bear interest at prime rate (2005: prime rate), are secured and repayable in February 2007. Loan receivable of HK\$12,689,000 (2005: nil) bear interest at prime rate plus 1% per annum, are unsecured and repayable in January 2007. At 31st December, 2005, loan receivable of HK\$12,273,000 bore interest at 12% per annum, was secured and repaid in 2006.

31. TRADE AND OTHER RECEIVABLES

Rental receivable from tenants are payable on presentation of invoices. The Group generally allows a credit period of 30 to 120 days to property purchasers and other customers. The following is an aged analysis of trade receivables, which are included in trade and other receivables, deposits and prepayments, at the balance sheet date:

本集團 THE GROUP	
2006 千港元 HK\$'000	2005 千港元 HK\$'000
Not yet due	69,121
Overdue within 3 months	204,031
Overdue between 4 and 6 months	37,239
Overdue between 7 and 12 months	16,333
Overdue over 12 months	31,127
292,357	357,851

32. 持作買賣投資

32. HELD-FOR-TRADING INVESTMENTS

		本集團 THE GROUP	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000
於香港以外上市之股本證券	Equity securities listed outside Hong Kong	1,659	1,000
非上市股本證券	Unlisted equity securities	4,940	8,787
非上市債務證券	Unlisted debt securities	4,980	—
		11,579	9,787

於香港以外上市之股本證券以公允價值計量。該等投資之公允價值乃根據有關交易所所報之市場買入報價釐定。

Equity securities listed outside Hong Kong are stated at fair value which is determined based on the quoted market bid price available on the relevant exchanges.

非上市股本證券指投資於中國成立之公司所發行之發起人股份。本集團之非上市證券於結算日之公允價值是按結算日流行之市場利率折現其估計可收回之利息或股息而計算出來之現值，該公允價值與投資之賬面值相若。

Unlisted equity securities represent investments in founders' shares issued by the entities established in the PRC. The fair value of the Group's unlisted securities at the balance sheet date, determined based on the present value of the estimated interest or dividend recovered discounted using the prevailing market rate at the balance sheet date, approximates the carrying amount of the investments.

33. 待售非流動資產

33. NON-CURRENT ASSETS HELD FOR SALE

		本集團 THE GROUP	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000
分類為待售之資產如下：	The assets classified as held for sale are as follows:		
於一間共同控制公司之權益 (附註a)	Interest in a jointly controlled entity (note a)	—	123,338
可供出售投資 (附註b)	Available-for-sale investments (note b)	—	62,667
分類為待售之資產總額	Total assets classified as held for sale	—	186,005

33. 待售非流動資產 (續)

於截至二零零五年十二月三十一日止年度內，

(a) 本集團與一共同控制公司之合營伙伴訂立一項出售協議，以現金代價272,470,000港元出售本集團於該共同控制公司之全部50%權益及股東貸款。預期出售所得款項淨額超過有關資產之賬面值，故此，並無確認任何減值虧損。本集團亦同時與該合營伙伴訂立另一項出售協議，以現金代價19,750,000港元出售本集團之可供出售投資。此兩項出售於二零零五年十二月三十一日正待有關中國政府當局批准，該等出售已於截至二零零六年十二月三十一日止年度內完成。就分類報告而言，共同控制公司被分類為本集團之物業發展業務。

(b) 本集團與一第三方訂立一項出售協議，以現金代價人民幣41,000,000元（相等於39,423,000港元）出售其於一附屬公司之權益。該附屬公司唯一的資產為可供出售投資。此項出售已於截至二零零六年十二月三十一日止年度內完成。此可供出售投資於二零零五年十二月三十一日之公允價值是按上述之現金代價而釐定。

33. NON-CURRENT ASSETS HELD FOR SALE (CONTINUED)

During the year ended 31st December, 2005,

(a) The Group entered into a disposal agreement with a joint venture partner of a jointly controlled entity in relation to the disposal of the Group's entire 50% interest in and shareholder's loan to such jointly controlled entity for a cash consideration of HK\$272,470,000. The net proceeds from disposal were expected to exceed the net carrying amount of the relevant assets and accordingly, no impairment loss had been recognised. At the same time, the Group also entered into another disposal agreement with the same joint venture partner in relation to the disposal of its available-for-sale investment for a cash consideration of HK\$19,750,000. Both disposals were pending approval from the relevant PRC government authorities at 31st December, 2005. The disposals were completed during the year ended 31st December, 2006. The jointly controlled entity is classified in the Group's property development activity for segment reporting purposes.

(b) The Group entered into a disposal agreement with a third party in relation to the disposal of interest in a subsidiary of which the sole asset was an available-for-sale investment for a cash consideration of RMB41,000,000 (equivalent to HK\$39,423,000). The disposal was completed during the year ended 31st December, 2006. The fair value of this available-for-sale investment as at 31st December, 2005 was determined with reference to the cash consideration as mentioned above.

34. 貿易及其他應付賬款

於結算日，貿易應付賬款(包括在貿易及其他應付賬款內)之賬齡分析如下：

未到期
逾期三個月內
逾期四至六個月
逾期七至十二個月
逾期超過十二個月

34. TRADE AND OTHER PAYABLES

The following is an aged analysis of trade payables, which are included in trade and other payables, at the balance sheet date:

本集團 THE GROUP	
2006 千港元 HK\$'000	2005 千港元 HK\$'000
Not yet due	409,339
Overdue within 3 months	228,118
Overdue between 4 and 6 months	14,755
Overdue between 7 and 12 months	6,948
Overdue over 12 months	139,014
614,042	798,174

35. 股本

法定：

於二零零五年十二月三十一日及
二零零六年十二月三十一日
每股面值0.20港元之普通股股份

已發行及繳足：

於二零零五年一月一日及
二零零五年十二月三十一日
進行配售事項及認購事項
而發行之股份
行使認股權證而發行之股份

於二零零六年十二月三十一日

35. SHARE CAPITAL

Authorised:

Ordinary shares of HK\$0.20 each at
31st December, 2005 and 31st
December, 2006

Issued and fully paid:

At 1st January, 2005 and 31st
December, 2005
Shares issued under the placing and
subscription
Shares issued on exercise of warrants

At 31st December, 2006

本集團及本公司 THE GROUP AND THE COMPANY	
普通股股份數目 Number of ordinary shares	面值 Nominal value 千港元 HK\$'000
2,000,000,000	400,000
875,469,918	175,094
175,000,000	35,000
78,800,000	15,760
1,129,269,918	225,854

35. 股本 (續)

普通股

根據於二零零六年四月六日新鴻基有限公司(「新鴻基」)(本公司之主要股東)與配售代理所訂立之配售協議，新鴻基按每股股份5.10港元之價格，向獨立投資者配售本公司175,000,000股每股面值0.20港元之現有股份，此價格較本公司股份於二零零六年四月四日之收市價折讓約6%。

根據於同日新鴻基與本公司所訂立之認購協議，新鴻基按每股股份5.10港元之價格，認購本公司175,000,000股每股面值0.20港元之新股份。認購事項所得款項用作為一物業發展項目提供資金、減低整體借款及用作本集團一般營運資金。該等新股份乃按本公司於二零零五年五月十二日之股東週年大會上向本公司董事授予之一般授權而發行，並在各方面與其他已發行股份享有同等權益。

於截至二零零六年十二月三十一日止年度內，認股權證持有人以現金每股股份2.75港元行使認股權證，因此本公司發行78,800,000股每股面值0.20港元之股份。該等新股份在各方面與其他已發行股份享有同等權益。

35. SHARE CAPITAL (CONTINUED)

Ordinary shares

Pursuant to a placing agreement dated 6th April, 2006 made between Sun Hung Kai & Co. Limited ("SHK"), a substantial shareholder of the Company, and the placing agent, SHK placed 175,000,000 existing shares of HK\$0.20 each in the Company to independent investors at a price of HK\$5.10 per share, representing a discount of approximately 6% to the closing market price of the Company's shares on 4th April, 2006.

Pursuant to a subscription agreement of the same date made between SHK and the Company, SHK subscribed for 175,000,000 new shares of HK\$0.20 each in the Company at a price of HK\$5.10 per share. The proceeds were used to fund a property development project, to reduce overall borrowings and to provide general working capital for the Group. These new shares were issued under the general mandate granted to the directors of the Company at the annual general meeting of the Company held on 12th May, 2005 and rank pari passu with other shares in issue in all respects.

During the year ended 31st December, 2006, 78,800,000 shares of HK\$0.20 each were issued at HK\$2.75 per share for cash as a result of the exercise of warrants by the warrant holder. The new shares rank pari passu with other shares in issue in all respects.

35. 股本 (續)

認股權證

本公司與認購人於二零零四年十二月二十四日完成訂立認股權證文據後，本公司共發行五份新的非上市認股權證，賦予權利按下述認購價認購最多合共78,800,000股新股：

- (甲) 倘於發行日(即二零零四年十二月二十四日)起首六個月期間內行使，每股作價2.25港元(可予調整)；
- (乙) 倘於發行日(即二零零四年十二月二十四日)起第二個六個月期間內行使，每股作價2.50港元(可予調整)；及
- (丙) 倘於發行日(即二零零四年十二月二十四日)起第三個六個月期間(至到期日二零零六年六月二十三日屆滿)內行使，每股作價2.75港元(可予調整)。

本公司已收取總數1,000,000美元(相等於約7,800,000港元)作為發行認股權證之代價。本公司已向聯交所申請將因行使認股權證所附之認購權而須予配發及發行之股份上市及買賣。根據認股權證文據之條款及條文，倘本公司於二零零五年三月三十一日當日或之前未取得該等股份之上市批准，認股權證將會退還本公司以註銷及其將不再具有任何效力，而本公司將向認購人退還1,000,000美元(不計利息)。於截至二零零五年十二月三十一日止年度內，本公司已取得該等股份之上市及買賣批准。

如上文所述，於截至二零零六年十二月三十一日止年度內，認股權證持有人已行使認股權證所賦予之權利。因此，於二零零六年十二月三十一日，本公司並無任何(二零零五年：五份)尚未行使之認股權證。

35. SHARE CAPITAL (CONTINUED)

Warrants

Upon completion of the warrants instrument entered into between the Company and a subscriber on 24th December, 2004, the Company issued 5 new unlisted warrants conferring rights to subscribe for up to 78,800,000 new shares at the following subscription prices:

- (a) at the price of HK\$2.25 (subject to adjustments) in respect of each share if exercised during the first six-month period commencing from the issue date of 24th December, 2004;
- (b) at the price of HK\$2.50 (subject to adjustments) in respect of each share if exercised during the second six-month period commencing from the issue date of 24th December, 2004; and
- (c) at the price of HK\$2.75 (subject to adjustments) in respect of each share if exercised during the third six-month period commencing from the issue date of 24th December, 2004, with such period to end on the expiry date of 23rd June 2006.

The Company has received a sum of US\$1,000,000 (which is equivalent to approximately HK\$7,800,000) as consideration for the issue of warrants. The Company had made application to the Stock Exchange for the listing of, and permission to deal in, the shares to be allotted and issued upon the exercise of the subscription rights attached to the warrants. Under the terms and conditions of warrants instrument, should the approval for the listing of such shares not be obtained by the Company on or before 31st March, 2005, the warrants will be returned to the Company for cancellation and will cease to be of any effect and the Company will refund the sum of US\$1,000,000 (without interest) to the subscriber. During the year ended 31st December, 2005, the Company has obtained the approval for the listing of and permission to deal in such shares.

As abovementioned, during the year ended 31st December, 2006, the warrant holder exercised its rights attached to the warrants. As a result, at 31st December, 2006, the Company had no outstanding (2005: 5) warrants.

