



AVIC International Holding (HK) Limited
中國航空工業國際控股(香港)有限公司

(Incorporated in Bermuda with limited liability 於百慕達註冊成立之有限公司)
(Stock Code 股份代號 : 232)

2016 Annual Report 年報

CONTENTS 目錄

Financial Highlights	財務摘要	2
Chairman's Statement and Management Discussion and Analysis	主席報告以及管理層討論及分析	3
Biographical Details of Directors and Senior Management	董事及管理高層之履歷	11
Corporate Governance Report	企業管治報告	17
Environmental, Social and Governance Report	環境、社會及管治報告	34
Report of the Directors	董事會報告	43
Independent Auditor's Report	獨立核數師報告	54
Consolidated Statement of Profit or Loss	綜合損益表	64
Consolidated Statement of Comprehensive Income	綜合全面收益表	65
Consolidated Statement of Financial Position	綜合財務狀況表	66
Consolidated Statement of Changes in Equity	綜合權益變動表	68
Consolidated Statement of Cash Flows	綜合現金流量表	72
Notes to Financial Statements	財務報表附註	75
Particulars of Properties	物業資料	225
Five Year Financial Summary	五年財務概要	226
Corporate Information	公司資料	227

FINANCIAL HIGHLIGHTS

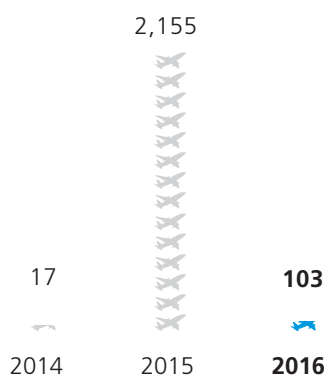
財務摘要

Year ended 31 December

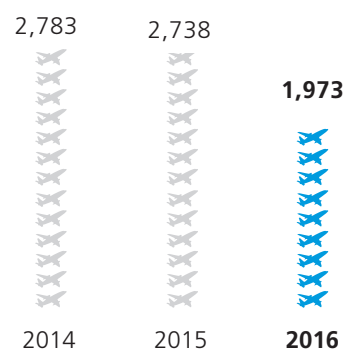
截至十二月三十一日止年度

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Revenue from continuing operations	來自持續經營業務之收益	102,786	2,154,988	17,443
Profit/(loss) attributable to owners of the parent	母公司所有者應佔溢利/(虧損)	(685,842)	41,820	27,266
Basic and diluted earnings/(loss) per share	每股基本及攤薄盈利/(虧損)	(HK12.43 cents 港仙)	HK0.76 cent 港仙	HK0.59 cent 港仙
Total assets	資產總值	5,703,073	6,417,546	8,680,613
Total liabilities	負債總值	(3,176,320)	(3,085,888)	(5,318,852)
Non-controlling interests	非控股權益	(553,481)	(594,124)	(578,390)
Net assets (net of non-controlling interests)	資產淨值 (扣除非控股權益)	1,973,272	2,737,534	2,783,371

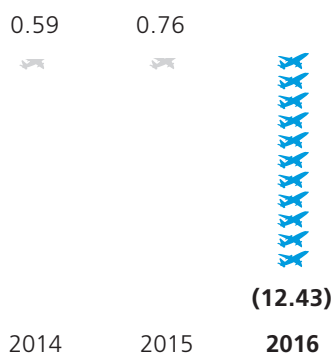
Revenue from continuing operations (HK\$' million)
來自持續經營業務之收益 (百萬港元)



Net assets (net of non-controlling interests) (HK\$' million)
資產淨值 (扣除非控股權益) (百萬港元)



Basic and diluted earnings / (loss) per share (HK¢)
每股基本及攤薄盈利/(虧損) (港仙)



CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS 主席報告以及管理層討論及分析

On behalf of the board (the "Board") of directors (the "Directors") of AVIC International Holding (HK) Limited (the "Company"), I am pleased to present the annual results of the Company and its subsidiaries (the "Group") for the year ended 31 December 2016.

OVERALL REVIEW

During the year, the Group disposed of 浙江東陽金牛針織製衣有限公司 ("Zhejiang Dongyang Jinniu"), a 51%-owned subsidiary, to an independent third party at a cash consideration of HK\$5,650,000. Zhejiang Dongyang Jinniu engaged in the production and distribution of knitting and textile products, knitted fabrics and clothing. The Group decided to dispose of this subsidiary and cease its knitting and textile business because it had been loss-making in recent years. In 2016, the revenue of this discontinued operation amounted to HK\$18,616,000 (2015: HK\$43,602,000). Together with the gain on disposal of a subsidiary of HK\$32,453,000 (2015: Nil) recorded, the profit from this discontinued operation was HK\$27,362,000 (2015: loss of HK\$14,056,000).

In 2016, the Group recorded revenue and gross profit from continuing operations of HK\$102,786,000 (2015: HK\$2,154,988,000) and HK\$28,517,000 (2015: HK\$180,534,000), respectively, which were contributed mainly by the property development and investment business. The Group recorded loss for the year from continuing operations of HK\$736,293,000 (2015: profit of HK\$97,516,000), which arose mainly from the fair value losses on an equity investment at fair value through profit or loss and derivative financial instruments in an aggregate of HK\$306,652,000 (2015: gain of HK\$26,942,000), as well as the share of losses of the joint venture and associates in an aggregate of HK\$218,382,000 (2015: HK\$68,615,000) and the impairment of an available-for-sale investment of HK\$134,107,000 (2015: HK\$311,137,000). Loss attributable to owners of the parent was HK\$685,842,000 (2015: profit of HK\$41,820,000) and basic loss per share was HK\$12.43 (2015: basic earnings per share of HK\$0.76). The return on equity, calculated on the basis of profit attributable to owners of the parent as a percentage of equity attributable to owners of the parent, was -35% (2015: 2%).

本人謹代表AVIC International Holding (HK) Limited中國航空工業國際控股（香港）有限公司（「本公司」）之董事（「董事」）會（「董事會」）欣然提呈本公司及其附屬公司（「本集團」）截至二零一六年十二月三十一日止年度之全年業績。

整體回顧

年內，本集團以現金代價5,650,000港元出售其擁有51%之附屬公司浙江東陽金牛針織製衣有限公司（「浙江東陽金牛」）予一名獨立第三方。浙江東陽金牛從事針織及紡織品、針織面料及服裝的生產及分銷。本集團決定出售該附屬公司及終止其針織及紡織業務，因為該業務近幾年一直虧損。於二零一六年，該已終止經營業務之收益為18,616,000港元（二零一五年：43,602,000港元）。連同錄得之出售附屬公司之利潤32,453,000港元（二零一五年：無），該已終止經營業務之溢利為27,362,000港元（二零一五年：虧損14,056,000港元）。

於二零一六年，本集團錄得來自持續經營業務之收益及毛利分別為102,786,000港元（二零一五年：2,154,988,000港元）及28,517,000港元（二零一五年：180,534,000港元），乃主要由物業發展及投資業務貢獻。本集團錄得來自持續經營業務之本年虧損736,293,000港元（二零一五年：溢利97,516,000港元），主要是產生自按公平值計入損益之股本投資及衍生金融工具之公平值虧損合共306,652,000港元（二零一五年：利潤26,942,000港元），以及分佔合營公司及聯營公司之虧損合共218,382,000港元（二零一五年：68,615,000港元）及可供出售的投資之減值134,107,000港元（二零一五年：311,137,000港元）。母公司所有者應佔虧損是685,842,000港元（二零一五年：溢利41,820,000港元），而每股基本虧損則是12.43港仙（二零一五年：每股基本盈利0.76港仙）。股本回報率按母公司所有者應佔溢利佔母公司所有者應佔權益之百分比計算為-35%（二零一五年：2%）。

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

主席報告以及管理層討論及分析

BUSINESS REVIEW

Property development and investment business

Currently, two projects are in progress for the property development and investment business. One is located at the Southern side of Zhongshan Road of the Shahekou District of the Dalian City ("Dalian Project"), and another is situated in a newly developed residential area with communal facilities in the Liangjiangxin District of Chongqing ("Chongqing Project").

In 2016, influenced by the policies of the Chinese government and the domestic monetary environment, the "930 New Policy" set a demarcation line in the real estate market between a booming one and a cooling one. Before the implementation of the new policy, driven jointly by the supply-side structural reform and the easing monetary environment, the demand in first-tier and some second-tier cities was steadily released, thereby leading to significant de-stocking results. However, due to the serious regional differentiation, no apparent increase in price and volume was observed in the market of Dalian City where Dalian Project is located. Upon adoption of the "930 New Policy", capital flows of financial institutions were subject to strict policy control, causing capital liquidity to become tightened. In several cities, a series of macro-economic control measures were introduced in succession and restrictions on property purchases and mortgage loans were re-launched. Affected by this external environment, the trading volume in Dalian and Chongqing showed a downward trend.

業務回顧

物業發展及投資業務

現時，物業發展及投資業務有兩個項目正在進行，一是位於大連市沙河口區中山路東南側（「大連項目」），另一是位於重慶市兩江新區配備有公共設施之新發展住宅區內（「重慶項目」）。

二零一六年，受中國政府政策和貨幣環境的影響，房地產市場以「930新政」為分水嶺，出現前熱後冷的局面。新政前，在供給側結構性改革和資金寬鬆環境的雙重驅動下，一線和部份二線城市在政策刺激下需求量穩步釋放，庫存去化效果明顯，但區域分化嚴重，大連項目所處的大連市市場未體現出明顯的價量提升的情況。「930新政」之後，政策嚴控金融機構資金投向，資金流動性趨勢收緊，多地陸續出台樓市調控政策，重啟限購限貸，在這外圍環境影響下，大連、重慶成交量呈現回落趨勢。

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS 主席報告以及管理層討論及分析

Dalian Project comprises four parcels of land having a total site area of approximately 46,938 square meter (excluding communal site area). A large-scale development project, the International Square, is being constructed comprising offices, retail shops and residential buildings. The total saleable area of Dalian Project upon completion is approximately 350,488 square meter. Dalian Project is currently in the normal development and construction phase, and pre-sale of certain residential and office space of the International Square has commenced since June 2013. Saleable area of 142,311 square meter has been completed as at 31 December 2016, of which 90,649 square meter was sold, 18,299 square meter was leased out and included in investment properties, and the remaining was included in completed properties held for sale. As at 31 December 2016, the total saleable area of properties under development was approximately 208,177 square meter.

Chongqing Project comprises twelve parcels of land with a total site area of approximately 375,252 square meter and is currently in the early development phase.

As at 31 December 2016, the properties under development and completed properties held for sale amounted to HK\$4,105,317,000 (2015: HK\$4,070,648,000) and investment properties amounted to HK\$315,866,000 (2015: HK\$373,425,000). The customer deposits, which represent the proceeds of the pre-sale of properties, amounted to HK\$920,238,000 (2015: HK\$248,310,000). Dalian Project recorded revenue of HK\$102,786,000 (2015: HK\$2,147,344,000) and gross profit of HK\$28,517,000 (2015: HK\$180,303,000) for the year. In 2016, enhanced de-stocking efforts remained prevailing in the market of Dalian City where Dalian Project is located. Under the circumstances, the Group controlled the property development progress in a moderate manner by reasonably allocating sales of completed properties and properties under development to capture the market share. Therefore, revenue for the year decreased as compared to last year. The property development and investment business segment recorded loss of HK\$47,058,000 (2015: profit of HK\$35,065,000) for the year.

大連項目由總地盤面積約46,938平方米（不包括公共地盤面積）的四幅地塊組成，正在興建一個包括辦公室、零售商舖及住宅樓宇的大型發展項目－中航國際廣場。大連項目於竣工後的總可出售面積約為350,488平方米。大連項目現正處於正常開發建設階段，而中航國際廣場之若干住宅及辦公室單位已自二零一三年六月起開始預售。於二零一六年十二月三十一日已竣工的可出售面積為142,311平方米，其中銷售了90,649平方米，18,299平方米則出租並包括在投資物業內，其餘則包括在持作出售之已完成物業內。於二零一六年十二月三十一日，發展中物業的總可出售面積約為208,177平方米。

重慶項目由總地盤面積約375,252平方米之十二幅地塊組成，現正處於前期開發階段。

於二零一六年十二月三十一日，發展中物業及持作出售之已完成物業為4,105,317,000港元（二零一五年：4,070,648,000港元），投資物業為315,866,000港元（二零一五年：373,425,000港元）。客戶按金（指預售物業所得款項）為920,238,000港元（二零一五年：248,310,000港元）。年內，大連項目錄得收益102,786,000港元（二零一五年：2,147,344,000港元）及毛利28,517,000港元（二零一五年：180,303,000港元）。由於在二零一六年，大連項目所處的大連市市場仍以加大庫存去化為主，在此環境下，本集團適度控制物業開發進度，合理配置已竣工物業和發展中物業入市銷售搶佔市場空間，因此本年收益較去年下跌。物業發展及投資業務分部於年內錄得虧損47,058,000港元（二零一五年：溢利35,065,000港元）。

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

主席報告以及管理層討論及分析

Trading business

The trading business segment recorded no revenue (2015: HK\$7,644,000) and no profit or loss (2015: profit of HK\$175,000) for the year.

FINANCIAL REVIEW

Convertible bonds

The Group held convertible bonds issued by Peace Map Holding Limited ("PMH") and AVIC Joy Holdings (HK) Limited ("AVIC Joy"), respectively, both are listed companies in Hong Kong. These convertible bonds are hybrid instruments that include non-derivative host contracts and the embedded derivatives. The non-derivative host contracts, representing the bond components, have been designated as available-for-sale investments. The embedded derivatives, representing the conversion options, have been designated as derivative financial instruments.

The Group's derivative financial instruments are managed and their performance is evaluated on a fair value basis. Any fair value gain or loss is recognised in profit or loss. Fair values are stated based on valuations performed by independent professionally qualified valuers, which are mainly influenced by the prices of the underlying securities and the time value of the derivative financial instruments.

The Group's portfolio of derivative financial instruments as at 31 December 2016 consisted of the derivatives at fair values of HK\$9,277,000 (2015: HK\$90,444,000) and HK\$2,061,000 (2015: HK\$29,452,000) embedded in the convertible bonds issued by PMH and AVIC Joy, respectively. During the year, a fair value loss of HK\$108,558,000 (2015: gain of HK\$28,146,000) was recognised in respect of the embedded derivatives, which was mainly due to the drop in the share prices of both PMH and AVIC Joy.

貿易業務

貿易業務分部於年內並無錄得收益（二零一五年：7,644,000港元），且並無錄得溢利或虧損（二零一五年：溢利175,000港元）。

財務回顧

可換股債券

本集團持有分別由天下圖控股有限公司（「天下圖控股」）及幸福控股（香港）有限公司（「幸福控股」）（兩間均為香港上市公司）發行之可換股債券。該等可換股債券為包含非衍生工具主合約及嵌入式衍生工具之混合工具。非衍生工具主合約代表債券部份，已被指定為可供出售的投資。嵌入式衍生工具代表換股期權，已被指定為衍生金融工具。

本集團之衍生金融工具乃按公平值基準管理，其表現亦按公平值基準評價。任何公平值利潤或虧損均於損益中確認。公平值乃根據獨立專業合資格估值師進行之估值確定，其價值主要受相關證券價格以及該衍生金融工具的時間值所影響。

於二零一六年十二月三十一日之衍生金融工具組合包括天下圖控股及幸福控股所發行之可換股債券中嵌入之衍生工具，公平值分別為9,277,000港元（二零一五年：90,444,000港元）及2,061,000港元（二零一五年：29,452,000港元）。年內，已確認衍生金融工具之公平值虧損108,558,000港元（二零一五年：利潤28,146,000港元），主要由於天下圖控股及幸福控股的股價皆下跌。

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS 主席報告以及管理層討論及分析

Equity investment at fair value through profit or loss

The Group held shares issued by PMH and classified the investment as an equity investment at fair value through profit or loss. During the year, the Group recorded a fair value loss on an equity investment at fair value through profit or loss of HK\$198,094,000 (2015: HK\$1,204,000) due to the drop in the share price of PMH.

Impairment of an available-for-sale investment

The Group held shares issued by AVIC Joy and classified the investment as an available-for-sale investment. Due to the significant decline in the share price of AVIC Joy during the year, an impairment of an available-for-sale investment of HK\$134,107,000 (2015: HK\$311,137,000) was recorded.

Joint venture and associates

During the year, the Group recorded share of losses of the joint venture and associates in an aggregate of HK\$218,382,000 (2015: HK\$68,615,000) mainly because the joint venture made significant impairment provisions on its certain investments and other assets.

LIQUIDITY, CAPITAL STRUCTURE AND FINANCIAL RESOURCES

The Group has consistently maintained sufficient working capital. As at 31 December 2016, the Group had current assets of HK\$4,969,966,000 (2015: HK\$5,127,503,000), including cash and bank balances and time deposits in an aggregate of HK\$605,925,000 (2015: HK\$473,689,000). The Group's current liabilities as at 31 December 2016 were HK\$1,692,802,000 (2015: HK\$763,972,000).

按公平值計入損益之股本投資

本集團持有由天下圖控股所發行之股份，並把該投資分類為按公平值計入損益之股本投資。年內，由於天下圖控股之股價下跌，本集團錄得按公平值計入損益之股本投資之公平值虧損198,094,000港元（二零一五年：1,204,000港元）。

可供出售的投資之減值

本集團持有由幸福控股所發行之股份，並把該投資分類為可供出售的投資。由於年內幸福控股之股價大幅下跌，因此錄得可供出售的投資之減值134,107,000港元（二零一五年：311,137,000港元）。

合營公司及聯營公司

年內，本集團錄得分佔合營公司及聯營公司之虧損合共218,382,000港元（二零一五年：68,615,000港元），主要是由於合營公司對其若干投資及其他資產作了大幅減值撥備。

資金流動性、資本架構及財務資源

本集團一貫保持充足營運資金。於二零一六年十二月三十一日，本集團有流動資產4,969,966,000港元（二零一五年：5,127,503,000港元），其中包括現金及銀行結存及定期存款合共605,925,000港元（二零一五年：473,689,000港元）。本集團於二零一六年十二月三十一日之流動負債為1,692,802,000港元（二零一五年：763,972,000港元）。

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

主席報告以及管理層討論及分析

As at 31 December 2016, the Group's equity attributable to owners of the parent amounted to HK\$1,973,272,000 (2015: HK\$2,737,534,000), comprising issued capital of HK\$551,959,000 (2015: HK\$551,959,000) and reserves of HK\$1,421,313,000 (2015: HK\$2,185,575,000). The Group's interest-bearing debts, including loans from fellow subsidiaries of HK\$1,234,637,000 (2015: HK\$1,864,671,000), interest-bearing bank borrowings of HK\$230,134,000 (2015: HK\$37,964,000) and loans from an intermediate holding company of HK\$475,419,000 (2015: HK\$509,581,000) are mainly denominated in Renminbi and arranged on a fixed rate basis. The Group's gearing ratio, calculated on the basis of the interest-bearing debts as a percentage of equity attributable to owners of the parent plus the interest-bearing debts, was 50% (2015: 47%).

The Group's banking facilities are mainly utilised for general working capital requirements.

CHARGES ON THE GROUP'S ASSETS

Details of the charges on the Group's assets are set out in notes 35(a) and 35(b) to the financial statements.

EXPOSURE TO FOREIGN CURRENCY RISK

The Group's foreign currency exposures primarily arise from certain sales or purchases by operating units in currencies other than the units' functional currency. In view of the fact that the Group tries to match its assets and liabilities with the same currency, the Group's exposure to foreign currency risk is minimal.

MATERIAL ACQUISITIONS AND DISPOSALS

Save for the transactions described elsewhere in this annual report, the Group had no other material acquisitions or disposals during the year.

於二零一六年十二月三十一日，本集團之母公司所有者應佔權益為1,973,272,000港元（二零一五年：2,737,534,000港元），由已發行股本551,959,000港元（二零一五年：551,959,000港元）及儲備1,421,313,000港元（二零一五年：2,185,575,000港元）所組成。本集團之計息債務（包括來自同系附屬公司的貸款1,234,637,000港元（二零一五年：1,864,671,000港元）、計息銀行貸款230,134,000港元（二零一五年：37,964,000港元）及來自中間控股公司的貸款475,419,000港元（二零一五年：509,581,000港元）乃主要以人民幣結算及以固定利率計息。本集團之資本負債率按計息債務佔母公司所有者應佔權益加計息債務之百分比計算為50%（二零一五年：47%）。

本集團之銀行信貸主要用於應付一般營運資金的需要。

本集團資產抵押

有關本集團資產抵押之詳情載於財務報表附註35(a)及35(b)。

外幣風險

本集團的外匯風險主要產生自營運單位以該單位功能貨幣以外的其他貨幣進行的若干銷售及採購。鑒於本集團致力把相同貨幣的資產及負債配合，因此本集團所承受的外匯風險很低。

重大收購及出售

除本年報另有所述之交易外，本集團於年內並無任何其他重大收購或出售。

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS 主席報告以及管理層討論及分析

CONTINGENT LIABILITIES

Details of the significant contingent liabilities of the Group are set out in note 44 to the financial statements.

ENVIRONMENTAL AND REGULATORY COMPLIANCE

Environmental protection and the effective use of natural resources have gradually become an important concept in modern economic growth. The Company follows the major trends in environmental protection around the world. Our operations are also in an effort to increasingly integrate this concept. Based on new technology and management approach, the Company strictly controls its environmental impact and resource usage, in an effort to forge cleaner production featuring lower pollution and lower emissions toward sustainable development.

The Company strictly follows all applicable laws and regulations released by the relevant authorities which are material to the Company. Throughout the year 2016, there was no incidence of non-compliance with the relevant laws and regulations that have a significant impact on the Company.

The Company's environmental policies and performance are summarised in the Environmental, Social and Governance Report on pages 34 to 42 of this annual report.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2016, there were 73 (2015: 156) employees in the Group. The employee wages and salaries for the continuing operations, excluding directors' remuneration, amounted to HK\$28,586,000 (2015: HK\$22,179,000) for the year ended 31 December 2016. The Group recognises the importance of good relationship with employees. The Directors believe that the working environment and benefits offered to employees have contributed to building good staff relations and retention. The Group's remuneration policies are formulated based on the performance of individual employees and market conditions and are reviewed regularly. The Group also provides other staff benefits including medical and life insurance, and grants discretionary incentive bonuses and share options to eligible staff based on their performance and contributions to the Group.

或然負債

有關本集團重大或然負債之詳情載於財務報表附註44。

環境及法規的遵從

保護環境及善用天然資源已逐步成為現代經濟發展的重要觀念，本公司配合全球環保大趨勢，營運模式亦日益與此觀念接軌。本公司採用新科技、新管理配套，嚴格控制環境影響及資源使用，致力打造低污染低排放的清潔生產模式，作為本公司走向可持續發展經濟的重要方向。

本公司嚴格遵循所有由相關監管部門發佈而對本公司有重要影響的相關的適用法律及規例。於二零一六年全年，本公司沒有不遵守對其業務有重大影響的有關法律及規例的事故。

本公司的環境政策及表現在本年報第34頁至第42頁之環境，社會及管治報告中概述。

僱員及薪酬政策

於二零一六年十二月三十一日，本集團共有僱員73名（二零一五年：156名）。截至二零一六年十二月三十一日止年度，持續經營業務之僱員工資及薪金（不包括董事酬金）為28,586,000港元（二零一五年：22,179,000港元）。本集團重視與僱員保持良好關係。董事認為，為僱員提供優越的工作環境及福利，有助建立良好員工關係及挽留員工。本集團的薪酬政策乃根據各員工的表現及市場情況制定並定期進行檢討。本集團並為僱員提供其他福利包括醫療及人壽保險，以及按個別僱員之表現及其對本集團作出之貢獻，向合資格僱員授予酌情性獎勵花紅及購股權。

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

主席報告以及管理層討論及分析

OUTLOOK

In 2017, sustaining the macro-economic control trends of 2016, the Chinese real estate market will continually strengthen the return to the residential attributes of properties. The regulators will, through revision of regulatory policies, restrict capitals inconsistent with policies from flowing into the real estate market. As affected by such policies and monetary environment, property supply and sales will be characteristic with "reduced investment, decelerated construction, and decreased volume and price". Nevertheless, on the whole, the first-tier and second-tier hotspot cities will have steady economic growth due to remarkable policy orientation, and the ongoing urbanisation as well as the "two-child policy" dividend will also drive the rigid demand and the demand for better housing. Based on the overall judgment, the real estate market will witness stable operation amid moderately reduced volume and price.

Apart from being closely concerned with the public bid invitation, auction and listing markets, the Group will also pay attention to the possibilities of merger and acquisition. We believe that more opportunities will emerge with the industry differentiation and integration.

APPRECIATION

I would like to take this opportunity to express my appreciation to my fellow Directors and all our staff for their support, hard work and dedication.

By order of the Board

AVIC International Holding (HK) Limited

Liu Hongde
Chairman

Hong Kong, 14 March 2017

展望

二零一七年，中國房地產市場將延續二零一六年的調控趨勢，不斷強化房屋回歸居住屬性，監管層將通過更新監管政策，限制不符合政策導向的資金流向房地產市場。物業供應和銷售受政策、貨幣環境影響，將呈現「投資降速、開工減緩、量價回落」的特點。但從整體來看，政策導向明顯的一線及二線熱點城市經濟發展穩步增長，持續的城市化進程及「二胎」紅利仍將推動剛需和改善型物業的需求。總體判斷，房地產市場將在量價適度回落的狀態下穩定運行。

本集團除了密切關注公開招拍掛市場，也會注意收購併購的可能，相信行業的分化整合，會出現更多的機會。

致謝

本人謹此向各董事及全體職員所作出之重大貢獻、努力不懈及盡忠職守表示深切謝意。

承董事會命

AVIC International Holding (HK) Limited
中國航空工業國際控股（香港）有限公司

主席
劉洪德

香港，二零一七年三月十四日

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及管理高層之履歷

EXECUTIVE DIRECTORS

Mr. Liu Hongde, aged 56, was appointed as an Executive Director, the Chairman of the Company, and member of the Remuneration Committee of the Company on 30 December 2016. He is a PhD in Management Science and Engineering of Harbin Engineering University (哈爾濱工程大學) and a professoriate senior engineer. He enjoys the special government allowances of the State Council. Mr. Liu has extensive working experience in the areas of operation management, scientific research management, organisational and cultural development. Mr. Liu is currently the chairman of the board of directors of AVIC International Holding Corporation (“AVIC International”), a director of AVIC International (HK) Group Limited (“AVIC International (HK) Group”) and the supervisor of Aviation Industry Corporation of China (“AVIC”), all being substantial shareholders of the Company. Mr. Liu was appointed in February 2017 as an executive director of AVIC International Holdings Limited (“AVIC IHL”), a company listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Prior to joining AVIC International, Mr. Liu was the deputy general manager of Harbin Dongan Engine Corporation (哈爾濱東安發動機公司), the general manager and chairman of Harbin Dongan Auto Engine Co., Ltd. (哈爾濱東安汽車動力股份有限公司, which shares are listed and traded on the Shanghai Stock Exchange), the director and the deputy executive general manager of Harbin Aviation Industry (Group) Co., Ltd. (哈爾濱航空工業(集團)有限公司), the chairman of Jiangxi Changhe Automobile Co., Ltd. (江西昌河汽車股份有限公司, which shares are listed and traded on the Shanghai Stock Exchange), the general manager of AVIC Automobile Industry Corporation (中國航空汽車工業總公司), the deputy general manager of AviChina Industry & Technology Company Limited, which shares are listed on the Stock Exchange, the head of the corporate cultural departments of the China Aviation Industry Corporation II (中國航空工業第二集團公司) and AVIC, and the vice executive chairman of the trade union of AVIC.

執行董事

劉洪德先生，56歲，於二零一六年十二月三十日獲委任為執行董事、本公司主席及本公司薪酬委員會成員。劉先生為哈爾濱工程大學管理科學與工程專業博士及研究員級高級工程師。彼享受國務院政府特殊津貼。劉先生於經營管理、科研管理、組織及文化建設方面擁有豐富工作經驗。劉先生現任本公司主要股東中國航空技術國際控股有限公司(「中航國際」)董事長、中航國際(香港)集團有限公司(「中航國際(香港)集團」)董事及中國航空工業集團公司(「中航工業」)監事。劉先生於二零一七年二月獲委任為股份於香港聯合交易所有限公司(「聯交所」)上市之中航國際控股股份有限公司(「中航國際控股」)的執行董事。加入中航國際前，劉先生曾出任哈爾濱東安發動機公司副總裁、哈爾濱東安汽車動力股份有限公司(其股份於上海證券交易所上市及買賣)總裁及董事長、哈爾濱航空工業(集團)有限公司董事及常務副總裁、江西昌河汽車股份有限公司(其股份於上海證券交易所上市及買賣)董事長、中國航空汽車工業總公司總裁、中國航空科技工業股份有限公司(其股份於聯交所上市)副總裁、中國航空工業第二集團公司企業文化部部長、中航工業企業文化部部長、以及中航工業工會常務副主席。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及管理高層之履歷

Mr. Pan Linwu, aged 52, has been an Executive Director of the Company since February 2008 and a Deputy Chairman of the Company since January 2013. He holds a Master's degree in Aeronautical Engineering, an EMBA, a Bachelor's degree in Engineering and a Postgraduate Diploma in Financial Accounting, and is a professional senior accountant. Mr. Pan served at the Ministry of Aviation Industry and the audit department of the Ministry of Aero-Space Industry. In 1993, he was transferred to AVIC International and served as deputy director and director of the audit division. Mr. Pan had been the chief financial officer of AVIC International since 2001, and he was also appointed executive vice president and chief financial officer of AVIC International in March 2012 until December 2016. He is currently a director of Tacko International Limited ("Tacko"), which is a substantial shareholder of the Company. Mr. Pan has many years' experience in financial management, supervision and audit, and has substantial experience in the area of finance, capital operation and risk management. Mr. Pan had been an executive director of AVIC IHL until February 2017.

Mr. Lai Weixuan, aged 52, has been an Executive Director of the Company since June 2015. He is a senior accountant, holding doctorate degree in Management of Tongji University and an EMBA of Guanghua School of Management, Peking University. Mr. Lai is now the Chief Executive Officer of AVIC International and a director of AVIC International (HK) Group. Mr. Lai joined AVIC International Shenzhen Company Limited ("AVIC Shenzhen", a wholly owned subsidiary of AVIC International) in 1983. He previously served as the deputy general manager of AVIC Shenzhen, the Chairman of Fiyta Holdings Limited ("Fiyta"), the deputy chairman of Tianma Microelectronics Co., Ltd. ("Tianma") and the chairman of Rainbow Department Store Co., Ltd. ("Rainbow Department Store"). Fiyta, Tianma and Rainbow Department Store are companies listed on Shenzhen Stock Exchange. He is also a director of a subsidiary of the Group. Mr. Lai has rich experience in finance and operation management, and once acted as an executive director of AVIC IHL from 2004 to 2012 and was appointed as an executive director again in 2014.

潘林武先生，52歲，自二零零八年二月出任本公司執行董事，並自二零一三年一月出任本公司副主席。潘先生持有航空工程碩士學位、高級管理人員工商管理碩士(EMBA)學位、工學學士學位及取得財務會計專業第二學歷，並為研究員級高級會計師。潘先生曾於航空工業部及審計署駐航空航天部審計局工作。於一九九三年，潘先生獲調派中航國際工作，並曾擔任監察審計室副主任及主任。潘先生自二零零一年出任中航國際首席財務官，二零一二年三月出任中航國際執行副總裁兼首席財務官至二零一六年十二月辭任。潘先生現出任本公司主要股東Tacko International Limited (「Tacko」) 董事。潘先生具有多年財務管理、監察及審計工作經驗，在金融、資本運作及風險管理等領域亦具豐富經驗。潘先生曾出任中航國際控股執行董事至二零一七年二月。

賴偉宣先生，52歲，自二零一五年六月出任本公司執行董事。賴先生為高級會計師，同濟大學管理學博士及北京大學光華管理學院EMBA。賴先生現為中航國際總裁及中航國際（香港）集團董事。賴先生於一九八三年加入中航國際之全資附屬公司中國航空技術深圳有限公司（「中航深圳」）。賴先生曾任中航深圳副總經理、飛亞達（集團）股份有限公司（「飛亞達」）董事長、天馬微電子股份有限公司（「天馬」）副董事長及天虹商場股份有限公司（「天虹商場」）董事長。飛亞達、天馬及天虹商場之股份於深圳證券交易所上市。賴先生亦為本集團一間附屬公司之董事。賴先生具有豐富之財務及經營管理經驗，曾於二零零四年至二零一二年於中航國際控股擔任執行董事，並於二零一四年再次獲委任為執行董事。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及管理高層之履歷

Ms. Zhou Chunhua, aged 51, was appointed as an Executive Director of the Company on 30 December 2016. She is a professorate senior accountant, EMBA of Cheung Kong Graduate School of Business. Ms. Zhou has extensive working experience in the areas of financial management, capital operation, audit supervision and risk management. Ms. Zhou was appointed as the deputy general manager and the chief accountant of AVIC International in December 2016. She is currently an executive director of AVIC IHL, a director of AVIC International and AVIC International (HK) Group. Before that, she was the assistant to manager and vice chief accountant of Shenyang Liming Aero-Engine Group Corporation Ltd. (瀋陽黎明航空發動機集團有限公司), the director, deputy general manager and chief accountant of AVIC Beijing Keeven Aviation Instrument Co., Ltd. (中航工業北京青雲航空儀錶有限公司), the deputy manager of the audit department of AVIC and the deputy general manager and chief accountant of AVIC Electromechanical Systems Company Limited (中航機電系統有限公司) as well as a director, deputy general manager and chief accountant of AVIC Electromechanical Systems Co., Ltd. (中航工業機電系統股份有限公司, which shares are listed and traded on the Shenzhen Stock Exchange).

Mr. Xu Hongge, aged 45, has been an Executive Director and the Chief Executive Officer of the Company since June 2015. He holds a Bachelor's degree in architecture from Southeast University. He also completed the Post-EMBA program from Cheung Kong Graduate School of Business in 2010. Mr. Xu previously served as an executive vice president of China Vanke Co., Ltd, a company listed on the Stock Exchange and Shenzhen Stock Exchange. He has over 23 years of experience in property development industry.

周春華女士，51歲，於二零一六年十二月三十日獲委任為本公司執行董事。周女士為研究員級高級會計師，長江商學院EMBA。周女士於財務管理、資本運作、審計及風險管理方面擁有豐富工作經驗。周女士於二零一六年十二月獲委任為中航國際副總裁兼總會計師。周女士現任中航國際控股執行董事、中航國際董事及中航國際（香港）集團董事。在此之前，彼為瀋陽黎明航空發動機集團有限公司總裁助理兼副總會計師、中航工業北京青雲航空儀錶有限公司董事、副總裁兼總會計師、中航工業之審計部副經理、中航機電系統有限公司之副總裁兼總會計師以及中航工業機電系統股份有限公司（該公司之股份於深圳證券交易所上市及買賣）之董事、副總裁兼總會計師。

徐洪剛先生，45歲，自二零一五年六月出任本公司執行董事兼行政總裁。徐先生持有東南大學建築系建築學專業學士學位，並於二零一零年完成長江商學院高層管理教育的長江商學院後EMBA課程。徐先生曾於聯交所及深圳證券交易所上市之萬科企業股份有限公司擔任執行副總裁。徐先生擁有超過23年的房地產開發行業經驗。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及管理高層之履歷

NON-EXECUTIVE DIRECTOR

Mr. Chow Wai Kam, JP, aged 69, has been a Non-executive Director of the Company since June 2015. He obtained a Bachelor of Arts degree in Architectural Studies and a Bachelor of Architecture degree from the University of Hong Kong in November 1970 and November 1972, respectively. He has been an Authorised Person (List of Architects) and a Registered Architect since July 1976 and January 1991, respectively. He was also admitted as a Fellow of The Hong Kong Institute of Architects since August 2001. He is currently an Executive Director of Cheung Kong Property Holdings Limited (“CKPH”), a company listed on the Stock Exchange. Mr. Chow joined the Hutchison Group in July 1995 and was the Group Managing Director of the property and hotels divisions of the Hutchison Group since 2000. He is now the Group Managing Director of Hutchison Property Group Limited, a wholly-owned subsidiary of CKPH. He has over 40 years of experience in project management and architectural design for various developments, including hotel, residential, commercial, industrial and school projects in Hong Kong, the Mainland China and overseas.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chu Yu Lin, David, JP, SBS, aged 73, has been an Independent Non-executive Director of the Company since May 1999. He is also a member and the Chairman of the Audit Committee and the Remuneration Committee of the Company. Mr. Chu received his Master of Business Administration degree from Harvard University after degrees in Electrical Engineering and Management at Northeastern University and was awarded an honorary Doctor of Public Service degree from Northeastern University. He worked for a number of sizeable international corporations such as Bank of America, General Electric Co. and Jardine Matheson & Company Limited. Mr. Chu is an independent non-executive director of Chuang’s China Investments Limited, Chuang’s Consortium International Limited and Zhuhai Holdings Investment Group Limited, all being listed on the Stock Exchange.

非執行董事

周偉淦先生，太平紳士，69歲，自二零一五年六月出任本公司非執行董事。周先生分別於一九七零年十一月及一九七二年十一月獲得香港大學建築學文學學士學位及建築學學士學位。並分別自一九七六年七月及一九九一年一月起成為認可人士（建築師名單）及註冊建築師。自二零零一年八月起，周先生成為香港建築師學會資深會員。周先生現為於聯交所上市之長江實業地產有限公司（「長地」）之執行董事。周先生於一九九五年七月加入和黃集團，並自二零零零年起曾任和黃集團之物業及酒店部門集團董事總經理。周先生現任長地之全資附屬公司和記地產集團有限公司集團董事總經理。周先生於各類發展之項目管理與建築設計方面，包括於香港、中國與海外之酒店、住宅、商業、工業及校舍項目有逾四十年經驗。

獨立非執行董事

朱幼麟先生，JP，SBS，73歲，自一九九九年五月出任本公司獨立非執行董事。朱先生同時出任本公司審核委員會及薪酬委員會成員兼主席。朱先生持有美國東北大學電機工程及管理學學位，後獲哈佛大學頒授工商管理碩士學位及獲美國東北大學頒發名譽博士學位（公共服務）。朱先生曾於多間頗具規模之國際機構如美國銀行、General Electric Co.及怡和洋行有限公司工作。朱先生現出任莊士中國投資有限公司、莊士機構國際有限公司及珠海控股投資集團有限公司獨立非執行董事（上述公司全部均於聯交所上市）。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及管理高層之履歷

Mr. Li Ka Fai, David, aged 62, has been an Independent Non-executive Director of the Company since December 2007. He is also a member of the Audit Committee and the Remuneration Committee of the Company. Mr. Li holds a Bachelor of Science honours degree in Chemistry and Administration. He is the deputy managing partner of Li, Tang, Chen & Co. CPA (Practising). Mr. Li is also a fellow of the Hong Kong Institute of Certified Public Accountants, The Association of Chartered Certified Accountants, UK, The Institute of Chartered Secretaries and Administrators, UK as well as The Institute of Chartered Accountants in England & Wales. He is an independent non-executive director of China Merchants Port Holdings Company Limited, China-Hongkong Photo Products Holdings Limited, Cosmopolitan International Holdings Limited, Goldlion Holdings Limited, Shanghai Industrial Urban Development Group Limited and Wai Yuen Tong Medicine Holdings Limited, all being listed on the Stock Exchange.

Mr. Li Zhaoxi, aged 69, has been an Independent Non-executive Director of the Company since September 2004. He is also a member of the Audit Committee of the Company. Mr. Li holds a Master's degree in Business Administration. He is a senior research fellow of and served as a deputy director at the Enterprise Research Institute of the Development Research Center under the State Council of the People's Republic of China. Mr. Li has carried out research on corporate reforms and management for over 32 years. He was an independent director of Liaoning Hongyang Energy Resource Invest Co., Ltd, a company listed on the Shanghai Stock Exchange, until 18 April 2014.

李家暉先生，62歲，自二零零七年十二月出任本公司獨立非執行董事。李先生同時出任本公司審核委員會及薪酬委員會成員。李先生持有化學及管理榮譽理學士學位。李先生現為李湯陳會計師事務所副執行合夥人。李先生亦為香港會計師公會執業資深會計師、英國特許公認會計師公會、英國特許秘書及行政人員公會及英格蘭及威爾斯特許會計師公會資深會員。李先生現出任招商局港口控股有限公司、中港照相器材集團有限公司、四海國際集團有限公司、金利來集團有限公司、上海實業城市開發集團有限公司及位元堂藥業控股有限公司獨立非執行董事（上述公司全部均於聯交所上市）。

李兆熙先生，69歲，自二零零四年九月出任本公司獨立非執行董事。李先生同時出任本公司審核委員會成員。李先生持有工商管理碩士學位。李先生現為中國國務院發展研究中心企業研究所資深研究員並曾出任為副所長。李先生從事企業改革及管理研究工作逾32年。李先生曾出任於上海證券交易所上市之遼寧紅陽能源投資股份有限公司獨立董事至二零一四年四月十八日。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及管理高層之履歷

SENIOR MANAGEMENT

Mr. Zhao Yang, aged 46, joined the Group in January 2017 as the Chief Financial Officer and is responsible for the Group's corporate finance, accounting and treasury functions. He is also a director of Tacko and certain subsidiaries of the Company. He holds a Bachelor's degree in Finance from Nankai University and EMBA degree from China Europe International Business School. Mr. Zhao is a senior economist. Prior to joining the Group, Mr. Zhao held senior management positions in different companies, of which two are Shenzhen listed companies. Mr. Zhao has over 23 years of experience in accounting and finance.

Mr. Zhong Rong, aged 40, Deputy Chief Financial Officer, joined the Group in July 2015 and is responsible to assist the Chief Financial Officer for the Group's corporate finance, accounting and treasury functions. He holds a Master's degree in management and is a member of The Chinese Institute of Certified Public Accountants. He has over 17 years of experience in accounting and finance.

Ms. Wu Shaohua, aged 31, joined the Group in January 2017 as Deputy Chief Financial Officer and is responsible to assist the Chief Financial Officer for the Group's corporate finance, accounting and treasury functions. She holds a Master's degree in accounting from University of International Business and Economics and MBA degree from Missouri State University. Prior to joining the Group, Ms. Wu held senior management positions in different companies. She has almost 10 years of experience in accounting and finance and international aviation business.

管理高層

趙揚先生，46歲，二零一七年一月加入本集團擔任財務總監，負責本集團之企業融資、會計及財政等職務。趙先生同時出任Tacko董事，並為本公司若干附屬公司董事。趙先生持有南開大學金融學士學位及中歐國際工商學院EMBA，並為高級經濟師。在加盟本集團之前，趙先生曾於多間公司擔任高級管理職務，其中兩間為深圳上市公司。趙先生在會計及財務方面擁有逾23年經驗。

鐘榮先生，40歲，副財務總監，二零一五年七月加入本集團，並負責協助財務總監處理本集團之企業融資、會計及財政等職務。鐘先生持有管理學碩士，並為中國註冊會計師。鐘先生在會計及財務方面擁有逾17年經驗。

武紹華女士，31歲，二零一七年一月加入本集團擔任副財務總監，並負責協助財務總監處理本集團之企業融資、會計及財政等職務。武女士持有對外經濟貿易大學會計學碩士及美國密蘇里州立大學工商管理碩士學位。在加盟本集團之前，武女士曾於多間公司擔任高級管理職務。武女士在會計財務方面、以及國際航空業務方面擁有近10年經驗。

CORPORATE GOVERNANCE REPORT 企業管治報告

CORPORATE GOVERNANCE

The Company is committed to maintain good standards of corporate governance practices by emphasising transparency, accountability and responsibility to its shareholders.