35. 股本 (續)

本公司之購股權計劃

本公司之股東於一九九九年一月二十七日通過決議案採納購股權計劃(「計劃」)，主要為合資格僱員(包括執行董事)提供獎勵，而該計劃將於二零零九年一月二十六日屆滿。根據該計劃，本公司之董事會可向合資格僱員(包括本公司及附屬公司之董事)授出可認購本公司股份之購股權。

根據該計劃授出之購股權可認購股份總數不得超過授予當日本公司已發行股份之10%(惟根據計劃授出之購股權獲行使而發行之任何股份除外)。而根據計劃向任何合資格僱員授出之購股權可認購之股份不得超過當時本公司已發行及可予發行之股份總數之25%。

承授人須支付10港元，作為獲授購股權之代價。承授人須於持有購股權最少六個月後方可行使。於兩年行使期間(由授予日起六個月後開始)之第一個至第六個月內，最高可行使50%購股權，其餘50%購股權，則可於兩年行使期間內之第十三至第二十四個月內行使。倘於第一個至第六個月期間，行使少於50%購股權，這些尚未行使之購股權，可結轉至第十三至第二十四個月行使。

行使價由本公司董事釐定，惟將不少於本公司股份之面值或於緊接購股權授出之日前五個營業日股份在聯交所之平均收市價之80%，以較高者為準。

於截至二零零六年及二零零五年十二月三十一日止年度內，並無授出購股權，亦無購股權被行使。

35. SHARE CAPITAL (CONTINUED)

Share Option Scheme of the Company

The Company's share option scheme (the "Scheme") was adopted pursuant to a resolution passed by the Company's shareholders on 27th January, 1999 for the primary purpose of providing incentives to eligible employees (including executive directors), and will expire on 26th January, 2009. Under the Scheme, the Board of Directors of the Company may grant options to eligible employees, including directors of the Company and its subsidiaries, to subscribe for shares in the Company.

The maximum number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at the date of grant excluding any shares issued pursuant to the Scheme. The number of shares in respect of which options may be granted to any eligible employee is not permitted to exceed 25% of the total number of shares of the Company issued and issuable under the Scheme.

A consideration of HK\$10 is payable on the grant of an option. Options granted must be held for a minimum period of six months before they can be exercised. A maximum of 50% of the options may be exercised during the first to sixth month of the 2-year exercisable period (commencing on the expiry of six months after the date of grant) and the remaining 50% are exercisable during the thirteenth to twenty-fourth month of the 2-year period. If no option or less than 50% of the options are exercised during the first to sixth month, these unexercised options can be carried forward to the thirteenth to twenty-fourth month.

The exercise price is determined by the directors of the Company, and will not be less than the higher of the nominal value of the Company's shares or 80% of the average closing price of the shares on the Stock Exchange for the five business days immediately preceding the date of the grant.

No options were granted nor were exercised during the year ended 31st December, 2006 and 2005.

35. 股本 (續)

上海聯合水泥股份有限公司 (「上聯水泥」) 之購股權計劃

購股權計劃 (「上聯水泥計劃」) 已根據於二零零二年五月二十三日通過之決議案經由本公司之附屬公司上聯水泥所採納，採納該計劃之主要目的為向參與者提供購入上聯水泥權益之機會，鼓勵參與者朝著提升上聯水泥及其股份價值，使上聯水泥及其股東整體受惠。上聯水泥計劃將於二零一二年五月二十二日屆滿。

根據上聯水泥計劃及任何其他計劃授出之購股權所涉及之股份總數不得超過上聯水泥於股東批准上聯水泥計劃當日之已發行股份之10% (「計劃授權限制」)，或倘該10%限制已重續，則上聯水泥於股東批准更新計劃授權限制當日之已發行股份之10%。根據上聯水泥計劃及任何其他購股權計劃授出但尚未行使及有待行使之所有購股權於行使時可發行之股份總數最多不得超過上聯水泥不時之已發行股份總數之30%。除非獲得上聯水泥股東之事先批准，否則於任何一年內向任何個別人士可能授出之購股權所涉及股份數目不得超過上聯水泥當日之已發行股份之1%。每次向任何董事、最高行政人員或主要股東授出之購股權均須獲得獨立非執行董事之批准。倘若於授出日期前十二個月期間向主要股東或獨立非執行董事或彼等各自之聯繫人士授出之購股權將導致因行使已獲授及將獲授之購股權涉及之股份數目超過上聯水泥已發行股本之0.1%及其價值超過5,000,000港元，則須先獲得上聯水泥股東批准。

所授出之購股權須於授出當日起計二十一日內獲接納，並須就每份購股權繳付10港元。購股權可於董事會指定之上聯水泥計劃有效期內任何時間根據上聯水泥計劃之條款而行使，惟不得超過購股權授出當日起十年。行使價由上聯水泥董事釐定，惟將不低於上聯水泥股份於購股權授出當日在聯交所之收市價及於緊接購股權授出之日前五個營業日股份之平均收市價，以較高者為準。

35. SHARE CAPITAL (CONTINUED)

Share Option Scheme of Shanghai Allied Cement Limited ("SAC")

A share option scheme (the "SAC Scheme") was adopted by SAC, a subsidiary of the Company, pursuant to a resolution passed on 23rd May, 2002 for the primary purpose of providing the participants with the opportunity to acquire proprietary interests in SAC and to encourage participants to work towards enhancing the value of SAC and its shares for the benefit of SAC and its shareholders as a whole. The SAC Scheme will expire on 22nd May, 2012.

The total number of shares in respect of which options may be granted under the SAC Scheme and any other schemes is not permitted to exceed 10% of the shares of SAC in issue at the date of shareholders' approval of the SAC Scheme (the "Scheme Mandate Limit") or, if such 10% limit is refreshed, at the date of shareholders' approval of the renewal of the Scheme Mandate Limit. The maximum aggregate number of shares, which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the SAC Scheme and any other share option schemes, must not exceed 30% of the total number of shares of SAC in issue from time to time. The number of shares in respect of which options may be granted to any individual in any one year is not permitted to exceed 1% of the shares of SAC then in issue, without prior approval from the shareholders of SAC. Each grant of options to any director, chief executive or substantial shareholder must be approved by independent non-executive directors. Where any grant of options to a substantial shareholder or an independent non-executive director or any of their respective associates would result in the shares of SAC issued and to be issued upon exercise of options already granted and to be granted in excess of 0.1% of the issued share capital of SAC and with a value in excess of HK\$5,000,000 in the 12-month period up to the date of grant must be approved in advance by the shareholders of SAC.

Options granted must be taken up within 21 days from the date of grant, upon payment of HK\$10 per option. An option may be exercised in accordance with the terms of the SAC Scheme at any time during the effective period of the SAC Scheme to be notified by the board of directors which shall not be later than 10 years from the date of grant. The exercise price is determined by the directors of SAC, and will not be less than the higher of the closing price of the shares of SAC on the date of grant, and the average closing price of the shares on the Stock Exchange for the five business days immediately preceding the date of grant.

35. 股本 (續)

上海聯合水泥股份有限公司(「上聯水泥」)之購股權計劃 (續)

下表所載為上聯水泥根據上聯水泥計劃授出之購股權於截至二零零五年及二零零六年十二月三十一日止年度內之變動：

35. SHARE CAPITAL (CONTINUED)

Share Option Scheme of Shanghai Allied Cement Limited ("SAC") (continued)

The following table shows movement in the share options of SAC granted under the SAC Scheme during the year ended 31st December, 2005 and 2006:

		於二零零五年		於二零零六年		
		於二零零五年 一月一日 尚未行使 之數目 Outstanding at 1/1/2005	十二月三十一日 止年度內失效 Lapsed during the year ended 31/12/2005	於二零零五年 十二月三十一日 尚未行使 之數目 Outstanding at 31/12/2005	十二月三十一日 止年度內失效 Lapsed during the year ended 31/12/2006	於二零零六年 十二月三十一日 止年度內註銷 Cancelled during the year ended 31/12/2006
董事	Directors	4,600,000	–	4,600,000	–	(4,600,000)
上聯水泥之僱員	Employees of SAC	17,100,000	(600,000)	16,500,000	(1,600,000)	(13,400,000)
		21,700,000	(600,000)	21,100,000	(1,600,000)	(18,000,000)
						1,500,000

於二零零六年十二月三十一日尚未行使之購股權由上聯水泥之前員工持有。

有關購股權可由二零零四年一月二十八日至二零一三年七月二十七日期間行使，行使價為0.70港元。

The outstanding share options as at 31st December, 2006 are held by an ex-employee of SAC.

The options are exercisable from 28th January, 2004 to 27th July, 2013 with an exercise price of HK\$0.70.

36. 儲備

本集團

其他儲備為國內附屬公司之儲備基金及企業發展基金及因收購附屬公司額外權益所產生之物業公允價值調整。儲備基金乃用作擴展企業之營運資金。當企業出現虧損時，儲備基金可於特殊情況下用作填補不可收回之虧損。企業發展基金乃用作擴展業務，並可在獲得批准之情況下用作增加資本。

在中國成立之附屬公司，聯營公司及合營企業，其可匯出中國境外之累計溢利需由該地區機關批准，並視乎該等公司所賺取及保留之外幣數目而定。

重估儲備

36. RESERVES

THE GROUP

Other reserves comprise a reserve fund and an enterprise expansion fund of the subsidiaries in the PRC and the fair value adjustment on properties arising from acquisition of additional interests in subsidiaries. The reserve fund is to be used to expand the enterprise's working capital. When the enterprise suffers losses, the reserve fund may be used to make up unrecovered losses under special circumstances. The enterprise expansion fund is to be used for business expansion and, if approved, can also be used to increase capital.

The remittance outside of the PRC of accumulated profits of the subsidiaries, associates and joint ventures established in the PRC is subject to approval of the local authorities and the availability of foreign currencies generated and retained by these companies.

Revaluation reserves

		物業重估儲備 Property revaluation reserve 千港元 HK\$'000	投資重估儲備 Investment revaluation reserve 千港元 HK\$'000	總計 Total 千港元 HK\$'000
於二零零五年一月一日	At 1st January, 2005	–	(23,244)	(23,244)
可供出售投資公允價值變動 之收益	Gain on fair value changes of available-for-sale investments	–	24,011	24,011
於二零零五年十二月三十一日	At 31st December, 2005	–	767	767
轉撥至投資物業之 物業重估盈餘 (已扣除稅項)	Surplus on revaluation of properties upon transfer to investment properties (net of tax)	3,519	–	3,519
於出售可供出售投資時 轉撥至損益	Transfer to profit or loss on sale of available-for-sale investments	–	(1,516)	(1,516)
於二零零六年十二月三十一日	At 31st December, 2006	3,519	(749)	2,770

36. 儲備 (續)

本公司

36. RESERVES (CONTINUED)

THE COMPANY

		股本溢價 Share premium account 千港元 HK\$'000	特殊 資本儲備 Special capital reserve 千港元 HK\$'000	認股 權證儲備 Warrant reserve 千港元 HK\$'000	資本贖回 儲備 Capital redemption reserve 千港元 HK\$'000	累計溢利 Accumulated profits 千港元 HK\$'000	總計 Total 千港元 HK\$'000
於二零零五年一月一日	At 1st January, 2005	357,164	1,417,669	–	130,691	1,709,637	3,615,161
發行認股權證	Issue of warrants	–	–	7,800	–	–	7,800
本年度溢利	Profit for the year	–	–	–	–	111,357	111,357
於二零零五年十二月三十一日	At 31st December, 2005	357,164	1,417,669	7,800	130,691	1,820,994	3,734,318
發行股份	Issue of shares	1,058,440	–	–	–	–	1,058,440
發行股份費用	Share issue expenses	(31,446)	–	–	–	–	(31,446)
於行使認股權證時， 將認股權證儲備 轉撥至股本溢價	Transfer of warrant reserve to share premium account upon the exercise of warrants	7,800	–	(7,800)	–	–	–
本年度溢利	Profit for the year	–	–	–	–	425,706	425,706
於二零零六年十二月三十一日	At 31st December, 2006	1,391,958	1,417,669	–	130,691	2,246,700	5,187,018

於二零零六年十二月三十一日，本公司可分派予股東之儲備為累計溢利2,246,700,000港元（二零零五年：1,820,994,000港元）。香港特別行政區高等法院於二零零四年批准本公司削減股份面值時規定，就因削減股份面值而產生之進賬撥入特殊資本儲備，在本公司於二零零四年三月九日之負債全部清還前，此儲備不能作為分配用途。於二零零六年十二月三十一日，本公司於二零零四年三月九日已存在之負債中，仍有95,511,000港元（二零零五年：245,011,000港元）並未清還。

The Company's reserves available for distribution to shareholders as at 31st December, 2006 represent the accumulated profits of HK\$2,246,700,000 (2005: HK\$1,820,994,000). When sanctioning a reduction in nominal value of the Company's shares in 2004, the High Court of the Hong Kong Special Administrative Region stipulated that the credit arising on the reduction be transferred to a special capital reserve, and that reserve was not to be regarded as distributable until all of the liabilities of the Company as at the date of the order, 9th March, 2004, were settled. At 31st December, 2006, liabilities of the Company included HK\$95,511,000 (2005: HK\$245,011,000) in respect of liabilities in existence at 9th March, 2004.

37. 附息借款

37. INTEREST-BEARING BORROWINGS

		本集團 THE GROUP		本公司 THE COMPANY	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000	2006 千港元 HK\$'000	2005 千港元 HK\$'000
銀行透支	Bank overdrafts	16,005	66,334	126	21,518
銀行貸款	Bank loans	1,861,362	1,785,337	160,000	179,500
		1,877,367	1,851,671	160,126	201,018
貸款票據 (附註a)	Loan notes (note a)	78,405	78,405	78,405	78,405
融資租賃承擔	Obligations under finance lease	–	5	–	–
其他借款 (附註b)	Other loans (note b)	21,846	349,583	–	–
		1,977,618	2,279,664	238,531	279,423
有抵押	Secured	1,614,584	1,541,725	150,000	140,000
無抵押	Unsecured	363,034	737,939	88,531	139,423
		1,977,618	2,279,664	238,531	279,423
賬面金額按以下償還：	Carrying amount repayable:				
應要求下或一年內	On demand or within one year	712,841	1,532,320	50,126	201,018
多於一年，但不超過兩年	More than one year, but not exceeding two years	519,127	433,668	118,405	–
多於兩年，但不超過五年	More than two years, but not exceeding five years	656,988	215,642	70,000	78,405
多於五年	More than five years	88,662	98,034	–	–
		1,977,618	2,279,664	238,531	279,423
減：包括於流動負債於一年內到期之金額	Less: Amounts due within one year shown under current liabilities	(712,841)	(1,532,320)	(50,126)	(201,018)
		1,264,777	747,344	188,405	78,405

37. 附息借款 (續)

附註：

- (a) 本公司於截至二零零三年十二月三十一日止年度內發行總本金為78,405,000港元之貸款票據作為購回本公司股份之部份代價，按年利率2.5%計息，於二零零八年八月二十九日償還。
- (b) 於二零零五年十二月三十一日，其他借款245,000,000港元為有抵押借款，按年利率最優惠利率加1厘計息，已於二零零六年償還。其他借款67,308,000港元為有抵押借款，按年利率6.7%計息，已於二零零六年償還。其餘的其他借款為無抵押借款，按市場利率計息，須於結算日後十二個月內償還。

本集團定息借款之影響及合約定下之到期日(或重新定價日)如下：

定息借款：

- 一年內
- 於多於一年，但不超過兩年
- 於多於兩年，但不超過三年
- 於多於四年，但不超過五年
- 於多於五年

同時，本集團之浮息借款乃按香港銀行同業拆息計算利息，並每一個月重新定價。

37. INTEREST-BEARING BORROWINGS (CONTINUED)

Notes:

- (a) Loan notes with an aggregate principal amount of HK\$78,405,000, which were issued by the Company as part of the consideration of the repurchase of shares of the Company during the year ended 31st December, 2003, carry interest at 2.5% per annum and are repayable on 29th August, 2008.
- (b) At 31st December, 2005, other loans of HK\$245,000,000 carried interest at prime rate plus 1% per annum, were secured and repaid in 2006. Other loans of HK\$67,308,000 carried interest at 6.7% per annum, were secured and repaid in 2006. The remaining other loans carried interest at market rate, were unsecured and repayable within twelve months from the balance sheet date.

The exposure of the Group's fixed-rate borrowings and the contractual maturity dates (or repricing dates) are as follows:

	2006 千港元 HK\$'000	2005 千港元 HK\$'000
Fixed-rate borrowings:		
Within one year	561,519	862,548
In more than one year but not more than two years	433,405	336,538
In more than two years but not more than three years	60,000	155,328
In more than four years but not more than five years	250,000	—
In more than five years	5,376	5,376
	1,310,300	1,359,790

In addition, the Group has variable-rate borrowings which carry interest at HIBOR. Interest is repriced every one month.

37. 附息借款 (續)

本集團借款之實際利率(即合約定下之利率)範圍如下：

實際利率：
定息借款
浮息借款

37. INTEREST-BEARING BORROWINGS (CONTINUED)

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings are as follows:

	2006	2005
Effective interest rate:		
Fixed-rate borrowings	2.50% to 10.50%	2.50% to 10.50%
Variable-rate borrowings	5.02% to 9.25%	2.12% to 8.00%

本集團附息借款之賬面值乃以下列貨幣計值：

The carrying amounts of the Group's interest-bearing borrowings are denominated in the following currencies:

		港幣		
	人民幣	Hong Kong	美元	總額
	Renminbi	dollars	US dollars	Total
	千港元	千港元	千港元	千港元
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
二零零六年				
銀行透支	–	16,005	–	16,005
銀行及其他貸款	1,463,446	472,341	25,826	1,961,613
	1,463,446	488,346	25,826	1,977,618
二零零五年				
銀行透支	–	66,334	–	66,334
銀行及其他貸款	1,428,454	755,185	29,691	2,213,330
	1,428,454	821,519	29,691	2,279,664

於本年度，本集團獲得之新借款金額1,476,146,000港元，此等借款以市場利率計息，並於二零一二年或以前償還，所得款項乃用於本集團之營運業務。

During the year, the Group obtained new loans in the amount of HK\$1,476,146,000. The loans bear interest at market rates and will be repayable in or before 2012. The proceeds were used to finance operating activities of the Group.

38. 免息借款

38. INTEREST-FREE BORROWINGS

		本集團 THE GROUP		本公司 THE COMPANY	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000	2006 千港元 HK\$'000	2005 千港元 HK\$'000
期票 (附註a)	Promissory note (note a)	40,000	40,000	-	-
來自少數股東借款	Advances from minority shareholders	64,156	61,642	-	-
應付前少數股東 款項	Amounts due to former minority shareholders	-	49,855	-	-
應付共同控制公司 款項	Amounts due to jointly controlled entities	104,458	59,254	-	-
應付聯營公司款項	Amounts due to associates	8,507	4,973	-	-
應付附屬公司款項	Amounts due to subsidiaries	-	-	30,926	70,744
		217,121	215,724	30,926	70,744
賬面金額按以下償還：	Carrying amount repayable:				
應要求下或一年內	On demand or within one year	156,978	143,060	30,459	70,320
一年後 (附註b)	More than one year (note b)	60,143	72,664	467	424
		217,121	215,724	30,926	70,744
減：包括於流動負債於 一年內到期之金額	Less: Amounts due within one year shown under current liabilities	(156,978)	(143,060)	(30,459)	(70,320)
		60,143	72,664	467	424

附註：

Notes:

- (a) 本集團於截至二零零一年十二月三十一日止年度內發行本金為40,000,000港元之期票，按年利率七厘計息，於二零零四年十二月二十日償還。於截至二零零四年十二月三十一日止年度內，票據持有人同意免除應付未付之期票利息，同時此期票亦變為免息。
- (a) A promissory note with a principal amount of HK\$40,000,000, which was issued by the Group during the year ended 31st December, 2001, carried interest at 7% per annum and was repayable on 20th December, 2004. During the year ended 31st December, 2004, the noteholder agreed to waive the interest accrued but not yet paid and the promissory note became interest free since then.
- (b) 該等金額乃無抵押，並不需於結算日後十二個月內償還。
- (b) The amounts are unsecured and not repayable within twelve months from the balance sheet date.

39. 一名租戶之遞延租金收入

於二零零二年五月二十六日，本集團與一名租戶就出租一項投資物業達成一份為期二十年之租賃協議，按協議該租戶同意代本集團承擔該投資物業的裝修費用178,140,000港元，以代替支付給本集團為期六年之營業租賃租金，而餘下年期按協議每月支付營業租賃租金。於截至二零零五年十二月三十一日止年度內，本集團與該名租戶修訂條款，由本集團承擔該投資物業的裝修費用修訂為60,577,000港元，而餘下年期租戶應付每年營業租金將會減少。按此等安排，減少由本集團承擔之裝修費用117,563,000港元被分類為一名租戶之遞延租金收入，並將會按尚餘之租賃年期十七年以直線法計入損益內作為租金收入。於二零零六年十二月三十一日，將於一年內計入損益之一名租戶之遞延租金收入為7,192,000港元(二零零五年：6,915,000港元)已包括在貿易及其他應付賬款內。

39. DEFERRED RENTAL INCOME FROM A TENANT

On 26th May, 2002, the Group entered into a tenancy agreement with a tenant in respect of leasing of an investment property for a period of 20 years. Pursuant to the agreement, the tenant agreed to bear the costs of fitting out works of the investment property at an agreed amount of HK\$178,140,000 payable on behalf of the Group in lieu of paying operating lease rental to the Group for a period of 6 years, and paying a monthly operating lease rental over the remaining lease period. During the year ended 31st December, 2005, the Group revised the terms of the lease and determined with the tenant that the costs of fitting out works of the investment property to be borne by the Group would be revised to HK\$60,577,000 and the annual operating rental payable by the tenant for the remaining period would be reduced. Taking consideration of the substance of the arrangements, the reduction of costs of fitting out works to be borne by the Group of HK\$117,563,000 was reclassified as deferred rental income from a tenant and is released to the profit or loss as rental income on a straight-line basis over the remaining lease term of 17 years. At 31st December, 2006, deferred rental income from a tenant to be released within one year of HK\$7,192,000 (2005: HK\$6,915,000) has been included in trade and other payables.

40. 會籍債券

會籍債券為高爾夫保證金，此保證金需於會員入會後二十年退還，亦可用於抵扣會員於高爾夫球場內購買別墅之成本。

40. MEMBERSHIP DEBENTURES

Membership debentures represent golf guaranty fees which are refundable to members twenty years after joining the golf club or can be used by members to set off against the cost of purchasing villas at the golf course.