For the year ended 31 December 2016, the Company applied the principles of, and complied with all the code provisions and, where applicable, the recommended best practices of the “Corporate Governance Code” (the “CG Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”), except as noted hereunder:

1. Except for the Non-executive Director appointed on 23 June 2015, all Non-executive Directors are appointed without specific terms (code provision A.4.1), details of which are mentioned under the section headed “NON-EXECUTIVE DIRECTORS” in this report; and
2. the Company does not have a nomination committee (code provisions A.5.1 to A.5.4), details of which are mentioned under the section headed “BOARD OF DIRECTORS” in this report.

The Company will periodically review and improve its corporate governance practices with reference to the latest development of corporate governance.

DIRECTORS’ SECURITIES TRANSACTIONS

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 the Company’s code of conduct regarding Directors’ securities transactions. A reminder is served by the Company to each Director twice annually of the black out period that Director cannot deal in the securities and derivatives (if any) of the Company.

企業管治

本公司致力於對其股東強調透明度、問責性及責任性，從而保持良好的企業管治常規。

除下文所述外，本公司於截至二零一六年十二月三十一日止年度已實施並遵守載於聯交所證券上市規則（「上市規則」）附錄十四的《企業管治守則》（「企業管治守則」）的所有守則條文及（如適用）建議最佳常規：

1. 除在二零一五年六月二十三日委任的非執行董事外，所有非執行董事並無指定任期（守則條文第A.4.1條），詳情載於本報告內「非執行董事」項下；及
2. 本公司並未設立提名委員會（守則條文第A.5.1至A.5.4條），詳情載於本報告內「董事會」項下。

本公司將參考企業管治的最新發展，定期檢討及改善其企業管治常規。

董事的證券交易

本公司已採納載於上市規則附錄十的《上市發行人董事進行證券交易的標準守則》（「標準守則」）作為董事進行證券交易的行為守則。本公司每年就禁止買賣期發出兩次通知提醒每位董事不可買賣本公司之證券及衍生工具（如有）。

CORPORATE GOVERNANCE REPORT

企業管治報告

Directors are required to notify the Chief Executive Officer (who is also a Director) and receive a dated written acknowledgement before dealing in the securities and derivatives (if any) of the Company. In the case of the Chief Executive Officer himself, he must notify the Chairman and receive a dated written acknowledgement before any dealing.

Having made specific enquiry, all Directors have confirmed that they have complied with the required standard as set out in the Model Code throughout the year ended 31 December 2016.

The Company has also established a written guideline no less exacting than the Model Code for securities transactions by relevant employees (including any employee of the Company or director or employee of a subsidiary who, because of his office or employment in the Company or a subsidiary, is likely to possess inside information in relation to the securities of the Company). No incidence of non-compliance was noted by the Company.

BOARD OF DIRECTORS

The Company is governed by the Board which has the responsibility for leadership and control of the Company. The Directors are collectively responsible for promoting the success of the Company by directing and supervising the Company's affairs.

Currently, the Board comprises five Executive Directors, including Chairman and Deputy Chairman, and four Non-executive Directors, including three Independent Non-executive Directors. An Independent Non-executive Director has appropriate professional qualifications or accounting or related financial management expertise as prescribed by the Listing Rules. 7 out of the 9 Directors served the full year for the year ended 31 December 2016. The biographical details of the Directors are set out on pages 11 to 16 of this annual report. There is no relationship (including financial, business, family or other material/relevant relationship) between Board members.

董事進行本公司之證券及衍生工具（如有）買賣前，必須先知會行政總裁（行政總裁亦為董事），並待收到註明日期之書面確認才可進行買賣。倘為行政總裁本人，則必須先知會主席，並待收到註明日期之書面確認才可進行買賣。

在作出特定查詢後，所有董事確認彼等於截至二零一六年十二月三十一日止年度已遵守標準守則所載的規定。

本公司亦已制定一份不遜於標準守則的有關僱員（包括本公司任何僱員、或附屬公司的任何董事或僱員，不會利用他們因在該公司或該附屬公司的職務或工作而可能管有與本公司證券有關的內幕消息）進行證券交易的書面指引。本公司並無知悉任何違規事件。

董事會

本公司由董事會管理，董事會負有領導及監控本公司之責任。董事透過集體領導及監督本公司事務，共同負責推動本公司的成功。

董事會目前由五名執行董事（包括主席及副主席）及四名非執行董事（包括三名獨立非執行董事）組成。一名獨立非執行董事具備上市規則所規定之適當的專業資格或會計或相關的財務管理專長。九位董事中有七位於截至二零一六年十二月三十一日止整個年度內任職。董事之履歷資料載於本年報第11頁至第16頁。董事會成員之間並無任何關係（包括財務、業務、家屬或其他重大／相關的關係）。

CORPORATE GOVERNANCE REPORT 企業管治報告

At each annual general meeting, one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years. The Directors to retire in every year shall be those who have been longest in office since their last election but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree between themselves) be determined by lot. The retiring Directors shall be eligible for re-election. A new Director appointed by the Board after the preceding annual general meeting shall hold office only until the next following general meeting of the Company (in the case of filling a casual vacancy) or until the next following annual general meeting of the Company (in the case of an addition to the existing Board) and shall then be eligible for re-election at that meeting.

The Company does not have a nomination committee. The Board is directly in charge of nomination of Directors. In accordance with the Bye-laws of the Company, the Board shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the members in general meeting. For nomination, consideration will be made to the qualifications and capabilities of the nominated individual. During the year, the Board selected and recommended the appointment of Mr. Liu Hongde and Ms. Zhou Chunhua as Executive Directors.

At present, the Company does not consider it necessary to have a nomination committee as the Board is responsible for reviewing the structure, size, diversity and composition of the Board and the appointment of new Directors from time to time to ensure that it has a balanced composition of skills and experience appropriate for the requirements of the businesses of the Company, and the Board is also responsible for assessing the independence of each Independent Non-executive Director and reviewing the succession plan for the Directors, in particular the Chairman and the Chief Executive Officer.

於每屆股東週年大會，其時三分之一的董事（或，若董事的人數不是三(3)的倍數，則最接近但不少於三分之一的人數）須輪席退任，即每位董事至少每三年須退任一次。每年退任的董事須為自上一次選舉以來任期最長的董事，對於同一日連任的董事，則須以抽籤方式決定（除非董事之間另有協定）。退任董事合資格重選連任。於上屆股東週年大會後獲董事會委任之新董事，將任職至本公司下屆股東大會（如為填補空缺者）或任職至本公司下屆股東週年大會（如為增加現有董事會成員），並合資格在有關會議上重選連任。

本公司並未設立提名委員會。董事會直接負責董事之委任事宜。根據本公司細則，董事會有權不時並於任何時間委任任何人士為董事，以填補空缺或增加董事會成員，但因此委任之董事人數不得超過股東於股東大會上不時訂定的最多人數。提名時將考慮該獲提名人士之資格及能力。年內，董事會遴選及推薦委任劉洪德先生及周春華女士為執行董事。

由於董事會負責不時審閱董事會之架構、人數、多元化及組成，以及新董事之委任，確保董事會由具備配合本公司業務所需技能及經驗之人士組成，加上董事會亦負責評核每位獨立非執行董事的獨立性及檢討董事（尤其是主席及行政總裁）之繼任計劃，因此本公司認為目前不需設立提名委員會。

CORPORATE GOVERNANCE REPORT 企業管治報告

The Company has adopted a board diversity policy (the "Policy") which sets out the approach to achieve and maintain diversity on the Board in order to maintaining a competitive advantage of the Board. The Company seeks to achieve board diversity through the consideration of a number of factors, including but not limited to the talents, skills, regional and industry experience, background, gender and other qualities. The Board will consider and if appropriate, set measurable objectives to implement the Policy and review such objectives to ensure their appropriateness and ascertain the progress made towards achieving those objectives. The Board will review the Policy, from time to time, to ensure its continued effectiveness.

The Board formulates overall strategy of the Group, monitors its financial performance and maintains effective oversight over the management. The Board members are fully committed to their roles and have acted in good faith to maximize the shareholders' value in the long run, and have aligned the Group's goals and directions with the prevailing economic and market conditions.

The Board is also responsible for performing the corporate governance functions under the requirements of the CG Code. The major role and functions of the Board regarding its corporate governance include:

1. to develop and review the Company's policies and practices on corporate governance;
2. to review and monitor the training and continuous professional development of Directors and senior management of the Company;
3. to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
4. to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees of the Company and Directors; and

本公司已採納了一份載列實現並保持董事會成員多元化途徑的董事會成員多元化政策（「本政策」），以保持董事會的競爭優勢。本公司透過考慮多項因素，包括但不限於才能、技能、地域及行業經驗、背景、性別及其他特質，以尋求實現董事會多元化。董事會將考慮並在適當情況下制定可計量目標以推行本政策，並檢討該等目標以確保其合適度及確定達標的進度。董事會將不時檢討本政策，以確保其持續有效。

董事會制定本集團之整體策略，監察其財務表現及對管理層維持有效之監督。董事會成員盡心履行及忠誠行事，爭取股東長遠最大利益，並使本集團之目標及方向與當前經濟及市場狀況保持一致。

董事會同時負責履行企業管治守則項下要求的企業管治職能。董事會就其企業管治的主要角色和職能，包括：

1. 制定及檢討本公司的企業管治政策及常規；
2. 檢討及監察董事及本公司管理高層的培訓及持續專業發展；
3. 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
4. 制定、檢討及監察本公司僱員及董事的操守準則及合規手冊（如有）；及

CORPORATE GOVERNANCE REPORT 企業管治報告

5. to review the Company's compliance with the CG Code and disclosure in this report.

5. 檢討本公司遵守企業管治守則的情況及於本報告內的披露。

The following is a summary of the work of the Board in respect of corporate governance matters during the year ended 31 December 2016:

以下是董事會於截至二零一六年十二月三十一日止年度內就企業管治事宜的工作概要：

1. performed corporate governance duties under the CG Code;
2. reviewed the Company's corporate governance policies and practices;
3. reviewed the connected transactions and the continuing connected transactions of the Group;
4. reviewed the compliance with the CG Code; and
5. reviewed the effectiveness of the risk management and internal control systems of the Company through the Audit Committee.

1. 履行企業管治守則項下的企業管治職責；
2. 檢討本公司之企業管治政策及常規；
3. 檢討本集團之關連交易及持續關連交易；
4. 檢討是否遵守企業管治守則；及
5. 透過審核委員會檢討本公司實施之風險管理及內部監控系統是否有效。

The senior management of the Company is delegated with responsibilities in the day-to-day management and administration of the Company and makes operational and business decisions within the control and delegation framework of the Company.

按本公司之監控及授權架構，本公司管理高層獲授權負責本公司之日常及行政管理，並作出營運及業務上之決策。

The Company has issued formal letters of appointment for Directors setting out the key terms and conditions of their appointment.

本公司已發出訂明有關委任的主要條款及條件的正式的董事委任書。

The Company has arranged appropriate insurance cover in respect of legal actions against its Directors and officers. The Company reviews the extent of this insurance each year.

本公司已就因董事及高級職員所承擔之法律責任安排適當保險，本公司每年對該保險之保障範圍進行檢討。

CORPORATE GOVERNANCE REPORT

企業管治報告

All Directors have access to the advice and services of the Company Secretary who is responsible for ensuring that board procedures, and all applicable rules and regulations, are followed; and also regularly updates the Board on governance and regulatory matters. Any Director, in the furtherance of his or her duties, may take independent professional advice in appropriate circumstances through the Chairman at the expense of the Company. The availability of professional advice extends to the Audit and Remuneration Committees.

Minutes of Board meetings are taken by the Company Secretary and, together with any supporting Board papers, are available to all Board members. During the year ended 31 December 2016, six regular Board meetings were held by the Company.

The attendance of individual Directors at regular Board meetings and other Committee meetings as well as general meetings during the year ended 31 December 2016 are set out in the table below:

所有董事均可獲得公司秘書的意見和服務，公司秘書負責確保遵循董事會程序及所有適用規則及規例；並定期就管治及法規等事宜向董事會提供最新的信息。任何董事可在適當的情況下透過主席尋求獨立專業意見，以協助有關董事履行對本公司的責任，費用由本公司支付。尋求專業意見亦適用於審核委員會及薪酬委員會。

董事會會議記錄由公司秘書記存，連同任何相關的董事會文件，可供董事會所有成員查閱。於截至二零一六年十二月三十一日止年度，本公司曾舉行六次董事會定期會議。

各董事於截至二零一六年十二月三十一日止年度內出席董事會定期會議及其他委員會會議以及股東大會的記錄載於下表：

Director	董事	Number of regular meetings or meetings attended/held 出席／舉行定期會議或會議次數			Number of general meetings attended/held 出席／舉行股東大會次數	
		Board 董事會	Remuneration Committee 薪酬委員會	Audit Committee 審核委員會	Annual 週年	Special 特別
<i>Executive Directors</i> 執行董事						
Liu Hongde**	劉洪德**	1/1	0/0	–	0/0	0/0
Pan Linwu	潘林武	6/6	–	–	1/1	0/0
Lai Weixuan	賴偉宣	5/6	–	–	1/1	0/0
Zhou Chunhua**	周春華**	1/1	–	–	0/0	0/0
Xu Hongge	徐洪舸	4/6	–	–	1/1	0/0
Wu Guangquan*	吳光權*	4/5	1/1	–	1/1	0/0
Xiao Nan*	肖楠*	3/5	–	–	1/1	0/0
<i>Non-executive Director</i> 非執行董事						
Chow Wai Kam	周偉淦	6/6	–	–	1/1	0/0
<i>Independent Non-executive Directors</i> 獨立非執行董事						
Chu Yu Lin, David	朱幼麟	6/6	1/1	3/3	1/1	0/0
Li Ka Fai, David	李家暉	6/6	1/1	3/3	1/1	0/0
Li Zhaoxi	李兆熙	6/6	–	3/3	0/1	0/0

CORPORATE GOVERNANCE REPORT 企業管治報告

- * Mr. Wu Guangquan and Mr. Xiao Nan resigned as directors of the Company on 30 December 2016. Up to the date of their resignation, five Board meetings, one Remuneration Committee meeting and one general meeting were held during the year.
- ** Mr. Liu Hongde and Ms. Zhou Chunhua were appointed as directors of the Company on 30 December 2016. One Board meeting and no Remuneration Committee meeting and general meeting was held during the period from the date of their appointment up to the end of the year.

During the year ended 31 December 2016, a meeting was held by the Chairman with the Non-executive Directors (including Independent Non-executive Directors) without presence of the Executive Directors. Save for the annual general meeting, no special general meeting was held during the year 2016.

DIRECTORS' TRAINING AND PROFESSIONAL DEVELOPMENT

Every newly appointed director is given a comprehensive, formal and tailored induction training to ensure that he is fully aware of his responsibilities under statute and common law, the Listing Rules, legal and other regulatory requirements.

All directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. During the year ended 31 December 2016, the Company arranged an in-house training on risk management and internal control and on environmental, social and governance reporting for the Directors and senior management of the Group. According to the records provided by the Directors, the Directors received the following training during the year 2016:

- * 吳光權先生及肖楠先生於二零一六年十二月三十日辭任本公司董事。截至他們辭職日止年內曾舉行五次董事會會議、一次薪酬委員會會議及一次股東大會。
- ** 劉洪德先生及周春華女士於二零一六年十二月三十日獲委任為本公司董事。從他們的任命之日起至今年年底期間召開了一次董事會會議，沒有舉行薪酬委員會會議及股東大會。

於截至二零一六年十二月三十一日止年度內，主席與非執行董事（包括獨立非執行董事）在沒有執行董事出席的情況下舉行了一次會議。除股東週年大會外，於二零一六年內沒有舉行股東特別大會。

董事培訓及專業發展

每名新委任的董事獲給予全面、正式兼特為其而設的就任須知，以確保他們完全知道本身在法規及普通法、上市規則、法律及其他監管規定下的職責。

本公司鼓勵全體董事參與持續專業發展，發展並更新其知識及技能。截至二零一六年十二月三十一日止年度，本公司為本集團董事及管理高層安排風險管理及內部監控系統及環境、社會及企業管治報告的內部培訓。根據董事提供的記錄，董事於二零一六年內接受以下培訓：

CORPORATE GOVERNANCE REPORT
企業管治報告

Director	董事	Type of continuous professional development programmes 持續專業發展計劃類別	
		Reading materials and updates 閱讀材料及更新資料	Attending briefing sessions/seminars 出席簡介會／研討會
<i>Executive Directors</i>			
Liu Hongde**	劉洪德**	✓	✓
Pan Linwu	潘林武	✓	✓
Lai Weixuan	賴偉宣	✓	✓
Zhou Chunhua**	周春華**	✓	✓
Xu Hongge	徐洪舸	✓	–
Wu Guangquan*	吳光權*	✓	✓
Xiao Nan*	肖楠*	✓	–
<i>Non-executive Director</i>			
Chow Wai Kam	周偉淦	✓	✓
<i>Independent Non-executive Directors</i>			
Chu Yu Lin, David	朱幼麟	✓	✓
Li Ka Fai, David	李家暉	✓	✓
Li Zhaoxi	李兆熙	✓	✓
* resigned on 30 December 2016.		* 於二零一六年十二月三十日辭任。	
** appointed on 30 December 2016.		** 於二零一六年十二月三十日獲委任。	

CORPORATE GOVERNANCE REPORT 企業管治報告

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

To ensure a balance of power and authority, the role of the Chairman is separated from that of the Chief Executive Officer. Currently, the Chairman and the Chief Executive Officer of the Company are Mr. Liu Hongde and Mr. Xu Hongge respectively.

The Chairman is responsible for the leadership of the Board, ensuring the effectiveness of the Board in all aspects of its role and for setting its agenda and taking into account any matters proposed by other Directors for inclusion in the agenda. Agendas and accompanying Board papers are circulated where possible at least three days before the time of a Board meeting. The Chairman is also responsible for making sure all Directors are properly briefed on issues arising at Board meetings. The Chief Executive Officer is delegated with the authorities to manage the business of the Group in all aspects effectively.

The division of responsibilities between the Chairman and the Chief Executive Officer has been clearly established and set out in writing.

NON-EXECUTIVE DIRECTORS

The Non-executive Directors bring a wide range of skills and experience to the Group. They serve the important function of providing adequate checks and balances for safeguarding the interests of shareholders and the Company as a whole. The Board considers that three out of the four Non-executive Directors are independent in character and judgment and fulfill the independence guidelines set out in rule 3.13 of the Listing Rules.

Except for the Non-executive Director appointed on 23 June 2015, all Non-executive Directors including Independent Non-executive Directors are appointed without specific terms, but are subject to retirement by rotation as explained above under section headed "BOARD OF DIRECTORS".

主席及行政總裁

為確保權力和授權分佈均衡，主席及行政總裁的角色有獨立區分。現時本公司之主席及行政總裁分別為劉洪德先生及徐洪舸先生。

主席負責領導董事會，確保董事會各方面有效地運作及釐定董事會會議議程，並考慮將其他董事提出的議題加入議程。會議議程及隨附的董事會文件（在可能情況下）在舉行董事會會議當日最少三日前傳閱。主席亦負責確保所有董事均適當知悉在董事會會議上提出的事項。行政總裁則獲授權有效地管理本集團各方面之業務。

主席及行政總裁的職責區分已清晰界定並以書面列明。

非執行董事

非執行董事為本集團帶來廣泛技能及經驗。彼等就保障股東及本公司之整體利益上發揮重要制衡功能。董事會認為四名非執行董事中之三名在個性及判斷上皆獨立，並符合上市規則第3.13條所載的獨立性準則。

除在二零一五年六月二十三日委任的非執行董事外，所有非執行董事（包括獨立非執行董事）並無指定任期，惟須根據以上「董事會」項下所述輪席退任。

CORPORATE GOVERNANCE REPORT 企業管治報告

REMUNERATION COMMITTEE

The Remuneration Committee currently comprises one Executive Director, Mr. Liu Hongde, and two Independent Non-executive Directors, namely, Mr. Chu Yu Lin, David (as chairman) and Mr. Li Ka Fai, David. The Remuneration Committee is responsible for making recommendations to the Board on the Company's policy and structure for the remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration. The role, authority and duties of the Remuneration Committee are clearly set out in its terms of reference.

The Remuneration Committee met once during the year 2016 to review and recommend the remuneration of Non-executive Directors and to review and approve the remuneration packages of Executive Directors and senior management. The attendance of each member is set out in the table above under section headed "BOARD OF DIRECTORS".

The primary goal of the remuneration policy on executive remuneration packages is to enable the Company to retain and motivate Executive Directors by linking their compensation with performance as measured against corporate objectives. Under the policy, no director or any of his associates is allowed in deciding his own remuneration. During the year 2016, the Remuneration Committee has adopted the model "to determine, with delegated responsibility, the remuneration packages of individual executive directors and senior management".

薪酬委員會

薪酬委員會目前由一名執行董事（劉洪德先生）及兩名獨立非執行董事（朱幼麟先生擔任主席及李家暉先生）組成。薪酬委員會的職責包括向董事會就有關本公司董事及管理高層之薪酬政策及架構、以及就制訂有關薪酬政策而建立之正規且具透明度的程序提供建議。薪酬委員會的角色、權限及職責已清晰地載於其職權範圍內。

於二零一六年內，薪酬委員會曾舉行一次會議，以檢討及建議非執行董事之薪酬，並檢討及批准執行董事及管理高層之薪酬待遇。各成員之出席記錄載於上述「董事會」項下的出席表內。

行政人員薪酬政策之主要目的是透過把執行董事的待遇與按企業目標量度的表現掛鉤，藉此挽留及勉勵本公司執行董事。根據薪酬政策，任何董事或其任何聯繫人不得參與釐定其自身的薪酬。於二零一六年內，薪酬委員會已採納了《獲董事會轉授責任，釐定個別執行董事及高級管理人員的薪酬待遇》的模式。

CORPORATE GOVERNANCE REPORT 企業管治報告

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

截至二零一六年十二月三十一日止年度，本公司管理高層之酬金等級載列如下：

Remuneration	酬金	Number of individuals 人數
Nil to HK\$1,000,000 (Note)	零至1,000,000港元(附註)	1

Details of Directors' remuneration and the five highest paid employees as required to be disclosed pursuant to Appendix 16 to the Listing Rules are set out in notes 8 and 9 to the financial statements respectively.

根據上市規則附錄十六之披露要求，董事酬金及五名最高薪僱員之詳情分別載於財務報表附註8及9。

Note: Included the remuneration payable to the member of senior management who resigned during the year.

附註：包括了應付年內辭職的管理高層之酬金。

AUDIT COMMITTEE

The Company has an Audit Committee which was established in compliance with rule 3.21 of the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process, risk management and internal control systems and the effectiveness of the Company's internal audit function. It currently comprises three Independent Non-executive Directors, namely Mr. Chu Yu Lin, David (as chairman), Mr. Li Ka Fai, David and Mr. Li Zhaoxi. The Audit Committee met three times during the year 2016 to review the interim and final results, the interim and annual reports and the risk management and internal control systems of the Group. The attendance of each member is set out in the table above under the section headed "BOARD OF DIRECTORS". The duties of the Audit Committee are clearly set out in its terms of reference.

Full minutes of meetings are kept and sent to all members of the Board. Matters raised at the meetings were reported back to the Board so that due consideration was given as to the action to be taken.

審核委員會

本公司已設立根據上市規則第3.21條規定成立之審核委員會，以檢討及監督本集團之財務申報程序、風險管理及內部監控系統及公司的內部審計職能的有效性。審核委員會現由三名獨立非執行董事(朱幼麟先生擔任主席、李家暉先生及李兆熙先生)組成。審核委員會於二零一六年內曾舉行三次會議，以審閱本集團的中期業績及末期業績、中期報告及年報，以及風險管理及內部監控系統。各成員之出席記錄載於上述「董事會」項下的出席表內。審核委員會的職責已清晰地載於其職權範圍內。

相關會議的全部記錄已備存，並發送予董事會所有成員。在會議上提出的事項均已匯報董事會，以便及時考慮所需行動。

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDITORS' REMUNERATION

Ernst & Young are the auditors of the Company. The services provided by them include audit and non-audit. Fees for auditing and non-auditing (including interim review, taxation and other professional services) services for the year ended 31 December 2016 amount to HK\$1,500,000 and HK\$466,500 respectively.

FINANCIAL REPORTING

The Directors are responsible for monitoring the preparation of financial statements of each financial period and ensuring those financial statements provide a true and fair view of the state of affairs of the Group and of the results and cash flow for the relevant financial period. In preparing the financial statements, the Directors have selected appropriate accounting policies and applied them consistently, adopted Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants, made a prudent and reasonable judgment and estimation, and, prepared the financial statements on a going concern basis.

The Company has timely announced and published its financial results in accordance with the requirements of the Listing Rules.

The auditors are responsible for forming an independent opinion, based on their audit, on those financial statements and to report their opinion solely to the members of the Company, as a body, in accordance with Section 90 of the Companies Act 1981 of Bermuda (the "Companies Act"), and for no other purpose.

A statement by the auditors about their reporting responsibilities is set out in the Independent Auditor's Report of this annual report.

核數師酬金

安永會計師事務所乃本公司之核數師。彼等所提供之服務包括審計及非審計。截至二零一六年十二月三十一日止年度，審計及非審計（包括中期審閱、稅務及其他專業服務）服務費用分別為1,500,000港元及466,500港元。

財務申報

董事負責監督擬備每個財政期間之財務報表，使該財務報表能真實而中肯地反映本集團於該有關財政期間之業務狀況、業績及現金流量表現。在擬備該等財務報表時，董事已選擇及貫徹採用合適的會計政策；採納香港會計師公會頒佈的香港財務報告準則；及作出審慎合理判斷及估計，並按持續經營基準擬備財務報表。

本公司已按上市規則規定適時公告及發佈其財務業績。

核數師的責任乃根據彼等審計工作的結果，對該等財務報表作出獨立意見，並根據百慕達公司法一九八一（「公司法」）第90條僅為本公司全體股東報告，而不作任何其他用途。

核數師就其申報責任而作出的聲明載於本年報獨立核數師報告內。

CORPORATE GOVERNANCE REPORT 企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibility for the Group's risk management and internal control systems and for reviewing their effectiveness through the Audit Committee. These systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement, losses or fraud. Procedures have been designed for safeguarding assets against unauthorized use or disposition, for maintaining proper accounting records; and for the reliability of financial information used within the business or for publication. Procedures have also been designed for compliance of applicable laws, rules and regulations.

Reviews of the adequacy and effectiveness of the Group's risk management and internal control systems covering all material controls, including financial, operational and compliance controls, were conducted by the internal audit section of the Group from time to time. The results and recommendations were reported to the Audit Committee and thereafter to the Board. The adequacy of resources, staff qualifications and experience, training programmes and budget of the Group's accounting, internal audit and financial reporting functions have also been reviewed by the Board and Audit Committee. During the year ended 31 December 2016, internal audit section of the Group evaluated the effectiveness and adequacy of the Group's risk management and internal control systems by adopting an integrated risk assessment approach, and the review report was presented to the Audit Committee and the Board for review in December 2016. No material deficiency was identified. The Board considered that the Group's risk management and internal control systems were adequate and effective and the Company has complied with the provisions on risk management and internal control of the CG Code. The Board confirms that systems and procedures are in place to identify, control and report on significant risks involved in achieving the Company's strategic objectives. Exposures to these risks are monitored by the Board with the support of Audit Committee, internal audit section and senior management.

風險管理及內部監控

董事會對於本集團的風險管理及內部監控系統負有整體責任，並透過審核委員會對其有效程度進行檢討。該等系統旨在管理而非消除未能達成業務目標的風險，而且只能就不會有重大的失實陳述、損失或詐騙作出合理而非絕對的保證。就保障資產免受非法使用或處置、保存妥善會計記錄以及提供可靠的財務資料供內部或作刊發用途，已設計出相應步驟。同時亦已設計出相應步驟確保適用的法例、規則及法規得以遵守。

本集團的內部審核部門不時就本集團的風險管理及內部監控系統的足夠性及有效性進行檢討。有關檢討涵蓋所有重要監控，包括財務監控、營運監控及合規監控。相關結果及建議已向審核委員會報告；及後向董事會報告。董事會及審核委員會亦審閱本集團在會計、內部審核及財務匯報職能方面的資源充足性、員工資歷及經驗，以及員工所接受的培訓課程及有關預算的足夠性。於截至二零一六年十二月三十一日止年度內，本集團的內部審核部門通過綜合風險評估方法評估本集團的風險管理及內部監控系統的有效性及足夠性，評估報告於二零一六年十二月提交審核委員會及董事會審閱。本公司並無發現重大缺點。董事會認為本集團的風險管理及內部監控系統是足夠及有效的，同時本公司也遵守了企業管治守則關於風險管理及內部監控的條文。董事會確認該系統和程序能就實現本公司戰略目標而可能涉及的重大風險進行辨識、監控和作出報告。董事會在審核委員會、內部審核部門及管理高層的支持下監督這些風險。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company has implemented Corporate Disclosure Policy, which set out the reporting procedures for the handling and dissemination of inside information.

COMPANY SECRETARY

Ms. Tsui Choi Yee, Connie, the Company Secretary, is an employee of the Company and responsible directly to the Board. She has complied with all the qualification, experience and training requirement under the Listing Rules.

The Company Secretary reports to the Chairman and the Chief Executive Officer.

INVESTOR RELATIONS

The updated Memorandum of Association and Bye-laws of the Company had been posted on the Company's website at www.avic.com.hk and the Stock Exchange's designated website at www.hkexnews.hk. During the year 2016, there was no change in the Memorandum of Association and Bye-laws of the Company.

SHAREHOLDERS' RIGHTS

Convening of a special general meeting by shareholders

Pursuant to the Bye-laws of the Company and the Companies Act, the Board shall, on the requisition of shareholders holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up capital of the Company as at the date of the deposit carries the right of voting at general meetings of the Company, forthwith proceed duly to convene a special general meeting of the Company.

The requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited at the registered office of the Company (the "Registered Office"), which is presently situated at Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda, and may consist of several documents in like form each signed by one or more requisitionists.

本公司已經實施企業信息披露政策，其中規定了對內幕消息的處理及發佈的報告程序。

公司秘書

公司秘書徐彩儀女士是本公司僱員，並直接向董事會負責。徐女士一直遵守上市規則項下所有的資歷，經驗及培訓要求。

公司秘書向主席及行政總裁匯報。

投資者關係

本公司最新的組織大綱及細則已登載於本公司網頁www.avic.com.hk及聯交所指定網頁www.hkexnews.hk。於二零一六年內，本公司組織大綱及細則並無變動。

股東權利

股東召開股東特別大會

根據本公司細則及公司法，於持有可於本公司股東大會投票之已繳足股本不少於十分之一之股東遞交呈請書當日，董事會須隨即召開股東特別大會。

呈請書必須列明會議目的，並必須由呈請人簽署及遞交本公司註冊辦事處（「註冊辦事處」，現時地址為Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda），而呈請書可由若干相同格式之文件組成，而每份文件均由一名或以上呈請人簽署。

CORPORATE GOVERNANCE REPORT 企業管治報告

If the Board does not within twenty-one days from the date of the deposit of the requisition proceed duly to convene a meeting, the requisitionist, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from the said date.

Procedures for putting forward proposals at shareholders' meetings

Pursuant to the Companies Act, either any number of shareholders representing not less than one-twentieth of the total voting rights of all the shareholders having at the date of the requisition a right to vote at the meeting to which the requisition relates; or not less than one hundred shareholders, can request the Company in writing to (a) give to shareholders entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting; and (b) circulate to shareholders entitled to have notice of any general meeting sent to them any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

The requisition signed by all the requisitionists must be deposited at the Registered Office with a sum reasonably sufficient to meet the Company's relevant expenses, not less than six weeks before the meeting in the case of a requisition requiring notice of a resolution; and not less than one week before the meeting in the case of any other requisition. Provided that if, an annual general meeting is called for a date six weeks or less after the requisition has been deposited, the requisition though not deposited within the time required shall be deemed to have been properly deposited for the purposes thereof.

倘董事會並無於呈請人遞交呈請書當日起二十一日內隨即召開會議，則呈請人（或其中代表全體呈請人總表決權半數以上之任何人士）可自行召開會議，惟按此方式召開之任何會議不得於遞交呈請書當日起計三個月屆滿後舉行。

於股東大會上提呈議案之程序

根據公司法，任何股東數目代表不少於該呈請書提出當日有權於會議上投票之所有股東之總投票權二十分之一；或不少於一百名股東，可向本公司提交書面要求：(a)向有權接收下一屆股東週年大會通告之股東發出通告，以告知任何可能於該會議上正式動議及擬於該會議上動議之決議案；及(b)向有權獲發送任何股東大會通告之股東傳閱不超過一千字之陳述書，以告知於該會議上提呈之任何建議決議案所述事宜或將處理之事項。

由所有呈請人簽署之呈請書，必須在不少於（倘為要求通知決議案之呈請書）會議舉行前六週或（倘為任何其他呈請書）會議舉行前一週，遞交到註冊辦事處，並須支付足以彌補本公司相關開支之款項。惟倘在遞交呈請書後六週或較短期間內之某一日召開股東週年大會，則該呈請書雖未有在規定時間內遞交，就此而言亦將被視為已妥為遞交。

CORPORATE GOVERNANCE REPORT

企業管治報告

Procedures for shareholders to propose a person for election as a Director

Regarding the procedures for proposing a person for election as a Director, please refer to the procedures made available under section Corporate Governance of the Company's website at www.avic.com.hk.

Procedures for directing shareholder's enquiries to the Board

Shareholders may at any time send their enquiries and concerns to the Board in writing through the Company Secretary whose contact details are as follows:

Unit B, 15th Floor, United Centre
95 Queensway, Hong Kong
Fax: (852) 2915 0867

Shareholders may also make enquiries with the Board at general meetings of the Company.

COMMUNICATION WITH SHAREHOLDERS

The Company is committed to fair disclosure, comprehensive and transparent reporting. Effective communication with shareholders has always been one of the Company's priorities. Information in relation to the Group is disseminated to shareholders in a timely manner through various formal channels, which include interim and annual reports, announcements and circulars.

The Company has established a shareholders' communication policy which is subject to review on a regular basis to ensure its effectiveness.

股東提名候選董事之程序

關於提名候選董事之程序，請參閱本公司網頁 www.avic.com.hk 企業管治項下之程序。

股東向董事會作出查詢之程序

股東可隨時以書面形式透過公司秘書轉遞其查詢及問題予董事會。公司秘書之聯絡詳情如下：

香港金鐘道95號
統一中心15樓B室
傳真：(852) 2915 0867

股東亦可在本公司之股東大會上向董事會作出查詢。

與股東的溝通

本公司致力於公平披露、綜合及透明的報告。本公司一向高度重視與股東之間的有效溝通。有關本集團之資料，已透過各種正式渠道及時向股東發佈，包括中期報告及年報、公告以及通函。

本公司已制定一份股東通訊政策並對該政策定期作出檢討以確保其成效。

CORPORATE GOVERNANCE REPORT 企業管治報告

General meetings of the Company provide good opportunities for direct communications between the Board and its shareholders. The Chairman of the Board, all other Directors and senior management endeavor to attend any general meeting of the Company and answer queries from shareholders. Separate resolution is proposed for each issue by the chairman of the meeting at each general meeting. Notice of general meeting is served together with the circular to the shareholders at least twenty clear business days or twenty-one clear days, whichever is the longer, before an annual general meeting and at least ten clear business days or twenty-one clear days, whichever is the longer, before a meeting called for passing of a special resolution, and, at least ten clear business days or fourteen clear days, whichever is the longer, before a meeting other than an annual general meeting or a meeting for the passing of a special resolution.

Detailed procedures for conducting a poll are to be explained by the chairman of the meeting at the commencement of the general meeting. Any questions raised from shareholders regarding voting by way of a poll may also be answered by the chairman of the meeting.

The 2016 annual general meeting of the Company was held on 27 May 2016. At the meeting, separate resolution was proposed by the chairman of the meeting in respect of each separate issue, including re-election of retiring directors, and voted by way of poll. The Company announced the results of the poll in the manner prescribed under the Listing Rules. All Directors except for an Independent Non-executive Director, the chairman of the audit committee and remuneration committee and a member of the audit committee and remuneration committee attended the 2016 annual general meeting and have effective communication with shareholders.

本公司之股東大會提供董事會與股東直接溝通之良好機會。董事會主席、所有其他董事及管理高層盡量出席本公司的任何股東大會，並解答股東的提問。會議主席於每個股東大會上就各項議題提呈個別決議案。股東大會通告連同通函分別於召開股東週年大會最少二十個完整營業日或二十一日前（以較長者為準）及為通過特別決議案之會議最少十個完整營業日或二十一日前（以較長者為準），以及於召開其他會議（股東週年大會或為通過特別決議案之會議除外）最少十個完整營業日或十四日前（以較長者為準），送交本公司股東。

以投票方式進行表決的詳細程序於股東大會開始時由會議主席說明，而股東就有關以投票方式表決提出的任何提問亦可由會議主席回答。

本公司二零一六年股東週年大會已於二零一六年五月二十七日舉行。在會議上，會議主席就各項個別議題提呈個別決議案（包括重選退任董事），並以投票方式表決。本公司已根據上市規則規定的方式公告投票結果。除一位獨立非執行董事外，所有董事、審核委員會兼薪酬委員會主席及一名審核委員會兼薪酬委員會成員出席二零一六年股東週年大會並與股東有效溝通。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

THE SCOPE OF THE REPORT

This report covered the Dalian-based property development and investment business of AVIC International Holding (HK) Limited (hereinafter the Company).

The time frame of the report is the 2016 fiscal year (from 1 January to 31 December 2016), which is consistent with that of the Company's annual report.

This report was compiled in accordance with *Appendix 27 of the Rules for the Main Board of the Stock Exchange: Environmental, Social and Governance Reporting Guide*. It is the Company's first environmental, social and governance report compiled based on this guide. General disclosures are made based on the "comply or explain" provision of the guide. The 2017 report will be extended to cover key performance indicators.

COMMUNICATION WITH STAKEHOLDERS

The Company is committed to fair disclosure, comprehensive and transparent reporting. Effective communication with stakeholders has always been one of the Company's priorities. Information in relation to the Company is disseminated in a timely manner through various formal channels, which include interim and annual reports, announcements and circulars.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE PERFORMANCE

The low-carbon economy has gradually become an important concept in modern economic growth. The Company follows the major trends in environmental protection around the world. Our operations are also in an ongoing effort to increasingly integrate this concept. Based on new technologies and a supportive management approach, the Company strictly controls the environmental impact and resource usage, in an effort to forge cleaner production featuring lower pollution and lower emissions toward a low-carbon economy.

報告範圍

本報告是關於中國航空工業國際控股（香港）有限公司（下稱本公司）位於大連的物業發展及投資業務。

報告的時間範圍為二零一六年財政年度（二零一六年一月一日至十二月三十一日），與公司年報的時間一致。

本報告依循聯交所主板規則附錄二十七《環境、社會及管治報告指引》編撰，為本公司首份依循該指引編撰的環境、社會及管治報告，以指引中「不遵守就解釋」之要求作出一般披露，並計劃在二零一七年度的報告中加深報告深度至關鍵績效指標。

與持份者溝通

本公司致力於公平披露、綜合及透明的報告。本公司一向高度重視與持份者之間的有效溝通。有關本公司之資料，會透過各種正式渠道及時發佈，包括中期報告及年報、公告以及通函。

環境、社會及管治表現

低碳經濟已逐步成為現代經濟發展的重要觀念，本公司配合世界環保大趨勢，營運模式亦日益與此觀念接軌。本公司採用新科技、新管理配套，嚴控環境影響及資源使用，致力打造低污染低排放的清潔生產模式，作為本公司走向低碳經濟的重要方向。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

Meanwhile, corporate social responsibility has also become a growing concern. The employment at the Company is based on the principle of equality. The Company focuses on occupational health and safety, fulfills product responsibilities as well as social responsibilities such as the implementation of anti-corruption measures. The company also considers the fulfillment of social responsibilities as a priority to become more competitive.

A. ENVIRONMENT

A.1 Emissions

The Company has integrated the low emission policy in its growth, in an effort to further pollution prevention and continuous improvement. The Company also complies with applicable government decrees and requirements, follows the environmental protection trends around the world and works hard to protect the environment. The Company considers factors such as environmental control and emissions reduction in all its operational decisions, including the reduction of greenhouse gas emissions, the improvement of energy efficiency, the reduction of the wastewater emissions, and the promotion of recycling to reduce waste.

The Company avoids the use of non-necessary appliances with high energy consumption. Priority is given to energy efficient appliances in order to reduce the emissions of greenhouse gases. Meanwhile, the Company adopts grey water recycling technology to collect wastewater which will then be precipitated and filtered for reuse, which can effectively reduce wastewater discharge.

As for waste control, in order to minimize environmental impact, the Company devotes itself to reducing waste. Recycling is adopted whenever possible and non-recyclable waste is disposed properly. The Company recycles rubber and glass parts for reuse. Priority is given to prefabricated material including concrete and glass products to avoid wastage in in-situ fabrication.

The Company strictly complies with relevant environmental legislation. During this period, there were no cases of prosecution for violating relevant environmental legislation.

與此同時，企業的社會責任亦日益備受關注。本公司的僱傭政策以平等為原則，注重職業健康安全，履行產品責任，承擔防貪機制等社會責任，並將履行社會責任視為提高競爭力的要務。

A. 環境

A.1 排放物

本公司在企業發展過程中會配合減低排放，致力預防污染與推動持續改善工作，並且遵守政府法令要求、配合國際相關環保趨勢，做好環境保護的相關工作。本公司將環境管理及減少排放的考慮因素納入各階層的營運決策之內，包括減少排放溫室氣體、提高能源效益、減少排放污水，以及提倡回收再造以減少棄置廢物。

本公司會避免使用非必要的高耗能器具，優先選用低瓦數高光度的照明，減少電能消耗，從而達致減少溫室氣體排放的目的。與此同時，本公司採用中水回用技術，集中收集廢水，經過沉澱及濾膜過濾後再次利用，有效減少污水排放。

在廢物管理方面，為達致減少環境影響的目標，本公司致力減少廢物，在可行的情況下分類回收再造利用，並適當地棄置不可回收再造的廢物。本公司回收橡膠及玻璃零件加工再用，並優先選用預製建築材料包括混凝土及玻璃成品，從而避免現場製造造成的廢物。

本公司嚴格遵行相關的環保法例，期內未有因為違反與環保相關法例而被檢控的個案。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

A.2 Use of Resources

The Company attaches great importance to cleaner production and promote resource efficiency. Efficient use of resources in upstream and minimization of downstream waste effectively help controlling and reducing pollutants discharge, which prevents pollution and benefits the transformation of the entire production process.

Priority is given to appliances that are more energy efficient. The Company selects lighting systems carefully for a better use of power. The Company pays close attention to water efficiency as well. The Company uses proper pipelines for water source. It has installed a rainwater collection system to fully utilize rainwater, and reduce the consumption of water from other sources. Meanwhile, the Company collects downstream wastewater efficiently. Water is reused after precipitation and filtration, which has greatly reduced the consumption of raw water. Priority is given to prefabricated parts during the construction process to reduce the consumption of raw materials.

The Company also promotes a paperless office. Documentation is encouraged to be done in electronic form. The Company adopts the green office approach. When a hard copy is necessary, double-side printing is encouraged in order to reduce the use of paper and conserve forest sources.

The efficient use of energy and other resources reduces costs, and helps the Company to become a sustainable partner for customers.

A.2 資源使用

本公司重視清潔生產，推動資源使用效益，從源頭有效利用資源，減少下游廢物，有助控制和減少排放污染物，達成污染預防和生產全程序控制轉變。

本公司優先採用更具能源效益的器具，慎選照明系統，有效善用電力資源。水源效益亦是本公司的關注項目。本公司採用正式管道作為臨水管道，又建設雨水收集系統，充份利用雨水，減少耗用地面水源。本公司同時有效地收集下游的廢水，經過沉澱及濾膜過濾後推行中水回收再用，大幅減少水源消耗。本公司在建造方法上優先選用預製組件，有效提高材料的應用效率，從而節省原材料的耗用量。

本公司又提倡無紙化辦公，提倡以電子方式處理文件。在必須使用紙張的情況下奉行綠色辦公原則，充份利用廢紙列印及雙面列印，減少對紙張的耗用，從而有效保育林木。

有效的能源及其他資源運用令成本下降，有助本公司成為客戶的可持續發展夥伴。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

A.3 The Environment and Natural Resources

The Company attaches great importance to the prevention and mitigation of its impact on the environment and surroundings, and it is therefore working on effective measures to mitigate the impact of dust, noise and indoor air pollution. For example, landscaping in construction site, watering and wetting to reduce fugitive dust, prohibition of construction work at night and adopted the aluminum formwork construction technology to reduce noise pollution were put forward. On the other hand, the Company uses environmental-friendly materials for interior decoration to reduce indoor emissions and improve indoor air quality.

B. SOCIAL

B.1 Employment

The Company's employment policy is based on the principle of fair competition and selection of the finest. The Company ensures a fair and equal recruitment process. All decisions are made based on the candidates' skills, knowledge and job-related experience. All of the applications receive fair treatment regardless of sex, age, race, family status, religion or disability, etc. Any appointment and termination is based on the qualification requirements for the relevant position. The Company's Guidelines for Appointment, Termination and Transfer has detailed information on the process and requirements. Close relatives are excluded from decision-making to avoid any conflict of interests. Employees are provided with equal opportunities for promotion and career development without discrimination. The Company has female employees holding director, department manager and manager positions at the Company, manifesting its concept of equality in promotion and career development.

A.3 環境及天然資源

本公司十分重視避免及緩減對環境及周邊的影響，致力採取一系列有效措施以減少粉塵、噪音、室內空氣污染等的影響。例如工地現場進行綠化，並澆水減少粉塵污染，又嚴禁夜間施工，並採用鋁模板施工技術，降低噪音污染。另一方面，室內裝飾材料會選用環保材料，減少室內排放，確保室內空氣的品質。

B. 社會

B.1 僱傭

本公司的僱傭政策以平等競爭、擇優錄取為核心原則。本公司確保招聘過程公平及公正，決策基於應徵者的技能、知識及與職位有關的經驗，並不會因性別、年齡、種族、家庭狀況、宗教信仰或殘疾等因素而不公平地處理他們的應徵申請。職務任免需符合對應職務相關任職資格要求，而公司訂立《任免及調動管理指引》具體列明相關流程及要求。本公司的決策採取近親回避原則，以避免利益衝突。本公司亦給予同事平等晉升和免受歧視的發展機會，本公司目前有多名女性總監、部門經理及專業經理，充份體現本公司在晉升和職業發展方面男女平等的理念。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Employees enjoy holiday, statutory paid annual leave, marriage leave, maternity leave, paternity leave, nursing leave, bereavement leave, injury leave, sick leave, etc. Employees working on the holiday are paid triple the normal wage; those working on the weekend enjoy compensation days off. Additionally the Company provides benefits, work-hour benefits, employee care, health checkups and employee activities for all employees. On top of social security insurance, employees are also covered with group accident insurance for a full coverage.

The Company strictly complies with the relevant employment legislation. During the reporting period, there were no cases of prosecution for violating relevant employment legislation.

B.2 Health and Safety

The Company attaches great significance to employees' occupational health and safety, working to create a sound working environment including the formulation of safety system, educating employees on safety awareness, providing protective equipment, monitoring and audit of safety performance, etc.

The project management office directly manages safety production of projects, responsible for the establishment of site safety management systems and daily control, and setting and implementation of project safety management objectives. The management division assembles the production team and supervision team for a detailed communication of safety mechanisms and standards, and establishes a safety management system. The Supervision team reviews and audit the safety measures reported by the production team, and responses with suggestions and requirements as needed. The team works with the management division for joint safety review with the main contractor, subcontractors, etc. Risks associated with on-site construction are analysed and summarized, and actionable corrective actions are implemented.

本公司職員可以享有法定節日、法定帶薪年休假、婚假、產假、陪产假、哺乳假、喪假、工傷假、病假等休假待遇。對於在法定節假日當天加班的同事，予以三倍加班費的補償；對於週末加班的同事，將安排調休。除此之外，本公司為員工提供經濟福利、工時福利、員工關愛計劃、健康檢查、員工活動等福利專案。除社會保險外，本公司又為每位員工購買團隊意外保險，以體現對員工的充份保障。

本公司嚴格遵行相關的僱傭法例，期內未有因為違反與僱傭相關法例而被檢控的個案。

B.2 健康與安全

本公司非常重視員工的職業健康安全，從建立安全制度、教育員工安全意識、提供保護器具、監察及審核安全表現等方面著手，致力為員工營造一個良好的工作環境。

本公司的專案管理部直接管理專案安全生產，負責現場施工安全管理體系的建立和日常工作，制定並落實專案安全管理目標。管理部組織施工單位及監理單位對本公司各項安全制度、標準等資料詳細交待，並制定專案安全施工管理制度。監理單位審核施工單位上報的各項安全專項方案並提出建議及要求，聯同管理部組織總承包商、分包單位等參加聯合安全檢查，及時對專案現場出現的安全施工風險問題進行分析、總結並採取有效的改善措施。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

Safety training is regularly held, focusing on safety regulations, fire drills, etc. A booth for safety experience is erected on the site to educate workers to properly use safety products and seriously implement safety protective measures to ensure employees understand related safety operations.

The Company strictly complies with the relevant occupational health and safety legislation. During the reporting period, there were no cases of prosecution for violating relevant occupational health and legislation.

B.3 Development and Training

Promotion is awarded based on the performance, experience and personal competence of employees. Employees are provided with fair opportunities for promotion, ensuring a fair and equal process for career development of each individual. The Company holds a quarterly and yearly performance assessment, and instructions to the employees are released based on the outcome of the assessment.

All new employees are provided with orientation and guiding activities, those already under employment are provided with various training opportunities, including in-house and outsourced training. The Company also creates opportunities in various project for employees to communicate, learn and grow.

B.4 Labour Standards

The Company attaches great importance to the prevention of child labour and stipulates that all employees must be at least 18 years old. Relevant documents are reviewed to verify the age before a candidate is hired in the recruitment process. The Company ensure all employees are employed on a voluntary basis, and prohibit any form of forced labour. Recruitment is performed on a fair and voluntary basis. Any forced or fraudulent recruitment is prohibited. Employees are allowed to leave the post for the moment on reasonable grounds. Employee representatives or the employee himself is consulted for extra work hours during the production within the statutory limit. Management will never ask employees to engage in illegal operations or those with significant safety or health risks.

本公司定期舉行安全培訓，針對安全規定、消防演練等內容進行宣傳，同時在施工現場設置安全體驗館，教導工人正確使用安全防護產品和認真落實安全防護措施，確保員工瞭解相關的安全操作事項。

本公司嚴格遵行相關的安全法例，期內未因為違反與職業安全相關法例而被檢控的個案。

B.3 發展及培訓

本公司參考員工的工作表現、經驗及個人能力作為員工晉升的條件，提供公平晉升機會，確保員工事業發展的過程公平及公正。本公司在每季度進行季度績效考核及年度績效考核，根據考核結果向員工發出指引。

本公司為所有新入職員工提供入職及導引活動，又為在職員工提供多種培訓機會，包括公司內部及外部培訓，並創造機會讓員工在項目進行交流學習，為員工提供成長機會。

B.4 勞工準則

本公司重視預防童工，規定所有員工均須年滿十八歲，在聘用任何應徵者之前均會檢查與年齡相關的檔案，有效核實其年齡。本公司又確保所有員工都在自願的基礎上勞動或工作，禁止任何形式的強迫勞工，並以公正自願原則招聘，嚴禁以強逼或欺詐手段招募。本公司允許員工上班工作期間以合理理由暫時離開崗位，在生產過程中需要加班亦會與員工代表和員工協商，並且不得超過法定時間；管理人員亦不會自恃職務強迫員工進行具有顯著安全衛生風險的操作或違規工作。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Company follows applicable regulations regarding the prevention of child labour and forced labour, and does not have any child labour or forced labour incident in the period.

B.5 Supply Chain Management

Suppliers are required to follow our Suppliers Code. They are expected to implement sound environmental and social management measures, and treat employees fairly and reasonably. When screening suppliers, in addition to their proficiency and pricing, the Company examines its qualifications through a checkup on website of the Administration of Industry and Commerce, ensuring the compliance, legitimacy and proven track record of the supplier. Any supplier with a bad record or overdue inspection is removed from the approved supplier list.

The Company performs an annual review of suppliers and contractors for their cooperation and coordination. Such a mechanism links business opportunities with its aspects of performance, ensuring an effective improvement and enhancement on suppliers' end.

B.6 Product Responsibility

The Company understands product responsibility lays a foundation for its long-term growth. Any housing product before its handover to customers is subject to rounds of in-house review and rounds of external examination by the quality control authority for a completion certificate. The five-year maintenance guarantee covers the foundation and major structures, roof waterproofing, leak-proof of bathrooms, rooms and exterior walls which require a water proofing, and exterior insulation. The two-year maintenance guarantee covers electrical piping, drainage pipe, equipment installation and renovation works, and a maintenance guarantee of two heating seasons and cooling seasons for air conditioning system. The Company has a customer service centre. Designated staff receives the comments or complaints from customers. Suggestions or complaints are referred to divisions for treatment or settlement.

本公司遵行預防童工及預防強迫勞工的相關法例，期內未有出現過任何童工或強迫勞工的情況。

B.5 供應鏈管理

本公司要求供應商遵守供應商守則，期望供應商實施良好的環境及社會管理措施，並公平合理地對待其員工。本公司在選擇供應商之前，除考慮其業務能力和價格之外，會通過工商局網站對供應商的資質進行審核，確保該供應商合規合法，記錄良好。如發現有不良記錄或者年檢逾期者，將不會與其合作。

本公司每年對供應商及承判商的合作和配合度進行評估，通過上述機制將供應商各方面的表現和業務合作機會掛鉤，藉此有效推動供應商的改進和提升。

B.6 產品責任

本公司明白產品責任是公司長遠發展的基石。在交付房屋產品予客戶之前，本公司會進行多輪內部檢查，並通過政府質檢等相關部門的多輪審核，最終取得竣工備案證之後才進行交付。本公司為地基基礎工程和主體結構工程、屋面防水工程和有防水要求的洗手間、房間和外牆面的防滲防漏、外牆保溫提供五年保養；為電氣管線、排水管道、設備安裝、裝修工程提供兩年保養；又為冷暖氣系統提供兩個採暖季和供冷季保養。本公司並設有客戶服務中心，由電話專員負責接聽客戶的意見及投訴電話，並立即回饋給相關部門進行處理和解決。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

The Company pays great attention to information security. Anti-virus software is deployed at the Company level. Customer data are recorded by designated staff in a password protected system. Any unauthorized access is prohibited. Sensitive data are protected for confidentiality. At the same time, the Company attaches significance to the protection of intellectual property rights and definitely not use any unauthorized third party designs or products.

The Company complies with the relevant product responsibility legislation. During the reporting period, there were no cases of prosecution for violating relevant product responsibility or privacy-related legislation.

B.7 Anti-corruption

The Company has a corruption prevention mechanism in place. Preventive measures and countermeasures are constantly improved in such aspects as personnel management, approval authorities, and financial management, forming an effective internal and external supervision and counterbalance system. The company uses a variety of forms of education to provide officials with legal training, anti-corruption education and preemptive education, designed to reinforce self-discipline and clean conduct to ensure strong professional ethics and occupational discipline.

Strict provisions at the Company apply to receiving reception and entertainment in official activities. Any banquet, travel, fitness or high-end entertainment is prohibited. It is also forbidden to accept gifts, gift cards, securities, payment vouchers, etc. in any capacity. Construction projects and procurement of bulk equipment and material are subject to open tenders or tender negotiation. Contractors and suppliers are selected fairly to avoid abuse, corruption and other misconduct.

The Company complies strictly with the relevant anti-corruption and bribery legislation. During the reporting period, there were no cases of prosecution for violating related legislation.

本公司亦十分重視資訊保安，為電腦統一安裝防毒軟件，客戶資料由專人輸入設有登入密碼保護的系統，其他未經授權人員無法讀取，嚴格保密敏感資料。本公司又同時關注保護智識產權，絕不採用未經協力廠商授權的設計及產品。

本公司遵行相關的產品責任法例，期內未有因為違反與產品責任或私隱相關法例而被檢控的個案。

B.7 反貪污

本公司落實機制預防貪污，從公司人、權、錢等管理環節入手，不斷完善預防工作對策和措施，形成有效的內外部監督制約機制。本公司並採取多種形式組織公司幹部接受法制教育、廉政教育、警示教育，增強廉潔自律意識，促進樹立良好的職業道德和職業紀律，提高免疫力，制定完善的各項廉政、勤政規定。

本公司對在公務活動中接受款待有嚴格規定，不得接受當事人安排的宴請、旅遊、健身或高檔娛樂消費等活動，又不得以任何名義接受禮金禮品、禮卡、有價證券、支付憑證等。本公司對工程建設專案和大宗設備、物資採購一律實行公開招標或議標，公平選擇施工單位和供貨方，有效防治濫權貪污等不當行為。

本公司嚴格遵行相關的反貪防賄法例，期內未有因為違反相關法例而被檢控的個案。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

B.8 Community Investment

The Company reviews its targets and objectives for community investment regularly, and supervises its community investments, sponsorships and donations and approval policy. The Company reviews its social performance yearly to see whether it matches the community investment policies and goals, and monitor and enhance capability to ensure the community investment policy is well implemented.

OUTLOOK

The Company plans to continue to introduce more environmental, social and governance friendly approaches to its operations.

On top of the general disclosures under Guidelines on Environmental, Social and Governance Reporting (Appendix 27 to Main Board Listing Rules of the Stock Exchange), the Company plans to incorporate more metrics including key performance indicators in its 2017 Environmental, Social and Governance Reports, manifesting the Company's commitment to environment and society.

B.8 社區投資

本公司會定期檢討社區投資的目標和方向，並監督社區投資、贊助和捐贈活動及批核政策。本公司又會每年審視公司的社會表現是否切合社區投資政策和社區活動的目標，監管和優化團隊能力，並確保社區投資政策於各部門實行。

展望

本公司在未來會繼續在營運上進行更多有利環境、社會以及管治的措施。

本公司亦計劃二零一七年度的環境、社會及管治報告除依循聯交所主板上市規則附錄二十七《環境、社會及管治報告指引》作出一般披露之外，還會加深報告深度至關鍵績效指標，以反映本公司對環境及社會的承擔。

REPORT OF THE DIRECTORS 董事會報告

The Directors present their report and the audited financial statements of the Group for the year ended 31 December 2016.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding. Details of the principal activities of its principal subsidiaries are set out in note 1 to the financial statements.

Further discussion and analysis of these activities as required by Schedule 5 to the Companies Ordinance (Cap 622 of the laws of Hong Kong), including a description of the principal risks and uncertainties faced by the Group and an indication of likely future development in the Group's business, can be found in the Chairman's Statement and Management Discussion and Analysis set out on pages 3 to 10 of this annual report. This discussion forms part of this directors' report.

RESULTS AND DIVIDEND

The Group's profit for the year ended 31 December 2016 and the Group's financial position at that date are set out in the financial statements on pages 64 to 224 of this annual report.

The Directors do not recommend the payment of any dividend in respect of the year ended 31 December 2016.

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the audited financial statements, is set out on page 226 of this annual report. This summary does not form part of the audited financial statements.

SHARE CAPITAL

There were no movements in either the Company's authorised or issued share capital during the year.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws or the laws of Bermuda which would oblige the Company to offer new shares on a pro rata basis to existing shareholders.

董事謹此呈報截至二零一六年十二月三十一日止年度之董事會報告及本集團之經審核財務報表。

主要業務及業務回顧

本公司主要從事投資控股，其主要附屬公司之主要業務詳情載於財務報表附註1。

按公司條例附表5(香港法例第章622)要求對這些業務的進一步討論及分析，包括本集團面臨的主要風險和不確定因素的描述和集團業務的可能未來發展的指示可以在載於本年報第3頁至第10頁的主席報告以及管理層討論及分析中找到。這個討論是本董事會報告的一部份。

業績及股息

本集團截至二零一六年十二月三十一日止年度之溢利及本集團於該日之財務狀況載於本年報第64頁至第224頁之財務報表。

董事並不建議派付截至二零一六年十二月三十一日止年度之任何股息。

財務資料概要

本集團最近五個財政年度之已公佈業績及資產、負債及非控股權益之概要(摘錄自經審核財務報表)載於本年報第226頁。該概要並非經審核財務報表的部份。

股本

年內，本公司之法定或已發行股本並沒有變動。

優先購買權

本公司細則或百慕達法例均無優先購買權條文，規定本公司必須按當時股東之持股比例向其發售新股。

REPORT OF THE DIRECTORS 董事會報告

DISTRIBUTABLE RESERVES

As at 31 December 2016, the Company's reserves available for distribution, calculated in accordance with the provisions of the Companies Act 1981 of Bermuda, amounted to HK\$934,094,000. In addition, the Company's share premium account, in the amount of HK\$609,080,000, may be distributed in the form of fully paid bonus shares.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

MAJOR SUPPLIERS AND CUSTOMERS

The percentages of the Group's purchases attributable to the Group's major suppliers are as follows:

		2016 二零一六年 %	2015 二零一五年 %
Percentage of purchases:	佔採購額百分比：		
From the largest supplier	來自最大供應商	18	4
From the five largest suppliers	來自五大供應商	47	11

The percentages of the Group's sales attributable to the Group's major customers are as follows:

		2016 二零一六年 %	2015 二零一五年 %
Percentage of sales:	佔銷售百分比：		
To the largest customer	來自最大客戶	26	3
To the five largest customers	來自五大客戶	57	9

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

可供分派儲備

按百慕達公司法一九八一之條文規定計算，於二零一六年十二月三十一日，本公司之可供分派儲備達934,094,000港元。此外，本公司之股份溢價賬609,080,000港元可以繳足紅股形式予以分派。

購入、贖回或出售本公司上市證券

本公司或其任何附屬公司於年內概無購入、贖回或出售本公司任何上市證券。

主要供應商及客戶

本集團主要供應商所佔本集團之採購額百分比如下：

本集團主要客戶所佔本集團之銷售百分比如下：

董事或其任何緊密聯繫人士或據董事所知擁有本公司5%以上已發行股本之股東概無擁有本集團五大供應商和客戶任何權益。

REPORT OF THE DIRECTORS 董事會報告

DIRECTORS

The Board during the year and up to the date of this report comprises:

Executive Directors:

Liu Hongde	(appointed on 30 December 2016)
Pan Linwu	
Lai Weixuan	
Zhou Chunhua	(appointed on 30 December 2016)
Xu Hongge	
Wu Guangquan	(resigned on 30 December 2016)
Xiao Nan	(resigned on 30 December 2016)

Non-executive Director:

Chow Wai Kam

Independent Non-executive Directors:

Chu Yu Lin, David
Li Ka Fai, David
Li Zhaoxi

Pursuant to the Bye-laws of the Company, Mr. Lai Weixuan, Mr. Li Ka Fai, David and Mr. Li Zhaoxi will retire by rotation. Mr. Liu Hongde and Ms. Zhou Chunhua, the Directors appointed by the Board on 30 December 2016, shall hold office only until the next following general meeting of the Company. All of them, being eligible, will offer themselves for re-election at the forthcoming annual general meeting.

The Company has received an annual confirmation from each of the Independent Non-executive Directors of his independence pursuant to rule 3.13 of the Listing Rules on the Stock Exchange. The Company, as at the date of this report, still considered all the Independent Non-executive Directors as independent.

DIRECTORS' AND SENIOR MANAGEMENT'S BIOGRAPHIES

Biographical details of the Directors and the senior management of the Group are set out on pages 11 to 16 of this annual report.

董事

於年內及截至本報告日期，董事會包括：

執行董事：

劉洪德	(於二零一六年十二月三十日獲委任)
潘林武	
賴偉宣	
周春華	(於二零一六年十二月三十日獲委任)
徐洪舸	
吳光權	(於二零一六年十二月三十日辭任)
肖楠	(於二零一六年十二月三十日辭任)

非執行董事：

周偉淦

獨立非執行董事：

朱幼麟
李家暉
李兆熙

根據本公司細則，賴偉宣先生、李家暉先生及李兆熙先生將於應屆股東週年大會上輪席退任。劉洪德先生及周春華女士（於二零一六年十二月三十日獲董事會委任之董事）之任期僅至本公司下屆股東大會為止。彼等符合資格並願意於應屆股東週年大會上重選連任。

本公司已接獲各獨立非執行董事根據聯交所上市規則第3.13條有關其獨立性之年度確認函。截至本報告日期，本公司仍認為所有獨立非執行董事均屬獨立人士。

董事及管理高層之履歷

董事及本集團管理高層之履歷載於本年報第11頁至第16頁。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming annual general meeting has an unexpired service contract with the Company or any of its subsidiaries which is not determinable by the employer within one year without payment of compensation, other than statutory compensation.

REMUNERATION POLICY

The remuneration of employees (including Directors and senior management of the Group) is determined with reference to their qualification, expertise and experience in the industry, competence, duties and responsibilities within the Group, the performance and profitability of the Group as well as the market benchmark and the prevailing market conditions. Employees shall also be eligible to receive a discretionary year-end incentive bonus, which shall be determined by the Group at its absolute discretion taking into account, inter alia, the Group's operating performance, market conditions in which the Group operates and the individual's performance, payable at such time as the Group may consider appropriate, and discretionary share options.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

No Director or entities connected with the Directors had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the Company's holding companies, subsidiaries or fellow subsidiaries was a party during or at the end of the year.

董事之服務合約

擬於應屆股東週年大會重選連任之董事概無與本公司或其任何附屬公司訂立雇主不可於一年內無償（法定賠償除外）終止之未到期的服務合約。

薪酬政策

僱員的薪酬（包括董事及本集團管理高層）乃參考彼等之資歷、於行業之專業知識與經驗、能力、於本集團之職責、本集團之業績表現及盈利能力，以及市場指標和當時市場情況而釐定。僱員亦有資格收取本集團根據其絕對酌情權，經考慮（其中包括）本集團之經營業績、市場狀況以及僱員個人表現，而適時發放的酌情年終獎勵花紅，以及酌情購股權。

董事於交易、安排或合約之權益

年內或年末，董事或董事之關連實體於本公司的任何控股公司、附屬公司或同系附屬公司所訂立之任何有關本集團業務之重要交易、安排或合約中概無直接或間接擁有重大權益。

REPORT OF THE DIRECTORS 董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

Except for certain Directors who had non-beneficial interests in certain subsidiaries of the Company held for the benefits of the Company, as at 31 December 2016, none of the Directors and chief executive of the Company had an interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (a) as recorded in the register required to be kept under Section 352 of the Securities and Futures Ordinance (the "SFO"); or (b) as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code as set out in Appendix 10 of the Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section of "DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES" above and in the section of "SHARE OPTION SCHEME" below, during the year no rights to acquire benefits by means of the acquisition of shares in or debentures of the Company had been granted to any Director or their respective spouses or children under 18 years of age; no such rights had been exercised by them; and none of the Company, or any of its holding companies, subsidiaries or fellow subsidiaries was a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

SHARE OPTION SCHEME

At the annual general meeting held on 28 May 2014, the Company adopted a share option scheme for the purpose of providing incentives and rewards to eligible participants to contribute to the business development and growth of the Group and to enable the Group to recruit high-calibre employees and attract or retain human resources that are valuable to the Group. The share option scheme is valid and effective for a period of 10 years from the date of its adoption. Further details of the share option scheme are disclosed in note 38 to the financial statements.

董事及行政總裁於股份、相關股份及 債券之權益及淡倉

除若干董事代本公司於若干附屬公司持有非實益股權外，於二零一六年十二月三十一日，概無董事及本公司行政總裁於本公司或其任何相聯法團之股份、相關股份或債券中擁有(a)須記入本公司根據證券及期貨條例（「證券及期貨條例」）第352條須予備存之登記冊內之權益或淡倉；或(b)根據聯交所上市規則附錄十所載的標準守則須知會本公司及聯交所之權益或淡倉。

董事認購股份或債券之權利

除上文「董事及行政總裁於股份、相關股份及債券之權益及淡倉」項下及下文「購股權計劃」項下所披露外，於年內，概無向任何董事或彼等各自之配偶或未滿18歲之子女授出可藉購買本公司股份或債券而獲益之權利，而彼等亦無行使任何該等權利；本公司或其任何控股公司、附屬公司或同系附屬公司亦無參與任何安排，致使董事可於任何其他法人團體中取得該等權利。

購股權計劃

於二零一四年五月二十八日舉行之股東週年大會上，本公司採納了一項購股權計劃，目的為對本集團之業務發展及成長作出貢獻之合資格參與者提供激勵及獎勵，以使本集團能夠招攬優秀員工並吸引或挽留對本集團具有價值之人才。該購股權計劃自採納日期起的十年期間內有效。有關該購股權計劃之進一步詳情載於財務報表附註38。

REPORT OF THE DIRECTORS 董事會報告

Since the adoption of the share option scheme, no options have been granted, exercised, lapsed, cancelled or outstanding thereunder as at 31 December 2016.

自採納該購股權計劃以來，於二零一六年十二月三十一日，概無根據該計劃授出、行使、失效、註銷或尚未行使之購股權。

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

主要股東及其他人士於股份及相關股份之權益

As at 31 December 2016, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

於二零一六年十二月三十一日，本公司根據證券及期貨條例第336條存置之權益登記冊所記錄的本公司5%或以上已發行股本權益如下：

Long positions:

好倉：

Name of shareholders 股東名稱	Notes 附註	Capacity and nature of interest 身份及權益性質	Number of ordinary shares held 所持普通股數目	Percentage of the Company's issued share capital as at 31 December 2016 於二零一六年十二月三十一日佔本公司已發行股本之百分比
Tacko International Limited ("Tacko")	(a)	Beneficial owner 實益擁有人	1,895,559,000	34.34
AVIC International (HK) Group Limited ("AVIC International (HK) Group") 中航國際(香港)集團有限公司 ([中航國際(香港)集團])	(a)	Through a controlled corporation 通過一間受控法團	1,895,559,000	34.34
AVIC International Holding Corporation ("AVIC International") 中國航空技術國際控股有限公司 ([中航國際])	(a)	Through a controlled corporation 通過一間受控法團	1,895,559,000	34.34
Aviation Industry Corporation of China ("AVIC") 中國航空工業集團公司 ([中航工業])	(a)	Through a controlled corporation 通過一間受控法團	1,895,559,000	34.34
Cheung Kong (Holdings) Limited ("CKH") 長江實業(集團)有限公司 ([長江實業])	(b)	Through controlled corporations 通過受控法團	450,000,000	8.15
CK Hutchison Holdings Limited ("CKHH") 長江和記實業有限公司([長江和記])	(b)	Through controlled corporations 通過受控法團	450,000,000	8.15

REPORT OF THE DIRECTORS
董事會報告

Notes:

- (a) According to notices of disclosure of interests filed with the Company, Tacko is a wholly-owned subsidiary of AVIC International (HK) Group, which in turn is a wholly-owned subsidiary of AVIC International. AVIC International is a non wholly-owned subsidiary of AVIC (62.52% interest controlled by AVIC as at 31 December 2016). Accordingly, each of AVIC International (HK) Group, AVIC International and AVIC is deemed to be interested in the shares held by Tacko.
- (b) According to notices of disclosure of interests filed with the Company, 225,000,000 shares are held by Worsdale Investments Limited ("Worsdale") and 225,000,000 shares are held by Hutchison International Limited ("HIL").

Worsdale is a wholly-owned subsidiary of Arra International Limited, which in turn is a wholly-owned subsidiary of Cheung Kong Investment Company Limited ("CKIV"). CKIV is a wholly-owned subsidiary of CKH. CKH is deemed to be interested in 225,000,000 shares held by Worsdale. Meanwhile, HIL is a wholly-owned subsidiary of Hutchison Whampoa Limited ("HWL"). HWL is deemed to be interested in 225,000,000 shares held by HIL. CKH is entitled to exercise or control the exercise of more than one-third of the voting power at the general meetings of HWL. Accordingly, CKH is also deemed to be interested in 225,000,000 shares held by HIL. In addition, CKH is a wholly-owned subsidiary of CKHH and accordingly, CKHH is deemed to be interested in the aggregate shares directly held by Worsdale and HIL.

Save as disclosed above, as at 31 December 2016, no person had any interest or short position in the shares or underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

附註：

- (a) 根據提交給本公司之權益披露通知書，Tacko為中航國際（香港）集團之全資附屬公司，而中航國際（香港）集團為中航國際之全資附屬公司。中航國際為中航工業之非全資附屬公司（於二零一六年十二月三十一日，由中航工業控制62.52%權益）。因此，中航國際（香港）集團、中航國際及中航工業均被視為於Tacko持有之股份中擁有權益。
- (b) 根據提交給本公司之權益披露通知書，Worsdale Investments Limited（「Worsdale」）持有225,000,000股股份及Hutchison International Limited（「HIL」）持有225,000,000股股份。

Worsdale為Arra international Limited之全資附屬公司，而Arra international Limited為Cheung Kong Investment Company Limited（「CKIV」）之全資附屬公司。CKIV為長江實業之全資附屬公司。長江實業被視為於Worsdale持有之225,000,000股股份中擁有權益。與此同時，HIL為和記黃埔有限公司（「HWL」）之全資附屬公司。HWL被視為於HIL持有之225,000,000股股份中擁有權益。長江實業有權於HWL之股東大會上行使或控制行使三分之一以上之投票權。因此，長江實業亦被視為於HIL持有225,000,000股股份中擁有權益。此外，長江實業為長江和記之全資附屬公司，長江和記因此相應地被視為於Worsdale及HIL直接持有之股份總數中擁有權益。

除上文所披露外，於二零一六年十二月三十一日，概無人士於本公司股份或相關股份中擁有根據證券及期貨條例第336條而備存之登記冊內所載之權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告

CONTINUING CONNECTED TRANSACTIONS

During the year, the Group had the following continuing connected transactions, certain details of which are disclosed in compliance with the requirements of Charter 14A of the Listing Rules.

(a) Pre-handover real estate management services

On 31 May 2016, the Company and CATIC Property Management Co., Ltd ('AVIC Real Estate Management'), an associate of a controlling shareholder of the Company, namely, AVIC International, entered into a framework agreement for the engagement of AVIC Real Estate Management to provide pre-handover real estate management services for the relevant properties in real estate development projects of the Group. The management fees comprises the management costs based on the annual budget proposed by the relevant developers of the Group and the management commission of 10% of the total management costs incurred for each development project.

(b) Tender agency services

On 31 May 2016, the Company and China National Aero-Technology Trade and Economic Development company Limited ("AVIC TED"), an associate of AVIC International, entered into a framework agreement for the engagement of AVIC TED to provide tender agency services for the construction projects of the Group. The fees for tender agency services is calculated by applying the marginal rates to the relevant actual sum of the tender awarded or contracted on a progressive scale as prescribed by the Provisional Measures on the Administration of Service Fees Charged for Tender Agency Services (招標代理服務收費管理暫行辦法) with such further discounts as the parties agree to in each engagement.

持續關連交易

於年內，本集團有以下持續關連交易，若干詳情已按上市規則第14A章之規定予以披露。

(a) 前期物業管理服務

於二零一六年五月三十一日，本公司及其控股股東中航國際之聯繫人中航物業管理有限公司（「中航物業管理」）訂立框架協議，以聘用中航物業管理為本集團房地產發展項目內之相關物業提供前期物業管理服務。管理費包括基於本集團相關發展商建議之年度預算的管理費用及各發展項目所產生之管理成本總額的百分之十的管理佣金。

(b) 招標代理服務

於二零一六年五月三十一日，本公司及中航國際之聯繫人中航技國際經貿發展有限公司（「中航經貿」）訂立框架協議，以聘用中航經貿就本集團之建設項目提供招標代理服務。招標代理服務之費用是根據招標代理服務收費管理暫行辦法規定之差額定率累進法於已批出或已訂約標書之相關中標金額中計算，而訂約方可於各聘約中協定其他折扣。

REPORT OF THE DIRECTORS 董事會報告

The continuing connected transactions contemplated under the framework agreements for pre-handover real estate management services and tender agency services would only be subject to reporting, announcement and annual review requirements but exempt from the independent shareholders' approval requirement under the Listing Rules. The Group has followed the pricing policies and guidelines set out in the relevant announcement of the Company dated 31 May 2016 when the pricing and terms of the above continuing connected transaction were determined. Further details were disclosed in that announcement.

These continuing connected transactions of the Group are disclosed as related party transactions in note 45 to the financial statements.

The Independent Non-executive Directors have reviewed the above continuing connected transactions pursuant to Rule 14A.55 of the Listing Rules, and have confirmed that these continuing connected transactions have been entered into:

- (1) in the ordinary and usual course of business of the Group;
- (2) on normal commercial terms or better; and
- (3) according to the terms of the two framework agreements on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

The total amounts of the pre-handover real estate management services fees and tender agency services fees disclosed above during the year under review have not exceeded the annual caps amounts of HK\$18 million and HK\$3.5 million respectively.

根據前期物業管理服務及招標代理服務的框架協議項下擬進行的持續關連交易只須遵守上市規則下之申報、公告及年度審閱規定，惟獲豁免獨立股東批准之規定。在確定上述持續關連交易之定價及條款時，本集團已遵守本公司日期為二零一六年五月三十一日有關公告所載之定價政策及指引。有關詳情在該公告中披露。

本集團的這些持續關連交易在財務報表附註45中作為關聯方交易披露。

獨立非執行董事已根據上市規則第14A.55條審核上述持續關連交易，並已確認該等持續關連交易：

- (1) 在本集團的日常業務中訂立；
- (2) 按照一般商業條款或更佳條款進行；及
- (3) 根據這兩個框架協議的條款進行，條款公平合理，並且符合本公司股東的整體利益。

於回顧年度內，上文所披露的前期物業管理服務費及招標代理服務費的總金額分別未超過年度上限金額18,000,000港元及3,500,000港元。

REPORT OF THE DIRECTORS 董事會報告

Ernst & Young, the Company's external auditors, were engaged to report on the Group's continuing connected transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*, and with reference to Practice Note 740 *Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules* issued by the Hong Kong Institute of Certified Public Accountants. Ernst & Young have issued their unqualified letter containing their findings and conclusions in respect of the continuing connected transactions disclosed above in accordance with Rule 14A.56 of the Listing Rules. A copy of the said letter has been provided to the Stock Exchange by the Company.

Save as disclosed above, related party transactions that did not constitute connected transactions or continuing connected transactions of the Company made during the year are disclosed in note 45 to the financial statements. The Directors confirm that the Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year, the following Director had interests in the following businesses conducted through the company named below which are considered to compete or be likely to compete, either directly or indirectly, with the business of the Group, as defined in the Listing Rules:

Name of Director 董事姓名	Name of company 公司名稱	Nature of interest 權益性質	Nature of competing business 競爭業務性質
Chow Wai Kam 周偉淦	Cheung Kong Property Holdings Limited 長江實業地產有限公司	Executive director 執行董事	– Property development and investment ("Excluded Businesses") – 物業發展及投資 (「豁除業務」)

本公司已委聘核數師安永會計師事務所，遵照香港會計師公會發出的《香港核證聘用準則3000》(經修訂)的「歷史財務資料審計或審閱以外的核證聘用」並參照《實務說明》第740號「關於香港《上市規則》所述持續關連交易的核數師函件」，就本集團的持續關連交易作出報告。安永會計師事務所已根據上市規則第14A.56條發出其無保留意見函件，當中載有其有關本集團於上文所披露之持續關連交易的結果及結論。本公司已經向聯交所提交核數師函件之副本。

除上述披露外，於年內進行且不構成本公司關聯交易或持續關聯交易的之關聯方交易披露於財務報表附註45。董事確認本公司已遵守上市規則第14A章之規定予以披露。

董事於競爭性業務上之權益

年內，下列董事透過下述公司持有下列業務的權益，而該等業務根據上市規則定義被視為與本集團的業務有競爭或可能有直接或間接競爭：

REPORT OF THE DIRECTORS 董事會報告

The Board is of the view that the Group is capable of carrying on its business independently of, and at arms length from the Excluded Businesses. When making decisions on the businesses of the Excluded Businesses of the Group, Mr. Chow, in the performance of his duties as Director, has acted and will continue to act in the best interest of the Group.

PERMITTED INDEMNITY PROVISION

A permitted indemnity provision (as defined in the Hong Kong Companies Ordinance) for the benefit of the directors of the company is currently in force and was in force throughout the year 2016.

SUFFICIENCY OF PUBLIC FLOAT

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

AUDITORS

The financial statements of the Company and the Group for the year ended 31 December 2016 have been audited by Ernst & Young who shall retire and a resolution for their reappointment as auditors of the Company will be proposed at the forthcoming annual general meeting.

On behalf of the Board

AVIC International Holding (HK) Limited

Liu Hongde

Chairman

Hong Kong
14 March 2017

董事會認為本集團有能力獨立地及基於各自利益來經營豁除業務。在本集團就其豁除業務進行決策時，周先生在執行其董事職務時，已經並將繼續以本集團之最佳利益行事。

獲准許的彌償條文

獲准許的彌償條文(定義見「香港公司條例」)正於惠及本公司的董事的情況下有效，並於二零一六年全年有效。

公眾持股量

根據本公司循公眾途徑獲得的資料及據董事所知，截至本報告日期，公眾人士至少持有本公司已發行股本總額之25%。

核數師

本公司與本集團截至二零一六年十二月三十一日止年度之財務報表經由安永會計師事務所審核。安永會計師事務所應於應屆股東週年大會上退任，而一項續聘彼等為本公司核數師之決議案將於應屆股東週年大會上提呈。

承董事會命

AVIC International Holding (HK) Limited

中國航空工業國際控股(香港)有限公司

主席

劉洪德

香港
二零一七年三月十四日

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告



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To the shareholders of AVIC International Holding (HK) Limited

(Incorporated in Bermuda with limited liability)

OPINION

We have audited the consolidated financial statements of AVIC International Holding (HK) Limited (the "Company") and its subsidiaries (the "Group") set out on pages 64 to 224, which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

致AVIC International Holding (HK) Limited 中國航空工業國際控股（香港）有限公司全體股東 （於百慕達註冊成立之有限公司）

意見

我們已審計AVIC International Holding (HK) Limited中國航空工業國際控股（香港）有限公司（「貴公司」）及其附屬公司（統稱「貴集團」）載於第64頁至第224頁的綜合財務報表，此綜合財務報表包括二零一六年十二月三十一日的綜合財務狀況表，及截至該日止年度的綜合損益表、綜合全面收益表、綜合權益變動表、綜合現金流量表以及綜合財務報表附註（包括重大會計政策概要）。

我們認為，該等綜合財務報表已根據香港會計師公會（「香港會計師公會」）頒布的香港財務報告準則真實而中肯地反映 貴集團於二零一六年十二月三十一日的綜合財務狀況，及其於截至該日止年度的綜合財務表現及其綜合現金流量，並已按照香港公司條例的披露規定妥為擬備。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告



BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSAAs”) issued by the HKICPA. Our responsibilities under those standards are further described in the *Auditor’s responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Group in accordance with the HKICPA’s *Code of Ethics for Professional Accountants* (the “Code”), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

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

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

意見的基礎

我們已根據香港會計師公會頒布之香港審計準則（「香港審計準則」）進行審計。我們在該等準則下承擔的責任已於本報告核數師就審計綜合財務報表承擔的責任一節中作進一步闡述。根據香港會計師公會頒布之專業會計師道德守則（以下簡稱「守則」），我們獨立於貴集團，並已履行守則中的其他專業道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的審計意見提供基礎。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理的，而我們不會對這些事項提供單獨意見。我們對下述每一事項在審計中是如何處理作描述。

我們已經履行了本報告核數師就審計綜合財務報表承擔的責任一節闡述的責任，包括與該等關鍵審計事項相關的責任。因此，我們的審計工作包括執行設計的程序以應對我們對綜合財務報表的重大錯誤陳述風險的評估。我們執行審計程序的結果，包括處理下述關鍵審計事項所執行的程序，為綜合財務報表整體發表審計意見提供了基礎。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告



Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項
<p data-bbox="164 758 639 821"><i>Recoverability of trade and bills receivables</i> 應收貿易賬款及票據的可收回性</p> <p data-bbox="164 845 783 1021">As at 31 December 2016, the Group had trade and bills receivables of HK\$90 million. Management performs an impairment assessment on a regular basis, with the impairment provision estimated through the application of judgement and use of subjective assumptions.</p> <p data-bbox="164 1069 724 1131">Relevant disclosures are included in note 24 to the financial statements.</p> <p data-bbox="164 1252 762 1356">於二零一六年十二月三十一日，貴集團的應收貿易賬款及票據為90,000,000港元。管理層定期進行減值評估，且採用判斷及主觀假設估計所需減值撥備。</p> <p data-bbox="164 1403 512 1431">相關披露載於財務報表附註24。</p>	<p data-bbox="810 845 1394 1207">We have evaluated the inputs and assumptions used by management in their impairment assessment, and management's procedures over aged receivables or amounts in dispute. We have also tested the ageing classification of receivables and assessed the reasonableness of the impairment provision as of the end of the reporting period, taking into account factors such as the payment history, the subsequent settlement of the receivables and other relevant information.</p> <p data-bbox="810 1252 1385 1468">我們已評估管理層於減值評估中所使用的輸入數據及假設，及管理層對逾期應收賬款或有爭議金額所執行的程序。我們已檢測該等應收款項於報告期末之賬齡分類，亦已根據過往付款記錄、應收款項之其後清還以及其他相關資料等因素，以評估於報告期末減值撥備的合理性。</p>

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告



Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項
<p><i>Valuation of investment properties</i> 投資物業估值</p>	
<p>As at 31 December 2016, the Group had investment properties measured at fair value amounting to approximately HK\$316 million, with the corresponding fair value loss of HK\$34 million recognised in profit or loss. The valuation process is inherently subjective, and dependent on a number of estimates. The Group engaged an external valuer to perform the valuation for the properties.</p> <p>Relevant disclosures are included in note 14 to the financial statements.</p> <p>於二零一六年十二月三十一日，貴集團按公平值計量的投資物業約為316,000,000港元，於損益中確認的相應公平值虧損為34,000,000港元。估值過程中牽涉內在主觀性，及取決於多個估計因素。貴集團委聘了外聘估值師對物業進行估值。</p> <p>相關披露載於財務報表附註14。</p>	<p>We have evaluated the objectivity, independence and competency of the external valuer. We have also involved our internal valuation specialists to assist us to assess the reasonableness of the bases and assumptions adopted in the valuation for estimating the fair value of the investment properties and performed benchmarking the value of investment properties held by the Group to other comparable properties.</p> <p>我們已評估外聘估值師的客觀性、獨立性及能力。我們亦已聘用內部估值專家協助我們評估投資物業公平值於估值中所採用的基準及假設的合理性，及對貴集團所持投資物業與其他相似物業進行標杆比較。</p>

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告



Key audit matter 關鍵審計事項	How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項
<p><i>Impairment provision in a joint venture</i> 於合營公司的減值撥備</p> <p>As at 31 December 2016, the Group had interest in a joint venture amounting to HK\$59 million. As the joint venture sustained losses, management performed an impairment assessment on the assets of the joint venture. The determination of the recoverable amounts of the assets of joint ventures is dependent on a range of estimates (amongst others, estimated sales, estimated future cash flows and discount rates).</p> <p>Relevant disclosures are included in note 17 to the financial statements.</p> <p>於二零一六年十二月三十一日，貴集團於合營公司之權益為59,000,000港元。由於合營公司持續虧損，管理層對合營公司的資產進行減值評估。釐定合營公司資產的可收回數額乃取決於多個估計（其中包括估計銷售額、估計未來現金流量及折現率）。</p> <p>相關披露載於財務報表附註17。</p>	<p>We have evaluated the appropriateness and application of the valuation methodology and key valuation parameters. We have involved our internal valuation experts to assist us in considering management's assumptions, including the discount rates, revenue growth rate, profit margins and other key indicators.</p> <p>我們已評估估值方法及主要估值參數的適當性及適用性。我們已聘用內部估值專家協助我們考慮管理層的假設，包括折現率、收益增長率、溢價率及其他主要指標。</p>

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告



OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

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

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

年報所載的其他信息

貴公司董事需對其他信息負責。其他信息包括於年報內刊載的資料，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息及在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事就綜合財務報表承擔的責任

貴公司董事須負責根據香港會計師公會頒布的香港財務報告準則及香港公司條例的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告



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

The directors of the Company are assisted by the Audit Committee in discharging their responsibilities for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Our report is made solely to you, as a body, in accordance with section 90 of the Bermuda Companies Act 1981, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

貴公司董事在審核委員會的協助下履行職責，監督貴集團的財務報告過程。

核數師就審計綜合財務報表承擔的責任

我們的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括我們意見的核數師報告。我們的報告依據百慕達公司法一九八一第90條僅為閣下（作為法人團體）編製，而並不可作其他用途。我們不會就本報告的內容向其他任何人士負上或承擔責任。

合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告



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

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

在根據香港審計準則進行審計的過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對 貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報中的相關披露。假若有關的披露不足，則

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告



consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

我們應當發表非保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致 貴集團不能持續經營。

- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映交易和事項。
- 就 貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。我們負責 貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向審核委員會提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告



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

The engagement partner on the audit resulting in this independent auditor's report is Ms. Chau Suet Fung, Dilys.