41. 遞延稅項

於本年度及前年度確認的主要遞延稅項負債和資產及其變動如下：

41. DEFERRED TAXATION

The following are the major deferred tax liabilities and assets recognised and movements thereon during the current and prior years:

		按照本集團會計政策作出調整			抵銷已計入物業內之公司間費用					
		Adjustments to conform to	the Group's	Accounting	Elimination of inter-company	charges in	Land	Land	Land	Land
業務合併	重估物業	稅項折舊	加速	the Group's	呆壞賬準備	company	土地增值稅	土地增值稅	土地增值稅	土地增值稅
Business combinations	Revaluation of properties	Accelerated depreciation	tax	accounting policies	for doubtful debts	properties	Land appreciation	Land appreciation	Land appreciation	Land appreciation
(附註i)	of properties	tax depreciation	(附註ii)	(Note ii)	(Note iii)	tax	losses	losses	losses	losses
(Note i)	properties	depreciation	(Note ii)	(Note ii)	(Note iii)	tax	losses	losses	losses	losses
千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
本集團										
THE GROUP										
於二零零五年一月一日	At 1st January, 2005	560,628	67,770	12,533	171,046	(6,492)	(36,695)	29,682	–	632
滙兌調整	Exchange adjustments	1,062	1,012	556	3,699	(125)	–	573	–	–
於年內自收入扣除	Charge (credit) to income for the year	(44,612)	84,602	3,772	(35,011)	(2,668)	1,384	(14,620)	(3,840)	(8)
於二零零五年十二月三十一日	At 31st December, 2005	517,078	153,384	16,861	139,734	(9,285)	(35,311)	15,635	(3,840)	624
滙兌調整	Exchange adjustments	1,224	8,560	1,351	2,529	(195)	–	6,022	(171)	–
於年內自收入扣除	Charge (credit) to income for the year	(4,096)	117,698	2,408	(124,141)	5,336	–	270,233	(868)	6
於年內自權益扣除	Charge to equity for the year	–	621	–	–	–	–	–	–	–
於二零零六年十二月三十一日	At 31st December, 2006	514,206	280,263	20,620	18,122	(4,144)	(35,311)	291,890	(4,879)	630

附註：

Notes:

- | | |
|---|---|
| <p>(i) 此乃指於購入物業控股附屬公司時對待發展及發展中物業公允價值作出調整而產生之臨時差異稅項影響。</p> <p>(ii) 此乃主要指若干附屬公司為按照本集團確認收益及將物業發展成本資本化之政策對管理賬目作出調整而產生之臨時差異稅項影響。</p> <p>(iii) 此乃指抵銷計入附屬公司的發展中物業、待售物業及投資物業成本之公司間費用而產生之臨時差異稅項影響。</p> | <p>(i) This represents the tax effect of the temporary differences arising from the fair value adjustments to properties for and under development upon acquisition of property holding subsidiaries.</p> <p>(ii) This mainly represents the tax effect of the temporary differences arising from the adjustments to management accounts of certain subsidiaries to conform to the Group's policies of revenue recognition and capitalisation of property development cost.</p> <p>(iii) This represents the tax effect of the temporary differences arising from the elimination of inter-company charges originally capitalised as cost of properties under development, properties for sale and investment properties of subsidiaries.</p> |
|---|---|

41. 遞延稅項 (續)

部份遞延稅項資產及負債於資產負債表中已作抵銷，以下為遞延稅項結餘之分析：

遞延稅項負債
遞延稅項資產

41. DEFERRED TAXATION (CONTINUED)

For the purpose of balance sheet presentation, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

2006 千港元 HK\$'000	2005 千港元 HK\$'000
1,085,436	799,830
(4,039)	(4,950)
1,081,397	794,880

於結算日，本集團擁有可抵銷未來溢利之未動用稅項虧損340,051,000港元(二零零五年：329,497,000港元)。此稅項虧損中之14,784,000港元(二零零五年：11,636,000港元)已確認了遞延稅項資產。由於無法預知未來溢利，故並無就餘下之稅項虧損325,267,000港元(二零零五年：317,861,000港元)確認遞延稅項資產。未確認稅項虧損包括將於二零一一年以前逐漸地到期之虧損148,150,000港元(二零零五年：148,271,000港元)。其他虧損可以無限保留。

於結算日，本集團其他可予扣減之暫時差異為315,437,000港元(二零零五年：217,417,000港元)。鑑於未來不大可能有應課稅溢利抵銷可動用之可扣減暫時差異，故本集團並無就此可扣減暫時差異確認遞延稅項資產。

At the balance sheet date, the Group has unused tax losses of HK\$340,051,000 (2005: HK\$329,497,000) available for offset against future profits. A deferred tax asset has been recognised in respect of HK\$14,784,000 (2005: HK\$11,636,000) of such losses. No deferred tax asset has been recognised in respect of the remaining HK\$325,267,000 (2005: HK\$317,861,000) due to the unpredictability of future profit streams. Included in unrecognised tax losses are losses of HK\$148,150,000 (2005: HK\$148,271,000) that will gradually expire until 2011. Other losses may be carried forward indefinitely.

At the balance sheet date, the Group has other deductible temporary differences of HK\$315,437,000 (2005: HK\$217,417,000). No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the deductible temporary differences can be utilised.

42. 租賃安排

本集團為出租方

於結算日，若干投資物業之出租期為二十年，從承租人佔用該物業和經營之日起計算，並於出租期完結時有續約權。承租人之租金乃按營業額（已扣除增值稅）之一定比率計提，且每年之租金不少於若干金額。其他投資物業之租賃期由一至九年及大多數租約並無給予承租人續約權。本集團將在不可撤銷之營業租賃中最少應收租金如下：

於一年之內

於第二年至第五年（包括首尾兩年）

於五年之後

42. LEASE ARRANGEMENTS

The Group as lessor

At the balance sheet date, certain investment properties are leased out for a period of 20 years from the date of commencement of operation of a lessee that occupies the properties, with a renewal option at the end of the lease. The rentals are calculated at a certain percentage of the turnover (net of value added tax) of the lessee, with a minimum annual rental. Other investment properties were leased out for periods ranging from 1 to 9 years and the majority of the leases did not have any renewal options given to the lessees. The Group had contracted with tenants for the following future minimum lease payments:

本集團 THE GROUP	
2006 千港元 HK\$'000	2005 千港元 HK\$'000
Within one year 91,835	74,884
In the second to fifth years inclusive 156,152	175,525
After five years 193,798	203,671
441,785	454,080

42. 租賃安排 (續)

本集團為承租方

於結算日，本集團及本公司承諾將會按以下時間根據不可撤消的營業租賃支付有關物業、廠房及設備之未來最低租金：

於一年之內
於第二年至第五年
(包括首尾兩年)
超過五年

42. LEASE ARRANGEMENTS (CONTINUED)

The Group as lessee

At the balance sheet date, the Group and the Company had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises, plant and equipment which fall due as follows:

	本集團 THE GROUP		本公司 THE COMPANY	
	2006 千港元 HK\$'000	2005 千港元 HK\$'000	2006 千港元 HK\$'000	2005 千港元 HK\$'000
Within one year	4,080	10,468	67	569
In the second to fifth years inclusive	2,508	19,997	—	—
Over five years	76	252,892	—	—
	6,664	283,357	67	569

於二零零一年六月，本集團與於中國之第三方訂立協議租用其水泥生產設備，為期二十年。根據與該於中國之第三方訂立之補充協議，本集團有權於二零零三年六月及其後每兩年期末時終止上述租約。現時本集團並無意終止該租約。

同時，於以前年度本集團與中方夥伴商定承租部份空置用地作為物業發展，為期七十年。本集團需為尚未購買之土地繳付租金，直至本集團訂立協議購買此土地使用權為止。首三年租金乃固定及其後每三年提升5%。此用地於前年度之營業租賃承諾計算乃基於計劃之發展時間表。

其他營業租賃費用乃指本集團對於若干辦公樓物業之應付租金。租約經議定的租賃期為一至八年，租金不變。

In June 2001, the Group entered into an arrangement with a third party in the PRC to lease the production facilities for manufacture of cement with a term of twenty years. Under a supplemental agreement with the third party in the PRC, the Group has an option to terminate the said lease in June 2003 and at the end of every two years after June 2003. The Group has no current intention to terminate the lease.

Also, in prior years the Group entered into agreements with PRC parties to lease certain vacant land sites with a term of seventy years for future property development. Until the Group enters into agreements for the acquisition of the land use right of these sites, the Group is liable for the payment of rent, which is calculated based on the site area not yet acquired. The rental is fixed for the first three years and will be increased by 5% for each of the following three-year periods. The operating lease commitments for these land sites in prior year were calculated by reference to the planned development timeframe.

Other operating lease payments represent rentals payable by the Group for certain of its office properties. Leases are negotiated for a term ranging from one to eight years at fixed rentals.

43. 資本承諾

43. CAPITAL COMMITMENTS

		本集團		本公司	
		THE GROUP		THE COMPANY	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000	2006 千港元 HK\$'000	2005 千港元 HK\$'000
已簽約承諾之 資本支出為：	Capital expenditure in respect of contracted commitments for:				
－購買國內之土地 使用權	－ acquisition of land use rights in the PRC	1,316,534	1,449,530	－	－
－購買物業、廠房 及設備	－ acquisition of property, plant and equipment	630	5,533	－	－
－購買投資物業	－ acquisition of investment properties	46,000	－	－	－
－貸款予聯營公司	－ loans to associates	4,650	4,650	－	－

44. 或有負債

44. CONTINGENT LIABILITIES

(a) 本公司及本集團於
二零零六年十二月
三十一日之擔保如
下：

(a) At 31st December, 2006, the Company and the Group had guarantees as follows:

		本集團		本公司	
		THE GROUP		THE COMPANY	
		2006 千港元 HK\$'000	2005 千港元 HK\$'000	2006 千港元 HK\$'000	2005 千港元 HK\$'000
就給予所動用之銀行 信貸向銀行作出擔保：	Guarantees given to banks in respect of banking facilities utilised by:				
－附屬公司	－ subsidiaries	－	－	912,018	401,704
－一間共同控制公司	－ a jointly controlled entity	30,000	－	－	－
就給予物業購買者之 按揭貸款向銀行 作出擔保	Guarantees given to banks in respect of mortgage loans granted to property purchasers	252,986	382,110	616	1,908
給予一物業發展附屬公司 土地使用權賣方之 銀行信貸向 一間銀行作出擔保	Guarantee given to a bank in respect of a banking facility granted to a vendor of land use rights to a property development subsidiary	13,797	13,267	－	－
就一附屬公司所發行 之期票作出擔保	Guarantee in respect of a promissory note issued by a subsidiary	－	－	40,000	40,000
就一附屬公司所動用 之貸款向一放款人 作出擔保	Guarantee given to a money lender in respect of a loan facility utilised by a subsidiary	－	－	－	245,000

44. 或有負債 (續)

(b) 於截至二零零六年十二月三十一日止年度內，中國政府加強執行有關中國國土資源部於一九九九年四月二十六日所頒佈之閒置土地處置法之規則。於二零零六年十二月三十一日，一項賬面值為119,423,000港元之待發展物業被界定為閒置土地，原因是地方當局未能適當處理當地居民之調遷問題，以致發展受到延誤。本集團正與地方土地局商討，計劃以另一幅於市內並無調遷問題之土地掉換此閒置土地。本集團對有關問題作出評估及取得法律意見，並認為即使未能確定最後結果，有關被沒收的閒置土地或可以由替代土地作補償。其他賬面總值為359,819,000港元之待發展物業及收購待發展物業之訂金可能被界定為閒置土地。本集團現正與當地部門緊密合作，包括商討發展方案之可行性。根據法律意見，董事們已對有關問題作出評估，並認為有關土地被沒收之情況可能不會發生。

(c) 一名先前購入深圳一項物業之買家，向本公司一間全資附屬公司提出法律訴訟，要求撤銷銷售合同及索回已付樓款約52,330,000港元及賠償。賬面值為37,499,000港元之已竣工物業存貨現由法院保管持有。本集團已提出上訴，而最高人民法院已下令重審此案件。此物業買家提出另一項法律訴訟，要求索回同一個商場另一層及地庫停車場之已付樓款以及賠償合共約62,698,000港元。此案件正於中國法院審理中。根據法律意見，本集團認為對於有關索償有強而有力之抗辯理據，無需要作出撥備。

44. CONTINGENT LIABILITIES (CONTINUED)

(b) During the year ended 31st December, 2006, the PRC government has reinforced the compliance of regulations on idle land confiscation which was issued by the Ministry of Land Resources of the PRC on 26th April, 1999. As at 31st December, 2006, a property for development with carrying value of HK\$119,423,000 was identified as idle land because the resettlement problem of local residence by the local authority cannot be resolved and the development is delayed. The Group is working on a proposal with the local land bureau of swapping this idle land with another land site without resettlement problem in the same city. The Group has assessed the issue and obtained legal advice, and considers that although the final outcome is uncertain, the idle land confiscation may be compensated by a replacement land site. Other properties for development and deposits for acquisition of properties for development with aggregate carrying values of HK\$359,819,000 may be potentially classified as idle land. The Group is currently working diligently to prevent the possible classification, including negotiating the feasibility of development plans with local authorities. Based on legal advice, the Directors have assessed the issue and considered that the idle land confiscation may not materialise.