從與審核委員會溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在本報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在本報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是周雪鳳女士。

Ernst & Young
Certified Public Accountants

Hong Kong
14 March 2017

安永會計師事務所
執業會計師

香港
二零一七年三月十四日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS 綜合損益表

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

		Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (重列)
CONTINUING OPERATIONS				
REVENUE	持續經營業務 收益	5	102,786	2,154,988
Cost of sales	銷售成本		(74,269)	(1,974,454)
Gross profit	毛利		28,517	180,534
Other income and gains	其他收入及利潤	5	12,765	34,550
Selling and distribution expenses	銷售及營銷費用		(31,694)	(22,998)
Administrative expenses	行政管理費用		(41,611)	(54,059)
Other operating income/(expenses), net	其他經營收入／(開支)淨額	6	(54,633)	15,299
Finance costs	財務開支	7	(77)	(47,638)
Net gain on deemed disposal of associates	被視為出售聯營公司之淨利潤	18	3,386	433,380
Share of profits and losses of:	分佔溢利及虧損：			
Joint venture	合營公司		(215,369)	(27,278)
Associates	聯營公司		(3,013)	(41,337)
Impairment of an available-for-sale investment (transfer from available-for-sale investment revaluation reserve)	可供出售之投資之減值(從可 供出售投資重估儲備轉入)	20(d)	(134,107)	(311,137)
Gain on derecognition of available-for-sale investments	終止確認可供出售之投資之 利潤	20(a),(b)	-	224
Fair value gain/(loss) of available-for-sale investments (transfer from equity on derecognition)	可供出售之投資之公平值利 潤／(虧損)(於終止確認時 從權益轉入)	20(a), (b),(c)	(490)	19,091
Fair value gain/(loss) on derivative financial instruments, net	衍生金融工具之公平值利 潤／(虧損)淨額	21	(108,558)	28,146
Fair value loss on an equity investment at fair value through profit or loss	按公平值計入損益之股本投資 之公平值虧損		(198,094)	(1,204)
PROFIT/(LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	來自持續經營業務之除稅前溢 利／(虧損)	6	(742,978)	205,573
Income tax credit/(expense)	所得稅抵免／(開支)	10	6,685	(108,057)
PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS	來自持續經營業務之本年溢 利／(虧損)		(736,293)	97,516
DISCONTINUED OPERATION				
Profit/(loss) for the year from a discontinued operation	已終止經營業務 來自已終止經營業務之本年溢 利／(虧損)	11	27,362	(14,056)
PROFIT/(LOSS) FOR THE YEAR	本年溢利／(虧損)		(708,931)	83,460
Attributable to:	下列人士應佔：			
Owners of the parent	母公司所有者		(685,842)	41,820
Non-controlling interests	非控股權益		(23,089)	41,640
			(708,931)	83,460
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT	母公司普通權益持有人應佔每 股盈利／(虧損)	12		
Basic and diluted	基本及攤薄			
– For profit/(loss) for the year	– 本年溢利／(虧損)		(HK12.43 cents) (12.43港仙)	HK0.76 cent 0.76港仙
– For profit/(loss) from continuing operations	– 來自持續經營業務之 溢利／(虧損)		(HK12.97 cents) (12.97港仙)	HK0.89 cent 0.89港仙

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME 綜合全面收益表

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

			2016	2015
			二零一六年	二零一五年
		Notes	HK\$'000	HK\$'000
		附註	千港元	千港元
PROFIT/(LOSS) FOR THE YEAR	本年溢利/(虧損)		(708,931)	83,460
OTHER COMPREHENSIVE INCOME	其他全面收益			
Other comprehensive income to be reclassified to profit or loss in subsequent periods:	於其後期間將會重新分類至損益之其他全面收益：			
Available-for-sale investments:	可供出售的投資：			
Changes in fair value	公平值變動	20	(119,876)	(307,190)
Reclassification adjustments for losses/(gains) included in the consolidated statement of profit or loss	計入綜合損益表之虧損/(利潤)之重新分類調整			
– Loss/(gain) on derecognition	– 終止確認之虧損/(利潤)	20	490	(19,091)
– Impairment loss	– 減值虧損	20	134,107	311,137
			14,721	(15,144)
Exchange differences:	匯兌差額：			
Exchange differences on translation of foreign operations	換算海外業務產生之匯兌差額		(125,145)	(76,206)
Reclassification adjustment for a foreign operation disposed of during the year	本年出售之海外業務之重新分類調整	41	(1,223)	–
			(126,368)	(76,206)
Share of other comprehensive income of a joint venture	分佔合營公司之其他全面收益		(8,905)	–
Share of other comprehensive income of associates	分佔聯營公司之其他全面收益		–	16,028
Release of share of an associate's other comprehensive income upon deemed disposal of the associate	聯營公司被視為出售時解除已分佔之該聯營公司之其他全面收益		–	(38,241)
NET OTHER COMPREHENSIVE INCOME TO BE RECLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX	於其後期間將會重新分類至損益之其他全面收益淨額及本年其他全面收益(扣除稅項後)		(120,552)	(113,563)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	本年全面收益總額		(829,483)	(30,103)
Attributable to:	下列人士應佔：			
Owners of the parent	母公司所有者		(764,262)	(45,837)
Non-controlling interests	非控股權益		(65,221)	15,734
			(829,483)	(30,103)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表

31 December 2016 二零一六年十二月三十一日

			2016 二零一六年	2015 二零一五年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
NON-CURRENT ASSETS 非流動資產				
Property, plant and equipment	物業、廠房和設備	13	24,975	31,595
Investment properties	投資物業	14	315,866	373,425
Prepaid land lease payments	預付土地租賃款	15	-	2,814
Intangible asset	無形資產	16	-	380
Investment in a joint venture	合營公司之投資	17	58,602	290,621
Investments in associates	聯營公司之投資	18	13,378	24,146
Financial asset under Project EC120	EC120項目之財務資產	19	-	-
Available-for-sale investments	可供出售的投資	20	278,745	400,421
Derivative financial instruments	衍生金融工具	21	11,338	119,896
Trade receivable	應收貿易賬款	24	20,178	21,628
Due from a fellow subsidiary	應收同系附屬公司	32	-	3,178
Loan to a related company	向關聯公司提供的貸款	25	-	11,976
Prepayments	預付款項	26	-	278
Deferred tax assets	遞延稅項資產	36	10,025	9,685
Total non-current assets	非流動資產總值		733,107	1,290,043
CURRENT ASSETS 流動資產				
Properties under development and completed properties held for sale	發展中物業及持作出售之 已完成物業	22	4,105,317	4,070,648
Inventories	存貨	23	-	4,564
Trade and bills receivables	應收貿易賬款及票據	24	69,442	155,450
Due from fellow subsidiaries	應收同系附屬公司	32	10,960	46,016
Due from a non-controlling shareholder of a subsidiary	應收附屬公司之 非控股股東	30	-	323
Due from an intermediate holding company	應收中間控股公司	31	5,282	-
Loans to associates	向聯營公司提供的貸款	18	9,497	-
Loans to related companies	向關聯公司提供的貸款	25	16,760	17,230
Prepayments, deposits and other receivables	預付款項、按金及其他應 收賬款	26	42,978	61,714
Equity investment at fair value through profit or loss	按公平值計入損益之股本 投資	27	87,619	285,713
Prepaid taxes	預付稅項	28	16,186	12,156
Pledged time deposits	已抵押定期存款	29	-	359
Cash and cash equivalents	現金及現金等值	29	605,925	473,330
Total current assets	流動資產總值		4,969,966	5,127,503

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 綜合財務狀況表

31 December 2016 二零一六年十二月三十一日

			2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
		Notes 附註		
CURRENT LIABILITIES	流動負債			
Due to non-controlling shareholders of subsidiaries	應付附屬公司之非控股股東	30	88,444	64,301
Due to an intermediate holding company	應付中間控股公司	31	–	14,164
Due to fellow subsidiaries	應付同系附屬公司	32	1,643	4
Loans from fellow subsidiaries	來自同系附屬公司的貸款	32	586,592	205,988
Trade and bills payables	應付貿易賬款及票據	33	41,213	92,358
Other payables and accruals	其他應付款項及應計費用	34	17,223	32,744
Customer deposits	客戶按金		920,238	248,310
Interest-bearing bank borrowings	計息銀行貸款	35	–	37,964
Tax payable	應付稅項		37,449	68,139
Total current liabilities	流動負債總值		1,692,802	763,972
NET CURRENT ASSETS	流動資產淨值		3,277,164	4,363,531
TOTAL ASSETS LESS CURRENT LIABILITIES	資產總值減流動負債		4,010,271	5,653,574
NON-CURRENT LIABILITIES	非流動負債			
Loans from an intermediate holding company	來自中間控股公司的貸款	31	475,419	509,581
Loans from a fellow subsidiary	來自同系附屬公司的貸款	32	648,045	1,658,683
Interest-bearing bank borrowings	計息銀行貸款	35	230,134	–
Deferred tax liabilities	遞延稅項負債	36	129,920	153,652
Total non-current liabilities	非流動負債總值		1,483,518	2,321,916
Net assets	資產淨值		2,526,753	3,331,658
EQUITY	權益			
Equity attributable to owners of the parent	母公司所有者應佔權益			
Issued capital	已發行股本	37	551,959	551,959
Reserves	儲備	39	1,421,313	2,185,575
			1,973,272	2,737,534
Non-controlling interests	非控股權益		553,481	594,124
Total equity	權益總值		2,526,753	3,331,658

Pan Linwu
潘林武
Director
董事

Lai Weixuan
賴偉宣
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表

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

		Issued capital	Share premium account
		已發行股本 HK\$'000 千港元	股份溢價賬 HK\$'000 千港元
At 1 January 2015	於二零一五年一月一日	551,959	609,080
Profit for the year	本年溢利	-	-
Other comprehensive income for the year:	本年其他全面收益：		
Changes in fair value of available-for-sale investments, net of tax	可供出售的投資之公平值變動 （扣除稅項後）	-	-
Share of other comprehensive income of associates	分佔聯營公司之其他全面收益	-	-
Release of share of an associate's other comprehensive income upon deemed disposal of the associate	聯營公司被視為出售時解除 已分佔之該聯營公司之 其他全面收益	-	-
Exchange differences related to foreign operations	與海外業務有關之匯兌差額	-	-
Total comprehensive income for the year	本年全面收益總額	-	-
Transfer to reserve fund	轉撥至儲備金	-	-
At 31 December 2015	於二零一五年十二月三十一日	551,959	609,080*

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表

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

Attributable to owners of the parent
母公司所有者應佔權益

	Share option reserve	Available- for-sale investment revaluation reserve	Reserve fund	Exchange fluctuation reserve	Retained profits	Total	Non- controlling interests	Total equity
	購股權儲備	可供出售 投資重估儲備	儲備金	匯兌波動 儲備	留存溢利	合計	非控股權益	權益總值
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
			(note 39) (附註39)					
	5,193	31,546	7,882	38,384	1,539,327	2,783,371	578,390	3,361,761
	-	-	-	-	41,820	41,820	41,640	83,460
	-	(15,144)	-	-	-	(15,144)	-	(15,144)
	-	17,211	-	(1,183)	-	16,028	-	16,028
	(5,193)	(22,948)	-	(10,100)	-	(38,241)	-	(38,241)
	-	-	-	(50,300)	-	(50,300)	(25,906)	(76,206)
	(5,193)	(20,881)	-	(61,583)	41,820	(45,837)	15,734	(30,103)
	-	-	10,595	-	(10,595)	-	-	-
	-*	10,665*	18,477*	(23,199)*	1,570,552*	2,737,534	594,124	3,331,658

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表

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

		Issued capital	Share premium account
	Note 附註	已發行股本 HK\$'000 千港元	股份溢價賬 HK\$'000 千港元
At 1 January 2016	於二零一六年一月一日	551,959	609,080
Loss for the year	本年虧損	-	-
Other comprehensive income for the year:	本年其他全面收益：		
Changes in fair value of available-for-sale investments, net of tax	可供出售的投資之公平值變動（扣除稅項後）	-	-
Share of other comprehensive income of a joint venture	分佔合營公司之其他全面收益	-	-
Exchange differences related to foreign operations	與海外業務有關之匯兌差額	-	-
Total comprehensive income for the year	本年全面收益總額	-	-
Transfer to reserve fund	轉撥至儲備金	-	-
Disposal of a subsidiary	出售附屬公司 41	-	-
At 31 December 2016	於二零一六年十二月三十一日	551,959	609,080*

* These reserve accounts comprise the consolidated reserves of HK\$1,421,313,000 (2015: HK\$2,185,575,000) in the consolidated statement of financial position.

* 該等儲備賬構成綜合財務狀況表中的綜合儲備1,421,313,000港元（二零一五年：2,185,575,000港元）。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表

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

Attributable to owners of the parent

母公司所有者應佔權益

Available- for-sale investment revaluation reserve 可供出售 投資重估儲備 HK\$'000 千港元	Reserve fund 儲備金 HK\$'000 千港元 (note 39) (附註39)	Exchange fluctuation reserve 匯兌波動儲備 HK\$'000 千港元	Retained profits 留存溢利 HK\$'000 千港元	Total 合計 HK\$'000 千港元	Non- controlling interests 非控股權益 HK\$'000 千港元	Total equity 權益總值 HK\$'000 千港元
10,665	18,477	(23,199)	1,570,552	2,737,534	594,124	3,331,658
-	-	-	(685,842)	(685,842)	(23,089)	(708,931)
14,721	-	-	-	14,721	-	14,721
-	-	(8,905)	-	(8,905)	-	(8,905)
-	-	(84,236)	-	(84,236)	(42,132)	(126,368)
14,721	-	(93,141)	(685,842)	(764,262)	(65,221)	(829,483)
-	121	-	(121)	-	-	-
-	(93)	-	93	-	24,578	24,578
25,386*	18,505*	(116,340)*	884,682*	1,973,272	553,481	2,526,753

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

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

			2016	2015
			二零一六年	二零一五年
		Notes	HK\$'000	HK\$'000
		附註	千港元	千港元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動之現金流量			
Profit/(loss) before tax:	除稅前溢利／(虧損)：			
From continuing operations	來自持續經營業務		(742,978)	205,573
From a discontinued operation	來自已終止經營業務	11	(5,075)	(14,259)
Adjustments for:	調整：			
Finance costs	財務開支		1,265	50,353
Share of profits and losses of a joint venture and associates	分佔合營公司及聯營公司之溢利及虧損		218,382	68,615
Bank interest income	銀行利息收入		(2,176)	(11,907)
Interest income on a convertible bond	可換股債券之利息收入	5	(1,036)	(518)
Interest income on loans to associates	向聯營公司提供的貸款之利息收入	5	(577)	(1,229)
Interest income on loans to related companies	向關聯公司提供的貸款之利息收入	5	(1,076)	(1,994)
Net gain on deemed disposal of associates	被視為出售聯營公司之淨利潤	18	(3,386)	(433,380)
Depreciation	折舊	13	2,487	3,969
Amortisation of customer relationship	客戶關係之攤銷	16	95	190
Recognition of prepaid land lease payments	確認預付土地租賃款	15	13	73
Provision for impairment of a loan to a related company	向關聯公司提供的貸款之減值撥備	6	12,608	-
Provision for impairment of trade and bills receivables	應收貿易賬款及票據之減值撥備		-	6,871
Provision for impairment/(recovery) of prepayments and other receivables	預付款項及其他應收賬款之減值撥備／(收回)		4,345	(6,152)
Loss/(gain) on disposal of items of property, plant and equipment	出售物業、廠房和設備項目之虧損／(利潤)	5, 6	(222)	105
Provision of impairment of items of property, plant and equipment	物業、廠房和設備項目之減值撥備		-	6,924
Fair value losses/(gains) on investment properties	投資物業之公平值虧損／(利潤)	5, 6	34,047	(757)
Reversal of impairment of loans to associates	向聯營公司提供的貸款之減值撥回	6	-	(11,677)
Impairment of an investment in a joint venture	合營公司之投資之減值	6	7,745	-
Fair value loss on an equity investment at fair value through profit or loss	按公平值計入損益之股本投資之公平值虧損		198,094	1,204
Gain on derecognition of available-for-sale investments	終止確認可供出售的投資之利潤	20(a), (b)	-	(224)
Fair value loss/(gain) of available-for-sale investments (transfer from equity on derecognition)	可供出售的投資之公平值虧損／(利潤)(於終止確認時從權益轉入)	20(a), (b),(c)	490	(19,091)
Impairment of an available-for-sale investment	可供出售的投資之減值	20(d)	134,107	311,137
Fair value loss/(gain) on derivative financial instruments, net	衍生金融工具之公平值虧損／(利潤)淨額	21	108,558	(28,146)
			(34,290)	125,680

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

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

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
	Notes 附註		
Decrease/(increase) in properties under development and completed properties held for sale	發展中物業及持作出售之已完成物業減少/(增加)	(172,696)	1,594,911
Decrease/(increase) in inventories	存貨減少/(增加)	502	(1,797)
Decrease/(increase) in trade and bills receivables	應收貿易賬款及票據減少/(增加)	83,708	(164,791)
Decrease in prepayments, deposits and other receivables	預付款項、按金及其他應收賬款減少	12,108	84,455
Decrease/(increase) in amounts due from fellow subsidiaries	應收同系附屬公司款項減少/(增加)	34,671	(49,194)
Decrease/(increase) in an amount due from a non-controlling shareholder of a subsidiary	應收附屬公司之非控股股東款項減少/(增加)	323	(323)
Increase/(decrease) in trade and bills payables	應付貿易賬款及票據增加/(減少)	(31,988)	84,127
Increase/(decrease) in other payables and accruals	其他應付款項及應計費用增加/(減少)	6,696	(21,514)
Increase/(decrease) in customer deposits	客戶按金增加/(減少)	689,909	(1,454,289)
Cash generated from operations	營運產生之現金	588,943	197,265
Overseas tax paid	已付海外稅項	(41,544)	(40,756)
Net cash flows from operating activities	經營活動產生之現金流量淨額	547,399	156,509
CASH FLOWS FROM INVESTING ACTIVITIES 投資活動產生之現金流量			
Purchases of items of property, plant and equipment	購入物業、廠房和設備項目	(96)	(1,926)
Proceeds from disposal of items of property, plant and equipment	出售物業、廠房和設備項目所得款項	746	-
Proceeds from disposal of available-for-sale investments	出售可供出售的投資所得款項	1,800	3,090
Additional investment in an associate	聯營公司之額外投資	-	(4,500)
Repayment of a loan from an associate	聯營公司償還貸款	-	1,078
Repayment of loans to related companies	關聯公司償還貸款	22	19,656
Advance of a loan to a related company	向關聯公司授出貸款	-	(11,976)
Disposal of a subsidiary	出售附屬公司	3,716	-
Bank interest received	已收銀行利息	2,072	14,836
Interest received on a convertible bond	已收可換股債券之利息	1,036	518
Interest received on loans to associates	已收聯營公司貸款利息	427	975
Interest received on other receivables	已收其他應收賬款利息	-	2,528
Interest received on loans to related companies	已收關聯公司貸款利息	790	4,445
Decrease/(increase) in pledged time deposits	已抵押定期存款減少/(增加)	(2,815)	4
Decrease in a time deposit with original maturity of more than three months when acquired	取得時原到期日超過三個月之定期存款減少	-	155,588
Net cash flows from investing activities	投資活動產生之現金流量淨額	7,698	184,316

CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

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

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
	Note 附註		
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動之現金流量		
New bank loans	新銀行貸款	230,134	37,964
Repayment of bank loans	償還銀行貸款	–	(675,148)
New loans from an intermediate holding company	來自中間控股公司的新貸款	–	509,581
Repayment of loans from fellow subsidiaries	償還來自同系附屬公司的貸款	(495,008)	(443,090)
Increase in amounts due to non-controlling shareholders of subsidiaries	應付附屬公司之非控股股東款項增加	28,817	16,111
Increase/(decrease) in an amount due to an intermediate holding company	應付中間控股公司款項增加／(減少)	(15,189)	14,164
Increase in amounts due to fellow subsidiaries	應付同系附屬公司款項增加	713	360
Interest paid	已付利息	(162,359)	(392,434)
Net cash flows used in financing activities	融資活動所用之現金流量淨額	(412,892)	(932,492)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值增加／(減少)淨額	142,205	(591,667)
Cash and cash equivalents at beginning of year	年初之現金及現金等值	473,330	1,093,361
Effect of foreign exchange rate changes, net	匯率變動影響淨額	(9,610)	(28,364)
CASH AND CASH EQUIVALENTS AT END OF YEAR	年終之現金及現金等值	605,925	473,330
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值結餘之分析		
Cash and bank balances	現金及銀行結存	307,215	461,354
Non-pledged time deposits with original maturity of less than three months when acquired	取得時原到期日不足三個月之無抵押定期存款	298,710	11,976
		605,925	473,330

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

1. CORPORATE AND GROUP INFORMATION

AVIC International Holding (HK) Limited is a limited liability company incorporated in Bermuda. The registered office of the Company is located at Canon's Court, 22 Victoria Street, Hamilton, HM 12, Bermuda.

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

- (i) the property development and investment business;
- (ii) the trading business; and
- (iii) the knitting and textile business*.

* The Group disposed of the knitting and textile business during the year. Details of the disposal are included in note 41 to the financial statements.

In the opinion of the directors, the ultimate holding company of the Company is Aviation Industry Corporation of China, which is incorporated in the People's Republic of China (the "PRC").

1. 公司及集團資料

AVIC International Holding (HK) Limited 中國航空工業國際控股（香港）有限公司為一間於百慕達註冊成立之有限公司。本公司之註冊辦事處為Canon's Court, 22 Victoria Street, Hamilton, HM 12, Bermuda。

年內，本集團主要從事以下業務：

- (i) 物業發展及投資業務；
- (ii) 貿易業務；及
- (iii) 針織及紡織業務*。

* 本集團於年內出售針織及紡織業務。有關出售詳情載於財務報表附註41。

董事認為本公司最終控股公司為中國航空工業集團公司，該公司於中華人民共和國（「中國」）註冊成立。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

1. CORPORATE AND GROUP INFORMATION
(continued)

Information about subsidiaries

Particulars of the Company's principal subsidiaries are as follows:

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Issued ordinary/ registered share capital 已發行普通股/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 股本權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
CATIC Helicopter Development (Shenzhen) Limited ("CATIC Helicopter SZ") [#] 中航技直升機技術服務(深圳)有限公司 司(「中航技直升機深圳」) [#]	PRC/Mainland China 中國/中國內地	HK\$42,000,000 42,000,000港元	-	100	Investment holding 投資控股
Billirich Investment Limited [#]	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1,000 1,000美元	100	-	Investment holding 投資控股
Ease Triumph International Limited 拓業國際有限公司	Hong Kong/Hong Kong 香港/香港	HK\$250,000,002 250,000,002港元	100	-	Investment holding 投資控股
重慶航龍置業有限公司 (「重慶航龍」) ^{***}	PRC/Mainland China 中國/中國內地	US\$62,530,000 62,530,000美元	-	99	Property developer of residential and commercial projects 住宅及商業項目的物業發展
大連航華置業有限公司 (「大連航華」) ^{***}	PRC/Mainland China 中國/中國內地	US\$96,000,000 96,000,000美元	-	52.08	Property developer of residential and commercial projects 住宅及商業項目的物業發展

1. 公司及集團資料 (續)

有關附屬公司的資料

本公司主要附屬公司之詳情如下：

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

1. CORPORATE AND GROUP INFORMATION
(continued)

Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

1. 公司及集團資料(續)

有關附屬公司的資料(續)

本公司主要附屬公司之詳情如下:(續)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Issued ordinary/ registered share capital 已發行普通股/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 股本權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
CATIC General Aviation Holdings Limited [#]	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$2 2美元	100	-	Investment holding 投資控股
Wahman Investment Limited [#]	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1 1美元	100	-	Investment holding 投資控股
Smartcon Investment Limited [#]	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1 1美元	100	-	Investment holding 投資控股
Sanba Investment Limited [#]	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1 1美元	100	-	Investment holding 投資控股
Welly Investment Limited [#]	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1 1美元	100	-	Investment holding 投資控股
Sumber Investment Limited [#]	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1 1美元	100	-	Investment holding 投資控股

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

Particulars of the Company's principal subsidiaries are as follows: (continued)

Name 名稱	Place of incorporation/ registration and business 註冊成立/ 註冊及營業地點	Issued ordinary/ registered share capital 已發行普通股/ 註冊股本	Percentage of equity attributable to the Company 本公司應佔 股本權益百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Kingspot Investment Limited [#]	British Virgin Islands/ Hong Kong 英屬處女群島/香港	HK\$1 1港元	100	-	Investment holding 投資控股
Sino-Aviation Investments Limited ("Sino-Aviation Investments") [#]	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1 1美元	100	-	Investment holding 投資控股
Yipon Investment Limited [#]	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1 1美元	100	-	Investment holding 投資控股
CATIC Helicopter (H.K.) Limited [#]	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$2 2美元	100	-	Investment holding 投資控股

* CATIC Helicopter SZ is registered as a wholly-foreign-owned enterprise under PRC law.

** 重慶航龍 and 大連航華 are registered as sino-foreign co-operative joint ventures under PRC law.

None of the statutory financial statements of these subsidiaries was audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network.

1. 公司及集團資料 (續)

有關附屬公司的資料 (續)

本公司主要附屬公司之詳情如下：(續)

* 中航技直升機深圳根據中國法例註冊為外商獨資企業。

** 重慶航龍及大連航華根據中國法例註冊為中外合資企業。

所有此等附屬公司的法定財務報表均非由安永香港或安永全球網絡其他成員公司審核。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

1. CORPORATE AND GROUP INFORMATION (continued)

Information about subsidiaries (continued)

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

During the year, the Group disposed of its 51% equity interest in 浙江東陽金牛針織製衣有限公司 (“Zhejiang Dongyang Jinniu”). Further details of the above disposal are included in note 41 to the financial statements.

2.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, an equity investment at fair value through profit or loss, certain available-for-sale investments, and derivative financial instruments which have been measured at fair value. These financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand except when otherwise indicated.

1. 公司及集團資料 (續)

有關附屬公司的資料 (續)

上表列出董事會認為對本集團本年度業績有重大影響或佔本集團資產淨值之重大部份之本公司之附屬公司。董事認為倘列出其他附屬公司之資料，將使篇幅過於冗長。

年內，本集團出售其擁有51%股本權益之浙江東陽金牛針織製衣有限公司(「浙江東陽金牛」)。有關上述出售之進一步詳情載於財務報表附註41。

2.1 編製基準

本財務報表乃根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)(其中包括全部香港財務報告準則、香港會計準則(「香港會計準則」)和詮釋)、香港普遍採用之會計原則以及香港公司條例的披露規定編製。本財務報表根據歷史成本法編製，惟投資物業、按公平值計入損益之股本投資、若干可供出售的投資、以及衍生金融工具除外(以公平值計量)。本財務報表以港元呈列，且所有價值均四捨五入至最接近之千位數(除非另有說明)。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation

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

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

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

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

2.1 編製基準（續）

綜合基準

綜合財務報表包括本公司及其附屬公司（統稱「本集團」）截至二零一六年十二月三十一日止年度之財務報表。附屬公司乃本公司直接或間接控制之實體（包括結構性實體）。當本集團就參與被投資公司營運所得之可變動回報有風險承擔或享有權利，並能夠向被投資公司運用其權力以影響回報金額（即現存之權利以致本集團能夠指示被投資公司之相關活動），即代表本集團擁有控制權。

倘本公司直接或間接擁有被投資公司的投票權或類似權利少於大多數，則本集團於評估其是否擁有對被投資公司之權力時會考慮一切相關事實及情況，包括：

- (a) 與被投資公司其他投票持有人之合約安排；
- (b) 其他合約安排所產生之權利；及
- (c) 本集團之投票權及潛在投票權。

附屬公司財務報表的報告期間與本公司相同，並採用與本公司一致之會計政策編製。附屬公司業績乃自本集團取得控制權當天起計入綜合財務報表內，並一直計入直至該控制權終止當天止。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.1 BASIS OF PREPARATION (continued)

Basis of consolidation (continued)

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

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

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

2.1 編製基準 (續)

綜合基準 (續)

即使會導致非控股權益產生虧絀結餘，損益及其他全面收益之各組成部份仍歸屬於本集團母公司所有者及非控股權益。與本集團成員公司間之交易相關之所有集團內公司間資產及負債、權益、收入、費用及現金流量均於綜合時悉數抵銷。

倘事實及情況反映上文所述三項控制權因素其中一項或多項有變，則本集團會重估是否仍然控制被投資公司。附屬公司之擁有權權益發生變動，但並未失去控制權時，按權益交易入賬。

倘本集團失去附屬公司之控制權，則會終止確認(i)該附屬公司之資產(包括商譽)及負債；(ii)任何非控股權益之賬面值；及(iii)計入權益之累計換算差額；並確認(i)已收代價之公平值；(ii)任何獲保留投資之公平值；及(iii)任何因此而產生並計入損益之盈餘或虧絀。先前於其他全面收益中確認之本集團應佔成份，乃按倘本集團直接出售相關資產或負債所要求之相同基準，視乎情況重新分類至損益或留存溢利。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

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

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

Other than as explained below regarding the impact of amendments to HKAS 1 and certain amendments included in the *Annual Improvements 2012-2014 Cycle*, the adoption of the above new and revised standards has had no significant financial effect on these financial statements.

2.2 會計政策及披露之變動

本集團已於本年度的財務報表中首次採納以下新訂及經修訂香港財務報告準則。

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號（二零一一年）的修訂	投資實體：應用綜合入賬的例外情況
香港財務報告準則第11號的修訂	收購合營業務權益的會計方法
香港財務報告準則第14號	監管遞延賬目
香港會計準則第1號的修訂	披露動議
香港會計準則第16號及香港會計準則第38號的修訂	澄清折舊及攤銷的可接受方法
香港會計準則第16號及香港會計準則第41號的修訂	農業：生產性植物
香港會計準則第27號（二零一一年）的修訂	獨立財務報表之權益法
二零一二年至二零一四年週期的年度改進	對多項香港財務報告準則作出之修訂

除下文所闡述有關香港會計準則第1號的修訂及二零一二年至二零一四年週期的年度改進所載的若干修訂的影響以外，採納以上新訂及經修訂準則對財務報表並無重大財務影響。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

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

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

2.2 會計政策及披露之變動 (續)

- (a) 香港會計準則第1號的修訂載有在財務報表呈列及披露範疇內重點集中改善的地方。該等修訂釐清：
- (i) 香港會計準則第1號的重大性規定；
 - (ii) 損益表與財務狀況表內的特定項目可予分拆；
 - (iii) 實體可靈活決定財務報表附註的呈列次序；及
 - (iv) 分佔使用權益法入賬的聯營公司及合營公司其他全面收益必須於單一項目內合併呈列，並區分其後將會或不會重新分類至損益的項目。

此外，該等修訂釐清在財務狀況表及損益表呈列額外小計時適用的規定。該等修訂不會對本集團的財務報表產生任何重大影響。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

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

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

2.2 會計政策及披露之變動（續）

(b) 於二零一四年十月頒佈的二零一二年至二零一四年週期之年度改進載列多項香港財務報告準則的修訂。該等修訂詳情如下：

- 香港財務報告準則第5號持作出售之非流動資產及已終止經營業務：釐清向所有者進行出售或作出分派的計劃的變動不應被視作一項新的出售計劃，而應被視為原計劃的延續。因此，應用香港財務報告準則第5號的規定並無變動。該等修訂亦釐清變更處置方式不會改變持作出售之非流動資產或出售組別的分類日期。該等修訂將於生效後應用。由於本集團於本年度之持作出售之出售組別之出售計劃或處置方式並無任何變更，故該等修訂對本集團並無任何影響。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.3 ISSUED BUT NOT YET EFFECTIVE HONG KONG FINANCIAL REPORTING STANDARDS

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

Amendments to HKFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i> ²
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts</i> ²
HKFRS 9	<i>Financial Instruments</i> ²
Amendments to HKFRS 10 and HKAS 28 (2011)	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ⁴
HKFRS 15	<i>Revenue from Contracts with Customers</i> ²
Amendments to HKFRS 15	<i>Clarifications to HKFRS 15 Revenue from Contracts with Customers</i> ²
HKFRS 16	<i>Leases</i> ³
Amendments to HKAS 7	<i>Disclosure Initiative</i> ¹
Amendments to HKAS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i> ¹

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

2.3 已頒佈但尚未生效之香港財務報告準則

本集團並無於本財務報表內應用以下已頒佈但尚未生效之新訂及經修訂香港財務報告準則。

香港財務報告準則第2號的修訂	股份償付交易之分類及計量 ²
香港財務報告準則第4號的修訂	採用香港財務報告準則第4號保險合約時一併應用香港財務報告準則第9號金融工具 ²
香港財務報告準則第9號	金融工具 ²
香港財務報告準則第10號及香港會計準則第28號（二零一一年）的修訂	投資者與其聯營公司或合營公司之間的資產出售或注資 ⁴
香港財務報告準則第15號	客戶合約收益 ²
香港財務報告準則第15號的修訂	澄清香港財務報告準則第15號客戶合約收益 ²
香港財務報告準則第16號	租賃 ³
香港會計準則第7號的修訂	披露動議 ¹
香港會計準則第12號的修訂	就未變現虧損確認遞延稅項資產 ¹

- ¹ 於二零一七年一月一日或之後開始之年度期間生效
- ² 於二零一八年一月一日或之後開始之年度期間生效
- ³ 於二零一九年一月一日或之後開始之年度期間生效
- ⁴ 尚未釐定強制生效日期惟可供採納

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

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

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

2.3 已頒佈但尚未生效之香港財務報告準則 (續)

預期將適用於本集團之該等香港財務報告準則之進一步資料載列如下：

香港會計師公會於二零一六年八月頒佈之香港財務報告準則第2號的修訂涉及三個主要方面：歸屬條件對現金結算以股份償付交易之計量之影響；附帶就預扣若干金額進行淨額結算之特點之股份償付交易之分類，以符合有關股份償付之僱員扣稅責任；及會計處理，在此情況下，對股份償付交易之條款及條件之修訂將其分類由現金結算轉變為股權結算。該等修訂釐清用於解釋當計量股權結算以股份償付交易亦適用於現金結算以股份償付之歸屬條件之方法。該等修訂引入一項例外情況，使為符合僱員扣稅責任之附帶就預扣若干金額進行淨額股份結算特點之以股份為基礎之付款交易可於若干條件達成時完全分類為股權結算以股份為基礎之付款交易。此外，該等修訂釐清倘現金結算以股份償付交易之條款經修訂，並成為股本結算以股份償付交易，則有關交易將自修訂日期起入賬列為股本結算交易。本集團預期自二零一八年一月一日採納該等修訂。預期該等修訂不會對本集團的財務報表有任何重大影響。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

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

Amendments to HKFRS 10 and HKAS 28 (2011) address an inconsistency between the requirements in HKFRS 10 and in HKAS 28 (2011) in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognised in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to HKFRS 10 and HKAS 28 (2011) was removed by the HKICPA in January 2016 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for application now.

2.3 已頒佈但尚未生效之香港財務報告準則 (續)

於二零一四年九月，香港會計師公會頒佈香港財務報告準則第9號的最終版本，將金融工具項目的所有階段集於一起以代替香港會計準則第39號及香港財務報告準則第9號的全部先前版本。該準則引入分類及計量、減值及對沖會計處理的新規定。本集團預期自二零一八年一月一日起採納香港財務報告準則第9號。本集團目前正評估該準則的影響。

香港財務報告準則第10號及香港會計準則第28號(二零一一年)的修訂針對香港財務報告準則第10號及香港會計準則第28號(二零一一年)之間有關投資者與其聯營公司或合營公司之間的資產出售或注資兩者規定的不一致性。該等修訂規定，當投資者與其聯營公司或合營公司之間的資產出售或注資構成一項業務時，須確認全數利潤或虧損。當涉及資產的交易不構成一項業務時，由該交易產生的利潤或虧損於該投資者的損益內確認，惟僅以不相關投資者於該聯營公司或合營公司的權益為限。該等修訂將於生效後應用。香港會計師公會已於二零一六年一月撤銷香港財務報告準則第10號及香港財務報告準則第28號(二零一一年)的修訂先前的強制性生效日期，而新強制性生效日期將於完成對聯營公司及合營公司之更多會計審閱後釐定。然而，該等修訂現時可供採納。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

HKFRS 15 establishes a new five-step model to account for revenue arising from contracts with customers. Under HKFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in HKFRS 15 provide a more structured approach for measuring and recognising revenue. The standard also introduces extensive qualitative and quantitative disclosure requirements, including disaggregation of total revenue, information about performance obligations, changes in contract asset and liability account balances between periods and key judgements and estimates. The standard will supersede all current revenue recognition requirements under HKFRSs. In June 2016, the HKICPA issued amendments to HKFRS 15 to address the implementation issues on identifying performance obligations, application guidance on principal versus agent and licences of intellectual property, and transition. The amendments are also intended to help ensure a more consistent application when entities adopt HKFRS 15 and decrease the cost and complexity of applying the standard. The Group expects to adopt HKFRS 15 on 1 January 2018 and is currently assessing the impact of HKFRS 15 upon adoption.

2.3 已頒佈但尚未生效之香港財務報告準則（續）

香港財務報告準則第15號訂立新五步驟模型，以把來自客戶合約的收入列賬。根據香港財務報告準則第15號，收益按能反映實體預期就向客戶轉讓貨物或服務而有權轉回獲得的代價之金額確認。香港財務報告準則第15號的原則為計量及確認收益提供更加結構化的方法。該準則亦引入廣泛的定性及定量披露規定，包括分拆收益總額，關於履行責任、不同期間之間合約資產及負債賬目結餘的變動以及主要判斷及估計的資料。該準則將取代香港財務報告準則項下所有現時收益確認的規定。於二零一六年六月，香港會計師公會頒佈香港財務報告準則第15號的修訂，以此闡述識別履約責任的實施問題、委託人與代理人以及知識產權許可的應用指引以及過渡。該等修訂亦擬協助確保實體於採納香港財務報告準則第15號時能更加一致地應用及降低應用有關準則的成本及複雜性。本集團預期於二零一八年一月一日採納香港財務報告準則第15號，目前正評估採納香港財務報告準則第15號的影響。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

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

2.3 已頒佈但尚未生效之香港財務報告準則（續）

香港財務報告準則第16號取代香港會計準則第17號租賃、香港（國際財務報告詮釋委員會）— 詮釋第4號釐定安排是否包括租賃、香港（常設詮釋委員會）— 詮釋第15號經營租賃— 優惠及香港（常設詮釋委員會）— 詮釋第27號評估牽涉租賃的法律形式的交易的內容。該準則載列有關租賃確認、計量、呈列及披露之原則，並要求承租人須確認絕大部份租賃資產及負債。該準則包括給予承租人兩項租賃確認豁免— 低價值資產租賃及短期租賃。於租賃開始日期，承租人將確認負債以作出租賃付款（即租賃負債），而資產指於租賃期使用相關資產的權利（即使用權資產）。使用權資產其後按成本減累計折舊及任何減值虧損計量，除非使用權資產符合於香港會計準則第40號中投資物業之定義。租賃負債將於其後增加以反映有關租賃負債利息並因支付租賃付款而減少。承租人將須單獨確認有關租賃負債的利息開支及有關使用權資產的折舊費。承租人亦將須於發生若干事件（例如租賃期變動、用於釐定未來租賃付款的指數或利率變動導致的該等付款變動）時重新計量租賃負債。承租人將一般確認重新計量租賃負債金額，作為對使用權資產的調整。香港財務報告準則第16號項下的出租人會計與香港會計準則第17號項下的會計相比並無大幅改變。出租人將繼續使用香港會計準則第17號中的相同劃分原則劃分所有租賃及區分經營租賃及融資租賃。本集團預期於二零一九年一月一日採納香港財務報告準則第16號，目前正評估香港財務報告準則第16號於採納後之影響。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

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

Amendments to HKAS 7 require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The amendments will result in additional disclosure to be provided in the financial statements. The Group expects to adopt the amendments from 1 January 2017.

Amendments to HKAS 12 were issued with the purpose of addressing the recognition of deferred tax assets for unrealised losses related to debt instruments measured at fair value, although they also have a broader application for other situations. The amendments clarify that an entity, when assessing whether taxable profits will be available against which it can utilise a deductible temporary difference, needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount. The Group expects to adopt the amendments from 1 January 2017.

2.3 已頒佈但尚未生效之香港財務報告準則 (續)

香港會計準則第7號的修訂要求實體作出披露以便財務報表的使用者評估融資活動所產生的負債變動，包括現金流量所產生的變動及非現金變動。該等修訂將導致須於財務報表內作出額外披露。本集團預期自二零一七年一月一日起採納該等修訂。

香港會計準則第12號的修訂的頒佈乃旨在處理就與按公平值計量的債務工具有關之未變現虧損確認遞延稅項資產，儘管彼等於其他方面亦有更廣泛應用。該等修訂釐清，當評估應課稅溢利是否將可用作扣減暫時性差異時，實體需要考慮稅法是否對於可扣減暫時性差異轉回時可用作扣減的應課稅溢利的來源有所限制。此外，該等修訂就實體應如何釐定未來應課稅溢利提供指引並解釋了應課稅溢利可包括以高於資產的賬面值收回部份資產的情況。本集團預期自二零一七年一月一日起採納該等修訂。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investments in associates and a joint venture

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

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

The Group's investments in associates and a joint venture are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The Group's share of the post-acquisition results and other comprehensive income of associates and the joint venture is included in the consolidated statement of profit or loss and consolidated other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates or joint venture are eliminated to the extent of the Group's investments in the associates or joint venture, except where unrealised losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates or the joint venture is included as part of the Group's investments in associates or the joint venture.

2.4 重大會計政策概要

聯營公司及合營公司之投資

聯營公司乃指本集團對其擁有長期權益及一般為不少於20%股本投票權並可對其施加重大影響之實體。重大影響力為可參與被投資公司之財務及營運政策決定，而非控制或共同控制該等政策。

合營公司為一項合營安排，據此，擁有該安排之共同控制權之各方均有權享有合營公司之資產淨值。共同控制權乃按合約協定下共享控制權之安排，其僅在相關活動決策必須獲共享控制權之各方一致同意方存在。

本集團於聯營公司及合營公司之投資乃根據權益會計法按本集團分佔之資產淨值減任何減值虧損後列於綜合財務狀況表。已就可能存在之不相似會計政策作出調整，以確保一致。本集團分佔聯營公司及合營公司收購後之業績及其他全面收益，分別載於綜合損益表及綜合其他全面收益表。此外，倘聯營公司或合營公司於權益直接確認任何變動，則本集團在綜合權益變動表確認分佔其任何變動（倘適用）。本集團與其聯營公司或合營公司間之交易所產生之未變現利潤及虧損與本集團於聯營公司或合營公司之投資抵銷，惟未變現虧損證明被轉讓資產出現減值情況則除外。收購聯營公司或合營公司產生之商譽，乃包括在本集團於聯營公司或合營公司之投資之部份。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments in associates and a joint venture (continued)

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

Business combinations and goodwill

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

2.4 重大會計政策概要 (續)

聯營公司及合營公司之投資 (續)

倘聯營公司之投資成為合營公司之投資或反之亦然，則保留之權益不會進行重新計量，該投資將繼續按權益法進行核算。在所有其他情況下，當不再對聯營公司擁有重大影響力或對合營公司擁有共同控制權時，本集團會按公平值計量並確認任何保留之投資。於本集團失去對聯營公司之重大影響力或對合營公司之共同控制權後，聯營公司或合營公司之賬面值與保留之投資之公平值及出售所得款項之差額乃於損益確認。

業務合併及商譽

業務合併乃以購買法入賬。轉讓之代價乃以收購日期之公平值計量，該公平值為本集團所轉讓資產於收購日期之公平值、本集團向被收購方之前擁有人承擔之負債、及本集團為換取被收購方控制權而發行之股本權益之總和。於各業務合併中，本集團選擇以公平值或應佔被收購方可識別資產淨值之比例，計算於被收購方之非控股權益（即現有之擁有權權益，賦予持有人權利在進行清算時按適當比例分佔資產淨值）。非控股權益之所有其他部份均以公平值計量。收購成本於產生時支銷。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)

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

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

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

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

2.4 重大會計政策概要 (續)

業務合併及商譽 (續)

本集團收購業務時會根據合約條款、於收購日期之經濟環境及相關條件，評估將承接之財務資產及負債，以作出合適分類及標示，其中包括從被收購方的主合約中把嵌入式衍生工具分離。

倘業務合併分階段進行，先前所持權益以其收購日期之公平值重新計量，並透過損益確認所產生之任何利潤或虧損。

收購方將予轉讓之任何或然代價將於收購日期按公平值確認。分類為資產或負債之或然代價乃按公平值計量，其公平值變動乃確認於損益。分類為權益之或然代價並不重新計量，而其後結算乃於權益中入賬。

商譽初始按成本值計量，即已轉讓總代價、已確認非控股權益及本集團先前持有之被收購方股權之公平值總額，超逾與所收購可識別資產淨值及所承擔負債之差額。倘此代價及其他項目總額低於所收購資產淨值之公平值，其差額將於重新評估後於損益中確認為議價收購收益。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations and goodwill (continued)

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

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

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

2.4 重大會計政策概要 (續)

業務合併及商譽 (續)

於初始確認後，商譽乃按成本值減任何累積減值虧損計量。商譽需每年進行減值測試，或在某些事項或情形之變動顯示賬面值可能發生減值時更頻繁地進行減值測試。本集團於十二月三十一日進行商譽年度減值測試。就減值測試而言，於業務合併收購之商譽自收購當日起分配至預期可從合併之協同效益得益之本集團之現金產生單元或現金產生單元組別，而不需理會本集團之其他資產或負債是否已分配至該些單元或單元組別。

減值乃根據與商譽相關之現金產生單元（現金產生單元組別）之估計可收回金額而釐定。如現金產生單元（現金產生單元組別）之可收回金額比賬面值低，則須確認減值虧損。就商譽確認之減值虧損不會於往後期間撥回。

如商譽被分配予現金產生單元（或現金產生單元組別），而該單元之部份營運被出售，則計算出售之利潤或虧損時，應把與被出售之營運聯繫之商譽包括在該營運之賬面值內。在此情況下，被出售之商譽按被出售之營運及仍保留在現金產生單元之部份之相對價值計算。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement

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

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

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

2.4 重大會計政策概要（續）

公平值計量

於各報告期末，本集團按公平值計量其投資物業、衍生金融工具及若干股本投資。公平值為計量日期市場參與者在有序交易中出售資產所得或轉讓負債所付出的作價。公平值計量乃根據假設出售資產或轉讓負債的交易於資產或負債主要市場或（在無主要市場情況下）最具優勢市場進行而作出。主要或最具優勢市場須為本集團可進入之市場。資產或負債的公平值乃按假設市場參與者於資產或負債定價時會以最佳經濟利益行事計量。

非財務資產之公平值計量乃考慮市場參與者通過使用其資產之最高及最佳用途或將其出售予將使用其最高及最佳用途之另一市場參與者，而能夠產生經濟利益之能力。

本集團使用適合其情況並有足夠數據之估值技術來計量公平值，並盡量利用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value measurement (continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly
- Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.4 重大會計政策概要 (續)

公平值計量 (續)

所有其公平值載於財務報表計量或披露之資產及負債均按對其公平值計量整體而言屬重大之最低層輸入參數（見以下描述）分類至公平值等級制度：

- 第一級 – 根據相同資產或負債於活躍市場的報價（未調整）
- 第二級 – 根據估值技術（對公平值計量而言屬重大的最低層輸入參數乃可觀察（直接或間接））
- 第三級 – 根據估值技術（對公平值計量而言屬重大的最低層輸入參數乃不可觀察）

就按經常性基準於財務報表確認之資產及負債而言，本集團透過於各報告期末重新評估分類（按對其公平值計量整體而言屬重大的最低層輸入參數）以確定是否發生不同等級轉移。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of non-financial assets

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

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

An assessment is made at the end of each reporting period as to whether there is an indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortisation) had no impairment loss been recognised for the asset in prior years. A reversal of such an impairment loss is credited to the statement of profit or loss in the period in which it arises.

2.4 重大會計政策概要 (續)

非財務資產之減值

每逢出現減值跡象，或於每年需就資產(存貨、財務資產及投資物業除外)進行減值測試時，便須估計該資產之可收回數額。資產之可收回數額以該資產或現金產生單元之使用價值及公平值減銷售成本兩者之較高者為準，並以個別資產釐定，惟倘該資產並不產生很大程度上獨立於其他資產或資產組別之現金流入則當別論，在此情況下，其可收回數額按該資產所屬之現金產生單元釐定。

減值虧損僅於資產賬面值超逾其可收回數額時確認。在評估使用價值時，估計未來現金流量乃以可反映當時市場對貨幣時間價值和資產特有風險評估的除稅前折現率折現至現值。減值虧損按該減值資產之功能所屬之開支分類計入產生期間的損益表中。

每個報告期末均須作出評估，以考慮是否有跡象顯示先前已確認之減值虧損可能不再存在或有所減少。如有任何該等跡象，則須估計可收回數額。該資產(商譽除外)之先前確認之減值虧損僅於釐定資產可收回數額之估計出現變動時回撥，惟回撥後之賬面值不得超越假設過往年度並無就該資產確認減值虧損之賬面值之數額(扣除任何折舊/攤銷)。減值虧損之回撥於產生期間計入損益表。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties

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

- (a) the party is a person or a close member of that person's family and that person
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

- (b) the party is an entity where any of the following conditions applies:
 - (i) the entity and the Group are members of the same group;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

2.4 重大會計政策概要 (續)

關聯方

任何一方如屬以下情況，即被視為與本集團有關聯：

- (a) 該方為一名人士或其所屬家庭之親密成員，而該人士
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司之主要管理層成員；

或

- (b) 該方為實體，且符合下列任何條件：
 - (i) 該實體與本集團屬同一集團之成員公司；
 - (ii) 一間實體為另一間實體（或另一間實體之母公司、附屬公司或同系附屬公司）之聯營公司或合營公司；
 - (iii) 該實體與本集團為同一第三方之合營公司；
 - (iv) 一間實體為第三方實體之合營公司，而另一間實體為該第三方實體之聯營公司；
 - (v) 該實體為本集團或與本集團有關聯之實體就僱員福利設立之離職後福利計劃；

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties (continued)

- (b) the party is an entity where any of the following conditions applies: (continued)
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

2.4 重大會計政策概要 (續)

關聯方 (續)

- (b) 該方為實體，且符合下列任何條件：(續)
 - (vi) 該實體受(a)定義之人士控制或共同控制；
 - (vii) (a)(i)定義之人士對該實體有重大影響力或屬該實體（或該實體之母公司）之主要管理層成員；及
 - (viii) 該實體或該實體所屬集團之任何成員公司為本集團或本集團之母公司提供管理層關鍵人員服務。

物業、廠房和設備及折舊

物業、廠房和設備乃按原值減累積折舊及任何減值虧損入賬。物業、廠房和設備之項目之成本包括其購買價及任何使資產達致運作狀況及地點以供擬定用途之直接相關成本。

物業、廠房和設備項目投入運作後所涉及之費用（如維修保養費用）一般會在支出期間在損益表中扣除。在符合確認準則的情況下，相關主要檢查的支出可按撥充資本計入作為重置之資產賬面值。倘物業、廠房和設備的重要部份需要不時重置，本集團將確認該部份為個別具有特定使用年期之資產並相應計提折舊。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment and depreciation (continued)

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

Land and buildings	Over the lease terms
Plant and machinery	10% – 20%
Furniture, fixtures and equipment	20% – 33%
Motor vehicles	20% – 25%

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

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

2.4 重大會計政策概要 (續)

物業、廠房和設備及折舊 (續)

物業、廠房和設備按各項目之估計可用年期以直線法計算折舊，以撇銷其成本或估值至其殘值。就此所採用之主要年率如下：

土地及樓宇	租期
廠房及機器	10% – 20%
傢俬、裝置及設備	20% – 33%
汽車	20% – 25%

倘物業、廠房和設備項目之組成部份有不同之可用年期，則該項目之成本按合理之基準分配至各組成部份，每個組成部份獨立計算折舊。殘值、可用年期及折舊方法至少於每個財政年度末進行檢討及調整（如適用）。

物業、廠房和設備項目（包括初始確認之重要部件項目）將在被出售，或預計其使用或出售不再產生未來經濟利益時終止確認。出售或棄用所產生之任何利潤或虧損於資產終止確認當年在損益表中確認，其數額為出售有關資產所得款項淨額與賬面值之差額。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment properties

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

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

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

For a transfer from investment properties to owner-occupied properties or inventories, the deemed cost of a property for subsequent accounting is its fair value at the date of change in use. For a transfer from inventories to investment properties, any difference between the fair value of the property at that date and its previous carrying amount is recognised in the statement of profit or loss.

2.4 重大會計政策概要 (續)

投資物業

投資物業為就賺取租金收入及／或資本增值而持有之土地及樓宇之權益（包括可能符合投資物業之定義而根據物業經營租約之租賃權益），而非用作生產或供應貨物或服務或用作行政用途、或就於日常業務進行銷售而持有之土地及樓宇權益。該等物業首次以成本（包括交易成本）計算。於首次確認後，投資物業按於報告期末市況之公平值列賬。

投資物業公平值變動所產生之利潤或虧損，於其產生年度計入損益表內。

棄用或出售投資物業之任何收益或虧損，於棄用或出售年度在損益表確認。

由投資物業轉為自用物業或存貨時，該物業其後會計之認定成本為改變用途當日之公平值。由存貨轉為投資物業時，該物業於當日的公平值與先前的賬面值之任何差額於損益表確認。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Properties under development

Properties under development are stated at cost less any impairment losses. Cost of properties under development comprises cost of acquisition, land cost, construction costs, development costs, capitalised borrowing costs and other direct costs attributable to the development. The land cost is recognised on the straight-line basis over the lease term. Impairment is assessed by the directors based on prevailing market prices, on an individual property basis.

Properties held for sale

Properties held for sale are stated at the lower of cost and net realisable value. Cost is determined by apportionment of total development cost, including capitalised borrowing cost, attributable to the unsold units. Net realisable value is determined on the basis of anticipated sales proceeds, or estimated by management based on the prevailing market conditions, less all estimated costs to completion and selling expenses, on an individual property basis.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.4 重大會計政策概要 (續)

發展中物業

發展中物業乃按成本值減任何減值虧損後列賬。發展中物業成本包括收購成本、土地成本、建築成本、開發成本、資本化借貸成本及其他發展應佔的直接成本。土地成本乃按租期以直線法確認。減值乃由董事根據個別物業當時的市場價格為基準而估計。

持作出售之物業

持作出售之物業乃按成本及可變現淨值之較低者列賬。成本乃藉分配未出售單位應佔之總發展成本（包括已撥作資本性借貸成本）而釐定。可變現淨值乃根據個別物業基準計算，按預計銷售所得款項，或按管理層就當時市況而作出之估計，減去直至完成時之所有估計成本及銷售費用。

無形資產（商譽除外）

單獨購買之無形資產於初始確認時按成本計量。於業務合併時收購之無形資產之成本以收購日期之公平值計量。無形資產之可用年期可評估為有限或無限。年期有限之無形資產其後於可使用經濟年期內攤銷，並於該無形資產出現減值跡象時進行減值評估。可用年期有限之無形資產之攤銷期及攤銷方法須至少於每個財政年度末檢討一次。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible assets (other than goodwill) (continued)

Customer relationship

Customer relationship is stated at cost less any impairment losses and is amortised on the straight-line basis over its estimated useful life of 6 years.

Leases

Leases that transfer substantially all the rewards and risks of ownership of assets to the Group, other than legal title, are accounted for as finance leases. At the inception of a finance lease, the cost of the leased asset is capitalised at the present value of the minimum lease payments and recorded together with the obligation, excluding the interest element, to reflect the purchase and financing. Assets held under capitalised finance leases, including prepaid land lease payments under finance leases, are included in property, plant and equipment, and depreciated over the shorter of the lease terms and the estimated useful lives of the assets. The finance costs of such leases are charged to the statement of profit or loss so as to provide a constant periodic rate of charge over the lease terms.

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. When the Group is the lessee, rentals payable under operating leases net of any incentives received from the lessor are charged to the statement of profit or loss on the straight-line basis over the lease terms.

2.4 重大會計政策概要 (續)

無形資產(商譽除外)(續)

客戶關係

客戶關係按照成本減任何減值虧損呈列，並根據其估計使用年期6年按照直線基準攤銷。

租賃

將資產擁有權(法定業權除外)之大部份回報與風險轉讓至本集團之租約列為融資租約處理。自融資租約開始時，租賃資產之成本按最低租賃付款額之現值予以資本化，並連同債務(不計利息)列賬，以反映購入及融資情況。按已資本化之融資租約持有之資產(包括融資租約下之預付土地租賃款)計入物業、廠房和設備內，並按資產之租賃期及估計可用年期之較短者計算折舊。該等租約之融資成本於損益表內扣除，以於租賃期計算固定費用。

凡資產擁有權之大部份回報及風險由出租人承擔之租約均列為經營租約。倘本集團為承租人，根據經營租約之應付租金(經扣除自出租人收取之任何優惠後)，按直線法於租賃期內自損益表扣除。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (continued)

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

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial investments, as appropriate. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss.

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

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

2.4 重大會計政策概要 (續)

租賃 (續)

經營租賃下之預付土地租賃款初始以成本列賬，其後在租賃期內以直線法確認。當租賃付款無法可靠地在土地和房屋兩部份之間進行分配時，則整個租賃款作為物業、廠房和設備之融資租賃，包括在土地和樓宇之成本中。

投資及其他財務資產

初始確認及計量

於初始確認時，財務資產分類為按公平值計入損益之財務資產、貸款及應收款項，以及可供出售的財務投資（如適用）。初始確認財務資產時，乃按公平值加收購財務資產相關之交易成本列賬，惟按公平值計入損益之財務資產除外。

財務資產之所有一般買賣均於交易日（即本集團承諾買賣資產當日）確認。一般買賣指必須於市場所在地法例或規例一般指定之時間內交付資產之財務資產買賣。

其後計量

財務資產之其後計量取決於其分類如下：

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include the financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by HKAS 39.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss. These net fair value changes do not include any dividends or interest earned on these financial assets, which are recognised in accordance with the policies set out for "Revenue recognition" below.

Financial assets designated upon initial recognition as at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in HKAS 39 are satisfied.

Derivatives embedded in host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated as at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the statement of profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

2.4 重大會計政策概要 (續)

投資及其他財務資產 (續)

按公平值計入損益之財務資產

按公平值計入損益之財務資產包括持作買賣的財務資產及於初始確認時指定為按公平值計入損益的財務資產。倘收購財務資產之目的是為在短期內出售，則該等資產分類為持作買賣。各項衍生工具(包括已分開之嵌入式衍生工具)亦分類為持作買賣，惟彼等被指定為有效對沖工具(定義見香港會計準則第39號)除外。

按公平值計入損益之財務資產按公平值列入財務狀況表，公平值變動淨額乃於損益表確認，該等公平值變動淨額不包括就該等財務資產所賺取之任何股息或利息，股息及利息根據下文「收益之確認」所載政策確認。

於初始確認時指定為按公平值計入損益之財務資產，僅可於初始確認日指定，並須符合香港會計準則第39號之要求。

倘嵌入於主合約之衍生工具之經濟特質及風險與主合約中之經濟特質及風險無密切關係，且主合約並非持作買賣或指定為按公平值計入損益，則該等嵌入於主合約之衍生工具將視作獨立衍生工具並按公平值列賬。該等嵌入式衍生工具按公平值計量，公平值變動於損益表確認。只有當合約條款出現變動，而該變動將大幅改變所規定之現金流量、又或當財務資產重新從按公平值計入損益類別分類出來時，方會重新進行評估。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income and gains in the statement of profit or loss. The loss arising from impairment is recognised in the statement of profit or loss in other operating expenses for loans and receivables.

Available-for-sale financial investments

Available-for-sale financial investments are non-derivative financial assets in listed and unlisted equity investments and debt securities and a financial asset under Project EC120 as set out in notes 20 and 19, respectively, to the financial statements. Equity investments classified as available for sale are those which are neither classified as held for trading nor designated as at fair value through profit or loss. Debt securities in this category are those which are intended to be held for an indefinite period of time and which may be sold in response to needs for liquidity or in response to changes in market conditions.

2.4 重大會計政策概要 (續)

投資及其他財務資產 (續)

貸款及應收款項

貸款及應收款項乃具有固定或可確定付款金額，但並無活躍市場報價之非衍生財務資產。於初始計量後，有關資產其後乃以攤銷成本（按實際利率法計算）減去任何減值撥備計量。計量攤銷成本時已考慮到獲得時的任何折現或溢價，並已包括實際利率組成部份之費用或成本。實際利率攤銷計入損益表之其他收入及利潤內。減值產生的虧損於損益表內之貸款及應收款項其他經營開支中確認。

可供出售的財務投資

可供出售的財務投資是指分別載於財務報表附註20及19之上市及非上市股本投資及債務證券中之非衍生財務資產以及EC120項目之財務資產。分類為可供出售的股本投資指既未分類為持作買賣亦未指定為按公平值計入損益的投資。該類別中之債務證券指有意無限期持有之債務證券，且該等債務證券可能會因應流動資金需求或應對市況變動而出售。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Available-for-sale financial investments (continued)

After initial recognition, available-for-sale financial investments are subsequently measured at fair value, with unrealised gains or losses recognised as other comprehensive income in the available-for-sale investment revaluation reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in the statement of profit or loss, or until the investment is determined to be impaired, when the cumulative gain or loss is reclassified from the available-for-sale investment revaluation reserve to the statement of profit or loss in other operating expenses. Interest and dividends earned whilst holding the available-for-sale financial investments are reported as interest income and dividend income, respectively and are recognised in the statement of profit or loss as other income in accordance with the policies set out for "Revenue recognition" below.

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

2.4 重大會計政策概要 (續)

投資及其他財務資產 (續)

可供出售的財務投資 (續)

在初始確認後，可供出售的財務投資其後按照公平值計量，未變現利潤或虧損於可供出售投資重估儲備中確認為其他全面收益，直至該投資終止確認，此時累積利潤或虧損於損益表確認，或直至該投資釐定為減值，此時累積利潤或虧損由可供出售投資重估儲備重新分類至損益表之其他經營開支。持有可供出售的財務投資期間產生之利息及股息應根據下文「收益之確認」所載政策分別以利息收入及股息收入，於損益表之其他收入項下確認。

當因為(a)合理之公平值估計範圍之變動對該投資而言是重大或(b)在上述範圍內之各種估計價之概率不能夠合理地評估和用於估計公平值，而導致不能可靠計算非上市股本投資之公平值時，該類投資以成本減任何減值虧損列賬。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments and other financial assets (continued)

Available-for-sale financial investments (continued)

The Group evaluates whether the ability and intention to sell its available-for-sale financial assets in the near term are still appropriate. When, in rare circumstances, the Group is unable to trade these financial assets due to inactive markets, the Group may elect to reclassify these financial assets if management has the ability and intention to hold the assets for the foreseeable future or until maturity.

For a financial asset reclassified from the available-for-sale category, the fair value carrying amount at the date of reclassification becomes its new amortised cost and any previous gain or loss on that asset that has been recognised in equity is amortised to profit or loss over the remaining life of the investment using the effective interest rate. Any difference between the new amortised cost and the maturity amount is also amortised over the remaining life of the asset using the effective interest rate. If the asset is subsequently determined to be impaired, then the amount recorded in equity is reclassified to the statement of profit or loss.

2.4 重大會計政策概要 (續)

投資及其他財務資產 (續)

可供出售的財務投資 (續)

本集團會評估於近期出售其可供出售的財務資產之能力及意向是否仍屬適宜。在極少數情況下，本集團因市場不活躍而無法買賣該等財務資產，倘管理層有能力和意圖在可預見的期間或到期前持有該等資產，則本集團可選擇重新分類該等財務資產。

對於重新從可供出售類別分類出來之財務資產，採用重新分類當日之公平值賬面值為其新攤銷成本，有關該資產之前已於權益確認之任何利潤或虧損，於該投資之尚餘年內採用實際利率在損益攤銷。新攤銷成本與到期金額之間之任何差額亦於資產之尚餘年內採用實際利率攤銷。倘該資產其後釐定為減值，則記錄在權益之賬項將被重新分類至損益表。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

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

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

2.4 重大會計政策概要 (續)

終止確認財務資產

在下列情況下，財務資產（或（如適用）一項財務資產的部份或一組同類財務資產的部份）基本終止確認（即自本集團綜合財務狀況表剔除）：

- 收取該項資產所得現金流量之權利經已屆滿；或
- 本集團已轉讓收取該項資產所得現金流量之權利，或須根據一項「轉付」安排，對第三方承擔全數支付（沒有嚴重延緩）已收取現金流量之責任；而且(a)本集團已轉讓該資產之絕大部份風險及回報；或(b)本集團並無轉讓或保留該資產之絕大部份風險及回報，但已轉讓該資產之控制權。

倘本集團轉讓其收取該資產所得現金流量的權利或已訂立一項轉付安排，本集團會評估其是否保留擁有該項資產的風險及回報以及其保留程度。倘本集團並無轉讓或保留該資產的所有風險及回報，亦並無轉讓該資產的控制權，則本集團在持續參與該資產的前提下繼續確認該已轉讓資產。在該情況下，本集團亦確認相關負債。已轉讓資產及相關負債按反映本集團已保留權利及責任的基準計量。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Derecognition of financial assets (continued)

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

2.4 重大會計政策概要 (續)

終止確認財務資產 (續)

以經轉讓資產擔保方式的持續參與按該項資產的原賬面值及本集團或須償還的代價的最高金額之間的較低者計量。

財務資產之減值

在每個報告期末，本集團評估是否存在客觀證據顯示一項財務資產或一組財務資產發生減值。倘於初始確認資產後發生的一項或多項事件對該項或該組財務資產能可靠估計之估計未來現金流量造成影響，則存在減值。減值跡象可包括一名或一群債務人正面臨重大經濟困難、違約或未能償還利息或本金、彼等有可能破產或進行其他財務重組，以及有可觀察得到的數據顯示估計未來現金流量出現可計量的減少，例如拖欠數目變動或出現與違約相關的經濟狀況。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Financial assets carried at amortised cost

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

The amount of any impairment loss identified is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the statement of profit or loss. Interest income continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

2.4 重大會計政策概要 (續)

財務資產之減值 (續)

按攤銷成本列賬的財務資產

就按攤銷成本列賬的財務資產而言，本集團首先單獨評估個別重大的財務資產或整體評估個別不重大的財務資產是否存在減值。倘本集團釐定經單獨評估的財務資產（無論重大與否）並無存在客觀減值證據，則會將該資產納入一組具有類似信貸風險特性的財務資產內，然後作整體減值評估。作單獨減值評估的資產在被確認或持續被確認存在減值虧損時，則不會被納入整體減值評估內。

減值虧損金額按資產的賬面值與估計未來現金流量（不包括尚未產生的日後信貸損失）的現值之間的差額計算。估計未來現金流量的現值按財務資產原有實際利率（即初始確認時的實際利率）折現得出。

資產的賬面值可透過使用備抵賬調低，虧損在損益表中確認。利息收入繼續按減少後之賬面值採用計量減值虧損時用以折現未來現金流量的利率計算。倘未來收回無實際可能，且所有抵押品已變現或轉讓至本集團，則貸款與應收款項連同任何相關之備抵應一併撇銷。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Financial assets carried at amortised cost (continued)

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to other operating expenses in the statement of profit or loss.

Available-for-sale financial investments

For available-for-sale financial investments, the Group assesses at the end of each reporting period whether there is objective evidence that an investment or a group of investments is impaired.

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the statement of profit or loss, is removed from other comprehensive income and recognised in the statement of profit or loss.

2.4 重大會計政策概要 (續)

財務資產之減值 (續)

按攤銷成本列賬的財務資產 (續)

倘於後續期間，於確認減值後發生事件而導致估計減值虧損金額增加或減少，則先前確認的減值虧損可透過調整備抵賬予以增加或減少。倘撇銷數額其後收回，收回的數額則計入損益表內其他經營開支中。

可供出售的財務投資

就可供出售的財務投資而言，本集團將於每個報告期末評估是否存在客觀證據顯示一項投資或一組投資發生減值。

倘可供出售的資產發生減值，其成本（扣除任何本金付款及攤銷）與其現行公平值兩者間的差異減去先前在損益表內確認之任何減值虧損的所得金額，將從其他全面收益中移除，並於損益表內確認。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Available-for-sale financial investments (continued)

In the case of equity investments classified as available for sale, objective evidence would include a significant or prolonged decline in the fair value of an investment below its cost. "Significant" is evaluated against the original cost of the investment and "prolonged" against the period in which the fair value has been below its original cost. Where there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the statement of profit or loss – is removed from other comprehensive income and recognised in the statement of profit or loss. Impairment losses on equity instruments classified as available for sale are not reversed through the statement of profit or loss. Increases in their fair value after impairment are recognised directly in other comprehensive income.

The determination of what is "significant" or "prolonged" requires judgement. In making this judgement, the Group evaluates, among other factors, the duration or extent to which the fair value of an investment is less than its cost.

2.4 重大會計政策概要 (續)

財務資產之減值 (續)

可供出售的財務投資 (續)

就被分類為可供出售的股本投資而言，客觀證據包括該項投資的公平值大幅或長期跌至低於其成本值。「大幅」乃相對於投資的原成本而評估，而「長期」則相對於出現公平值低於其原成本的時間而評估。倘出現減值之證據，則累積虧損（按收購成本與現時公平值的差額減該項投資先前在損益表內確認的任何減值虧損計量）將從其他全面收益中移除，並於損益表內確認。分類為可供出售的股本工具的減值虧損不可透過損益表回撥，於減值後其公平值的增加乃直接於其他全面收益中確認。

釐定「重大」或「持久」需要有重大判斷。在作出此項判斷時，本集團評估（包括其他因素）某項投資的公平值低於其成本的持續時間或數額。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets (continued)

Available-for-sale financial investments (continued)

In the case of debt instruments classified as available for sale, impairment is assessed based on the same criteria as financial assets carried at amortised cost. However, the amount recorded for impairment is the cumulative loss measured as the difference between the amortised cost and the current fair value, less any impairment loss on that investment previously recognised in the statement of profit or loss. Future interest income continues to be accrued based on the reduced carrying amount of the asset using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as part of other income. Impairment losses on debt instruments are reversed through the statement of profit or loss if the subsequent increase in fair value of the instruments can be objectively related to an event occurring after the impairment loss was recognised in the statement of profit or loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, or as loans and borrowings, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

2.4 重大會計政策概要 (續)

財務資產之減值 (續)

可供出售的財務投資 (續)

就分類為可供出售的債務工具而言，減值評估乃按與按攤銷成本列賬的財務資產相同的標準進行。然而，所記錄之減值金額乃按攤銷成本與現時公平值之間的差額減該項投資先前於損益表中確認的任何減值虧損計量之累積虧損。未來利息收入繼續按該項資產減少後之賬面值採用計量減值虧損時用以折現未來現金流量的利率計算。利息收入記錄為其他收入的一部份。倘債務工具的公平值的後續增加能與其在損益表確認減值虧損後發生的事件客觀相連，則該債務工具的減值虧損可以通過損益表回撥。

財務負債

初始確認及計量

財務負債於初始確認時分類為按公平值計入損益的財務負債或貸款及借貸（如適用）。

所有財務負債於初始確認時按公平值確認，而倘為貸款及借貸，則扣減直接歸屬的交易成本確認。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities (continued)

Initial recognition and measurement (continued)

The Group's financial liabilities include amounts due to fellow subsidiaries and non-controlling shareholders of subsidiaries, loans from fellow subsidiaries and an intermediate holding company, trade and bills payables, other payables and accruals and interest-bearing bank borrowings.

Subsequent measurement of loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

Derecognition of financial liabilities

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

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

2.4 重大會計政策概要 (續)

財務負債 (續)

初始確認及計量 (續)

本集團的財務負債包括應付同系附屬公司款項及應付附屬公司非控股股東款項、來自同系附屬公司的貸款及來自中間控股公司的貸款、應付貿易賬款及票據、其他應付款項及應計費用以及計息銀行貸款。

貸款及借貸的其後計量

於初始確認後，計息貸款及借貸其後以實際利率法按攤銷成本計量，但如折現之影響甚微，則按成本列賬。利潤及虧損乃於負債終止確認時及按實際利率進行攤銷程序時於損益表中確認。

計算攤銷成本時須計及購入時的任何折讓或溢價，亦計入作為實際利率組成部份的費用或成本。實際利率攤銷乃計入損益表的財務開支內。

終止確認財務負債

當負債項下的責任獲解除或取消或屆滿時，則終止確認財務負債。

倘現有財務負債被來自同一借款人但條款極不相同的另一項負債所取代，或對現有負債的條款進行大幅修改，上述更替或修訂將會按終止確認原有負債並確認新負債處理，而有關賬面值的差額於損益表內確認。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Inventories

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

Cash and cash equivalents

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

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

2.4 重大會計政策概要 (續)

金融工具的抵銷

倘目前有可執行法定權利抵銷已確認金額並擬按淨額基準結算，或同時變賣資產及償還負債時，財務資產及財務負債才會互相抵銷，並在財務狀況表內以淨額列示。

存貨

存貨乃按成本及可變現淨值兩者中之較低者入賬。成本按加權平均法釐定，且就在製品及製成品而言，包括直接物料、直接勞工及適當比例的經常費用。可變現淨值則根據估計售價減任何完成及出售估計所需成本計算。

現金及現金等值

就綜合現金流量表而言，現金及現金等值指手頭現金及活期存款，以及可隨時轉換為已知現金額而價值變動風險不大且期限較短（一般自取得起計三個月內到期）之短期高流通性投資，減須於要求時償還並屬於本集團整體現金管理組成部份之銀行透支。

就綜合財務狀況表而言，現金及現金等值指手頭及銀行現金，包括定期存款，及無使用限制而性質與現金相若之資產。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Provisions

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

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

Income tax

Income tax comprises current and deferred tax. Income tax relating to items recognised outside profit or loss is recognised outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

2.4 重大會計政策概要（續）

撥備

當因過往事件而產生即期債務（法定或推定）並可能須於日後撥出資源以償還該債務時，倘能可靠估計有關債務金額，則須就此確認撥備。

倘折現影響重大，則按預期須於未來就該債務所作之開支於報告期末之現值來確認撥備。隨著時間過去而增加的折現現值於損益表內列為財務開支。

所得稅

所得稅包括當期及遞延稅項。與在損益以外確認之項目有關之所得稅，乃於損益以外（其他全面收益或直接於權益）確認。

即期稅項資產及負債，乃根據於報告期末已頒佈或實質頒佈的稅率（及稅法），經計及本集團經營所在國家的現行詮釋及慣例，按預期自稅務機關收回或向其繳付的金額計算。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

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

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

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

2.4 重大會計政策概要 (續)

所得稅 (續)

遞延稅項採用負債法，就於報告期末資產與負債之稅基及其用作財務報告之賬面值之間之所有臨時差額作出撥備。

所有應課稅臨時差額均確認為遞延稅項負債，惟以下情況例外：

- 在一項非業務合併之交易中初始確認商譽或資產或負債而產生之遞延稅項負債，而有關交易於當時對會計溢利或稅務盈虧並無影響；及
- 就於附屬公司、聯營公司及合營公司之投資之相關應課稅臨時差額而言，倘能控制有關臨時差額之回撥時間，而且於可見將來可能不會回撥。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

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

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

2.4 重大會計政策概要 (續)

所得稅 (續)

遞延稅項資產乃就所有可抵扣臨時差額、承前未動用稅項抵免及未動用稅項虧損予以確認，但僅限於可能取得應課稅溢利以供動用可抵扣臨時差額、承前未動用稅項抵免及未動用稅務虧損之部份，惟以下情況例外：

- 與在一項非企業合併之交易中初始確認資產或負債而產生之可抵扣臨時差額相關之遞延稅項資產，而有關交易於當時對會計溢利或稅務盈虧並無影響；及
- 就於附屬公司、聯營公司及合營公司之投資之相關可抵扣臨時差額而言，則僅限於可能臨時差額可於可見將來回撥，並有應課稅溢利以供動用臨時差額予以抵銷之部份，方會確認遞延稅項資產。

遞延稅項資產之賬面值於每個報告期末檢討，倘不再可能有足夠應課稅溢利以供動用所有或部份遞延稅項資產時，則遞延稅項資產將相應減少。未確認之遞延稅項資產則於每個報告期末重新評估，倘可能有足夠應課稅溢利以抵銷全部或部份遞延稅項資產時，則予以確認。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income tax (continued)

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

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

Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions would be complied with. When the grant relates to an expense item, it was recognised as income on a systemic basis over the periods that the costs, which it is intended to compensate, are expensed.

2.4 重大會計政策概要 (續)

所得稅 (續)

遞延稅項資產及負債乃根據於報告期末已頒佈或實質頒佈之稅率（及稅法），按預期實現有關資產或清償有關負債期間之適用稅率釐定。

倘即期稅項資產與即期稅項負債可合法地互相抵銷，且遞延稅項關乎同一應課稅實體及同一稅務機關，則遞延稅項資產與遞延稅項負債可互相抵銷。

政府補助金

若能合理肯定可以收取政府補助金及可達至所有附帶條件，則按補助金之公平值確認入賬。倘補助金與支出項目相關，則在補助金擬補償之成本被支銷期間按系統基準確認為收入。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

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

- (a) from the sale of properties, when the significant risks and rewards of the properties are passed to the purchasers when (i) an irrevocable sale and purchase contract has been entered into by both buyer and seller; (ii) the seller has received or retained the right to receive all the consideration of the sale; (iii) the construction has been completed, and its quality has been inspected and accepted by the relevant government authorities; (iv) the ready-for-delivery conditions under the sale and purchase contract have been fulfilled; and (v) the notices of property delivery have been sent to the buyer;
- (b) from the sale of goods, when the significant risks and rewards of ownership have been transferred to the buyer, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold;
- (c) rental income, on a time proportion basis over the lease terms;

2.4 重大會計政策概要（續）

收益之確認

當本集團可能獲得經濟利益並且能可靠衡量其數額時，會以下列準則確認收益：

- (a) 銷售物業之收入乃於物業之重大風險及收益轉移至買方時確認：即(i)買賣雙方簽訂了不可撤銷之銷售合同；(ii)賣方已收取所有銷售代價或保留收取所有銷售代價之權利；(iii)建築工程已竣工及其質量經相關政府部門驗收通過；(iv)已達到銷售合同之到期交付條件；及(v)已向買方發出物業交付通知書；
- (b) 銷售貨品之收入乃於擁有權之重大風險及收益已轉移予買方時確認，前提是本集團須不再保留一般與擁有權有關之管理權，亦不再對該出售之貨品保留任何實際控制權；
- (c) 租金收入乃按租賃年期之時間比例確認；

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition (continued)

- (d) interest income, on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, when appropriate, to the net carrying amount of the financial asset;
- (e) dividend income, when the shareholders' right to receive payment has been established; and
- (f) from the development, manufacture and distribution of helicopters, when the Group's right to receive its share of profit from Project EC120 has been established (note 19).

Share-based payments

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

The cost of equity-settled transactions with employees for grants after 7 November 2002 is measured by reference to the fair value at the date at which they are granted.

2.4 重大會計政策概要 (續)

收益之確認 (續)

- (d) 利息收入按應計基準採用實際利率法確認，以該息率把金融工具於其估計年期或較短期間（倘適用）內的估計未來所獲現金數額準確折現為該財務資產的賬面淨值；
- (e) 股息收入於股東收取款項的權利獲確立時確認；及
- (f) 直升機開發、製造及分銷之收入乃於本集團收取其分佔EC120項目溢利之權益獲確立時確認（附註19）。

股份償付

本公司設有購股權計劃，旨在鼓勵及嘉獎為本集團業務之成功作出貢獻之合資格參與者。本集團僱員（包括董事）以股份償付形式收取酬金，並據此提供服務作為取得股本工具的代價（「股本結算交易」）。

於二零零二年十一月七日後授出之與僱員進行股本結算交易之成本乃參考授出當日之公平值計算。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments (continued)

The cost of equity-settled transactions is recognised in employee benefit expense, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at the end of each reporting period until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the statement of profit or loss for a period represents the movement in the cumulative expense recognised as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.

For awards that do not ultimately vest because non-market performance and/or service conditions have not been met, no expense is recognised. Where awards include a market or non-vesting condition, the transactions are treated as vesting irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

2.4 重大會計政策概要 (續)

股份償付 (續)

股本結算交易之成本連同權益之相應增加額，於達致表現及／或服務條件之期間內於僱員福利開支確認。於歸屬日期之前，於每個報告期末就股本結算交易確認之累計費用反映歸屬期已屆滿部份以及本集團對最終歸屬之股本工具數量之最佳估計。期間內於損益表扣除或計入之款額指於期初及期末確認之累積費用之變動。

釐定獎勵之授出日公平值並不考慮服務及非市場表現條件，惟能達成條件之可能性則被評定為將最終歸屬為本集團權益工具數目之最佳估計之一部份。市場表現條件將反映在授出日之公平值內。附帶於獎勵中但並無相關聯服務要求之其他任何條件皆視為非歸屬條件。除非亦有服務及／或表現條件。否則非歸屬條件乃於獎勵之公平值中反映並導致獎勵即時支銷。

對於因未能達至非市場表現及／或服務條件而最終未歸屬之獎勵，不會確認開支。倘獎勵包括一項市場或非歸屬條件，無論市場或非歸屬條件是否達成，該交易均會被視為已歸屬，前提是所有其他表現及／或服務條件須已達成。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments (continued)

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

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. This includes any award where non-vesting conditions within the control of either the Group or the employee are not met. However, if a new award is substituted for the cancelled award, and is designated as a replacement award on the date that it is granted, the cancelled and new awards are treated as if they were a modification of the original award, as described in the previous paragraph.

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

The cost of cash-settled transactions is measured initially at fair value at the grant date taking into account the terms and conditions upon which the instruments were granted. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The liability is measured at the end of each reporting period up to and including the settlement date, with changes in fair value recognised in the Group's statement of profit or loss.

2.4 重大會計政策概要 (續)

股份償付 (續)

在股本結算報酬原有條款經已履行之情況下，倘若修訂報酬條款，則最少確認假設並無修訂有關條款時所產生的開支。此外，倘修訂導致股本償付之總公平值增加，或對僱員帶來其他利益，均會按修訂當日之計量確認開支。

倘若取消股本結算報酬，則被視為於取消當日即已歸屬，並立即確認尚未就該報酬確認之任何開支，包括在本集團或僱員控制下之非歸屬條件並未達成之任何報酬。然而，倘以新報酬替代已取消報酬，並於授出當日被指定為替代報酬，則如上段所述，已取消及新報酬被視為對原始報酬之修訂。

尚未行使購股權（若有）之攤薄影響反映為計算每股盈利時之額外股份攤薄。

現金結算交易成本乃計及工具授出所依據之條款及條件初始按授出當日之公平值計量。公平值乃於直至歸屬日止期間列為開支，並確認相應負債。負債於每個報告期末至結算日期（包括該日）計量，而公平值變動則於本集團之損益表內確認。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Other employee benefits

Pension schemes

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

The employees of the Group's subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

2.4 重大會計政策概要 (續)

其他僱員福利

退休金計劃

本集團根據強制性公積金計劃條例，為所有合資格參與之僱員提供定額供款強制性公積金退休福利計劃（「強積金計劃」）。供款乃根據僱員基本薪金之百分比計算，並於有關款項根據強積金計劃之規則須予支付時計入損益表。強積金計劃之資產乃獨立於本集團之資產，並由獨立管理之基金持有。本集團之僱主供款於向強積金計劃作出供款時全數歸於僱員。

本集團於中國內地經營之附屬公司之僱員須參加由當地市政府所運作的中央退休金計劃。該等附屬公司須按其薪金成本的若干百分比向該中央退休金計劃供款。有關供款於根據該中央退休金計劃之規則須予支付時計入損益表。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Foreign currencies

These financial statements are presented in Hong Kong dollars, which is the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of the reporting period. Differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss.