(c) A property purchaser who previously purchased a property in Shenzhen initiated legal proceedings against a wholly owned subsidiary of the Company to rescind the sale contract and claim for sales proceeds paid of approximately HK\$52,330,000 together with compensation. Inventories of completed properties with carrying value of HK\$37,499,000 are held in the custody of the court. The Group had appealed and the Supreme Court had ordered rehearing to the case. This property purchaser initiated another legal proceeding claiming for sales proceeds of another storey of the same shopping arcade and the underground car parks with the compensation amounting to approximately HK\$62,698,000. This case is under trial by the court in the PRC. Based on legal opinion, the Group considers that it has a strong defence to the claims and no provision is required to be made.

44. 或有負債 (續)

- (d) 一名前租客已向本集團一間共同控制公司提出法律行動，就地方政府收回物業之土地使用權，而申索重新安置之賠償約14,969,000港元。一家全資附屬公司約值7,952,000港元之應收款項乃由法院保管持有。此案件正在中國法院審訊中。本集團已根據法律意見，對此項索償進行評估及認為此項索償之最終結果將對本財務報表並無重大影響。
- (e) 若干銀行向本公司一間全資附屬公司(作為授予若干物業買家按揭貸款之擔保人)提出訴訟，要求償還物業買家欠付之按揭貸款約12,237,000港元。根據法律意見，本集團已對此等索償進行評估及認為無需要作出撥備。
- (f) 一名分判商同時控告總承建商、租戶及一間附屬公司，要求索取未付之建築費約28,000,000港元。該附屬公司已全額支付建築費予總承建商及租戶。此案件正於中國法院審理中。
- (g) 若干承建商控告一間附屬公司，要求索償有爭議的未付建築費及賠償共約32,553,000港元。此案件正於中國法院審理中。本集團已對此項索償進行評估及在徵求法律意見後，認為此項索償之最終結果將對本集團之財務狀況並無重大影響。

44. CONTINGENT LIABILITIES (CONTINUED)

- (d) A former tenant has taken legal action against a jointly controlled entity of the Group claiming for resettlement compensation amounting to approximately HK\$14,969,000 due to the repossession of the property's land use rights by the local government. Trade receivable of a wholly owned subsidiary amounting to approximately HK\$7,952,000 is held in the custody of the court. The case is being tried by the court in the PRC. Based on legal opinion, the Group has assessed the claim and considers that the final outcome of the claim will not have material effect on the financial statements.
- (e) Certain banks have taken legal action against a wholly owned subsidiary of the Company, which has acted as a guarantor for mortgage loans granted to certain property purchasers, claiming for the defaulted repayment amounting to approximately HK\$12,237,000. Based on legal opinion, the Group has assessed the claims and considers that no provision is required to be made.
- (f) A sub-contractor has sued the main contractor, the tenant and a subsidiary jointly for outstanding construction cost of approximately HK\$28,000,000. The subsidiary has fully settled all construction costs with the main contractor and the tenant. The case is under trial by the court in the PRC.
- (g) A contractors have sued a subsidiary for outstanding construction costs and compensations of totally approximately HK\$32,553,000 which are in dispute. The case is under trial by the court in the PRC. The Group has assessed the claim obtained legal advice, and considers that the final outcome of the claim will not have material effect on the financial position of the Group.

44. 或有負債 (續)

- (h) 一名物業買家已向本公司一間附屬公司提出法律訴訟，就聲稱延遲發出已售物業房產證及所售物業之私人花園面積減少而申索約1,000,000港元之賠償。本集團已對此項索償進行評估及在徵求法律意見後，認為無需要作出撥備。
- (i) 一名於中國之合營夥伴向本公司之附屬公司提出法律行動，因合營項目暫時停工對其造成損失，要求索償約46,303,000港元及退出合營公司。此案件正於中國法院審理中。本集團已對此項索償進行評估及在徵求法律意見後，認為現時乃太早作評估可能產生之責任，亦無需要作出撥備。
- (j) 一名物業買家已向本公司一間附屬公司提出法律訴訟，要求取消銷售合同及索回有關物業之已付樓款約2,670,000港元。本集團已對此項索償進行評估及在徵求法律意見後，認為無需要作出撥備。
- (k) 一名承建商控告一間附屬公司，要求索償有爭議的未付建築費及賠償共約3,336,000港元。銀行存款約3,336,000港元現由法院保管持有。此項案件正於中國法院審理中。本集團已根據法律意見，對此項索償進行評估及認為此項索償之最終結果將對本財務報表並無重大影響。

44. CONTINGENT LIABILITIES (CONTINUED)

- (h) A property purchaser initiated legal proceeding against a subsidiary of the Company claiming for the compensation of approximately HK\$1,000,000 for the alleged late issue of title deed and decrease in area of private garden of the property sold. The Group has assessed the claim and obtained legal advice, and considers that no provision is required to be made.
- (i) A joint venture partner in the PRC has taken legal action against certain subsidiaries of the Company claiming for compensation of approximately HK\$46,303,000 and withdrawal from the joint venture due to the suspension in development of the joint venture project. This case is under trial by the court in the PRC. The Group has assessed the claim and obtained legal advice, and considers that it is too early to assess the range of possible liability at this stage and no provision is required to be made.
- (j) A property purchaser initiated legal proceeding against a subsidiary of the Company to rescind the sale contract and claim for sales proceeds paid of HK\$2,670,000. The Group has assessed the claim and obtained legal advice, and considers that no provision is required to be made.
- (k) A contractor has sued the subsidiary for outstanding construction cost of approximately HK\$3,336,000 which is being disputed. Bank deposits of approximately HK\$3,336,000 are held in the custody of the court. The case is under trial by the court in the PRC. Based on legal opinion, the Group has assessed the claim and considers that the final outcome of the claim will not have material effect on the financial statements.

44. 或有負債 (續)

- (I) 於以前年度，本集團已支付及確認預繳土地增值稅，該稅項乃按銷售金額乘以當地稅務局評定之若干稅率（介乎0.5%至3%不等）而計算，財務報表內並無全額預提土地增值稅。倘全面開徵此稅，則本集團於二零零五年十二月三十一日額外應佔附屬公司之土地增值稅為148,098,000 港元及應佔共同控制公司和一間聯營公司之土地增值稅為88,056,000 港元。於截至二零零六年十二月三十一日止年度，本集團已根據稅務總局之規定全額預提土地增值稅。

45. 退休福利計劃

本集團參與根據職業退休計劃條例登記之定額供款計劃（「職業退休計劃」）及根據強積金條例於二零零零年十二月成立之強積金計劃（「強積金計劃」）。該等計劃之資產與本集團之資產分開持有，由受保人管理之信託基金所持有。在強積金計劃成立之前，原為職業退休計劃成員之僱員可選擇繼續參與職業退休計劃或轉至強積金計劃，所有於二零零零年十二月一日或以後新入職之僱員需參與強積金計劃。

對於強積金計劃成員，僱員及本集團之供款為僱員每月有關薪金之5%，強制性上限為20,000港元，如員工每月之基本薪金超過20,000港元，本集團亦會作出5%之補充供款。

44. CONTINGENT LIABILITIES (CONTINUED)

- (I) In the previous years, the Group has paid and recognised provisional LAT calculated according to certain rates (varying from 0.5% to 3%) over sales amounts assessed by local tax bureaux and full provisions for LAT have not been made in the financial statements. Should such full levies take place, then at 31st December, 2005, additional LAT of subsidiaries attributable to the Group amounted to HK\$148,098,000 and share of LAT of jointly controlled entities and an associate attributable to the Group amounted to HK\$88,056,000. During the year ended 31st December, 2006, the Group has provided for LAT fully in accordance with the requirements of SAT.

45. RETIREMENT BENEFIT PLANS

The Group participates in both a defined contribution scheme which is registered under the Occupational Retirement Scheme Ordinance (the “ORSO Scheme”) and a Mandatory Provident Fund Scheme (the “MPF Scheme”) established under the Mandatory Provident Fund Ordinance in December 2000. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. Employees who were members of the ORSO Scheme prior to the establishment of the MPF Scheme were offered a choice of staying within the ORSO Scheme or switching to the MPF Scheme, whereas all new employees joining the Group on or after 1st December, 2000 are required to join the MPF Scheme.

For members of the MPF Scheme, both employees’ and the Group’s contributions are calculated at 5% of the employee’s monthly relevant income, with the mandatory cap of HK\$20,000, and the Group will make 5% top-up contribution if an employee’s monthly basic salary exceeds HK\$20,000.

45. 退休福利計劃 (續)

僱員及本集團之每月供款為職業退休計劃提供資金。僱員之供款率為0%至5%，而本集團則按員工之工作年資，作5%至10%之供款。倘若僱員在完全符合獲取全部供款資格前退出職業退休計劃，此放棄之供款將可扣減本集團之應付供款金額。於截至二零零六年十二月三十一日止年度內，因放棄而用作扣減供款之金額為22,000港元(二零零五年：247,000港元)。於結算日，並無(二零零五年：2,000港元)因僱員退出職業退休計劃而放棄之供款可扣減將來應付供款金額。

本公司於中國成立之附屬公司僱員乃由中國政府運作之國家監管退休福利計劃之成員。附屬公司之供款為僱員薪金之若干百分比，作為該退休福利計劃之資金。本集團之唯一責任為向該退休福利計劃提供特定的供款。

於截至二零零六年十二月三十一日止年度內，本集團已支付之退休福利計劃供款為13,580,000港元(二零零五年：12,370,000港元)。

45. RETIREMENT BENEFIT PLANS (CONTINUED)

The ORSO Scheme is funded by monthly contributions from the employees at rates ranging from 0% to 5% and from the Group at rates ranging from 5% to 10% of the employee's basic salary, depending on the length of service with the Group. Where there are employees who leave the ORSO Scheme prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions. During the year ended 31st December, 2006, the amount of forfeited contributions used to set off contributions was HK\$22,000 (2005: HK\$247,000). At the balance sheet date, no (2005: HK\$2,000) forfeited contributions, which arose upon employees leaving the ORSO Scheme, are available to reduce the contributions payable in future years.

The employees of the Company's subsidiaries established in the PRC are members of state-managed retirement benefit schemes operated by the PRC government. These subsidiaries are required to contribute certain percentage of payroll costs to the retirement benefit schemes to fund the benefits. The only obligation of the Group with respect to the retirement benefit schemes is to make the specified contributions.

During the year ended 31st December, 2006, the Group made contributions to the retirement benefits schemes of HK\$13,580,000 (2005: HK\$12,370,000).