2.4 重大會計政策概要 (續)

借貸成本

收購、建造或生產合資格資產（即需頗長時間才可作擬定用途或銷售之資產）之直接歸屬的借貸成本撥充資本作為該等資產之部份成本。有關借貸成本在資產大致可作擬定用途或銷售時不再撥充資本。在特定借貸撥作合資格資產之支出前暫時用作投資所賺獲之收入須自撥充資本之借貸成本中扣除。所有其他借貸成本於產生期間支銷。借貸成本包括實體借用資金產生之利息及其他成本。

外幣

本財務報表乃以港元呈列，港元為本公司的功能貨幣。本集團旗下各實體自行決定其功能貨幣，而各實體財務報表內的項目均以該功能貨幣計量。由本集團實體列賬之外幣交易初始按交易日期彼等各自的適用功能貨幣匯率入賬。以外幣為單位的貨幣資產及負債按報告期末的適用功能貨幣匯率換算。結算或換算貨幣項目產生之匯兌差額於損益表確認。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognised in other comprehensive income or profit or loss is also recognised in other comprehensive income or profit or loss, respectively).

The functional currencies of certain overseas subsidiaries, joint venture and associates are currencies other than the Hong Kong dollar. As at the end of the reporting period, the assets and liabilities of these entities are translated into Hong Kong dollars at the exchange rates prevailing at the end of the reporting period and their statements of profit or loss are translated into Hong Kong dollars at the weighted average exchange rates for the year.

The resulting exchange differences are recognised in other comprehensive income and accumulated in the exchange fluctuation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in the statement of profit or loss.

2.4 重大會計政策概要 (續)

外幣 (續)

按歷史成本並以外幣計量的非貨幣項目按最初交易日期適用的匯率換算。按公平值並以外幣計量的非貨幣項目按釐定公平值當日的適用匯率換算。換算按公平值計量的非貨幣項目產生之利潤或虧損按確認該項目之公平值變動產生之利潤或虧損處理(即其公平值利潤或虧損已於其他全面收益或損益表確認之項目,其換算差額亦分別於其他全面收益或損益表內確認)。

若干海外附屬公司、合營公司及聯營公司之功能貨幣乃港元以外之貨幣。於報告期末,該等實體之資產及負債乃以報告期末之匯率換算成港元,而損益表則按年內加權平均匯率換算成港元。

所產生之匯兌差額乃於其他全面收益中確認,並於匯兌波動儲備中累積。於出售境外業務時,與該特定境外業務有關之其他全面收益部份乃於損益表內確認。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on acquisition are treated as assets and liabilities of the foreign operation and translated at the closing rate.

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

3. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

2.4 重大會計政策概要(續)

外幣(續)

因收購海外業務而產生的任何商譽及對因該收購產生的資產及負債賬面值的任何公平值調整，均被視為該海外業務的資產及負債，並以結算匯率換算。

就綜合現金流量表而言，海外附屬公司之現金流量按有關之現金流量產生日期之匯率換算為港元。海外附屬公司於年內經常出現之現金流量則按該年度之加權平均匯率換算為港元。

3. 重要會計判斷及估計

管理層擬備本集團的財務報表時，須作出判斷、估計及假設，而該等判斷、估計及假設對所呈報之收益、開支、資產及負債的金額及各自的相關披露事項以及或然負債之披露均會有影響。由於有關假設和估計存在不確定因素，因此可能導致未來需對受影響的資產或負債的賬面值作出重大調整。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES (continued)

Judgement

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

Classification of equity investments among investments in subsidiaries, investments in associates and an investment in a joint venture

In determining whether an equity investment is classified as investments in subsidiaries, investments in associates or an investment in a joint venture, the Group considers a number of factors including (1) whether the Group has the power to exercise control; (2) whether the Group can exercise significant influence; and (3) whether the unanimous consent of the parties sharing control is required for the relevant activities of the investee company.

Estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

3. 重要會計判斷及估計 (續)

判斷

在應用本集團會計政策過程中，管理層所作之以下判斷(除涉及估計外)乃對財務報表所確認之金額有最重大的影響：

附屬公司之投資、聯營公司之投資及合營公司之投資之股本投資之分類

於釐定股本投資應否分類為附屬公司之投資、聯營公司之投資及合營公司之投資時，本集團根據多項因素作出判斷，包括評估(1)集團是否有控制權；(2)集團是否有重大影響力；及(3)被投資公司的相關活動是否必須獲共享控制權之各方一致同意。

估計的不確定性

下文說明有關於報告期末估計不確定性的未來和其他主要來源的關鍵假設，且存在會導致下個財政年度資產及負債之賬面值出現重大調整的顯著風險。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES (continued)

Estimation uncertainty (continued)

Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. The carrying value of deferred tax assets relating to recognised tax losses at 31 December 2016 was HK\$38,056,000 (2015: HK\$37,448,000). Further details are included in note 36 to the financial statements.

Estimation of fair value of investment properties

In the absence of current prices in an active market for similar properties, the Group considers information from a variety of sources, including:

- (a) current prices in an active market for properties of a different nature, condition or location, adjusted to reflect those differences;
- (b) recent prices of similar properties on less active markets, with adjustments to reflect any changes in economic conditions since the date of the transactions that occurred at those prices; and

3. 重要會計判斷及估計（續）

估計的不確定性（續）

遞延稅項資產

確認遞延稅項資產只限於可能取得應課稅溢利以供動用虧損之未動用之稅項虧損之部份。管理層須作重大判斷，根據未來應課稅溢利可能之時間及水平以及未來稅務規劃策略，以釐定可確認之遞延稅項資產金額。於二零一六年十二月三十一日，已確認稅務虧損之遞延稅項資產之賬面值為38,056,000港元（二零一五年：37,448,000港元）。進一步詳情載於財務報表附註36。

投資物業之公平值估計

倘缺乏同類物業於活躍市場之現有價格，則本集團會考慮從多個途徑所蒐集資料，包括：

- (a) 不同性質、狀況或地點之物業於活躍市場之現有價格（經調整以反映各項差異）；
- (b) 活躍程度稍遜之市場所提供同類物業近期價格（經調整以反映自按該等價格進行交易當日以來經濟狀況之任何變動）；及

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES (continued)

Estimation uncertainty (continued)

Estimation of fair value of investment properties (continued)

- (c) discounted cash flow projections based on reliable estimates of future cash flows, supported by the terms of any existing lease and other contracts and (when possible) by external evidence such as current market rents for similar properties in the same location and condition, and using discount rates that reflect current market assessments of the uncertainty in the amount and timing of the cash flows.

The aggregate carrying amount of investment properties at 31 December 2016 was HK\$315,866,000 (2015: HK\$373,425,000). Further details, including the key assumptions used for fair value measurement and a sensitivity analysis, are included in note 14 to the financial statements.

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. They are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

3. 重要會計判斷及估計 (續)

估計的不確定性 (續)

投資物業之公平值估計 (續)

- (c) 根據未來現金流量所作可靠估計預測之經貼現現金流量，此項預測以任何現有租約及其他合約之條款以及（在可行情況下）外來證據（如地點及狀況相同之類似物業現有市場租值）為憑證，並採用可反映有關現金流量金額及時間不明朗因素當時市場評估之貼現率。

投資物業於二零一六年十二月三十一日之總賬面值為315,866,000港元（二零一五年：373,425,000港元）。進一步詳情（包括用作公平值計量及敏感度分析之主要假設）載於財務報表附註14。

非財務資產（商譽除外）之減值

本集團會於每個報告期末評估全部非財務資產是否存在任何減值跡象，並於出現其賬面值可能不可收回之跡象時進行減值測試。當資產或現金產生單元之賬面值超逾其可收回金額（其公平值減銷售成本與其使用價值中之較高者）時，即出現減值。公平值減銷售成本乃根據同類資產以公平進行的交易方式從具法律約束力之銷售交易中可獲得的數據、或可觀察市價減出售資產之增量成本計算。當計算使用價值時，管理層必須估計來自資產或現金產生單元之預期未來現金流量，並選擇合適之折現率以計算該等現金流量之現值。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Impairment of trade and bills receivables and deposits and other receivables

The Group maintains an allowance for estimated losses arising from the inability of the customers or borrowers to make the required payments. The Group makes the estimates based on the ageing of trade and bills receivables and deposits and other receivable balances, customers' creditworthiness, and historical write-off experience. If the financial condition of the customers or borrowers was to deteriorate so that the actual impairment loss might be higher than expected, the Group would be required to revise the basis of making the allowance and the future results would be affected. The carrying amounts of trade and bills receivables and deposits and other receivables as at 31 December 2016 were HK\$89,620,000 (2015: HK\$177,078,000) and HK\$15,407,000 (2015: HK\$45,064,000), respectively. Further details are included in notes 24 and 26 to the financial statements.

Estimation of recoverable amounts of properties under development

The Group considers information from a variety of sources, including recent prices of similar properties in the same location and condition, with adjustments to reflect any changes in economic conditions since the date of transactions that occurred at those prices.

3. 重要會計判斷及估計 (續)

估計的不確定性 (續)

應收貿易賬款及票據以及按金及其他應收賬款之減值

本集團保留備抵賬處理當客戶或借款人無力償還要求之款項時所產生之估計損失，該估計乃本集團根據應收貿易賬款及票據以及按金及其他應收賬款餘額之賬齡、客戶之信譽及過往註銷經驗而作出。如客戶或借款人之財務狀況將惡化以致實際減值虧損可能高於預期時，本集團必須修改備抵賬之計量基礎，而本集團之未來業績亦隨之受到影響。於二零一六年十二月三十一日，應收貿易賬款及票據以及按金及其他應收賬款之賬面值分別為89,620,000港元（二零一五年：177,078,000港元）及15,407,000港元（二零一五年：45,064,000港元）。進一步詳情載於財務報表附註24及26。

估計發展中物業之可收回金額

本集團考慮來自各項來源之資料，包括於相同地點及狀況之同類物業之現行價格，並按自該等價格進行交易當日以來經濟狀況出現之任何變動作出調整。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Estimation of total budgeted costs and costs of completion for properties under development

Total budgeted costs for properties under development comprise (i) prepaid land lease payments; (ii) building costs; and (iii) any other direct costs attributable to the development of the properties. In estimating the total budgeted costs for properties under development, management makes reference to information such as (i) current offers from contractors and suppliers; (ii) recent offers agreed with contractors and suppliers; and (iii) professional estimation on construction and material costs.

Land appreciation tax

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

3. 重要會計判斷及估計 (續)

估計的不確定性 (續)

估計發展中物業之總預算成本及完成物業之成本

發展中物業之總預算成本包括(i)預付土地租賃款項；(ii)樓宇成本；及(iii)發展中物業應佔之任何其他直接成本。於估計發展中物業之總預算成本時，管理層會參考以下資料，如(i)承包商及供應商之現時出價；(ii)與承包商及供應商協定之最新出價；及(iii)建築及材料成本之專業估計。

土地增值稅

根據於一九九五年一月二十七日所頒佈之中國土地增值稅（「土地增值稅」）暫行條例實施細則，自一九九四年一月一日起於中國大陸轉讓房地產物業產生之所有收益，須按介乎30%至60%之土地增值稅累進比率就土地增值額繳納土地增值稅。土地增值額指出售物業所得款項減可扣減開支，包括土地使用權攤銷、借貸成本及所有物業發展開支。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES (continued)

Estimation uncertainty (continued)

Land appreciation tax (continued)

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

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has two reportable operating segments as follows:

- (a) the property development and investment business segment engages in the property development of residential and commercial projects; and
- (b) the trading business segment engages in the trading of raw materials and auxiliary materials.

3. 重要會計判斷及估計 (續)

估計的不確定性 (續)

土地增值稅 (續)

本集團附屬公司於中國大陸從事物業發展業務亦須繳納土地增值稅。然而，中國大陸不同城市對土地增值稅之實施不盡相同，而本集團並未完成向不同稅務機關申報若干土地增值稅。因此，於釐定土地增值額及有關稅項時須作出重大判斷。在通常業務過程中最終稅項釐定存在不確定性。本集團基於管理層的最佳估計確認該等負債。當該等事宜之最終稅項結果與初始列賬之數額出現差異時，該等稅項差額將於有關稅項釐定期間對所得稅及土地增值稅撥備構成影響。

4. 經營分部資料

為方便管理，本集團按產品及服務劃分其業務單元，並有以下兩個須呈報之經營分部：

- (a) 物業發展及投資業務分部，從事住宅及商業項目的物業開發；及
- (b) 貿易業務分部，從事原材料及輔助材料之貿易。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

4. OPERATING SEGMENT INFORMATION (continued)

During the year, the Group disposed of the knitting and textile business. Accordingly, the comparative segment information related to the knitting and textile business is reclassified as "profit/(loss) for the year from a discontinued operation" in the consolidated statement of profit or loss. Details of which are set out in note 11 to the financial statements.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of adjusted profit/(loss) for the year from continuing operations. The adjusted profit/(loss) for the year from continuing operations is measured consistently with the Group's profit/(loss) for the year from continuing operations except that certain income and gains or losses relating to investments in a joint venture and associates and financial instruments, as well as head office and corporate expenses (including reversal of impairments/impairments of loans to associates and related companies and an investment in a joint venture, and recovery/impairment of other receivables) and unallocated income tax are excluded from such measurement.

4. 經營分部資料 (續)

年內，本集團出售針織及紡織業務。因此，有關針織及紡織業務用作比較之分部資料已於綜合損益表重新分類為「來自自己終止經營業務之本年溢利／(虧損)」。有關詳情載於財務報表附註11。

管理層分開監察本集團之業務分部之業績，以決定如何分配資源及評估表現。分部表現乃根據來自持續經營業務之經調整本年溢利／(虧損)而計量之可呈報分部溢利／(虧損)來作出評估。來自持續經營業務之經調整本年溢利／(虧損)之計量方法與本集團來自持續經營業務之本年溢利／(虧損)一致，惟若干收入和與合營公司及聯營公司及金融工具之投資相關之利潤或虧損、以及總辦事處及企業開支(包括向聯營公司及關聯公司提供的貸款及合營公司之投資之減值／減值撥回、以及其他應收賬款之收回／減值)和未分配所得稅則不包括於該計量中。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

4. OPERATING SEGMENT INFORMATION
(continued)

The following is an analysis of the Group's revenue and results from continuing operations by reportable operating segments.

Year ended 31 December 2016

截至二零一六年十二月三十一日止年度

4. 經營分部資料 (續)

以下為本集團來自持續經營業務之收益及業績按須呈報之經營業務作出之分析。

		Property development and investment business 物業發展及 投資業務 HK\$'000 千港元	Trading business 貿易業務 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Segment revenue:	分部收益：			
Sales to external customers	外部客戶銷售	85,987	-	85,987
Gross rental income	毛租金收入	16,799	-	16,799
Revenue from continuing operations	來自持續經營業務之收益	102,786	-	102,786
Segment results	分部業績	(47,058)	-	(47,058)
<i>Reconciliation:</i>	<i>調節表：</i>			
Unallocated other income	未分配其他收入			5,985
Corporate and other unallocated expenses	企業及其他未分配開支			(38,592)
Net gain on deemed disposal of associates	被視為出售聯營公司之淨利潤			3,386
Share of profits and losses of: Joint venture	分佔溢利及虧損： 合營公司			(215,369)
Associates	聯營公司			(3,013)
Impairment of an available-for-sale investment	可供出售的投資之減值			(134,107)
Fair value loss of available-for-sale investments	可供出售的投資之公平值虧損			(490)
Fair value loss on derivative financial instruments, net	衍生金融工具之公平值虧損淨額			(108,558)
Fair value loss on an equity investment at fair value through profit or loss	按公平值計入損益之股本投資之公平值虧損			(198,094)
Unallocated income tax expense	未分配所得稅開支			(383)
Loss for the year from continuing operations	來自持續經營業務之本年虧損			(736,293)
Other segment information:	其他分部資料：			
Bank interest income	銀行利息收入	1,789	-	1,789
Unallocated bank interest income	未分配銀行利息收入			385
				2,174
Depreciation	折舊	-	-	-
Unallocated depreciation	未分配折舊			(2,174)
				(2,174)
Finance costs	財務開支	(77)	-	(77)

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

4. OPERATING SEGMENT INFORMATION

(continued)

Year ended 31 December 2015

截至二零一五年十二月三十一日止年度

4. 經營分部資料 (續)

		Property development and investment business 物業發展及 投資業務 HK\$'000 千港元	Trading business 貿易業務 HK\$'000 千港元	Total 合計 HK\$'000 千港元 (Restated) (重列)
Segment revenue:	分部收益：			
Sales to external customers	外部客戶銷售	2,137,619	7,644	2,145,263
Gross rental income	毛租金收入	9,725	-	9,725
Revenue from continuing operations	來自持續經營業務之 收益	2,147,344	7,644	2,154,988
Segment results	分部業績	35,065	175	35,240
<i>Reconciliation:</i>	<i>調節表：</i>			
Unallocated other income	未分配其他收入			4,461
Corporate and other unallocated expenses	企業及其他未分配開支			(15,957)
Net gain on deemed disposal of associates	被視為出售聯營公司之淨利潤			433,380
Share of profits and losses of:	分佔溢利及虧損：			
Joint venture	合營公司			(27,278)
Associates	聯營公司			(41,337)
Impairment of an available-for-sale investment	可供出售之投資之減值			(311,137)
Gain on derecognition of available-for-sale investments	終止確認可供出售之投資之利潤			224
Fair value gain of available-for-sale investments	可供出售之投資之公平值利潤			19,091
Fair value gain on derivative financial instruments, net	衍生金融工具之公平值利潤淨額			28,146
Fair value loss on an equity investment at fair value through profit or loss	按公平值計入損益之股本投資之公平值虧損			(1,204)
Unallocated income tax expense	未分配所得稅開支			(26,113)
Profit for the year from continuing operations	來自持續經營業務之本年溢利			97,516
Other segment information:	其他分部資料：			
Bank interest income	銀行利息收入	769	9,010	9,779
Unallocated bank interest income	未分配銀行利息收入			2,114
				11,893
Depreciation	折舊	(1)	(1,225)	(1,226)
Unallocated depreciation	未分配折舊			(1,294)
				(2,520)
Finance costs	財務開支	(47,638)	-	(47,638)

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

4. OPERATING SEGMENT INFORMATION

(continued)

Geographical information

(a) Revenue from external customers

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (重列)
Mainland China	中國內地	102,786	2,154,988

The revenue information of continuing operations above is based on the location of the customers.

(b) Non-current assets

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Hong Kong	香港	23,211	24,411
Mainland China	中國內地	389,610	688,668
		412,821	713,079

The non-current asset information above is based on the locations of the assets and excludes financial assets and deferred tax assets.

Information about major customers

Revenue from continuing operations of approximately HK\$44,390,000 (2015: Nil) was derived from sales by the property development and investment business segment to two customers of HK\$31,100,000 and HK\$13,290,000, respectively.

4. 經營分部資料 (續)

地區資料

(a) 來自外部客戶收益

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (重列)
Mainland China	102,786	2,154,988

上述持續經營業務之收益資料乃按有關客戶之所在地劃分。

(b) 非流動資產

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Hong Kong	23,211	24,411
Mainland China	389,610	688,668
	412,821	713,079

上述非流動資產資料乃按資產之所在地劃分，並不包括財務資產及遞延稅項資產。

主要客戶之資料

約44,390,000港元（二零一五年：無）之來自持續經營業務之收益乃來自物業發展及投資業務分部對兩名客戶之銷售，分別為31,100,000港元及13,290,000港元。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

5. REVENUE, OTHER INCOME AND GAINS

Revenue represents the sale of properties; the net invoiced value of goods sold, after allowances for returns and trade discounts; and gross rental income received and receivable from investment properties during the year.

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

5. 收益、其他收入及利潤

收益乃指年內物業銷售額、已售貨品之發票淨值(經扣除退貨及貿易折扣)及自投資物業已收及應收的毛租金收入。

來自持續經營業務之收益、其他收入及利潤分析如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (重列)
Revenue	收益		
Sale of properties	物業銷售	85,987	2,137,619
Sale of raw materials and auxiliary materials	原材料及輔助材料銷售	-	7,644
Gross rental income	毛租金收入	16,799	9,725
		102,786	2,154,988
Other income	其他收入		
Bank interest income	銀行利息收入	2,174	11,893
Interest income on a convertible bond	可換股債券之利息收入	1,036	518
Interest income on loans to associates	向聯營公司提供的貸款之利息收入	577	1,229
Interest income on loans to related companies	向關聯公司提供的貸款之利息收入	1,076	1,994
Government grant*	政府補助金*	7,534	17,800
Others	其他	146	359
		12,543	33,793
Gains	利潤		
Fair value gains on investment properties (note 14)	投資物業之公平值利潤 (附註14)	-	757
Gain on disposal of items of property, plant and equipment	出售物業、廠房和設備項目之利潤	222	-
		12,765	34,550

* This represents subsidies from municipal government in Mainland China. There are no unfulfilled conditions or contingencies relating to these subsidies.

* 此項指中國內地市政府的補助。該等補助並無未滿足的條件或制約。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

6. PROFIT/(LOSS) BEFORE TAX

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

6. 除稅前溢利／（虧損）

本集團來自持續經營業務之除稅前溢利／（虧損）已扣除／（計入）：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (重列)
Cost of properties sold*	物業銷售成本*	74,269	1,967,041
Cost of goods sold*	貨物銷售成本*	-	7,413
Depreciation	折舊	2,174	2,520
Minimum lease payments under operating leases	經營租約之最低租金	2,511	5,080
Employee benefit expense (excluding directors' remuneration (note 8)):	僱員福利費用（不包括董事酬金（附註8））：		
Wages and salaries	工資及薪金	26,204	21,562
Pension scheme contributions**	退休金計劃供款**	2,382	617
		28,586	22,179
Other operating expenses/(income), net:	其他經營開支／（收入）淨額：		
Loss on disposal of items of property, plant and equipment	出售物業、廠房和設備項目之虧損	-	105
Fair value losses on investment properties	投資物業之公平值虧損	14	-
Impairment of an investment in a joint venture	合營公司之投資之減值	17	-
Reversal of impairment of loans to associates	向聯營公司提供的貸款之減值撥回	18	(11,677)
Provision for impairment of loans to related companies	向關聯公司提供的貸款之減值撥備	25	-
Provision for impairment/(recovery) of prepayments and other receivables	預付款項及其他應收賬款之減值撥備／（收回）	233	(3,727)
		54,633	(15,299)
Auditor's remuneration	核數師酬金	1,500	2,380
Foreign exchange differences, net	外匯兌換差額淨額	(51)	10,716
Direct operating expenses (including repairs and maintenance) arising on rental-earning investment properties	為賺取租金的投資物業所產生的直接營運費用（包括修理及維修）	790	479

* Included in "cost of sales" in the consolidated statement of profit or loss.

** At 31 December 2016, the Group had no forfeited contributions available to reduce its contributions to the pension scheme in future years (2015: Nil).

* 包括在綜合損益表中「銷售成本」內。

** 於二零一六年十二月三十一日，本集團並無任何已沒收供款可用作減少未來年度之退休金計劃供款（二零一五年：無）。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

7. FINANCE COSTS

An analysis of finance costs from continuing operations is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (重列)
Interest on bank loans and other loans	銀行貸款及其他貸款之利息	156,816	266,319
Less: Interest capitalised	減：資本化利息	(156,739)	(218,681)
		77	47,638

7. 財務開支

來自持續經營業務之財務開支分析如下：

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

Directors' remuneration for the year, disclosed pursuant to the Listing Rules, section 383(1)(a), (b), (c) and (f) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Fees	袍金	840	836
Other emoluments:	其他酬金：		
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	-	1,993
Pension scheme contributions	退休金計劃供款	-	119
		-	2,112
		840	2,948

8. 董事及行政總裁之酬金

根據上市規則、香港公司條例第383(1)(a)、(b)、(c)及(f)條及公司(披露董事利益資料)規例第2部披露之年內董事酬金如下：

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

**8. DIRECTORS' AND CHIEF EXECUTIVE'S
 REMUNERATION (continued)**

(a) Independent Non-executive Directors

The fees paid to Independent Non-executive Directors during the year were as follows:

		2016	2015
		二零一六年	二零一五年
		HK\$'000	HK\$'000
		千港元	千港元
Chu Yu Lin, David	朱幼麟	240	240
Li Ka Fai, David	李家暉	240	240
Li Zhaoxi	李兆熙	60	60
		540	540

There were no other emoluments payable to the Independent Non-executive Directors during the year (2015: Nil).

8. 董事及行政總裁之酬金（續）

(a) 獨立非執行董事

於年內支付予獨立非執行董事之袍金如下：

	2016	2015
	二零一六年	二零一五年
	HK\$'000	HK\$'000
	千港元	千港元
Chu Yu Lin, David	240	240
Li Ka Fai, David	240	240
Li Zhaoxi	60	60
	540	540

於年內並無其他應付予獨立非執行董事的酬金（二零一五年：無）。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

8. DIRECTORS' AND CHIEF EXECUTIVE'S
REMUNERATION (continued)

(b) Executive Directors and Non-executive
Directors

		Salaries, allowances and benefits		Pension scheme	Total
		Fees	in kind	contributions	remuneration
		袍金	薪金、津貼 及實物利益	退休金 計劃供款	酬金總額
2016		HK\$'000	HK\$'000	HK\$'000	HK\$'000
二零一六年		千港元	千港元	千港元	千港元
Executive Directors:	執行董事：				
Liu Hongde (appointed on 30 December 2016)	劉洪德(於二零一六年 十二月三十日獲委任)	-	-	-	-
Pan Linwu	潘林武	36	-	-	36
Lai Weixuan	賴偉宣	36	-	-	36
Zhou Chunhua (appointed on 30 December 2016)	周春華(於二零一六年 十二月三十日獲委任)	-	-	-	-
Xu Hongge*	徐洪舸*	36	-	-	36
Wu Guangquan (resigned on 30 December 2016)	吳光權(於二零一六年 十二月三十日辭任)	36	-	-	36
Xiao Nan (resigned on 30 December 2016)	肖楠(於二零一六年 十二月三十日辭任)	36	-	-	36
		180	-	-	180
Non-executive Director:	非執行董事：				
Chow Wai Kam	周偉淦	120	-	-	120
		300	-	-	300

* Xu Hongge is also the chief executive of the Group.

* 徐洪舸亦為本集團行政總裁。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

8. DIRECTORS' AND CHIEF EXECUTIVE'S
REMUNERATION (continued)

(b) Executive Directors and Non-executive
Directors (continued)

2015 二零一五年		Fees 袍金 HK\$'000 千港元	Salaries, allowances and benefits in kind 薪金、津貼 及實物利益 HK\$'000 千港元	Pension scheme contributions 退休金 計劃供款 HK\$'000 千港元	Total remuneration 酬金總額 HK\$'000 千港元
Executive Directors:	執行董事：				
Wu Guangquan	吳光權	36	-	-	36
Pan Linwu	潘林武	36	-	-	36
Lai Weixuan	賴偉宣	19	-	-	19
Xu Hongge	徐洪軻	19	-	-	19
Xiao Nan	肖楠	19	-	-	19
You Lei (resigned on 23 June 2015)	由鑄（於二零一五年 六月二十三日辭任）	17	-	-	17
Ji Guirong (resigned on 23 June 2015)	季貴榮（於二零一五年 六月二十三日辭任）	15	1,613	91	1,719
Zhang Chuanjun (resigned on 23 June 2015)	張傳軍（於二零一五年 六月二十三日辭任）	15	380	28	423
		176	1,993	119	2,288
Non-executive Directors:	非執行董事：				
Chow Wai Kam	周偉淦	63	-	-	63
Ip Tak Chuen, Edmond	葉德銓	57	-	-	57
		296	1,993	119	2,408

There was no arrangement under which a director waived or agreed to waive any remuneration during the year (2015: Nil).

8. 董事及行政總裁之酬金（續）

(b) 執行董事及非執行董事（續）

2015 二零一五年		Fees 袍金 HK\$'000 千港元	Salaries, allowances and benefits in kind 薪金、津貼 及實物利益 HK\$'000 千港元	Pension scheme contributions 退休金 計劃供款 HK\$'000 千港元	Total remuneration 酬金總額 HK\$'000 千港元
Executive Directors:	執行董事：				
Wu Guangquan	吳光權	36	-	-	36
Pan Linwu	潘林武	36	-	-	36
Lai Weixuan	賴偉宣	19	-	-	19
Xu Hongge	徐洪軻	19	-	-	19
Xiao Nan	肖楠	19	-	-	19
You Lei (resigned on 23 June 2015)	由鑄（於二零一五年 六月二十三日辭任）	17	-	-	17
Ji Guirong (resigned on 23 June 2015)	季貴榮（於二零一五年 六月二十三日辭任）	15	1,613	91	1,719
Zhang Chuanjun (resigned on 23 June 2015)	張傳軍（於二零一五年 六月二十三日辭任）	15	380	28	423
		176	1,993	119	2,288
Non-executive Directors:	非執行董事：				
Chow Wai Kam	周偉淦	63	-	-	63
Ip Tak Chuen, Edmond	葉德銓	57	-	-	57
		296	1,993	119	2,408

年內並無任何安排致使董事放棄或同意放棄任何酬金（二零一五年：無）。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees did not include executive directors (2015: two). Details of the remuneration for the year of the five (2015: three) highest paid employees who are not a director of the Company are as follows:

9. 五名最高薪僱員

五名最高薪僱員並不包括執行董事(二零一五年:兩名)。本年五名(二零一五年:三名)最高薪僱員(並非本公司董事)之酬金詳情如下:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Basic salaries, allowances and benefits in kind	基本薪金、津貼及實物利益	2,333	3,743
Pension scheme contributions	退休金計劃供款	79	87
Performance related bonuses	工作表現相關花紅	610	220
		3,022	4,050

The number of non-director, highest paid employees whose remuneration fell within the following bands is as follows:

酬金在下列範圍之最高薪非董事僱員數目:

		Number of employees 僱員數目	
		2016 二零一六年	2015 二零一五年
Nil to HK\$1,000,000	零至1,000,000港元	4	2
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至 1,500,000港元	1	-
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至 2,500,000港元	-	1
		5	3

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

10. INCOME TAX

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the year (2015: Nil). Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

The provision of LAT has been estimated according to the requirements set forth in the relevant PRC laws and regulations. LAT has been provided at ranges of progressive rates of the appreciation value, with certain allowable deductions.

10. 所得稅

由於本集團本年內並無任何源於香港之應課稅溢利，故並無作出香港利得稅撥備（二零一五年：無）。其他地區應課稅溢利之稅項開支按本集團經營所在國家／管轄區域當時之稅率計算。

土地增值稅之撥備已按有關中國法例及規條所載之規定作出估計。土地增值稅按增值價值減除若干可扣減之費用後，按遞增稅率之幅度作出撥備。

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (重列)
Current – Elsewhere:	即期 – 其他地區：		
Charge for the year	本年開支	1,155	100,216
Deferred	遞延	(15,225)	(67,024)
LAT in Mainland China	中國內地之土地增值稅	7,385	74,865
Total tax charge/(credit) for the year	本年稅項開支／(抵免) 總額	(6,685)	108,057

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

10. INCOME TAX (continued)

A reconciliation of the tax expense/(credit) applicable to profit/(loss) before tax from continuing operations at the statutory rates for the countries/jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the tax charge/(credit) at the effective rate for the year is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (重列)
Profit/(loss) before tax from continuing operations	來自持續經營業務之除稅前溢利/(虧損)	(742,978)	205,573
Tax at the statutory tax rates	按法定稅率計算之稅項	(148,280)	29,434
Effect of withholding tax at 5% on the distributable profits of the Group's PRC subsidiary	本集團之中國附屬公司之可供分派利潤按5%稅率計算之預扣稅之影響	-	26,113
Profits and losses attributable to the joint venture and associates	分佔合營公司及聯營公司之溢利及虧損	54,596	13,403
Income not subject to tax	毋須繳稅收入	(1,385)	(83,435)
Expenses not deductible for tax	不得扣稅之開支	80,999	47,677
LAT in Mainland China	中國內地之土地增值稅	7,385	74,865
Tax charge/(credit) at the Group's effective rate of 0.9% (2015: 52.6%)	按本集團實際稅率0.9% (二零一五年: 52.6%) 計算之稅項開支/(抵免)	(6,685)	108,057

Share of tax charge attributable to associates of HK\$67,000 (2015: HK\$1,399,000) is included in "Share of profits and losses of associates" in the consolidated statement of profit or loss.

There was no tax charge attributable to the joint venture shared by the Group during the year (2015: Nil).

11. DISCONTINUED OPERATION

During the year, the Group disposed of Zhejiang Dongyang Jinniu, a 51%-owned subsidiary, to an independent third party. Zhejiang Dongyang Jinniu engaged in the production and distribution of knitting and textile products, knitted fabrics and clothing. The Group decided to dispose of this subsidiary and cease its knitting and textile business because it had been loss-making in recent years.

10. 所得稅(續)

按本公司及其主要附屬公司所在國家/管轄區域之法定稅率計算適用於來自持續經營業務之除稅前溢利/(虧損)的稅項開支/(抵免)與本年按實際稅率之稅項開支/(抵免)之對賬如下:

分佔聯營公司之稅項開支67,000港元(二零一五年: 1,399,000港元)已計入綜合損益表之「分佔聯營公司之溢利及虧損」內。

年內,本集團並無分佔合營公司之稅項開支(二零一五年:無)。

11. 已終止經營業務

年內,本集團出售其擁有51%之附屬公司浙江東陽金牛予一名獨立第三方。浙江東陽金牛從事針織及紡織品、針織面料及服裝的生產及分銷。本集團決定出售該附屬公司及終止其針織及紡織業務,因為該業務近幾年一直虧損。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

11. DISCONTINUED OPERATION (continued)

The results of Zhejiang Dongyang Jinniu included in the Group's consolidated statement of profit or loss as a discontinued operation are presented below:

11. 已終止經營業務（續）

作為已終止經營業務計入本集團綜合損益表內的浙江東陽金牛的業績呈列如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
REVENUE	收益	18,616	43,602
Cost of sales	銷售成本	(17,621)	(41,145)
Gross profit	毛利	995	2,457
Other income	其他收入	112	479
Administrative expenses	行政管理費用	(882)	(3,110)
Other operating expenses, net	其他經營開支淨額	(4,112)	(11,370)
Finance costs	財務開支	(1,188)	(2,715)
Loss before tax from the discontinued operation	來自已終止經營業務之除稅前虧損	(5,075)	(14,259)
Income tax credit/(expense)	所得稅抵免／(開支)	(16)	203
Loss after tax from the discontinued operation	來自已終止經營業務之除稅後虧損	(5,091)	(14,056)
Pre-tax gain on disposal of a subsidiary (note 41)	出售附屬公司之稅前利潤 (附註41)	32,453	-
Tax expense	稅項開支	-	-
After-tax gain on disposal of a subsidiary	出售附屬公司之稅後利潤	32,453	-
Profit/(loss) for the year from the discontinued operation	來自已終止經營業務之本年溢利／(虧損)	27,362	(14,056)
Attributable to:	下列人士應佔：		
Owners of the parent	母公司所有者	29,857	(7,169)
Non-controlling interests	非控股權益	(2,495)	(6,887)
		27,362	(14,056)
Earnings/(loss) per share:	每股盈利／(虧損)：		
Basic and diluted, from the discontinued operation	基本及攤薄，來自已終止經營業務	HK0.54 cent 0.54港仙	(HK0.13 cent) (0.13港仙)

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

11. DISCONTINUED OPERATION (continued)

The calculation of basic and diluted earnings/(loss) per share from the discontinued operation is based on:

11. 已終止經營業務(續)

來自已終止經營業務之每股基本及攤薄盈利/(虧損)的計算乃根據:

		2016 二零一六年	2015 二零一五年
Profit/(loss) attributable to ordinary equity holders of the parent from the discontinued operation	母公司普通權益持有人應佔來自已終止經營業務之溢利/(虧損)	HK\$29,857,000 29,857,000港元	(HK\$7,169,000) (7,169,000港元)
Weighted average number of ordinary shares in issue during the year	年內已發行普通股之加權平均數	5,519,591,000	5,519,591,000

The net cash flows incurred by Zhejiang Dongyang Jinniu are as follows:

浙江東陽金牛產生的現金流量淨額如下:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Operating activities	經營活動	5,354	3,070
Investing activities	投資活動	(2,814)	16
Financing activities	融資活動	(962)	(3,052)
Net cash inflow	現金流入淨額	1,578	34

12. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings/(loss) per share amounts is based on the profit/(loss) for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 5,519,591,000 (2015: 5,519,591,000) in issue during the year.

12. 母公司普通權益持有人應佔每股盈利/(虧損)

每股基本盈利/(虧損)金額乃根據母公司普通權益持有人應佔年內溢利/(虧損)及年內已發行普通股之加權平均數5,519,591,000股(二零一五年: 5,519,591,000股)計算。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

12. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT (continued)

No adjustment has been made to the basic earnings/(loss) per share amounts presented for the years ended 31 December 2016 and 2015 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during those years.

The calculation of basic and diluted earnings/(loss) per share is based on:

12. 母公司普通權益持有人應佔每股 盈利／（虧損）（續）

本集團於截至二零一六年及二零一五年十二月三十一日止年度並無任何有潛在攤薄影響之已發行普通股，因此並無對該等年度呈報之每股基本盈利／（虧損）金額作出有關攤薄之調整。

每股基本及攤薄盈利／（虧損）的計算乃根據：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Profit/(loss) attributable to ordinary equity holders of the parent:	母公司普通權益持有人應佔溢利／（虧損）：		
From continuing operations	來自持續經營業務	(715,699)	48,989
From a discontinued operation	來自已終止經營業務	29,857	(7,169)
		(685,842)	41,820
Number of shares 股份數目			
		2016 二零一六年	2015 二零一五年
Weighted average number of ordinary shares in issue during the year	年內已發行普通股之加權平均數	5,519,591,000	5,519,591,000

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房和設備

		Land and buildings	Plant and machinery	Furniture, fixtures and equipment 傢私、裝置 及設備	Motor vehicles 汽車	Total 合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
31 December 2016	二零一六年十二月三十一日					
At 31 December 2015 and 1 January 2016:	於二零一五年十二月三十一日 及二零一六年一月一日：					
Cost	成本	34,565	11,493	5,223	10,385	61,666
Accumulated depreciation and impairment	累積折舊及減值	(7,567)	(11,493)	(3,879)	(7,132)	(30,071)
Net carrying amount	賬面淨值	26,998	-	1,344	3,253	31,595
At 1 January 2016, net of accumulated depreciation and impairment	於二零一六年一月一日，扣除 累積折舊及減值	26,998	-	1,344	3,253	31,595
Additions	添置	-	-	96	-	96
Disposals	出售	-	-	-	(524)	(524)
Disposal of a subsidiary (note 41)	出售附屬公司(附註41)	(3,004)	-	(36)	(488)	(3,528)
Depreciation provided during the year	年內折舊撥備	(901)	-	(490)	(1,096)	(2,487)
Exchange realignment	匯兌調整	-	-	(57)	(120)	(177)
At 31 December 2016, net of accumulated depreciation	於二零一六年十二月三十一日， 扣除累積折舊	23,093	-	857	1,025	24,975
At 31 December 2016:	於二零一六年十二月三十一日：					
Cost	成本	30,350	-	4,958	4,214	39,522
Accumulated depreciation	累積折舊	(7,257)	-	(4,101)	(3,189)	(14,547)
Net carrying amount	賬面淨值	23,093	-	857	1,025	24,975

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

13. PROPERTY, PLANT AND EQUIPMENT
(continued)

13. 物業、廠房和設備（續）

		Land and buildings 土地及樓宇 HK\$'000 千港元	Plant and machinery 廠房及機器 HK\$'000 千港元	Furniture, fixtures and equipment 傢私、裝置 及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
31 December 2015	二零一五年十二月三十一日					
At 1 January 2015:	於二零一五年一月一日：					
Cost	成本	34,782	12,228	5,160	11,696	63,866
Accumulated depreciation	累積折舊	(6,633)	(4,496)	(3,435)	(8,005)	(22,569)
Net carrying amount	賬面淨值	28,149	7,732	1,725	3,691	41,297
At 1 January 2015, net of accumulated depreciation	於二零一五年一月一日，扣除 累積折舊	28,149	7,732	1,725	3,691	41,297
Additions	添置	-	-	165	1,761	1,926
Disposals	出售	-	-	-	(515)	(515)
Depreciation provided during the year	年內折舊撥備	(1,049)	(802)	(496)	(1,622)	(3,969)
Impairment	減值	-	(6,924)	-	-	(6,924)
Exchange realignment	匯兌調整	(102)	(6)	(50)	(62)	(220)
At 31 December 2015, net of accumulated depreciation and impairment	於二零一五年十二月三十一日， 扣除累積折舊及減值	26,998	-	1,344	3,253	31,595
At 31 December 2015:	於二零一五年十二月三十一日：					
Cost	成本	34,565	11,493	5,223	10,385	61,666
Accumulated depreciation and impairment	累積折舊及減值	(7,567)	(11,493)	(3,879)	(7,132)	(30,071)
Net carrying amount	賬面淨值	26,998	-	1,344	3,253	31,595

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

13. PROPERTY, PLANT AND EQUIPMENT (continued)

During the year ended 31 December 2015, impairment of HK\$6,924,000 had been recognised for plant and machinery because the knitting and textile business had been loss-making in recent years. The impairment had been determined based on a value in use calculation using cash flow projections based on financial budgets approved by senior management covering a five-year period. The discount rate applied to cash flow projections was 15%.

Assumptions used in the cash flow projections to undertake impairment testing of plant and machinery are as follows:

Budgeted gross margins – The basis used to determine the value assigned to the budgeted gross margins was the average gross margins achieved in the year immediately before the budget year, increased for expected efficiency improvements.

Discount rate – The discount rate used was before tax and reflected specific risks relating to the relevant unit.

The values assigned to key assumptions were consistent with external information sources.

As at 31 December 2015, the Group's building located in Mainland China with net book value of HK\$3,148,000 had been pledged to secure general banking facilities granted to the Group (note 35(b)(i)).

13. 物業、廠房和設備（續）

截至二零一五年十二月三十一日止年度，由於針織及紡織業務最近數年一直虧損，已就廠房及機器確認減值6,924,000港元。該減值乃基於採用現金流量預測的使用價值計算而釐定，有關計算乃基於高級管理層批准的五年期財務預算。現金流量預測所應用之折現率為15%。

對廠房及機器之減值測試之現金流量預測所使用之假設如下：

預算毛利率 – 預算毛利率之數值乃根據預算年度前一年所實現的平均毛利率計算，並因應預期效能改善而增加。

折現率 – 所採用之折現率乃未扣除稅項並反映有關個別單元之特定風險。

關鍵假設之價值與外部數據來源一致。

於二零一五年十二月三十一日，賬面淨值3,148,000港元之本集團位於中國內地之樓宇經已抵押，作為本集團一般銀行信貸之擔保（附註35(b)(i)）。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

14. INVESTMENT PROPERTIES

14. 投資物業

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Carrying amount at 1 January	於一月一日之賬面值	373,425	-
Transfer from properties under development	轉撥自發展中物業	-	374,445
Net gain/(loss) from a fair value adjustment (notes 5 and 6)	公平值調整的利潤／(虧損)淨額 (附註5及6)	(34,047)	757
Exchange realignment	匯兌調整	(23,512)	(1,777)
Carrying amount at 31 December	於十二月三十一日之賬面值	315,866	373,425

The Group's investment properties consist of commercial properties in Mainland China. The Group's investment properties were revalued on 31 December 2016 based on valuations performed by LCH (Asia-Pacific) Surveyors Limited, independent professionally qualified valuers, at HK\$315,866,000. Each year, the Group's chief financial officer decides to appoint which external valuer to be responsible for the external valuations of the Group's properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Group's chief financial officer has discussions with the valuer on the valuation assumptions and valuation results twice a year when the valuation is performed for interim and annual financial reporting.

The investment properties are leased to third parties under operating leases, further summary details of which are included in note 42(a) to the financial statements.

Further particulars of the Group's investment properties are included on page 225.

本集團的投資物業包括中國內地的商用物業。本集團的投資物業於二零一六年十二月三十一日根據由利駿行測量師有限公司（獨立專業合資格估值師）進行的估值重估為315,866,000港元。每年，本集團之財務總監決定委任外聘估值師負責對本集團投資物業進行外部估值。甄選標準包括市場知識、聲譽、獨立性及是否維持專業水準。本集團之財務總監每年兩次會在就中期及年度財務申報目的進行估值時與估值師就估值假設及估值結果進行商討。

投資物業以經營租賃出租予第三方，進一步詳情載於財務報表附註42(a)。

有關本集團投資物業的進一步詳情載於第225頁。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

14. INVESTMENT PROPERTIES (continued)

Fair value hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's investment properties:

14. 投資物業(續)

公平值等級制度

下表列示本集團的投資物業的公平值計量等級：

Fair value measurement as at 31 December 2016 using
於二零一六年十二月三十一日使用以下各項進行公平值計量

		Quoted prices in active markets (Level 1) 於活躍市場 的報價 (第一級) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) HK\$'000 千港元	Total 合計 HK\$'000 千港元
Recurring fair value measurement for: Commercial properties	經常性公平值計量： 商用物業	-	-	315,866	315,866

Fair value measurement as at 31 December 2015 using
於二零一五年十二月三十一日使用以下各項進行公平值計量

		Quoted prices in active markets (Level 1) 於活躍市場 的報價 (第一級) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) HK\$'000 千港元	Total 合計 HK\$'000 千港元
Recurring fair value measurement for: Commercial properties	經常性公平值計量： 商用物業	-	-	373,425	373,425

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

14. INVESTMENT PROPERTIES (continued)

Fair value hierarchy (continued)

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 (2015: Nil).

Below is a summary of the valuation techniques used and the key inputs to the valuation of investment properties:

	Valuation techniques 估值方法	Significant unobservable inputs 重大不可觀察輸入數據	Range or weighted average 範圍或者加權平均數	
			2016 二零一六年	2015 二零一五年
Commercial properties 商用物業	Term and reversion method 年期及復歸法	Term yield 年期收益率	6%	N/A 不適用
		Reversionary yield 復歸收益率	6.5%	N/A 不適用
		Market rent (per sq.m. and per month) 市值租金（每平方米及每月）	HK\$102 to HK\$108 102港元至108港元	N/A 不適用
Commercial properties 商用物業	Discounted cash flow method 貼現現金流量法	Estimated rental value (per sq.m. and per month) 估計租賃價值（每平方米及每月）	N/A 不適用	HK\$108 to HK\$120 108港元至120港元
		Rent growth (p.a.) 租金增長（每年）	N/A 不適用	2.5%
		Long term vacancy rate 長期空置率	N/A 不適用	2%
		Discount rate 折現率	N/A 不適用	5.6%

14. 投資物業（續）

公平值等級制度（續）

年內，第一級及第二級之間無公平值計量轉撥，亦無轉入或轉出第三級（二零一五年：無）。

以下為投資物業估值所用的估值方法及主要輸入數據之概要：

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

14. INVESTMENT PROPERTIES (continued)

Fair value hierarchy (continued)

The term and reversion method measures the fair value of the property by taking into account the rental income derived from the existing leases with due allowance for the reversionary income potential of the leases, which are then capitalised into the value at appropriate rates.

A significant increase (decrease) in the term yield and the reversionary yield in isolation would result in a significant decrease (increase) in the fair value of the investment properties. A significant increase (decrease) in the market rent would result in a significant increase (decrease) in the fair value of the investment properties.

Under the discounted cash flow method, fair value is estimated using assumptions regarding the benefits and liabilities of ownership over the asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a property interest. A market-derived discount rate is applied to the projected cash flow in order to establish the present value of the income stream associated with the asset. The exit yield is normally separately determined and differs from the discount rate.

The duration of the cash flows and the specific timing of inflows and outflows are determined by events such as rent reviews, lease renewal and related reletting, redevelopment or refurbishment. The appropriate duration is driven by market behaviour that is a characteristic of the class of property. The periodic cash flow is estimated as gross income less vacancy, non-recoverable expenses, collection losses, lease incentives, maintenance costs, agent and commission costs and other operating and management expenses. The series of periodic net operating income, along with an estimate of the terminal value anticipated at the end of the projection period, is then discounted.

14. 投資物業（續）

公平值等級制度（續）

年期及復歸法經考慮來自現有租約的租金收入，並計及租約的可復歸潛在收入作出適當的考慮來計量物業的公平值，然後按適當利率將價值撥充資本。

年期收益率及復歸收益率單獨大幅上升（下降）將導致投資物業公平值大幅減少（增加）。市值年租金單獨大幅上升（下降）將導致投資物業公平值大幅增加（減少）。

根據貼現現金流量法，公平值乃採用假設對資產壽命內與其所有權有關的收益及負債進行估計（包括退出價值或終端價值）。該方法涉及對物業權益的一連串現金流量的預測。市場衍生的折現率適用於預測現金流量以便確立與資產有關的收益流的現值。退出收益通常是單獨決定且不同於折現率。

現金流量的持續時間及流入額和流出額的具體時間乃由諸如租金檢討、租約續簽及相關續租、重建或翻新等事件決定。適當的持續時間受市場行為（為物業類別的一個特性）影響。定期現金流量按總收益扣除空置、不可回收費用、收賬損失、租賃獎勵、維修費用、代理和傭金費用及其他經營和管理費用。該一連串定期經營收入淨額，連同預計於預測期終結時之終端價值估計金額，折現至現值。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

14. INVESTMENT PROPERTIES (continued)

Fair value hierarchy (continued)

A significant increase (decrease) in the estimated rental value and the market rent growth rate per annum in isolation would result in a significant increase (decrease) in the fair value of the investment properties. A significant increase (decrease) in the long term vacancy rate and the discount rate in isolation would result in a significant decrease (increase) in the fair value of the investment properties. Generally, a change in the assumption made for the estimated rental value is accompanied by a directionally similar change in the rent growth per annum and the discount rate and an opposite change in the long term vacancy rate.

As at 31 December 2016, the Group has adopted the term and reversion method (2015: the discounted cash flow method) to value the investment properties as in the opinion of the directors, the term and reversion method is a more appropriate valuation technique for the Group's investment properties.

15. PREPAID LAND LEASE PAYMENTS

Carrying amount at 1 January	於一月一日之賬面值	2,885	3,032
Disposal of a subsidiary (note 41)	出售附屬公司(附註41)	(2,872)	-
Exchange realignment	匯兌調整	-	(74)
Recognised during the year	年內確認	(13)	(73)
Carrying amount at 31 December	於十二月三十一日之賬面值	-	2,885
Current portion included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收賬款內的流動部份	-	(71)
Non-current portion	非流動部份	-	2,814

As at 31 December 2015, the Group's leasehold land located in Mainland China with net book value of HK\$2,885,000 had been pledged to secure general banking facilities granted to the Group (note 35(b)(ii)).

14. 投資物業 (續)

公平值等級制度 (續)

估計租賃價值及市場租金年增長率單獨大幅增加(減少)將導致投資物業的公平值大幅增加(減少)。長期空置率及折現率單獨大幅增加(減少)將導致投資物業的公平值大幅減少(增加)。一般而言，就估計租賃價值作出的假設的變動是由租金年增長及折現率出現類似方向變動及導致長期空置率出現反向變化引發。

於二零一六年十二月三十一日，本集團採用了年期及復歸法(二零一五年：貼現現金流量法)作投資物業估值，因為董事認為，對於本集團之投資物業來說，年期及復歸法是更為合適之估值方法。

15. 預付土地租賃款

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
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於二零一五年十二月三十一日，賬面淨值2,885,000港元之本集團位於中國內地之租賃土地經已抵押，作為本集團一般銀行信貸之擔保(附註35(b)(ii))。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

16. INTANGIBLE ASSET

16. 無形資產

		Customer relationship 客戶關係 HK\$'000 千港元
31 December 2016	二零一六年十二月三十一日	
Cost at 1 January 2016, net of accumulated amortisation	於二零一六年一月一日之成本，扣除累積攤銷	380
Amortisation provided during the year	年內攤銷撥備	(95)
Disposal of a subsidiary (note 41)	出售附屬公司(附註41)	(285)
At 31 December 2016	於二零一六年十二月三十一日	-
At 31 December 2016:	於二零一六年十二月三十一日：	
Cost	成本	-
Accumulated amortisation	累積攤銷	-
Net carrying amount	賬面淨值	-
31 December 2015	二零一五年十二月三十一日	
Cost at 1 January 2015, net of accumulated amortisation	於二零一五年一月一日之成本，扣除累積攤銷	570
Amortisation provided during the year	年內攤銷撥備	(190)
At 31 December 2015	於二零一五年十二月三十一日	380
At 31 December 2015:	於二零一五年十二月三十一日：	
Cost	成本	1,141
Accumulated amortisation	累積攤銷	(761)
Net carrying amount	賬面淨值	380

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

17. INVESTMENT IN A JOINT VENTURE

17. 合營公司之投資

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Share of net assets	分佔資產淨值	58,602	282,876
Goodwill on acquisition	收購所產生之商譽	7,745	7,745
		66,347	290,621
Provision for impairment	減值撥備	(7,745)	-
		58,602	290,621

The investment in a joint venture represents the Group's right to enjoy certain economic benefits derived from a 69.4% (2015: 69.4%) equity interest in CATIC Siwei Co., Ltd. ("CATIC Siwei") held by third parties through trust arrangements. CATIC Siwei is registered as a co-operative joint venture under PRC law and is holding an investment in China which operates in aero-technology business and in investment holding.

In the opinion of the directors, notwithstanding that the Group has the right to enjoy certain economic benefits from the 69.4% equity interest in CATIC Siwei, none of the shareholders of CATIC Siwei has unilateral control over the economic activity of CATIC Siwei pursuant to the provisions in the articles and association of CATIC Siwei. Since the Group does not have any power to control the financial and operating activities of CATIC Siwei, the directors consider it is appropriate to account for this right as an investment in a joint venture using the equity method of accounting as at 31 December 2016 and 2015.

The above entity was not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network.

合營公司之投資指本集團有權享有由第三方透過信託安排持有之四維航空遙感有限公司（「四維遙感」）69.4%（二零一五年：69.4%）股本權益之若干經濟利益。四維遙感根據中國法例註冊為合資企業，並於中國持有營運航空技術業務和投資控股之投資。

董事認為，雖然本集團擁有四維遙感69.4%股本權益的若干經濟收益權，但根據四維遙感的公司章程規定，概無四維遙感股東對四維遙感之經濟活動擁有單方面控制權。由於本集團無權控制四維遙感之財務及經營活動，董事認為適宜把該權益以權益會計法處理，並於二零一六年及二零一五年十二月三十一日計入合營公司之投資。

以上實體非由安永香港或安永全球網絡其他成員公司審核。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

17. INVESTMENT IN A JOINT VENTURE
(continued)

During the year, impairment of HK\$7,745,000 (note 6) has been recognised for investment in the joint venture because the joint venture has been loss-making in recent years. The impairment has been determined based on value in use calculation using cash flow projections based on financial budgets. The discount rate applied to cash flow projections was 16%.

The following table illustrates the summarised financial information of CATIC Siwei adjusted for any differences in accounting policies, and reconciled to the carrying amount in the consolidated financial statements:

17. 合營公司之投資(續)

由於合營公司最近數年一直虧損，已就合營公司之投資於年內確認減值7,745,000港元(附註6)。該減值乃基於採用現金流量預測的使用價值計算而釐定，有關現金流量預測乃以財務預算為基礎。現金流量預測所應用之折現率為16%。

下表列出四維遙感之財務資料概要(已就會計政策之任何差異作出調整，並與綜合財務報表內之賬面值進行對賬)：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Cash and cash equivalents	現金及現金等值	7,140	15,058
Other current assets	其他流動資產	49,494	163,000
Current assets	流動資產	56,634	178,058
Non-current assets	非流動資產	149,490	353,185
Current liabilities	流動負債	(115,380)	(116,062)
Non-current liabilities	非流動負債	(828)	(1,293)
Net assets	資產淨值	89,916	413,888
Less: Net assets attributable to non-controlling interests	減：非控股權益應佔資產淨值	(5,475)	(6,286)
		84,441	407,602
Reconciliation to the Group's interest in the joint venture:	與本集團於合營公司權益之對賬：		
Proportion of the Group's ownership	本集團擁有權之比例	69.4%	69.4%
Group's share of net assets of the joint venture	本集團分佔合營公司之資產淨值	58,602	282,876
Goodwill on acquisition	收購所產生之商譽	7,745	7,745
Provision for impairment	減值撥備	(7,745)	-
Carrying amount of the investment	投資之賬面值	58,602	290,621

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

17. INVESTMENT IN A JOINT VENTURE (continued)

The following table illustrates the summarised financial information of CATIC Siwei adjusted for any differences in accounting policies, and reconciled to the carrying amount in the consolidated financial statements:
(continued)

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Revenue	收益	17,756	17,833
Interest income	利息收入	2,900	1,091
Depreciation and amortisation	折舊及攤銷	(17,380)	(18,683)
Impairment provision*	減值撥備*	(224,155)	(78,295)
Interest expenses	利息開支	-	-
Tax	稅項	-	-
Loss for the year	本年虧損	(311,141)	(39,330)
Other comprehensive income	其他全面收益	(12,831)	-
Total comprehensive income for the year	本年全面收益總額	(323,972)	(39,330)

* The impairment has been determined based on a value in use calculation using cash flow projections based on financial budgets approved by senior management covering a five-year period. The discount rate applied to cash flow projections is 16%.

Assumptions used in the cash flow projections to undertake impairment testing are as follows:

Budgeted gross margins – The basis used to determine the value assigned to the budgeted gross margins is the average gross margins achieved in the year immediately before the budget year, increased for expected efficiency improvements.

Discount rate – The discount rate used is before tax and reflects specific risks relating to the relevant unit.

The values assigned to key assumptions are consistent with external information sources.

17. 合營公司之投資 (續)

下表列出四維遙感之財務資料概要（已就會計政策之任何差異作出調整，並與綜合財務報表內之賬面值進行對賬）：
(續)

* 該減值乃基於採用現金流量預測的使用價值計算而釐定，有關計算乃基於高級管理層批准的五年期財務預算。現金流量預測所應用之折現率為16%。

減值測試之現金流量預測所使用之假設如下：

預算毛利率 – 預算毛利率之數值乃根據預算年度前一年所實現的平均毛利率計算，並因應預期效能改善而增加。

折現率 – 所採用之折現率乃未扣除稅項並反映有關個別單元之特定風險。

關鍵假設之價值與外部數據來源一致。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

18. INVESTMENTS IN ASSOCIATES

18. 聯營公司之投資

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Share of net assets	分佔資產淨值	13,204	13,792
Goodwill on acquisition	收購所產生之商譽	7,500	8,265
		20,704	22,057
Less: Provision for impairment	減：減值撥備	(7,326)	(8,091)
		13,378	13,966
Loans to associates – non-current	向聯營公司提供的貸款 — 非流動	–	40,120
Less: Impairment of loans to associates	減：向聯營公司提供的貸款 之減值	–	(29,940)
		–	10,180
		13,378	24,146
Loans to associates included in the Group's current assets:	計入本集團流動資產之 向聯營公司提供的貸款：		
Loans to associates – current	向聯營公司提供的貸款 – 流動	37,430	–
Less: Impairment of loans to associates	減：向聯營公司提供的貸款 之減值	(27,933)	–
		9,497	–

The loans to associates are unsecured and bear interest at 4.5% to 6% (2015: 4.5% to 6%) per annum. Included in the loans to associates are loans of HK\$27,933,000 (2015: HK\$29,940,000) which have convertible options allowing the Group to convert the loans into ordinary shares of the associates at an established conversion rate (i.e. RMB1 per share). In the opinion of the directors, the fair values of the convertible options do not have significant financial effect and were therefore not recognised in these financial statements.

The loans to associates which are not repayable within one year were classified as non-current and were included in the investments in associates. The loans to associates which are repayable within one year were classified as current and were included in the Group's current assets.

向聯營公司提供的貸款乃無抵押、按年利率4.5厘至6厘（二零一五年：4.5厘至6厘）計息。計入向聯營公司提供的貸款的乃附帶可換股權的貸款27,933,000港元（二零一五年：29,940,000港元），本集團可按既定轉換價（即每股1元人民幣）將貸款轉換為聯營公司之普通股。董事認為，可換股權之公平值並無重大財務影響，因此沒有在本財務報表確認。

毋須於一年內償還的向聯營公司提供的貸款分類為非流動且計入聯營公司之投資。須於一年內償還的向聯營公司提供的貸款分類為流動且計入本集團之流動資產。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

18. INVESTMENTS IN ASSOCIATES (continued)

As at 31 December 2016, impairment losses of HK\$27,933,000 (2015: HK\$29,940,000) have been recognised for the loans to associates. Impairment has been recognised for loans to associates because the associates have been loss-making in recent years.

The movements in the provision for impairment of the loans to associates are as follows:

18. 聯營公司之投資（續）

於二零一六年十二月三十一日，已就向聯營公司提供的貸款確認減值虧損27,933,000港元（二零一五年：29,940,000港元）。由於該等聯營公司於最近數年一直虧損，已就向聯營公司提供的貸款確認減值。

向聯營公司提供的貸款之減值撥備變動如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At 1 January	於一月一日	29,940	86,750
Exchange realignment	匯兌調整	(2,007)	(3,217)
Reversal of impairment loss (note 6)	撥回減值虧損（附註6）	-	(11,677)
Reclassified to other receivables (note 26)	重新分類至其他應收賬款（附註26）	-	(41,916)
At 31 December	於十二月三十一日	27,933	29,940

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

18. INVESTMENTS IN ASSOCIATES (continued)

Particulars of the material associate are as follows:

Name	Particulars of issued shares held	Place of incorporation/ registration and business	Percentage of ownership interest attributable to the Group	Principal activities
名稱	所持有已發行股份詳情	註冊成立／註冊及營業地點	本集團應佔擁有權益百分比	主要業務
北京華信泰科技 有限公司 (「北京華信泰」)*	Registered capital of RMB1 each 每股1元人民幣的 註冊資本	PRC/Mainland China 中國／中國內地	35.6 (2015: 45) 35.6 (二零一五年：45)	Research and development of engineering technology and electronics communication technology 工程技術及電子通信技術的研究及開發

* Not audited by Ernst & Young, Hong Kong or another member firm of the Ernst & Young global network.

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

The Group has discontinued the recognition of its share of losses of an associate, 星聯商務航空有限公司, because the share of losses of the associate exceeded the Group's interest in the associate and the Group has no obligation to take up further losses. The amounts of the Group's unrecognised share of losses of this associate for the current year and cumulatively were HK\$10,574,000 (2015: HK\$15,051,000) and HK\$54,995,000 (2015: HK\$44,421,000), respectively.

18. 聯營公司之投資(續)

重大聯營公司之詳情如下：

Name	Particulars of issued shares held	Place of incorporation/ registration and business	Percentage of ownership interest attributable to the Group	Principal activities
名稱	所持有已發行股份詳情	註冊成立／註冊及營業地點	本集團應佔擁有權益百分比	主要業務
北京華信泰科技 有限公司 (「北京華信泰」)*	Registered capital of RMB1 each 每股1元人民幣的 註冊資本	PRC/Mainland China 中國／中國內地	35.6 (2015: 45) 35.6 (二零一五年：45)	Research and development of engineering technology and electronics communication technology 工程技術及電子通信技術的研究及開發

* 並非由安永香港或安永全球網絡其他成員公司審核。

上表列出董事認為主要影響本年度業績或構成本集團資產淨值主要部份之本集團聯營公司。董事認為倘詳列其他聯營公司資料將過份冗長。

本集團已終止確認分佔聯營公司星聯商務航空有限公司的虧損，此乃由於分佔該聯營公司之虧損已超過本集團於該聯營公司的權益，而本集團已無責任承擔進一步虧損。本集團未確認的應佔該聯營公司本年度虧損金額及累積金額分別為10,574,000港元(二零一五年：15,051,000港元)及54,995,000港元(二零一五年：44,421,000港元)。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

18. INVESTMENTS IN ASSOCIATES (continued)

During the year, the Group's equity interest in 北京華信泰 has been diluted subsequent to the capital contribution by other shareholders of 北京華信泰. A gain on deemed disposal of an associate of HK\$3,386,000 was recognised in the consolidated statement of profit or loss for the year.

During the year ended 31 December 2015, the Group's equity interests in two associates, AVIC Joy Holdings (HK) Limited ("AVIC Joy") and 上海藍沛新材料科技股份有限公司 ("上海藍沛"), had been diluted and the Group no longer had any significant influence over them. As such, the Group's investments in these two companies had been reclassified from investments in associates to available-for-sale investments, and the Group had discontinued to apply the equity method to share the results and other comprehensive income of these two companies. The reclassifications had been accounted for as disposals of the entire interests in AVIC Joy and 上海藍沛 and re-acquisitions of the retained interests at their fair values. As a result, an aggregate net gain on deemed disposal of associates of HK\$433,380,000 had been recognised in the consolidated statement of profit or loss for the year ended 31 December 2015. Since then, the fully-impaired loans to 上海藍沛 were reclassified to other receivables.

18. 聯營公司之投資 (續)

年內，於北京華信泰其他股東注資後，本集團於北京華信泰之股本權益已被攤薄，且被視為出售聯營公司之利潤3,386,000港元已於本年度的綜合損益表中確認。

截至二零一五年十二月三十一日止年度，本集團於兩間聯營公司（幸福控股（香港）有限公司（「幸福控股」）及上海藍沛新材料科技股份有限公司（「上海藍沛」））之股本權益已被攤薄，且本集團不再於該兩間公司擁有重大影響力。因此，本集團於該兩間公司之投資從聯營公司之投資重新分類至可供出售的投資，而本集團亦終止應用權益法來分佔該兩間公司之業績及其他全面收益。該重新分類的處理，是當作把幸福控股及上海藍沛之全部權益出售，然後把保留之權益按其公平值重新購入。因此，被視為出售聯營公司之利潤合共433,380,000港元已於截至二零一五年十二月三十一日止年度的綜合損益表中確認。自此，全數減值的向上海藍沛提供的貸款重新分類至其他應收賬款。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

18. INVESTMENTS IN ASSOCIATES (continued)

The following table illustrates the aggregate financial information of the Group's associates that are not individually material:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Share of the associates' losses for the year	分佔聯營公司之本年虧損	(3,013)	(41,337)
Share of the associates' other comprehensive income	分佔聯營公司之其他全面收益	-	16,028
Share of the associates' total comprehensive income	分佔聯營公司之全面收益總額	(3,013)	(25,309)
Aggregate carrying amount of the Group's investments in the associates	本集團於聯營公司之投資之賬面值總額	13,378	24,146

18. 聯營公司之投資(續)

下表列示本集團個別非重大聯營公司之合計財務資料：

19. FINANCIAL ASSET UNDER PROJECT EC120

The balance represents the carrying value of the Group's interest in 80% of the interest of AVIC International Holding Corporation ("AVIC International"), a substantial shareholder of the Company, in the net income in relation to Project EC120, a jointly-controlled operation established by AVIC International and certain independent third parties, to develop, manufacture and globally distribute the multi-purpose EC120 helicopters.

AVIC International's net income derived from Project EC120 is limited to AVIC International's share of income, net of all expenses, to be derived from its interest in Project EC120.

19. EC120項目之財務資產

結餘指本公司之主要股東中國航空技術國際控股有限公司(「中航國際」)於EC120項目應計之淨收入之80%權益之權益賬面值。EC120項目是一項由中航國際與若干獨立第三方成立之共同控制項目。該等公司透過此項目合作開發、製造及全球經銷EC120型號之多用途直升機。

中航國際來自EC120項目之淨收入，限於中航國際在EC120項目權益所產生之應佔收入減所有開支。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

19. FINANCIAL ASSET UNDER PROJECT EC120 (continued)

The investment represents a contractual right to receive cash in the future from another enterprise and has been classified as a non-current available-for-sale financial asset and stated at cost less any impairment losses because the range of reasonable fair value estimates is so significant that the directors are of the opinion that its fair value could not be measured reliably.

As at 31 December 2016, the directors has made a full provision for impairment of the value of the financial asset and the cost less accumulated impairment losses of the financial asset is analysed as follows:

19. EC120項目之財務資產（續）

該項投資指日後從另一家企業收取現金之合約權利，並已分類為非流動可供出售的財務資產，且按成本減任何減值虧損列賬，此乃由於合理公平值估計之範圍過大，故董事認為無法可靠計量其公平值。

於二零一六年十二月三十一日，董事已就該項財務資產之價值作出全數減值撥備，財務資產之成本減累積減值虧損之分析如下：

		HK\$'000 千港元
At 1 January 2015, 31 December 2015, 1 January 2016 and 31 December 2016:	於二零一五年一月一日、二零一五年 十二月三十一日、二零一六年 一月一日及二零一六年 十二月三十一日：	
Cost	成本	39,759
Accumulated impairment	累積減值	(39,759)
Carrying amount	賬面值	—

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

20. AVAILABLE-FOR-SALE INVESTMENTS

20. 可供出售的投資

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Non-current:	非流動：		
Unlisted investments, at fair value:	非上市投資，按公平值：		
PMH Bonds (note (a))	天下圖控股債券(附註(a))	83,420	70,998
AVIC Joy Bond (note (b))	幸福控股債券(附註(b))	45,744	43,445
Club debentures (note (c))	會所債券(附註(c))	-	2,290
		129,164	116,733
Listed equity investment, at fair value (note (d))	上市股本投資，按公平值 (附註(d))	149,581	283,688
Unlisted equity investment, at cost (note (e))	非上市股本投資，按成本值 (附註(e))	-	-
		278,745	400,421

Notes:

- (a) Peace Map Holding Limited ("PMH") is a company whose shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The convertible bonds issued by PMH ("PMH Convertible Bonds") held by the Group are non-interest-bearing, convertible into 400,000,000 ordinary shares of PMH at HK\$0.25 per share (subject to adjustment upon the change in the capital structure of PMH) and will mature in five years from the date of the issuance.

PMH Convertible Bonds are hybrid instruments that include non-derivative host contracts and embedded derivatives. The non-derivative host contracts, representing the bond components ("PMH Bonds"), have been designated as available-for-sale investments. The embedded derivatives, representing the conversion options which allow the Group to convert PMH Convertible Bonds into ordinary shares of PMH at an established conversion rate (i.e., HK\$0.25 per share), have been designated as derivative financial instruments ("PMH Derivatives") as detailed in note 21(a) to the financial statements.

附註：

- (a) 天下圖控股有限公司(「天下圖控股」)為一間其股份於香港聯合交易所有限公司(「聯交所」)上市之公司。本集團持有之由天下圖控股發行的可換股債券(「天下圖控股可換股債券」)不計息、可按每股0.25港元(將因應天下圖控股資本架構之變動予以調整)轉換為400,000,000股天下圖控股之普通股，且將於發行日起計五年到期。

天下圖控股可換股債券為包含非衍生工具主合約及嵌入式衍生工具之混合工具。非衍生工具主合約代表債券部份(「天下圖控股債券」)，已被指定為可供出售的投資。嵌入式衍生工具代表允許本集團按既定轉換價(即每股0.25港元)將天下圖控股可換股債券轉換為天下圖控股之普通股的換股期權，已被指定為財務報表附註21(a)詳述之衍生金融工具(「天下圖控股衍生工具」)。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

20. AVAILABLE-FOR-SALE INVESTMENTS (continued)

Notes: (continued)

(a) (continued)

During the year ended 31 December 2015, the Group had converted certain PMH Convertible Bonds ("PMH Converted CB") with a principal amount of HK\$66,000,000 into 264,000,000 shares of PMH at the conversion price of HK\$0.25 per share. On the date of the conversion, the market value of the shares of PMH received was HK\$120,120,000 while the fair value of the PMH Converted CB was stated at HK\$123,880,000 based on a valuation performed by an independent professionally qualified valuer. A loss on derecognition of HK\$3,760,000 was resulted. At the same time, the corresponding fair value gain of HK\$8,573,000 previously recorded in the statement of comprehensive income was released from the available-for-sale investment revaluation reserve. As a result, a net gain on derecognition of an available-for-sale investment of HK\$4,813,000 was recognised in the consolidated statement of profit or loss for the year ended 31 December 2015.

As at 31 December 2016, the fair value of PMH Bonds was stated at HK\$83,420,000 (2015: HK\$70,998,000) based on a valuation performed by an independent professionally qualified valuer, and a fair value gain of HK\$12,422,000 (2015: HK\$2,381,000) in respect of PMH Bonds was recognised as other comprehensive income for the year ended 31 December 2016.

(b) AVIC Joy is a company whose shares are listed on the Stock Exchange. The convertible bond issued by AVIC Joy ("AVIC Joy Convertible Bond") bears interest at 2% per annum, is convertible into 225,112,487 ordinary shares of AVIC Joy at HK\$0.23 per share (subject to adjustment upon the change in the capital structure of AVIC Joy) and will mature in three years from the date of the issuance.

20. 可供出售的投資 (續)

附註：(續)

(a) (續)

截至二零一五年十二月三十一日止年度，本集團按每股0.25港元的轉換價把本金額為66,000,000港元之若干天下圖控股可換股債券(「天下圖控股已轉換可換股債券」)轉換為天下圖控股264,000,000股股份。於轉換當天，已收取之天下圖控股股份市值為120,120,000港元，而天下圖控股已轉換可換股債券之公平值根據獨立專業合資格估值師進行之估值則為123,880,000港元，產生了終止確認之虧損3,760,000港元。同時，先前於其他全面收益表記錄之相關公平值利潤8,573,000港元從可供出售投資重估儲備解除。因此，終止確認可供出售的投資之淨利潤4,813,000港元於截至二零一五年十二月三十一日止年度之綜合損益表確認。

於二零一六年十二月三十一日，天下圖控股債券之公平值根據獨立專業合資格估值師進行之估值列值為83,420,000港元(二零一五年：70,998,000港元)，天下圖控股債券之公平值利潤12,422,000港元(二零一五年：2,381,000港元)於截至二零一六年十二月三十一日止年度確認為其他全面收益。

(b) 幸福控股為一間其股份於聯交所上市之公司。幸福控股發行之可換股債券(「幸福控股可換股債券」)按年利率2厘計息，可按每股0.23港元(將因應幸福控股資本架構之變動予以調整)轉換為225,112,487股幸福控股之普通股，且將自發行日起計三年到期。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

20. AVAILABLE-FOR-SALE INVESTMENTS (continued)

Notes: (continued)

(b) (continued)

AVIC Joy Convertible Bond is a hybrid instrument that includes a non-derivative host contract and an embedded derivative. The non-derivative host contract, representing the bond component ("AVIC Joy Bond"), has been designated as an available-for-sale investment. The embedded derivative, representing the conversion option which allows the Group to convert AVIC Joy Convertible Bond into ordinary shares of AVIC Joy at an established conversion rate (i.e., HK\$0.23 per share) before the maturity date of AVIC Joy Convertible Bond, has been designated as a derivative financial instrument ("AVIC Joy Derivative") as detailed in note 21(b) to the financial statements.

During the year ended 31 December 2015, the maturity date of AVIC Joy Convertible Bond was extended from 6 March 2015 to 6 March 2018 as agreed by the Group and AVIC Joy, and the conversion rate was changed from HK\$0.235 per share to HK\$0.23 per share. On the date of the extension, the market value of the new AVIC Joy Convertible Bond was HK\$76,691,000 while the fair value of the original AVIC Joy Convertible Bond was stated at HK\$72,707,000 based on a valuation performed by an independent professionally qualified valuer. A gain on derecognition of the original AVIC Joy Convertible Bond of HK\$3,984,000 was resulted. At the same time, the corresponding fair value gain of HK\$10,518,000 previously recorded in the statement of other comprehensive income was released from the available-for-sale investment revaluation reserve. As a result, an aggregate net gain on derecognition of an available-for-sale investment of HK\$14,502,000 was recognised in the consolidated statement of profit or loss for the year ended 31 December 2015.

As at 31 December 2016, the fair value of AVIC Joy Bond was stated at HK\$45,744,000 (2015: HK\$43,445,000) based on a valuation performed by an independent professionally qualified valuer, and a fair value gain of HK\$2,299,000 (2015: HK\$1,566,000) in respect of AVIC Joy Bond was recognised as other comprehensive income for the year ended 31 December 2016.

20. 可供出售的投資 (續)

附註：(續)

(a) (續)

幸福控股可換股債券為包含非衍生工具主合約及嵌入式衍生工具之混合工具。非衍生工具主合約代表債券部份(「幸福控股債券」)，已被指定為可供出售的投資。嵌入式衍生工具代表允許本集團於幸福控股可換股債券之到期日前按既定轉換價(即每股0.23港元)將幸福控股可換股債券轉換為幸福控股之普通股的換股期權，已被指定為財務報表附註21(b)詳述之衍生金融工具(「幸福控股衍生工具」)。

於截至二零一五年十二月三十一日止年度，幸福控股可換股債券之轉換價由每股0.235港元變為每股0.23港元，且本集團與幸福控股同意把其到期日由二零一五年三月六日延至二零一八年三月六日。於延期當日，新幸福控股可換股債券之市價為76,691,000港元，而原幸福控股可換股債券之公平值根據獨立專業合資格估值師進行之估值列值為72,707,000港元。因此，導致產生終止確認原幸福控股可換股債券之利潤3,984,000港元。同時，先前於其他全面收益表記錄之相關公平值利潤10,518,000港元從可供出售投資重估儲備解除。因此，於截至二零一五年十二月三十一日止年度，終止確認可供出售的投資之淨利潤合共14,502,000港元在綜合損益表內確認。

於二零一六年十二月三十一日，幸福控股債券之公平值根據獨立專業合資格估值師進行之估值列值為45,744,000港元(二零一五年：43,445,000港元)，幸福控股債券之公平值利潤2,299,000港元(二零一五年：1,566,000港元)於截至二零一六年十二月三十一日止年度確認為其他全面收益。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

20. AVAILABLE-FOR-SALE INVESTMENTS (continued)

Notes: (continued)

- (c) During the year, the Group disposed of club debentures for cash consideration of HK\$1,800,000. As a result, a fair value loss of HK\$490,000 was recognised as other comprehensive income and the same fair value loss was then released from the available-for-sale investment revaluation reserve to the consolidated statement of profit or loss for the year.
- (d) As detailed in note 18 to the financial statements, the Group's equity interest in AVIC Joy was diluted during the year ended 31 December 2015 and the Group's investment in AVIC Joy was reclassified to available-for-sale investment. This investment was designated as an available-for-sale financial asset and has no fixed maturity date or coupon rate.

During the year, a fair value loss of HK\$134,107,000 (2015: HK\$311,137,000) in respect of the Group's investment in AVIC Joy was recognised as other comprehensive income for the year.

There has been a significant decline in the market value of AVIC Joy shares during the year. The directors consider that such a decline indicates that the investment in AVIC Joy has been impaired and an impairment loss of HK\$134,107,000 (2015: HK\$311,137,000), which included a reclassification from other comprehensive income of HK\$134,107,000 (2015: HK\$311,137,000), has been recognised in the consolidated statement of profit or loss for the year.

- (e) As detailed in note 18 to the financial statements, the Group's equity interest in 上海藍沛 was diluted during the year ended 31 December 2015 and the Group no longer had any significant influence over it. The Group's investment in 上海藍沛 was reclassified to available-for-sale investment. This investment was designated as an available-for-sale financial asset and has no fixed maturity date or coupon rate.

As at 31 December 2016, the investment in 上海藍沛 was stated at cost less impairment because the range of reasonable fair value estimates is so significant that the directors are of the opinion that its fair value cannot be measured reliably. The investment has been fully impaired in the prior year. The Group does not intend to dispose of it in the near future.

20. 可供出售的投資 (續)

附註：(續)

- (c) 年內，本集團以1,800,000港元之現金代價出售會所債券。因此，公平值虧損490,000港元於年內確認為其他全面收益，然後相同公平值虧損從可供出售投資重估儲備解除至綜合損益表。
- (d) 如財務報表附註18所詳述，截至二零一五年十二月三十一日止年度，本集團於幸福控股之股本權益已被攤薄，及本集團於幸福控股之投資已重新分類至可供出售的投資。該投資被指定為可供出售財務資產且並無固定到期日或息率。

年內，就本集團於幸福控股之投資之公平值虧損134,107,000港元(二零一五年：311,137,000港元)於年內確認為其他全面收益。

年內，幸福控股股票之市價出現大幅下跌。董事認為，相關下跌顯示於幸福控股之投資已減值，減值虧損134,107,000港元(二零一五年：311,137,000港元)(包括從其他全面收益重新分類之134,107,000港元(二零一五年：311,137,000港元)年內已於綜合損益表中確認。

- (e) 如財務報表附註18所詳述，於截至二零一五年十二月三十一日止年度，本集團於上海藍沛之股本權益已被攤薄，且本集團對其再無任何重大影響。本集團於上海藍沛之投資已重新分類至可供出售的投資。該投資被指定為可供出售財務資產且並無固定到期日或息率。

於二零一六年十二月三十一日，於上海藍沛之投資以成本減去減值列值，此乃由於合理公平值估計之範圍過大，故董事認為無法可靠計量其公平值。該項投資於去年已全數減值。本集團並無打算在不久的將來出售該投資。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

20. AVAILABLE-FOR-SALE INVESTMENTS (continued)

During the year, net fair value loss of HK\$119,876,000 (2015: HK\$307,190,000), in aggregate, in respect of the Group's available-for-sale investments was recognised as other comprehensive income for the year, of which fair value loss of HK\$490,000 (2015: gain of HK\$19,091,000) and HK\$134,107,000 (2015: HK\$311,137,000) were reclassified from other comprehensive income to the consolidated statement of profit or loss for the year on derecognition and impairment, respectively.

The fair values of certain of the unlisted available-for-sale investments have been estimated using valuation techniques based on assumptions that are supported by observable market prices or rates. The valuation requires the directors to make estimates about the expected future cash flows including expected future dividends, the risk-free rate and the credit spread of the underlying shares. The directors believe that the estimated fair values resulting from the valuation techniques, which are recorded in the consolidated statement of financial position, and the related changes in fair value, which are recorded in other comprehensive income, are reasonable, and that they were the most appropriate values at the end of the reporting period.

20. 可供出售的投資(續)

年內，有關本集團可供出售的投資之公平值淨虧損總額119,876,000港元(二零一五年：307,190,000港元)已確認為年內其他全面收益，其中公平值虧損490,000港元(二零一五年：利潤19,091,000港元)及公平值虧損134,107,000港元(二零一五年：311,137,000港元)於年內乃從其他全面收益分別重新分類至綜合損益表中終止確認之虧損及減值虧損。

若干非上市可供出售的投資之公平值乃利用估值技術根據假設估計得出，而該等假設乃以可觀察市場價格或息率作支持。該估值須董事對預期未來現金流量，包括預期未來股息、無風險利率及相關股份信貸差額等作出估計。董事相信，以該估值技術所得並於綜合財務狀況表內記錄之估計公平值及於其他全面收益中記錄之相應公平值變動乃屬合理，且為於報告期末之最合適價值。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

21. DERIVATIVE FINANCIAL INSTRUMENTS

21. 衍生金融工具

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Non-current assets:	非流動資產：		
PMH Derivatives (note (a))	天下圖控股衍生工具 (附註(a))	9,277	90,444
AVIC Joy Derivative (note (b))	幸福控股衍生工具 (附註(b))	2,061	29,452
		11,338	119,896

The Group's derivative financial instruments are managed and their performance is evaluated on a fair value basis. Any fair value gain or loss is recognised in the consolidated statement of profit or loss.

The fair values of the derivative financial instruments have been estimated using valuation techniques based on assumptions that are supported by observable market prices or rates. The valuations require the directors to make estimates, including expected cash flows and volatility of the underlying securities. The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statement of financial position, and the related changes in fair value, which are recorded in the consolidated statement of profit or loss, are reasonable, and that they are the most appropriate values at the end of the reporting period.

本集團之衍生金融工具乃按公平值基準管理，其表現亦按公平值基準評價。任何公平值利潤或虧損均於綜合損益表內確認。

衍生金融工具之公平值已利用估值技術根據假設估計得出，而該等假設具有可觀察市場價格或息率作支持。估值須董事作出估計，包括預期現金流量及相關證券之波幅。董事相信使用估值技術得出而在綜合財務狀況表入賬之估計公平值、以及在綜合損益表入賬之相應公平值變動皆屬合理，並為報告期末之最合適價值。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

21. DERIVATIVE FINANCIAL INSTRUMENTS (continued)

Notes:

- (a) The PMH Derivatives represent the derivatives embedded in PMH Convertible Bonds as detailed in note 20(a) to the financial statements.

As at 31 December 2016, the fair value of PMH Derivatives was stated at HK\$9,277,000 (2015: HK\$90,444,000) based on a valuation performed by an independent professionally qualified valuer, and a fair value loss of HK\$81,167,000 (2015: gain of HK\$40,868,000) in respect of PMH Derivatives was recognised in the consolidated statement of profit or loss for the year.

- (b) AVIC Joy Derivative represents the derivative embedded in AVIC Joy Convertible Bond as detailed in note 20(b) to the financial statements. As at 31 December 2016, the fair value of AVIC Joy Derivative was stated at HK\$2,061,000 (2015: HK\$29,452,000) based on a valuation performed by an independent professionally qualified valuer, and a fair value loss of HK\$27,391,000 (2015: HK\$12,722,000) was recognised in the consolidated statement of profit or loss for the year.

During the year, aggregate fair value loss of HK\$108,558,000 (2015: gain of HK\$28,146,000) in respect of the Group's derivative financial instruments was recognised in the consolidated statement of profit or loss for the year.

21. 衍生金融工具 (續)

附註：

- (a) 如財務報表附註20(a)所詳述，天下圖控股衍生工具代表天下圖控股可換股債券中之嵌入式衍生工具。

於二零一六年十二月三十一日，天下圖控股衍生工具之公平值根據獨立專業合資格估值師進行之估值列值為9,277,000港元(二零一五年：90,444,000港元)，天下圖控股衍生工具之公平值虧損81,167,000港元(二零一五年：利潤40,868,000港元)於本年度綜合損益表內確認。

- (b) 如財務報表附註20(b)所詳述，幸福控股衍生工具代表幸福控股可換股債券中之嵌入式衍生工具。於二零一六年十二月三十一日，幸福控股衍生工具之公平值根據獨立專業合資格估值師進行的估值列值為2,061,000港元(二零一五年：29,452,000港元)，公平值虧損27,391,000港元(二零一五年：12,722,000港元)於本年度綜合損益表內確認。

年內，於本年度綜合損益表確認之本集團衍生金融工具之公平值虧損總額為108,558,000港元(二零一五年：利潤28,146,000港元)。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

22. PROPERTIES UNDER DEVELOPMENT AND COMPLETED PROPERTIES HELD FOR SALE

The analysis of the costs of the Group's properties under development and completed properties held for sale situated in the PRC is as follows:

22. 發展中物業及持作出售之已完成物業

本集團位於中國之發展中物業及持作出售之已完成物業之成本分析如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Properties under development expected to be recovered:	預期收回之發展中物業：		
Within one year	一年內	1,239,303	–
After one year	一年以後	2,150,603	3,334,352
		3,389,906	3,334,352
Properties held for sale	持作出售之物業	715,411	736,296
		4,105,317	4,070,648

At 31 December 2016, certain of the Group's properties under development with an aggregate carrying amount of approximately HK\$1,658,082,000 were pledged to secure the banking facilities granted to the Group (note 35(a)).