46. 有關連人士之交易及結餘

本集團與有關連人士之重大交易及結餘如下：

46. RELATED PARTY TRANSACTIONS AND BALANCES

The Group had material transactions and balances with related parties as follows:

		2006 千港元 HK\$'000	2005 千港元 HK\$'000
(i) 新鴻基	(i) SHK		
– 尚餘貸款票據， 詳見附註37(a)	– Outstanding loan note, as detailed in note 37(a)	78,000	78,000
– 應付其他貸款， 詳見附註37(b)	– Other loan payable, as detailed in note 37(b)	–	245,000
– 貸款票據利息	– Interest on loan note	1,950	1,950
– 應付其他貸款利息	– Interest on other loan payable	6,620	4,804
– 貸款安排費	– Loan arrangement fee	–	1,250
– 已付保險費用	– Insurance paid	895	905
– 應付金額	– Amounts payable	1,371	3,609
(ii) 新鴻基之控股股東（與 本公司有共同董事）	(ii) Controlling shareholders of SHK (and which have common directors with the Company)		
– 已付租金、物業管理 及空調費用	– Rent, property management and air-conditioning fees paid	2,568	2,327
– 管理費	– Management fee	4,335	4,080
– 利息費用	– Interest expenses	1,139	–
– 應付其他貸款	– Other loans payable	5,000	1,400
– 應付金額	– Amounts payable	4,924	9,003
(iii) 本集團之共同控制公司	(iii) Jointly controlled entities of the Group		
– 一間共同控制公司對 銀行給予本集團之 銀行信貸作出擔保	– Guarantee provided by a jointly controlled entity to a bank for a banking facility granted to the Group	–	18,269
– 向一共同控制公司 購買投資物業	– Acquisition of investment properties from a jointly controlled entity	–	19,562

46. 有關連人士之交易及結餘 (續)

46. RELATED PARTY TRANSACTIONS AND BALANCES
(CONTINUED)

		2006 千港元 HK\$'000	2005 千港元 HK\$'000
(iv) 少數股東	(iv) Minority shareholders		
— 水泥生產設備租金費用	— Rental expenses for cement production facilities	5,769	5,852
(v) 本公司一位非執行董事為其合作夥伴之公司	(v) A company of which a non-executive director of the Company is a partner		
— 法律及專業費用	— Legal and professional fees	1,893	3,081
(vi) 主要管理層人員薪酬	(vi) Key management personnel compensation		
— 薪金及其他短期僱員福利	— Salaries and other short-term benefits	8,662	7,454
— 退休福利費用	— Post-employment costs	350	291
— 已付離職之補償	— Compensation for loss of office paid	575	—

本集團若干主要管理層人員從一家擁有本公司重大權益之公司或其全資附屬公司收取酬金。該公司向本集團提供管理服務，並向本集團就該等人員及其他並非本集團之主要管理層人員所提供服務收取費用，該費用已包括在此附註(ii)部份所披露之管理費中。

上述之管理費在二零零五年內開始收取。管理費乃按管理層於本集團事務所付出之時間計算，並可分配至上述主要管理層人員。總分配金額為2,699,000港元(二零零五年：1,774,000港元)，並已包括在上述之主要管理層人員薪酬內。

Certain key management personnel of the Group received remuneration from a company, or a wholly owned subsidiary of such company, which has significant beneficial interests in the Company. Such company provided management services to the Group and charged the Group a fee, which has been included in management fee as disclosed in part (ii) of this note, for services provided by those personnel as well as others who were not key management personnel of the Group.

The above-mentioned management fee commenced to be charged in 2005 and is calculated by reference to the time devoted by the management personnel on the affairs of the Group and can be apportioned to the above key management personnel. The total of such apportioned amounts, which has been included in the key management personnel compensation above, is HK\$2,699,000 (2005: HK\$1,774,000).

46. 有關連人士之交易及結餘 (續)

於截至二零零五年十二月三十一日止年內，

- (a) 本集團向新鴻基之一間附屬公司出售一間物業投資的附屬公司之全部權益，現金代價約為38,478,000港元。
- (b) 本集團與新鴻基一間附屬公司訂立貸款協議，據此，本集團取得最多100,000,000港元之循環貸款，其後，本集團與此間新鴻基附屬公司訂立補充貸款協議，貸款額由100,000,000港元提高至280,000,000港元，由二零零五年十一月七日起為期三十六個月，該項貸款為有抵押，年息按最優惠利率加一厘計算。
- (c) 本集團以總現金代價約19,263,000港元分別向兩位少數股東收購彼等於一間附屬公司之40%權益，詳情見附註9(a)。
- (d) 本集團向附屬公司之一位少數股東出售本集團於一間共同控制公司之全部51%權益，現金代價約為7,759,000港元，並同時向該少數股東收購兩間附屬公司之額外權益，現金代價共約2,110,000港元，詳情見附註9(b)。

46. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

During the year ended 31st December, 2005,

- (a) The Group has disposed of its entire interest in a subsidiary engaged in property investment to a subsidiary of SHK for a cash consideration of approximately HK\$38,478,000.
- (b) The Group has entered into a loan agreement with a subsidiary of SHK, pursuant to which a revolving credit facility up to HK\$100,000,000 was made available to the Group. Subsequently, the Group has entered into a supplemental loan agreement with that subsidiary of SHK to increase the credit facility from HK\$100,000,000 to HK\$280,000,000 for a term of 36 months from 7th November, 2005. Such revolving credit facility is secured and carries interest at a rate of prime rate plus 1% per annum.
- (c) The Group has acquired from two minority shareholders their 40% interest in a subsidiary for an aggregate cash consideration of approximately HK\$19,263,000, as detailed in note 9(a).
- (d) The Group has disposed of its entire 51% interest in a jointly controlled entity to a minority shareholder of the Company's subsidiaries at a cash consideration of approximately HK\$7,759,000. The Group has also acquired from the same minority shareholder the additional interests in two subsidiaries at the aggregate cash consideration of approximately HK\$2,110,000, as detailed in note 9(b).

47. 資產抵押

於二零零六年十二月三十一日，

- (a) 本集團將於上聯水泥綜合資產淨值154,038,000港元(二零零五年：142,177,000港元)之54.7%(二零零五年：54.7%)權益作為本集團獲授銀行透支信貸之抵押。
- (b) 本集團將於Tian An Land (Shanghai) Limited(「Tian An Land」)賬面值481,669,000港元(二零零五年：421,148,000港元)之100%(二零零五年：100%)權益作為本公司獲授銀行信貸之抵押。Tian An Land之一間附屬公司分別將賬面值938,524,000港元(二零零五年：335,611,000港元)之投資物業、賬面值13,479,000港元(二零零五年：無)之待售物業及賬面值24,243,000港元(二零零五年：25,690,000港元)之物業、廠房及設備作為該附屬公司獲授銀行信貸之抵押。
- (c) 本集團將於天安地產代理(中國)有限公司(「天安地產」)賬面值為374,723,000港元(二零零五年：387,384,000港元)之100%(二零零五年：100%)權益作為本集團獲授其他貸款之抵押。於二零零五年十二月三十一日，天安地產之一間附屬公司分別將賬面值369,688,000港元及154,569,000港元之投資物業作為本集團獲授銀行信貸及其他貸款之抵押。
- (d) 本集團將銀行存款302,952,000港元(二零零五年：64,749,000港元)及由若干附屬公司持有之物業、廠房及設備、待發展物業、發展中物業、待售物業及投資物業賬面值分別為22,083,000港元(二零零五年：960,000港元)、618,962,000港元(二零零五年：505,873,000港元)、147,440,000港元(二零零五年：490,800,000港元)、355,542,000港元(二零零五年：258,630,000港元)及802,372,000港元(二零零五年：789,227,000港元)給銀行作為本集團獲授銀行信貸之抵押。用作抵押之銀行存款之固定利率為0.72%至5.24%，並將歸還銀行貸款後解除。

47. PLEDGED ASSETS

At 31st December, 2006,

- (a) The Group's 54.7% (2005: 54.7%) interest in SAC with consolidated net assets of HK\$154,038,000 (2005: HK\$142,177,000) was pledged against a bank overdraft facility granted to the Group.
- (b) The Group's 100% (2005: 100%) interest in Tian An Land (Shanghai) Limited ("Tian An Land") with carrying value of HK\$481,669,000 (2005: HK\$421,148,000) was pledged against a banking facility granted to the Company. Investment properties, properties for sale and property, plant and equipment held by a subsidiary of Tian An Land with carrying values of HK\$938,524,000 (2005: HK\$335,611,000), HK\$13,479,000 (2005: nil) and HK\$24,243,000 (2005: HK\$25,690,000) respectively were pledged against a banking facility granted to that subsidiary.
- (c) The Group's 100% (2005: 100%) interest in Tian An Real Estate Agency (China) Company Limited ("Tian An Real Estate") with carrying value of HK\$374,723,000 (2005: HK\$387,384,000) was pledged against another loan facility granted to the Group. As at 31st December, 2005, investment properties held by a subsidiary of Tian An Real Estate with carrying values of HK\$369,688,000 and HK\$154,569,000 respectively were pledged against banking facilities and another loan facility granted to the Group.
- (d) Bank deposits, property, plant and equipment, properties for development, properties under development, properties held for sale and investment properties of certain subsidiaries with carrying values of HK\$302,952,000 (2005: HK\$64,749,000), HK\$22,083,000 (2005: HK\$960,000), HK\$618,962,000 (2005: HK\$505,873,000), HK\$147,440,000 (2005: HK\$490,800,000), HK\$355,542,000 (2005: HK\$258,630,000) and HK\$802,372,000 (2005: HK\$789,227,000) respectively were pledged to banks for banking facilities granted to the Group. The pledged deposits carry fixed interest rate of 0.72% – 5.24%. The pledged deposits will be released upon the repayment of bank loans.

47. 資產抵押 (續)

(e) 本集團將賬面值2,824,000港元(二零零五年：2,845,000港元)之待發展物業作為其他貸款之抵押。

(f) 本集團將賬面值分別為42,381,000港元(二零零五年：44,628,000港元)及54,150,000港元(二零零五年：53,583,000港元)之待發展物業及發展中物業作為貿易應付賬款之抵押，該應付賬款已結清，但尚未解除。

(g) 本集團將銀行存款3,926,000港元(二零零五年：3,521,000港元)給銀行作為物業買家獲授按揭貸款之抵押。

(h) 本集團之若干資產，按附註44(c)、(d)及(k)所述，現由法院保管持有。

於二零零五年十二月三十一日，

(i) 本集團將於天滿企業有限公司賬面值為5,212,000港元之100%權益作為本集團獲授其他貸款之抵押，此抵押已於二零零六年度內獲解除。

(j) 上聯水泥將於山東聯合王晁水泥有限公司資產淨值69,795,000港元之95%權益作為上聯水泥一間附屬公司獲授另一銀行信貸之抵押。該抵押已於二零零六年度內獲解除。

47. PLEDGED ASSETS (CONTINUED)

(e) Properties for development with carrying value of HK\$2,824,000 (2005: HK\$2,845,000) were pledged against other loans.

(f) Pledges of properties for development and under development with carrying values of HK\$42,381,000 (2005: HK\$44,628,000) and HK\$54,150,000 (2005: HK\$53,583,000) respectively against a trade payable which has been settled, have not been released.

(g) Bank deposits with carrying value of HK\$3,926,000 (2005: HK\$3,521,000) were pledged against mortgage loans granted to property purchasers.

(h) Certain assets of the Group are under the custody of courts, as described in note 44(c), (d) and (k).

At 31st December, 2005,

(i) The Group's 100% interest in Sky Full Enterprise Limited with carrying value of HK\$5,212,000 was pledged against another loan facility granted to the Group. This security pledged was discharged during 2006.

(j) SAC's 95% interest in Shandong Allied Wangchao Cement Limited with net assets of HK\$69,795,000 was pledged against another banking facility granted to a subsidiary of SAC. This security pledged was discharged during 2006.

48. 主要附屬公司詳情

除另有說明外，所有主要附屬公司均在香港註冊成立，並皆主要在香港經營運作，詳情如下：

48. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Particulars of principal subsidiaries which are incorporated and are operating principally in Hong Kong except where otherwise indicated are as follows:

附屬公司名稱 Name of subsidiary	已發行繳足普通股 股本／註冊資本 Paid up issued ordinary share capital/ registered capital	已發行普通股股本面值／ 註冊資本之比例 Proportion of nominal value of issued ordinary share capital/ registered capital		主要業務 Principal activities
		本公司*／ 附屬公司持有 held by the Company* / subsidiaries %	本集團應佔 attributable to the Group %	
All-Shanghai Inc. ⁽ⁱⁱⁱ⁾	US\$15,376,500	83.33	45.64	投資控股 Investment holding
Allied Resort (Hangzhou) Company Limited ⁽ⁱⁱⁱ⁾	US\$1	100	100	投資控股 Investment holding
北京南湖花園公寓有限公司 ⁽ⁱⁱⁱ⁾ Beijing Nanhu Huayuan Apartment Co., Ltd. ⁽ⁱⁱ⁾	US\$15,600,000	100	100	物業發展及投資 Property development and investment
北京上聯首豐建材有限公司 ⁽ⁱⁱⁱ⁾ Beijing Shanglian Shoufeng Construction Materials Limited ⁽ⁱⁱⁱ⁾	RMB4,000,000	—	— ^(ix)	生產及分銷礦渣粉 Manufacturing and distribution of slag powder
Best Advantage Limited ⁽ⁱⁱⁱ⁾	US\$1	100	100	投資控股 Investment holding
CBI 投資有限公司 CBI Investment Limited	HK\$151,031,629	64.58	64.58	投資控股 Investment holding
長春天安房地產開發有限公司 ^(v) Changchun Tian An Real Estate Development Co., Ltd. ^(v)	RMB50,000,000	100	100	物業發展 Property development
常州天安城市發展有限公司 ^(v) Changzhou Tian An City Development Co., Ltd. ^(v)	US\$2,650,000	100	100	物業發展 Property development
常州天安廣場置業有限公司 ^(v) Changzhou Tian An Landmark Co., Ltd. ^(v)	US\$8,000,000	100	100	物業發展及投資 Property development and investment
常州天安元城房地產發展有限公司 ^(v) Changzhou Tian An Yuan Cheng Real Estate Development Company Limited ^(v)	US\$10,000,000	100	100	物業發展 Property development
華萊管理有限公司 Chinaland Management Limited	HK\$200	100*	100	投資控股 Investment holding
Commander Ventures Limited ⁽ⁱⁱⁱ⁾	US\$1	100	100	投資控股 Investment holding
港力物業管理(上海)有限公司 ⁽ⁱⁱ⁾ Cornell Property Services (Shanghai) Co., Ltd. ⁽ⁱⁱ⁾	US\$620,000	100	100	物業發展及投資 Property management and investment holding

48. 主要附屬公司詳情 (續)

48. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

附屬公司名稱 Name of subsidiary	已發行繳足普通股 股本／註冊資本 Paid up issued ordinary share capital/ registered capital	已發行普通股股本面值／ 註冊資本之比例 Proportion of nominal value of issued ordinary share capital/ registered capital 本公司*／ 附屬公司持有 held by the Company* / subsidiaries %	本集團應佔 attributable to the Group %	主要業務 Principal activities
大連天安房地產開發有限公司 ⁽ⁱⁱ⁾ Dalian Tian An Property Development Co., Ltd. ⁽ⁱⁱ⁾	US\$6,800,000	60	60	物業發展 Property development
大連天安國際大廈有限公司 ^(iv) Dalian Tian An Tower Co., Ltd. ^(iv)	US\$10,000,000	100	100	物業發展及投資 Property development and investment
Foo Chow Holdings Limited ⁽ⁱⁱⁱ⁾	US\$1	100	100	投資控股 Investment holding
Grand Rise Investments Limited ⁽ⁱⁱⁱ⁾	US\$1	100	100	投資控股 Investment holding
廣州市天穗房地產開發建設 有限公司 ⁽ⁱⁱ⁾ Guangzhou Tian Sui Realty Development Co., Ltd. ⁽ⁱⁱ⁾	US\$12,000,000	90	90	物業發展 Property development
惠陽市淡水新陽城建設有限公司 ^(iv) Huiyang Danshui Xinyangcheng Construction Company Limited ^(iv)	HK\$50,000,000	100	100	物業投資 Property investment
江門市天安房地產開發 建設有限公司 ⁽ⁱⁱ⁾ Jiangmen City Tian An Property Development Co., Ltd. ⁽ⁱⁱ⁾	RMB20,000,000	60	60	物業發展 Property development
江門市新會區錦富房地產 開發有限公司 ⁽ⁱⁱ⁾ Jiangmen City Xinhui District Jin Fu Property Development Co., Ltd. ⁽ⁱⁱ⁾	RMB20,000,000	100	100	物業發展 Property development
正景發展有限公司 Join View Development Limited	HK\$2	100	100	放款 Money lending
Kylie Nominees Limited	HK\$2	100	100	提供代理人服務 Provision of nominee services
南京天都實業有限公司 ^(iv) Nanjing Tiandu Industry Co., Ltd. ^(iv)	US\$7,500,000	100	100	物業發展及投資 Property development and investment
Oasis Star Limited ⁽ⁱⁱⁱ⁾	US\$1	100	100	投資控股 Investment holding
信溢投資有限公司 Regal Asset Investment Limited	HK\$100	85	85	投資控股 Investment holding

48. 主要附屬公司詳情 (續)

48. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

附屬公司名稱 Name of subsidiary	已發行繳足普通股 股本／註冊資本 Paid up issued ordinary share capital/ registered capital	已發行普通股股本面值／ 註冊資本之比例 Proportion of nominal value of issued ordinary share capital/ registered capital	本公司*／ 附屬公司持有 held by the Company* / subsidiaries %	本集團應佔 attributable to the Group %	主要業務 Principal activities
SAC Enterprises Limited	HK\$1,000		100	54.77	為集團公司提供管理服務 Provision of management services to group companies
山東聯合王晁水泥有限公司 ⁽ⁱⁱ⁾ Shandong Allied Wangchao Cement Limited ⁽ⁱⁱ⁾	US\$9,200,000		95	52.03	生產及分銷水泥及熟料 Manufacturing and distribution of cement and clinker
山東上聯水泥發展有限公司 ^(iv) Shandong Shanghai Allied Cement Co., Ltd. ^(iv)	US\$1,000,000		100	54.77	生產及分銷水泥及熟料 Manufacturing and distribution of cement and clinker
上海聯合水泥有限公司 ⁽ⁱⁱ⁾ Shanghai Allied Cement Co., Ltd. ⁽ⁱⁱ⁾	US\$24,000,000		60	27.38	生產及分銷水泥及熟料 Manufacturing and distribution of cement and clinker
上聯水泥集團有限公司 Shanghai Allied Cement Holdings Limited	HK\$10,000,000		100	54.77	投資控股 Investment holding
上海聯合水泥股份有限公司 ^(iv) Shanghai Allied Cement Limited ^(iv)	HK\$182,348,761		100	54.77	投資控股 Investment holding
上海佘山鄉村俱樂部有限公司 ^(iv) Shanghai Sheshan Country Club Company Limited ^(iv)	US\$15,000,000		100	85	物業發展 Property development
上海天安中心大廈有限公司 ⁽ⁱⁱ⁾ Shanghai Tian An Centre Building Co., Ltd. ⁽ⁱⁱ⁾	US\$28,000,000		98	98	物業發展及投資 Property development and investment
上海天安河濱花園有限公司 ⁽ⁱⁱ⁾ Shanghai Tianan Riverview Co., Ltd. ⁽ⁱⁱ⁾	RMB65,000,000		99	99	物業發展及投資 Property development and investment
上海天洋房地產有限公司 ⁽ⁱⁱ⁾ Shanghai Tianyang Real Estate Co., Ltd. ⁽ⁱⁱ⁾	RMB50,000,000		80	80	物業發展及投資 Property development and investment
天滿企業有限公司 Sky Full Enterprises Limited	HK\$10		100	100	投資控股 Investment holding
Strait Investments (Shanghai) Limited ⁽ⁱⁱⁱ⁾	US\$10,000		73.74	73.74	投資控股 Investment holding
新海通有限公司 ^(iv) Sunhaitung Co., Ltd. ^(iv)	US\$27,000,000		100	100	物業發展及投資控股 Property development and investment holding
新鴻基(中國)有限公司 ⁽ⁱ⁾ Sun Hung Kai (China) Limited ⁽ⁱ⁾	HK\$2,000,000		100*	100	物業投資 Property investment

48. 主要附屬公司詳情 (續)

48. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

附屬公司名稱 Name of subsidiary	已發行繳足普通股 股本／註冊資本 Paid up issued ordinary share capital/ registered capital	已發行普通股股本面值／ 註冊資本之比例 Proportion of nominal value of issued ordinary share capital/ registered capital		主要業務 Principal activities
		本公司*／ 附屬公司持有 held by the Company* / subsidiaries %	本集團應佔 attributable to the Group %	
T.A.秘書服務有限公司 T.A. Secretarial Services Limited	HK\$2	100	100	提供秘書服務 Provision of secretarial services
Tanya Nominees Limited	HK\$2	100	100	提供代理人服務 Provision of nominee services
天安中國置業有限公司 Tian An China Enterprise Limited	HK\$2	100*	100	投資控股及證券買賣 Investment holding and securities dealing
天安中國酒店房地產投資有限公司 Tian An China Hotel and Property Investments Company Limited	HK\$2	100*	100	投資控股 Investment holding
天安(廣州)投資有限公司 Tian An (Guangzhou) Investment Company Limited	HK\$10,000	65	65	投資控股 Investment holding
天安(廣州)投資有限公司 ^(vi) Tian An (Guang Zhou) Investments Co., Ltd. ^(vi)	US\$10,000,000	100*	100	物業發展 Property development
天安(珠江)發展有限公司 Tian An Pearl River Company Limited	HK\$2	100*	100	投資控股 Investment holding
天安(上海)投資有限公司(「天安上海」) ^(vi) Tian An (Shanghai) Investments Co., Ltd. ("TASH") ^(vi)	US\$30,000,000	100 (vii)	100	物業發展及投資及投資控股 Property development and investment and investment holding
天安(深圳)實業發展有限公司 ^(vi) Tian An (Shenzhen) Enterprise Development Ltd. ^(vi)	HK\$150,000,000	100	100	物業發展 Property development
天安(深圳)工業發展有限公司 Tian An (Shenzhen) Industrial Development Company Limited	HK\$2	100	100	投資控股 Investment holding
天安(首都)投資有限公司 Tian An (Shou Du) Investment Company Limited	HK\$2	100	100	投資控股 Investment holding
天安(穗安)投資有限公司 Tian An (Sui An) Investment Company Limited	HK\$2	100	100	投資控股及物業投資 Investment holding and property investment
天安(天津)投資有限公司 Tian An (Tianjin) Investment Company Limited	HK\$2	100	100	投資控股 Investment holding

48. 主要附屬公司詳情 (續)

48. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

附屬公司名稱 Name of subsidiary	已發行繳足普通股 股本／註冊資本 Paid up issued ordinary share capital/ registered capital	已發行普通股股本面值／ 註冊資本之比例 Proportion of nominal value of issued ordinary share capital/ registered capital 本公司*／ 附屬公司持有 held by the Company* / subsidiaries %	本集團應佔 attributable to the Group %	主要業務 Principal activities
天安(武漢)投資有限公司 Tian An (Wuhan) Investment Company Limited	HK\$2	100	100	投資控股 Investment holding
天安(廈門)地產投資有限公司 ^(iv) Tian An (Xiamen) Property Investments Co., Ltd. ^(iv)	US\$1,500,000	100	100	物業發展 Property development
寶溢置業(上海)有限公司 ^(iv) Value Harvest Real Estate (Shanghai) Co., Ltd. ^(iv)	US\$16,000,000	100	100	物業發展 Property development
宏信集團有限公司 ⁽ⁱⁱⁱ⁾ Winshine Group Limited ⁽ⁱⁱⁱ⁾	US\$1	100	100	物業投資 Property investment
華明有限公司 World Market Limited	HK\$100	90	90	投資控股 Investment holding
武漢長福房地產開發有限公司 ⁽ⁱⁱ⁾ Wuhan Changfu Property Development Co., Ltd. ⁽ⁱⁱ⁾	RMB10,000,000	90	90	物業發展 Property development
無錫紅山置業有限公司 ⁽ⁱⁱ⁾ Wuxi Redhill Properties Co., Ltd. ⁽ⁱⁱ⁾	US\$5,000,000	95	95	物業發展 Property development
無錫天安房地產開發有限公司 ⁽ⁱⁱ⁾ Wuxi Tianan Real Estate Exploring Co., Ltd. ⁽ⁱⁱ⁾	US\$3,000,000	95	95	物業投資 Property investment
無錫天信置業有限公司 ^(iv) Wuxi Tianxin Properties Co., Ltd. ^(iv)	US\$10,000,000	100	100	物業發展 Property development
肇慶高爾夫發展有限公司 ⁽ⁱⁱ⁾ Zhao Qing Golf and Development Co., Ltd. ⁽ⁱⁱ⁾	US\$12,000,000	88	56.83	物業發展及經營高爾夫球場 Property development and golf course operation
上海凱旋門企業發展有限公司 ⁽ⁱⁱ⁾	RMB50,000,000	100	100	物業發展 Property development
上海海峽思泉房地產有限公司 ⁽ⁱⁱ⁾	US\$30,000,000	100	75.05	物業發展 Property development
南京華軒房地產開發有限公司 ⁽ⁱⁱ⁾	US\$5,125,100	95	95	物業發展 Property development
深圳市賽華順升建材有限公司 ^(vi) (「深圳賽華」) ("SZ TRIWA")	RMB1,500,000	—	— ^(vii)	投資控股 Investment holding

48. 主要附屬公司詳情 (續)

附註：

- (i) 主要在中國經營運作。
- (ii) 在中國註冊成立為中外合資企業及經營運作。
- (iii) 在英屬處女群島註冊成立。
- (iv) 在百慕達註冊成立。
- (v) 在中國註冊成立為外商獨資企業及經營運作。
- (vi) 在中國註冊成立為私人有限公司及經營運作。
- (vii) 本公司直接持有天安上海40%權益，而餘下之60%權益則由一間附屬公司所持有。
- (viii) 深圳賽華由三名人士擁有，本公司於深圳賽華之註冊資本並無擁有任何實益權益。根據由深圳賽華、深圳賽華之擁有人及本集團訂立之若干協議，深圳賽華擁有人同意向本集團轉讓可委任及撤換深圳賽華董事會全體董事之權力，以及可監管深圳賽華之財務及經營政策權力；同時亦將深圳賽華之全部業績轉讓予本集團。因此，深圳賽華乃為本公司之附屬公司，而其業績、資產及負債亦合併於本集團之賬目內。深圳賽華之註冊資本乃由本集團出資。
- (ix) 該附屬公司為深圳賽華之非全資附屬公司，其80%註冊資本乃由本集團出資。

以上所列出者乃董事會認為對本集團之業績及資產有重大影響之附屬公司。董事會認為列出其他附屬公司之詳情會令資料過於冗長。

截止本年底並沒有任何附屬公司尚餘債務證券。

48. PARTICULARS OF PRINCIPAL SUBSIDIARIES (CONTINUED)

Notes:

- (i) Operating principally in the PRC.
- (ii) Established as sino-foreign owned equity joint ventures and operating principally in the PRC.
- (iii) Incorporated in the British Virgin Islands.
- (iv) Incorporated in Bermuda.
- (v) Established as wholly foreign owned enterprises and operating principally in the PRC.
- (vi) Established as private limited liability companies and operating principally in the PRC.
- (vii) The 40% interest in TASH is held directly by the Company and the remaining 60% is held by a subsidiary.
- (viii) The Company does not have any equity interest in the registered capital of SZ TRIWA as it is owned by three individuals. Pursuant to certain agreements among SZ TRIWA, the owners of SZ TRIWA and the Group, the owners of SZ TRIWA agreed to assign the power to appoint and remove all the members of the board of directors of and to govern the financial and operating policies of SZ TRIWA to the Group and to transfer all results of SZ TRIWA to the Group. Accordingly, SZ TRIWA is treated as a subsidiary of the Company and its results, assets and liabilities are consolidated with those of the Group. The registered capital of SZ TRIWA was contributed by the Group.
- (ix) The subsidiary is a non-wholly owned subsidiary of SZ TRIWA, of which 80% registered capital was contributed by the Group.

The above table lists the subsidiaries of the Company which, in the opinion of the Directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the Directors, result in particulars of excessive length.

None of the subsidiaries had any debt securities outstanding at the end of the year.

49. 主要聯營公司詳情

於二零零六年十二月三十一日，本集團於下列聯營公司擁有權益，除另有說明外，這些公司均在香港註冊成立和經營運作：

49. PARTICULARS OF PRINCIPAL ASSOCIATES

At 31st December, 2006, the Group had interests in the following associates, all of which are incorporated and are operating principally in Hong Kong except as otherwise indicated:

聯營公司名稱 Name of associate	本集團所持已發行普通股 股東面值／註冊資本比例 Proportion of nominal value of issued ordinary share capital/ registered capital held by the Group %	主要業務 Principal activities
安盛置業有限公司 Bonson Properties Limited	30	投資控股 Investment holding
Conesco Investment Company Limited	31.25	投資控股 Investment holding
安成投資有限公司 Ensen Investment Limited	30	投資控股 Investment holding
賢輝發展有限公司 ⁽ⁱ⁾ Jack Rock Development Limited ⁽ⁱ⁾	48.82	控股投資 Investment holding
太平洋(福建)房地產開發有限公司 ^{(ii)及(iii)} Pacific (Fujian) Real Estate Development Co., Ltd. ^{(ii) & (iii)}	48.82	物業發展 Property development
太平洋(福州)綜合育樂開發有限公司 ^{(ii)及(iii)} Pacific (Fuzhou) Resort Enterprises Ltd. ^{(ii) & (iii)}	48.82	經營高爾夫球場 Golf course operation
天津國際大廈有限公司 ^{(ii)及(iii)} Tianjin International Building Co., Ltd. ^{(ii) & (iii)}	25	物業投資 Property investment
越秀天安管理有限公司 ⁽ⁱ⁾ Yue Xiu Tian An Management Company Limited ⁽ⁱ⁾	50	物業管理 Property management

附註：

Notes:

(i) 在中國經營運作。

(i) Operating in the PRC.

(ii) 在中國註冊成立及經營運作。

(ii) Established and operating in the PRC.

(iii) 由本集團聯營公司持有之附屬公司、聯營公司及共同控制公司。

(iii) Subsidiaries, associates or jointly controlled entities held by the associates of the Group.

50. 主要共同控制公司詳情

於二零零六年十二月三十一日，本集團於下列共同控制公司擁有權益，除另有說明，該等公司均為在中國成立之合營企業團體：

50. PARTICULARS OF PRINCIPAL JOINTLY CONTROLLED ENTITIES

At 31st December, 2006, the Group had interests in the following jointly controlled entities which are corporate joint ventures established in the PRC except where otherwise indicated:

共同控制公司名稱 Name of jointly controlled entity	主要經營地點 Principal place of operation	本集團所佔註冊資本比例 Proportion of registered capital held by the Group %	主要業務 Principal activities
北京天安大廈有限公司 Beijing Tian An Building Company Limited	北京 Beijing	40	物業投資 Property investment
廣州市番禺節能科技園發展有限公司 ⁽ⁱⁱ⁾ Guangzhou Panyu Hi-Tech Ecological Park Development Co., Ltd. ⁽ⁱⁱ⁾	番禺 Panyu	49	物業發展 Property development
上海明鴻房地產發展有限公司 Shanghai Min Hoong Real Estate Development Co., Ltd.	上海 Shanghai	不適用 ⁽ⁱ⁾ N/A ⁽ⁱ⁾	物業發展 Property development
深圳國貿天安物業有限公司 Shenzhen ITC Tian An Co., Ltd.	深圳 Shenzhen	50	物業投資 Property investment
深圳天安數碼城有限公司 Shenzhen Tian An Cyberpark Co., Ltd.	深圳 Shenzhen	50	物業發展及投資 及投資控股 Property development and investment and investment holding
武漢天安大酒店有限公司 Wuhan Tian An Hotel Co., Ltd.	武漢 Wuhan	55	經營酒店 Hotel operation
越秀天安大廈有限公司 Yuexiu Tian An Building Company Limited	廣州 Guangzhou	48.75	經營酒店 Hotel operation
浙江聯誼物業發展有限公司 Zhejiang Union Real Property Development Co., Ltd.	杭州 Hangzhou	53	物業出租 Property letting
深圳天安物業管理有限公司	深圳 Shenzhen	50	物業管理及投資控股 Property management and investment holding
深圳市龍崗天安數碼新城有限公司 ⁽ⁱⁱ⁾	深圳 Shenzhen	50	物業發展 Property development
佛山市天安數碼城有限公司 ⁽ⁱⁱ⁾	佛山 Foshan	45	物業發展 Property development

附註：

Notes:

(i) 本集團在此合營企業之若干期發展物業中可分享60%之溢利。

(i) The Group is entitled to a 60% share of profit in certain phases of the development properties of the joint venture.

(ii) 私人有限公司

(ii) Private limited liability companies

五年財務概要

FIVE-YEAR FINANCIAL SUMMARY

		2002 千港元 HK\$'000	2003 千港元 HK\$'000	2004 千港元 HK\$'000	2005 千港元 HK\$'000	2006 千港元 HK\$'000
業績	RESULTS					
營業額	Turnover	1,080,332	1,904,212	1,973,098	1,397,100	889,302
年內本公司股東 應佔之溢利	Profit for the year attributable to equity holders of the Company	87,046	102,420	183,737	202,540	51,496
資產及負債	ASSETS AND LIABILITIES					
總資產	Total assets	7,847,863	8,605,839	9,358,663	9,900,964	10,864,898
總負債	Total liabilities	3,638,956	4,225,156	4,551,149	4,827,973	4,513,721
少數股東權益	Minority interests	341,440	433,139	451,110	416,889	407,173
本公司股東應佔之 權益	Equity attributable to equity holders of the Company	3,867,467	3,947,544	4,356,404	4,656,102	5,944,004
按每股基準 (附註2)	PER SHARE BASIS (note 2)					
每股基本盈利 (港仙)	Basic earnings per share (HK cents)	10.3	12.4	23.1	23.1	4.9
每股股息 (港仙)	Dividend per share (HK cents)	–	–	–	–	2.5
每股資產淨值 (港元)	Net assets per share (HK\$)	4.6	5.0	5.0	5.3	5.3

附註：

Notes:

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| <p>(1) 財務概要所披露之二零零二年年金已作重列，以反映於二零零三年因採納會計實務準則第12號(經修訂)「所得稅」所產生之會計政策變動。</p> <p>(2) 所披露金額已就於二零零四年三月合併本公司之普通股作出調整。</p> <p>(3) 二零零四年年金已作重列，以反映於二零零五年所作之會計政策變動。</p> | <p>(1) Amounts disclosed in the financial summary for the year 2002 have been restated to reflect the change in accounting policy for the adoption of Statement of Standard Accounting Practice No. 12 (Revised) "Income taxes" in 2003.</p> <p>(2) Amounts disclosed have been adjusted for the consolidation of the Company's ordinary shares in March 2004.</p> <p>(3) Amounts for the year 2004 have been adjusted to reflect the change in accounting policies in 2005.</p> |
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