於二零一六年十二月三十一日，本集團賬面值總額約1,658,082,000港元之若干發展中物業經已抵押，作為本集團銀行信貸之擔保（附註35(a)）。

23. INVENTORIES

23. 存貨

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Raw materials	原料	–	930
Finished goods	製成品	–	3,634
		–	4,564

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

24. TRADE AND BILLS RECEIVABLES

24. 應收貿易賬款及票據

		2016	2015
		二零一六年	二零一五年
		HK\$'000	HK\$'000
		千港元	千港元
Trade and bills receivables	應收貿易賬款及票據	89,620	188,763
Impairment	減值	-	(11,685)
		89,620	177,078
Less: Trade receivable, non-current portion	減：應收貿易賬款， 非流動部份	(20,178)	(21,628)
Current portion	流動部份	69,442	155,450

The Group has different credit policies for different business operations depending on the requirements of the markets and businesses in which the subsidiaries operate. Trade receivables from sale of properties in respect of the property development and investment business are payable pursuant to the terms of sale and purchase agreements. The Group's trading terms with its customers for the knitting and textile business and for the trading business are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally one month, extending up to three months for major customers. Each customer has a maximum credit limit.

The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade and bills receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

本集團不同類別業務之信貸政策不同，乃取決於市場需求及附屬公司所經營之業務。物業發展及投資業務之物業銷售之應收貿易賬款乃根據買賣合約條款償付。本集團與針織及紡織業務及貿易業務之客戶之信貸條款主要為賒賬，惟新客戶除外（新客戶一般需要提前付款）。信貸期一般為一個月，對於主要客戶最多延期至三個月。每位客戶均設有最大信貸限額。

本集團務求對未清還之應收賬款維持嚴格監管。管理高層定期檢討逾期結餘。鑒於以上所述及本集團之應收貿易賬款及票據乃來自大量分散之客戶的事實，因此並無重大信貸集中風險。本集團並無就其應收貿易賬款之結餘持有任何抵押品或其他信貸保證。應收貿易賬款並無計算利息。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

24. TRADE AND BILLS RECEIVABLES (continued)

An aged analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of provisions, is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within 1 month	一個月內	2,089	168,800
1 to 2 months	一至兩個月	-	1,184
2 to 3 months	二至三個月	-	2,858
Over 3 months	超過三個月	87,531	4,236
		89,620	177,078

The movements in the provision for impairment of the trade and bills receivables are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At beginning of year	年初	11,685	5,361
Disposal of a subsidiary	出售附屬公司	(11,685)	-
Impairment losses recognised	已確認減值虧損	-	6,871
Exchange realignment	匯兌調整	-	(547)
At end of year	年終	-	11,685

Included in the above provision for impairment of trade and bills receivables as at 31 December 2015 was a provision for individually impaired trade and bills receivables of HK\$11,685,000 with the same carrying amount before provision. The individually impaired trade and bills receivables related to customers that were in financial difficulties or were in default in principal payments and were not expected to be recovered.

24. 應收貿易賬款及票據（續）

於報告期末，應收貿易賬款及票據按發票日期及扣除撥備之賬齡分析如下：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within 1 month	2,089	168,800
1 to 2 months	-	1,184
2 to 3 months	-	2,858
Over 3 months	87,531	4,236
	89,620	177,078

應收貿易賬款及票據之減值撥備變動如下：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At beginning of year	11,685	5,361
Disposal of a subsidiary	(11,685)	-
Impairment losses recognised	-	6,871
Exchange realignment	-	(547)
At end of year	-	11,685

於二零一五年十二月三十一日，計入上述應收貿易賬款及票據之減值撥備包括就個別已減值之應收貿易賬款及票據之撥備11,685,000港元，與撥備前之賬面值相同。個別已減值之應收貿易賬款及票據涉及面臨財務困難或拖欠本金付款之客戶，且預期該應收賬款不可收回。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

24. TRADE AND BILLS RECEIVABLES (continued)

The aged analysis of the trade and bills receivables that are not individually nor collectively considered to be impaired is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Neither past due nor impaired	未逾期及未減值	22,266	169,984
Less than 1 month past due	逾期少於一個月	21,940	2,858
1 to 3 months past due	逾期一至三個月	45,414	4,236
		89,620	177,078

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable.

24. 應收貿易賬款及票據(續)

未被認為個別或整體已減值之應收貿易賬款及票據之賬齡分析如下：

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Neither past due nor impaired	22,266	169,984
Less than 1 month past due	21,940	2,858
1 to 3 months past due	45,414	4,236
	89,620	177,078

未逾期亦未減值之應收賬款涉及眾多多元化客戶，該類客戶並無最近違約歷史。

已逾期惟尚未減值之應收賬款涉及眾多與本集團擁有良好過往記錄之獨立客戶。根據過往經驗，本公司董事認為，無須就該等結餘作出任何減值撥備，因信貸質量尚無重大變動且結餘現仍被視為可全部收回。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

25. LOANS TO RELATED COMPANIES

The loan to a related company represents the loan to 易拍全球(北京)科貿有限公司(“易拍全球”), an associate of an intermediate holding company, which is unsecured, bears interest at 6.15% per annum and is repayable within one year.

As at 31 December 2015, the loans to related companies also included the loan to 北京勝和幢科技有限責任公司(“北京勝和幢”), a subsidiary of the joint venture of the Group, which was unsecured, bore interest at 6.15% per annum and was repayable within one year; and the loan to 上海匯聯皆景信息技術有限公司(“上海匯聯皆景”), an associate of the joint venture of the Group, which was unsecured, bore interest at 5.25% per annum and was repayable within one year. During the year, impairment losses of HK\$12,608,000 (note 6) have been recognised for the loans to 北京勝和幢 and 上海匯聯皆景 because 北京勝和幢 has been loss-making in recent years and 上海匯聯皆景 was liquidated during the year ended 31 December 2016, and the related loans have then been written off.

Particulars of loans to related companies, disclosed pursuant to 383(1)(d) of the Hong Kong Companies Ordinance and Part 3 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, are as follows:

	At 31 December 2016	Maximum amount outstanding during the year	At 31 December 2015 and 1 January 2016 於 二零一五年 十二月 三十一日及 二零一六年 一月一日	Maximum amount outstanding during prior year	At 1 January 2015
	於 二零一六年 十二月 三十一日 HK\$'000 千港元	年內最高 未清償額 HK\$'000 千港元	二零一六年 一月一日 HK\$'000 千港元	過往 年度最高 未清償額 HK\$'000 千港元	於 二零一五年 一月一日 HK\$'000 千港元
易拍全球	16,760	16,760	16,272	18,750	18,750
北京勝和幢	-	958	958	1,000	1,000
上海匯聯皆景	-	11,976	11,976	11,976	-
	16,760		29,206		19,750
Less: Non-current portion	-		(11,976)		(18,750)
Current portion	16,760		17,230		1,000

25. 向關聯公司提供的貸款

向關聯公司提供的貸款乃向易拍全球(北京)科貿有限公司(「易拍全球」, 一間中間控股公司之聯營公司)提供的貸款, 為無抵押、按年利率6.15厘計息及須於一年內償還。

於二零一五年十二月三十一日, 向關聯公司提供的貸款亦包括向本集團合營公司之附屬公司北京勝和幢科技有限責任公司(「北京勝和幢」)提供的貸款, 為無抵押、按年利率6.15厘計息及須於一年內償還; 及向本集團合營公司之聯營公司上海匯聯皆景信息技術有限公司(「上海匯聯皆景」)提供的貸款, 為無抵押、按年利率5.25厘計息及須於一年內償還。年內, 就向北京勝和幢及上海匯聯皆景提供的貸款已確認減值虧損12,608,000港元(附註6), 因為北京勝和幢近幾年一直虧損及上海匯聯皆景於截至二零一六年十二月三十一日止年度清算, 且相關貸款隨後已被抵銷。

根據香港公司條例第383(1)(d)條及公司(披露董事利益資料)規例第3部披露之向關聯公司提供的貸款詳情載列如下:

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

26. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

26. 預付款項、按金及其他應收賬款

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Prepayments	預付款項	27,571	50,530
Deposits and other receivables	按金及其他應收賬款	52,516	85,376
Impairment	減值	(37,109)	(73,914)
		42,978	61,992
Less: Prepayments, non-current portion	減：預付款項，非流動部份	-	(278)
Current portion	流動部份	42,978	61,714

Deposits and other receivables that were not impaired relate to receivables for which there is no recent history of default.

尚未減值之按金及其他應收賬款涉及無最近違約歷史的應收賬款。

The movements in the provision for impairment of prepayments and other receivables are as follows:

預付款項及其他應收賬款之減值撥備變動如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
At beginning of year	年初	73,914	38,880
Disposal of a subsidiary	出售附屬公司	(38,501)	-
Reclassified from loans to an associate (note 18)	自向聯營公司提供的貸款重新分類(附註18)	-	41,916
Impairment losses recognised/(reversed)	已確認/(撥回)減值虧損	4,345	(6,152)
Exchange realignment	匯兌調整	(2,649)	(730)
At end of year	年終	37,109	73,914

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

26. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

Included in the above provision for impairment is a provision for individually impaired other receivables of HK\$37,109,000 (2015: HK\$40,312,000), with the same carrying amounts before provision. As at 31 December 2015, the provision for impairment of prepayments and other receivables also included full provision for impaired prepayments to suppliers of HK\$15,331,000 and prepayments for an investment project of HK\$18,271,000. Both the impaired prepayments to suppliers and for the investment project arose from the knitting and textile business. The impaired prepayments to suppliers related to suppliers that were in financial difficulties and were not expected to be recovered. The prepayment for the investment project was impaired as, in the opinion of the directors, its cost exceeded its recoverable amount.

27. EQUITY INVESTMENT AT FAIR VALUE THROUGH PROFIT OR LOSS

The above equity investment is managed and its performance is evaluated on a fair value basis. The Group designated this investment as a financial asset at fair value through profit or loss upon initial recognition.

28. PREPAID TAXES

Balance represents taxes and surcharges prepaid for the sales deposits received from pre-sales of properties in the PRC.

26. 預付款項、按金及其他應收賬款 (續)

上述減值撥備乃個別已減值之其他應收賬款之撥備37,109,000港元（二零一五年：40,312,000港元），與撥備前之賬面值相同。於二零一五年十二月三十一日，預付款項及其他應收賬款之減值撥備亦包括給予供應商之預付款項之全數撥備15,331,000港元及投資項目之預付款項之全數撥備18,271,000港元。已減值之給予供應商及投資項目之預付款項均產生自針織及紡織業務。已減值之給予供應商之預付款項涉及面臨財務困難之供應商，預期將不可收回。投資項目預付款項的減值是由於董事認為其投資成本超逾其收回金額之投資。

27. 按公平值計入損益之股本投資

	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Listed equity investment, at market value 上市股本投資，按市值	87,619	285,713

上述股本投資乃按公平值基準管理，其表現亦按公平值基準評價。本集團於初步確認時指定該投資為按公平值計入損益的財務資產。

28. 預付稅項

結餘指就預售中國物業所收到的銷售按金而預付的稅項及附加費。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

29. CASH AND CASH EQUIVALENTS AND
PLEGDED DEPOSITS

29. 現金及現金等值以及抵押存款

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Time deposits	定期存款	298,710	12,335
Less: Pledged short term time deposits for short term banking facilities (note 35(b)(iii))	減：就短期銀行信貸而予以 抵押之短期定期存款 (附註35(b)(iii))	-	(359)
Cash and bank balances	現金及銀行結存	298,710 307,215	11,976 461,354
Cash and cash equivalents	現金及現金等值	605,925	473,330

At the end of the reporting period, the cash and bank balances and time deposits of the Group denominated in Renminbi ("RMB") amounted to HK\$253,965,000 (2015: HK\$120,275,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term time deposits are made for varying periods of between one day and one year depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and time deposits are deposited with creditworthy banks with no recent history of default.

於報告期末，本集團以人民幣(「人民幣」)計值之現金及銀行結存及定期存款為253,965,000港元(二零一五年：120,275,000港元)。人民幣不可自由轉換為其他貨幣，然而根據中國內地之外匯管理條例及結匯、售匯及付匯管理規定，本集團可透過獲授權開展外幣兌換業務之銀行將人民幣兌換為其他貨幣。

銀行存款按每日銀行存款利率計算的浮動利率計息。視乎本集團的即時現金需求，存作介乎一日至一年等不同期間的短期定期存款，並按有關短期定期存款利率計息。銀行結存及定期存款均存放於無近期拖欠歷史且信譽昭著之銀行。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

30. BALANCES WITH NON-CONTROLLING SHAREHOLDERS OF SUBSIDIARIES

The balances are unsecured, non-interest-bearing and have no fixed terms of repayment.

31. BALANCES WITH AN INTERMEDIATE HOLDING COMPANY

The loans from an intermediate holding company are unsecured, bear interest at 6% (2015: 10%) per annum and are not repayable within one year.

The amount due from/to an intermediate holding company is unsecured, non-interest-bearing and has no fixed terms of repayment.

32. BALANCES WITH FELLOW SUBSIDIARIES

All amounts due from fellow subsidiaries are unsecured, non-interest-bearing and repayable within one year except that an amount due from a fellow subsidiary of HK\$3,178,000 as at 31 December 2015 was repayable on 31 January 2017 and had been included in non-current assets as at 31 December 2015.

The amounts due to fellow subsidiaries are unsecured, non-interest-bearing and have no fixed terms of repayment.

The loans from fellow subsidiaries are unsecured and bear interest at 6% (2015: 10%) per annum.

The loans from a fellow subsidiary which are not repayable within one year were included in the Group's non-current liabilities. The loans from fellow subsidiaries which are repayable within one year were included in the Group's current liabilities.

30. 與附屬公司之非控股股東之結餘

該結餘乃無抵押、不計息且無固定償還期限。

31. 與中間控股公司之結餘

來自中間控股公司的貸款為無抵押，按年利率6厘（二零一五年：10厘）計息及毋須於一年內償還。

應收／付中間控股公司款項為無抵押、不計息且無固定償還期限。

32. 與同系附屬公司之結餘

所有應收同系附屬公司款項為無抵押、不計息且須於一年內償還，惟於二零一五年十二月三十一日應收同系附屬公司款項3,178,000港元除外，該款項須於二零一七年一月三十一日償還，並已計入二零一五年十二月三十一日之非流動資產內。

應付同系附屬公司款項為無抵押、不計息且無固定償還期限。

來自同系附屬公司的貸款為無抵押，按年利率6厘（二零一五年：10厘）計息。

毋須於一年內償還之來自同系附屬公司的貸款計入本集團非流動負債。須於一年內償還之來自同系附屬公司的貸款計入本集團流動負債。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

33. TRADE AND BILLS PAYABLES

An aged analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within 1 month	一個月內	10,249	80,197
1 to 2 months	一至兩個月	28,005	2,307
2 to 3 months	二至三個月	-	1,841
Over 3 months	超過三個月	2,959	8,013
		41,213	92,358

The trade payables are non-interest-bearing and are normally settled on 90-day terms.

該等應付貿易賬款乃不計息及一般按90日期限清還。

34. OTHER PAYABLES AND ACCRUALS

Other payables
Accruals

其他應付款項
應計費用

		10,918	18,416
		6,305	14,328
		17,223	32,744

Other payables are non-interest-bearing and have an average term of three months.

其他應付款項乃不計息及平均期限為三個月。

33. 應付貿易賬款及票據

於報告期末，應付貿易賬款及票據按發票日期之賬齡分析如下：

34. 其他應付款項及應計費用

其他應付款項乃不計息及平均期限為三個月。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

35. INTEREST-BEARING BANK BORROWINGS

35. 計息銀行貸款

		2016 二零一六年			2015 二零一五年		
		Effective interest rate (%) 實際利率(%)	Maturity 到期日	HK\$'000 千港元	Effective interest rate (%) 實際利率(%)	Maturity 到期日	HK\$'000 千港元
Current:	流動：						
Bank loans – secured	銀行貸款 – 有抵押	-	-	-	5.88-7.275	2016 二零一六年	37,964
Non-current:	非流動：						
Bank loans – secured	銀行貸款 – 有抵押	5.4625	2018 二零一八年	230,134	-	-	-

Notes:

附註：

- (a) As at 31 December 2016, the Group's banking facilities were secured by pledges of certain of the Group's properties under development with an aggregate carrying value of HK\$1,658,082,000 (2015: Nil) (note 22).
- (b) As at 31 December 2015, the Group's banking facilities had also been secured by:
- (i) a pledge of the Group's building in Mainland China with net book value of HK\$3,148,000 (note 13);
- (ii) a pledge of the Group's leasehold land in Mainland China with net book value of HK\$2,885,000 (note 15);
- (iii) pledges of certain of the Group's short term time deposits amounting to HK\$359,000 (note 29); and
- (iv) pledges of certain properties owned by a director of a subsidiary, his spouse, his spouse's family member and his acquaintance.

- (a) 於二零一六年十二月三十一日，本集團之銀行信貸以抵押本集團賬面總額1,658,082,000港元（二零一五年：無）之若干發展中物業作為擔保（附註22）。
- (b) 於二零一五年十二月三十一日，本集團之銀行信貸以下列各項作為擔保：
- (i) 抵押本集團賬面淨值3,148,000港元之於中國內地之樓宇（附註13）；
- (ii) 抵押本集團賬面淨值2,885,000港元之於中國內地之租賃土地（附註15）；
- (iii) 抵押本集團為數359,000港元之若干短期定期存款（附註29）；及
- (iv) 抵押由一間附屬公司之董事、其配偶、其配偶之家庭成員及熟人所擁有之若干物業。

As at 31 December 2015, a director of a subsidiary, the spouse of the director, the spouse's acquaintances and the companies controlled by the acquaintances had guaranteed repayment of certain of the Group's bank borrowings amounting to HK\$23,952,000.

於二零一五年十二月三十一日，一間附屬公司之董事及該董事之配偶、該配偶之熟人及由該等熟人控制之公司就本集團為數23,952,000港元之若干銀行貸款之償還提供擔保。

- (c) All bank borrowings are denominated in RMB.

- (c) 所有銀行借貸均以人民幣結算。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

36. DEFERRED TAX

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

Deferred tax liabilities

遞延稅項負債

36. 遞延稅項

本集團遞延稅項負債及資產於年內之變動如下：

		Revaluation of investment properties	Fair value adjustments arising from acquisition of subsidiaries 收購附屬公司 產生的 公平值調整	Total
		投資物業之重估 HK\$'000 千港元	公平值調整 HK\$'000 千港元	合計 HK\$'000 千港元
At 1 January 2015	於二零一五年一月一日	-	262,583	262,583
Deferred tax charged/(credited) to the statement of profit or loss during the year	年內扣除/(計入) 損益表之遞延稅項	189	(66,385)	(66,196)
Exchange realignment	匯兌調整	(7)	(9,179)	(9,186)
At 31 December 2015 and 1 January 2016	於二零一五年十二月 三十一日及二零一六年 一月一日	182	187,019	187,201
Disposal of a subsidiary (note 41)	出售附屬公司 (附註41)	-	(548)	(548)
Deferred tax credited to the statement of profit or loss during the year	年內計入損益表之 遞延稅項	(182)	(3,026)	(3,208)
Exchange realignment	匯兌調整	-	(11,686)	(11,686)
Gross deferred tax liabilities at 31 December 2016	於二零一六年十二月 三十一日之遞延稅項 負債總額	-	171,759	171,759

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

36. DEFERRED TAX (continued)

The movements in the Group's deferred tax liabilities and assets during the year are as follows: (continued)

Deferred tax assets

遞延稅項資產

36. 遞延稅項（續）

本集團遞延稅項負債及資產於年內之變動如下：（續）

		Revaluation of investment properties	Provision for LAT	Losses available for offsetting against future taxable profits	Total
		投資物業 之重估 HK\$'000 千港元	土地增值稅 撥備 HK\$'000 千港元	可供抵銷未來 應課稅溢利 之虧損 HK\$'000 千港元	合計 HK\$'000 千港元
At 1 January 2015	於二零一五年一月一日	-	-	44,030	44,030
Deferred tax credited/ (charged) to the statement of profit or loss during the year	於二零一五年一月一日 年內計入／（扣除） 損益表之遞延稅項	-	6,002	(4,914)	1,088
Exchange realignment	匯兌調整	-	(216)	(1,668)	(1,884)
At 31 December 2015 and 1 January 2016	於二零一五年十二月 三十一日及二零一六年 一月一日	-	5,786	37,448	43,234
Deferred tax credited to the statement of profit or loss during the year	年內計入損益表之 遞延稅項	8,330	473	3,264	12,067
Exchange realignment	匯兌調整	(372)	(409)	(2,656)	(3,437)
Gross deferred tax assets at 31 December 2016	於二零一六年十二月 三十一日之遞延稅項 資產總額	7,958	5,850	38,056	51,864

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

36. DEFERRED TAX (continued)

For presentation purposes, certain deferred tax assets and liabilities have been offset in the statement of financial position. The following is an analysis of the deferred tax balances of the Group for financial reporting purposes:

36. 遞延稅項（續）

為方便列示，若干遞延稅項資產及負債已於財務狀況表中抵消。以下為本集團之遞延稅項結餘就財務報告用途所作分析：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Net deferred tax assets recognised in the consolidated statement of financial position	於綜合財務狀況表確認之遞延稅項資產淨額	10,025	9,685
Net deferred tax liabilities recognised in the consolidated statement of financial position	於綜合財務狀況表確認之遞延稅項負債淨額	(129,920)	(153,652)
		(119,895)	(143,967)

At 31 December 2016, the Group had aggregate tax losses arising in Hong Kong of approximately HK\$15,456,000 (2015: HK\$15,456,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose and tax losses arising in Mainland China of HK\$14,934,000 (2015: HK\$528,000) that will expire in one to five years for offsetting against future taxable profits. Deferred tax assets have not been recognised in respect of these losses as they have arisen in the companies that have been loss-making for some time and it is not considered probable that taxable profits will be available against which the tax losses can be utilised.

於二零一六年十二月三十一日，本集團在香港產生之稅項虧損總額約為15,456,000港元（二零一五年：15,456,000港元），可無限期用作抵銷出現虧損公司之未來應課稅溢利，而中國內地產生之稅項虧損14,934,000港元（二零一五年：528,000港元），可於一至五年內用作抵銷未來應課稅溢利。由於該等虧損來自長時期出現虧損之公司，而且並不認為可能有應課稅溢利以供動用稅項虧損，故此並無確認遞延稅項資產。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

36. DEFERRED TAX (continued)

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from 1 January 2008 and applies to earnings after 31 December 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rates range from 5% to 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from 1 January 2008.

At 31 December 2016, no deferred tax has been recognised for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Group's subsidiaries, joint venture and associates established in Mainland China. In the opinion of the directors, it is not probable that these subsidiaries, joint venture and associates will distribute such earnings in the foreseeable future. As at 31 December 2016, the aggregate amount of temporary differences of approximately HK\$117,573,000 (2015: HK\$346,729,000) is associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised.

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

36. 遞延稅項 (續)

根據中國企業所得稅法，在中國內地成立之外資企業向外國投資者宣派之股息須徵收10%預扣稅。該規定於二零零八年一月一日起生效，適用於二零零七年十二月三十一日後之收益。倘中國內地與外國投資者之司法權區訂有稅收協定，或可採用較低之預扣稅率。對本集團而言，適用稅率為5%至10%。本集團因而須為在中國內地成立之附屬公司就自二零零八年一月一日起產生之收益所分派之股息承擔預扣稅。

於二零一六年十二月三十一日，並無就本集團在中國內地成立之附屬公司、合營公司及聯營公司之未匯出收益所應付之預扣稅確認遞延稅項。董事認為，該等附屬公司、合營公司及聯營公司不大會在可見將來分派該等收益。於二零一六年十二月三十一日，尚未就於中國內地之附屬公司之投資確認之遞延稅項負債之臨時差額合共約為117,573,000港元(二零一五年：346,729,000港元)。

本公司向股東派發之股息對所得稅概無影響。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

37. SHARE CAPITAL

Shares

股份

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Authorised:	法定：		
10,000,000,000 ordinary shares of HK\$0.10 each	10,000,000,000股每股面值 0.10港元之普通股	1,000,000	1,000,000
Issued and fully paid:	已發行及繳足：		
5,519,591,000 ordinary shares of HK\$0.10 each	5,519,591,000股每股面值 0.10港元之普通股	551,959	551,959

37. 股本

38. SHARE OPTION SCHEME

At the annual general meeting held on 28 May 2014, the Company adopted a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants to contribute to the business development and growth of the Group and to enable the Group to recruit high-calibre employees and attract or retain human resources that are valuable to the Group. Since the adoption of the Scheme, no options have been granted, exercised, lapsed, cancelled or outstanding thereunder as at 31 December 2016.

Major terms of the Scheme include:

1. The purpose of the Scheme is to provide incentives to the participants.
2. The participants of the Scheme are any individual being employees, officers or consultants of the Company or any of its subsidiaries including any executive or non-executive directors thereof whether employed in Hong Kong or any part of the world.

38. 購股權計劃

於二零一四年五月二十八日舉行之股東週年大會上，本公司採納了一項購股權計劃（「該計劃」），目的為對本集團之業務發展及成長作出貢獻之合資格參與者提供激勵及獎勵，以使本集團能夠招攬優秀員工並吸引或挽留對本集團具有價值之人才。自採納該計劃以來，於二零一六年十二月三十一日，概無根據該計劃授出、行使、失效、註銷或尚未行使之購股權。

該計劃之主要條款包括：

1. 該計劃旨在向參與者提供激勵。
2. 該計劃之參與者為本公司或其任何附屬公司在香港或世界各地僱用之僱員、高級職員或顧問等個別人士，包括任何執行或非執行董事。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

38. SHARE OPTION SCHEME (continued)

Major terms of the Scheme include: (continued)

3. The total number of shares of the Company (the "Shares") which may be issued upon exercise of all options to be granted under the Scheme, together with all options to be granted under any other share option schemes of any member of the Group, must not in aggregate represent more than 10% of the total number of the Shares in issue as at the date of adoption of the Scheme. The Company may refresh this 10% limit at any time subject to prior approval given by its shareholders at a general meeting. The overall limit on the total number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme, together with all outstanding options granted and yet to be exercised under any other share option schemes of any member of the Group, must not exceed 30% of the total number of the Shares in issue from time to time. No options may be granted under the Scheme and any other share option schemes of any member of the Group if such grant will result in the said 30% limit being exceeded. As at the date of this annual report, the total number of securities available for issue under the Scheme is 461,959,100 Shares, representing approximately 8.37% of the total number of the Shares in issue as at the date of this annual report.
4. The total number of Shares issued and to be issued upon exercise of the options (whether exercised, cancelled or outstanding) granted or to be granted under the Scheme and any other share option schemes of the Company to each eligible participant under the Scheme in any 12-month period shall not exceed 1% of the total number of the Shares in issue as at the proposed grant date.

38. 購股權計劃 (續)

該計劃之主要條款包括：(續)

3. 因行使根據該計劃授出之所有購股權，連同根據本集團任何成員公司的任何其他購股權計劃授出之所有購股權而可能發行之本公司股份(「股份」)總數，不得超過該計劃採納當日已發行股份總數之10%。本公司可隨時更新該10%上限，惟須於股東大會上獲股東事先批准。因行使根據該計劃授出而尚未行使之所有尚未行使購股權，連同行使根據本集團任何成員公司的任何其他購股權計劃授出而尚未行使之所有尚未行使購股權而可能發行之股份總數，不得超過不時已發行股份總數之30%。倘根據該計劃及本集團任何成員公司的任何其他購股權計劃授出購股權將致令超出上述30%之上限，則不予授出購股權。於本年報日期，根據該計劃可供發行之證券總數為461,959,100股，相當於本年報日期已發行股份總數之約8.37%。
4. 於任何十二個月期間因行使根據該計劃及本公司任何其他購股權計劃已向或將向該計劃項下各合資格參與者授出之購股權(不論已行使、已註銷或尚未行使)而發行及將予發行之股份總數，不得超過建議授出日期已發行股份總數之1%。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

38. SHARE OPTION SCHEME (continued)

Major terms of the Scheme include: (continued)

5. An option may be exercised in accordance with the terms of the Scheme at any time during a period of 10 years commencing on the date which the Board may determine at its discretion but such date shall not be earlier than three months after the date of the grant of such option is made.
6. An option granted shall remain open for acceptance by eligible participants for a period of 28 days from the date of the grant of such option together with a non-refundable payment of HK\$1.00.
7. The exercise price of an option shall be the highest of:
 - (a) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the date of the grant of the option, which must be a business day;
 - (b) the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of the grant (subject to acceptance) of the option; and
 - (c) the nominal value of the Shares.
8. The Scheme shall be valid and effective for a period of 10 years commencing on 28 May 2014 and thereafter for as long as there are outstanding options granted and accepted pursuant thereto prior to the expiration of the said 10-year period and in order to give effect to the exercise of any such options.

38. 購股權計劃 (續)

該計劃之主要條款包括：(續)

5. 購股權可根據該計劃之條款於自董事會可酌情釐定的日期(惟相關日期不得早於相關購股權授出日期後三個月)起計十年期間內隨時行使。
6. 授出的購股權於授出日期後28日期間內維持可供合資格參與者接納，並須支付不可退回款項1.00港元。
7. 購股權之行使價須為下列之最高者：
 - (a) 於購股權授出日期(須為營業日)聯交所每日報價表所列之收市價；
 - (b) 於緊接購股權授出(須獲接納)日期前五個營業日於聯交所每日報價表所列之股份平均收市價；及
 - (c) 股份面值。
8. 該計劃由二零一四年五月二十八日起計十年期間有效及具效力，而於上述十年期屆滿前已授出及接納之尚未行使購股權仍可行使。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

38. SHARE OPTION SCHEME (continued)

Share options did not confer rights on the holders to dividends or to vote at shareholders' meetings.

At the end of the reporting period and at the date of approval of these financial statements, there were no share options outstanding (2015: Nil).

39. RESERVES

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on pages 68 to 71 of this annual report.

Pursuant to the articles of association of certain subsidiaries operating as foreign-owned enterprises in Mainland China and the relevant PRC Company Law, the subsidiaries shall make an allocation from their profit after tax at the rate of 10% to the statutory surplus reserve fund, until such reserve reaches 50% of the registered capital of the subsidiaries. Part of the statutory surplus reserve may be capitalised as the subsidiaries' registered capital, provided that the remaining balance after the capitalisation is not less than 25% of the registered capital of the subsidiaries. The statutory reserve will be reclassified to retained profits upon the disposal of the subsidiaries.

38. 購股權計劃 (續)

購股權並無賦予持有人享有股息或於股東大會上投票之權利。

於報告期末及本財務報表獲批准當日，並無尚未行使之購股權（二零一五年：無）。

39. 儲備

本集團本年度及過往年度之儲備額及儲備變動載於本年報第68頁至第71頁之綜合權益變動表內。

根據若干於中國內地以外資企業方式經營之附屬公司之公司章程及相關中國公司法例，該等附屬公司須將其除稅後溢利之10%撥至法定公積金，直至有關儲備達至該等附屬公司註冊資本之50%。部份法定公積金可撥充為該等附屬公司之註冊資本，惟規定資本化後之餘下結餘不少於該等附屬公司註冊資本之25%。法定儲備於該等附屬公司被出售時將重新分類至留存溢利。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

40. PARTLY-OWNED SUBSIDIARY WITH MATERIAL NON-CONTROLLING INTERESTS

Details of the Group's subsidiary that has material non-controlling interests are set out below:

40. 有重大非控股權益之非全資附屬公司

有重大非控股權益之本集團附屬公司詳情披露如下：

		2016 二零一六年	2015 二零一五年
Percentage of equity interest held by non-controlling interests of 大連航華	大連航華非控股權益持有的股本權益百分比	47.92%	47.92%
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Profit/(loss) for the year allocated to non-controlling interests of 大連航華	分配予大連航華非控股權益之本年溢利/(虧損)	(20,560)	48,775
Dividend paid to non-controlling interests of 大連航華	已付大連航華非控股權益之股息	-	-
Accumulated balances of non-controlling interests of 大連航華 at the reporting date	於報告日期的大連航華非控股權益累積結餘	548,868	611,218

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

40. PARTLY-OWNED SUBSIDIARY WITH
MATERIAL NON-CONTROLLING INTERESTS

(continued)

The following table illustrates the summarised financial information of the above subsidiary. The amounts disclosed are before any inter-company eliminations:

大連航華

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Revenue	收益	102,786	2,147,344
Cost of sales and total expenses	銷售成本及總開支	(145,691)	(2,045,561)
Profit/(loss) for the year	本年溢利／(虧損)	(42,905)	101,783
Total comprehensive income for the year	本年全面收益總額	(130,113)	45,969
Current assets	流動資產	3,424,363	3,314,071
Non-current assets	非流動資產	368,913	430,767
Current liabilities	流動負債	(1,606,924)	(625,068)
Non-current liabilities	非流動負債	(1,040,968)	(1,844,273)
Net cash flows from operating activities	經營活動產生之現金流量淨額	553,053	159,470
Net cash flows from investing activities	投資活動產生之現金流量淨額	-	-
Net cash flows from financing activities	融資活動產生之現金流量淨額	(414,003)	(152,375)
Net increase in cash and cash equivalents	現金及現金等值增加淨額	139,050	7,095

40. 有重大非控股權益之非全資附屬
公司 (續)

下表說明上述附屬公司的財務資料概要。所披露的金額並未扣除任何公司間的抵銷：

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

41. DISPOSAL OF A SUBSIDIARY

During the year, the Group disposed of its 51% equity interest in Zhejiang Dongyang Jinniu. An analysis of the disposal is as follows:

41. 出售附屬公司

年內，本集團出售其擁有51%股本權益之浙江東陽金牛。有關出售之分析如下：

			2016 二零一六年	2015 二零一五年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Net assets disposed of:	出售之資產淨值：			
Property, plant and equipment	物業、廠房及設備	13	3,528	—
Prepaid land lease payments	預付土地租賃款	15	2,872	—
Intangible asset	無形資產	16	285	—
Inventories	存貨		4,062	—
Trade receivables	應收貿易賬款		3,151	—
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款		2,174	—
Pledged time deposits	已抵押定期存款		3,174	—
Cash and cash equivalents	現金及現金等值		1,934	—
Due to a non-controlling shareholder of a subsidiary	應付附屬公司之非控股股東		(18)	—
Trade and bills payables	應付貿易賬款及票據		(13,420)	—
Other payables and accruals	其他應付款項及應計費用		(19,017)	—
Interest-bearing bank borrowings	計息銀行貸款		(37,964)	—
Tax payable	應付稅項		(371)	—
Deferred tax liabilities	遞延稅項負債	36	(548)	—
Non-controlling interests	非控股權益		24,578	—
			(25,580)	—
Exchange fluctuation reserve	匯兌波動儲備		(1,223)	—
			(26,803)	—
Gain on disposal of a subsidiary	出售附屬公司之利潤	11	32,453	—
			5,650	—
Satisfied by:	支付方式：			
Cash	現金支付		5,650	—

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

41. DISPOSAL OF A SUBSIDIARY (continued)

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

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Cash consideration	現金代價	5,650	-
Cash and bank balances disposed of	所出售之現金及銀行結存	(1,934)	-
Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary	有關出售附屬公司的現金及現金等值流入淨額	3,716	-

41. 出售附屬公司（續）

有關出售附屬公司的現金及現金等值流入淨額分析如下：

42. OPERATING LEASE ARRANGEMENTS

(a) As lessor

The Group leases its investment properties (note 14 to the financial statements) under operating lease arrangements, with leases negotiated for terms ranging from 1 to 10 years. The terms of the leases generally also require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions.

At 31 December 2016, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

42. 經營租約安排

(a) 作為出租人

本集團根據經營租約安排出租其投資物業（財務報表附註14），議定租期為一至十年。租約條款一般亦要求租戶繳交保證金及規定根據現行市況定期調整租金。

於二零一六年十二月三十一日，根據與租戶訂立之不可撤銷經營租約，本集團持有之日後租約最低應收租金總額載列如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	一年內	19,441	11,908
In the second to fifth years, inclusive	第二至第五年 (包括首尾兩年)	39,724	19,483
After five years	五年後	7,385	9,757
		66,550	41,148

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

42. OPERATING LEASE ARRANGEMENTS

(continued)

(b) As lessee

The Group leases certain of its office premises under non-cancellable operating lease arrangements with terms ranging from one to three years.

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	一年內	-	3,677
In the second to fifth years, inclusive	第二至第五年(包括首尾 兩年)	-	1,367
		-	5,044

43. COMMITMENTS

In addition to the operating lease commitments in note 42(b) above, the Group had the following commitments at the end of the reporting period:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Contracted, but not provided for:	已訂約但尚未撥備:		
Establishment of a joint venture (note)	成立合營公司(附註)	-	47,904
Property development expenditure	物業開發支出	328,655	338,402
		328,655	386,306

42. 經營租約安排(續)

(b) 作為承租人

本集團根據不可撤銷經營租約安排租用其辦公室物業，租期為期一至三年。

於報告期末，根據介乎以下年期到期之不可撤銷經營租約，本集團持有日後租約最低應付租金總額載列如下：

43. 承擔

除上文附註42(b)之經營租約承擔外，本集團於報告期末有以下承擔：

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

43. COMMITMENTS (continued)

Note:

On 4 January 2006, Sino-Aviation Investments, a wholly-owned subsidiary of the Company, entered into a joint venture agreement (the "JV Agreement") with AVIC International, a substantial shareholder of the Company, and Chengdu Aircraft Industry (Group) Corporation Ltd. ("Chengdu Aircraft"), for the establishment of a joint venture to engage in the research and development, design and manufacture of parts and components for commercial aircraft, and provision of related technical services. According to the JV Agreement, the total registered capital of the joint venture was RMB100 million (equivalent to approximately HK\$120 million), of which 40%, 15% and 45% respectively, would be contributed by Sino-Aviation Investments, AVIC International and Chengdu Aircraft. The JV Agreement was conditional upon (i) the internal approval obtained by each of the three parties; and (ii) the approval from the relevant PRC authorities. As at 31 December 2015, the JV Agreement had not become effective as the conditions stated above had not been fulfilled.

During the year, all parties entered into a termination agreement to terminate the JV Agreement, details of which have been disclosed in the Company's announcement dated 30 September 2016.

43. 承擔（續）

附註：

於二零零六年一月四日，本公司之全資附屬公司Sino-Aviation Investments Limited與本公司之主要股東中航國際及成都飛機工業（集團）有限責任公司（「成都飛機」）訂立合營協議（「合營協議」），以成立一家合營公司，從事商用飛機零部件之研發、設計及製造，以及提供相關技術服務。根據合營協議，合營公司之總註冊資本為100,000,000元人民幣（相等於約120,000,000港元），其中Sino-Aviation Investments、中航國際及成都飛機將分別注資40%、15%及45%。合營協議須待以下條件達成後方告生效，包括(i)三方各自獲得內部批准；及(ii)獲得有關中國機構之批准。截至二零一五年十二月三十一日，由於上述條件尚未達成，因此該合營協議尚未生效。

年內，所有訂約方訂立終止協議以終止合營協議，有關詳情已於本公司二零一六年九月三十日之公告披露。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

44. CONTINGENT LIABILITIES

At the end of the reporting period, contingent liabilities not provided for in the financial statements were as follows:

44. 或然負債

於報告期末，並未於財務報表作出撥備之或然負債如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Guarantee given to banks for housing loans extended by the banks to the purchasers of the Group's properties for a period from the date of loans being granted to the purchasers up to the date of issuance of property title certificates to the purchasers	就本集團物業之買家獲授之房屋貸款而向銀行提供之擔保，擔保期由買家獲貸款之日起至買家獲發物業房屋證為止	76,085	36,489

The fair value of the guarantees is not significant and the directors consider that in case of default in payments by the purchasers, the net realisable value of the related properties will be sufficient to cover the repayment of the outstanding loan principals together with the accrued interests and penalties and therefore no provision for the guarantees has been made in the financial statements for the year ended 31 December 2016 (2015: Nil).

該擔保之公平值並不重大，而且董事認為，萬一買家拖欠付款，相關物業之可變現淨值將足夠以抵銷償還尚欠之貸款本金以及應計利息和罰款，因此並未於截至二零一六年十二月三十一日止年度之財務報表就該擔保作任何撥備（二零一五年：無）。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

45. RELATED PARTY TRANSACTIONS

- (a) In addition to the transactions described elsewhere in these financial statements, the Group had the following transactions with related parties during the year:

45. 關聯方交易

- (a) 除財務報表另有所述之交易外，本集團於年內曾進行以下關聯方交易：

			2016 二零一六年	2015 二零一五年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Interest income on loans to related companies	向關聯公司提供的貸款之利息收入	(i)	1,076	1,994
Interest income on loans to associates	向聯營公司提供的貸款之利息收入	(ii)	577	1,229
Fellow subsidiaries:	同系附屬公司：			
Interest expense on loans from fellow subsidiaries	來自同系附屬公司的貸款之利息支出	(iii)	(130,038)	(225,058)
Management fee paid to a fellow subsidiary	支付給同系附屬公司的管理費	(iv)	(6,619)	(6,178)
Agency fee paid to a fellow subsidiary	支付給同系附屬公司的代理費	(iv)	(177)	-
Purchases of materials	購買材料	(v)	(8,035)	-
Interest expenses on loans from an intermediate holding company	來自中間控股公司的貸款之利息支出	(vi)	(7,548)	(14,691)

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

45. RELATED PARTY TRANSACTIONS

(continued)

(a) (continued)

Notes:

- (i) Details of the loans to related companies are set out in note 25 to the financial statements.
- (ii) Details of the loans to associates are set out in note 18 to the financial statements.
- (iii) Details of the loans from fellow subsidiaries are set out in note 32 to the financial statements.
- (iv) The management fee and agency fee paid to fellow subsidiaries are determined between the Group and the fellow subsidiary.
- (v) The cost of purchases from a fellow subsidiary was made at pre-determined prices agreed between the parties.
- (vi) Details of the loans from an intermediate holding company are set out in note 31 to the financial statements.

(b) Outstanding balances with related parties:

- (i) Details of the Group's loans to associates are disclosed in note 18 to the financial statements.
- (ii) Details of the Group's loans to related companies are disclosed in note 25 to the financial statements.
- (iii) Details of the Group's balances with non-controlling shareholders of subsidiaries are disclosed in note 30 to the financial statements.

45. 關聯方交易 (續)

(a) (續)

附註：

- (i) 向關聯公司提供的貸款之詳情載於財務報表附註25。
- (ii) 向聯營公司提供的貸款之詳情載於財務報表附註18。
- (iii) 來自同系附屬公司的貸款之詳情載於財務報表附註32。
- (iv) 支付給同系附屬公司的管理費及代理費乃由本集團與同系附屬公司釐定。
- (v) 來自同系附屬公司的購買成本乃按訂約方協定的預先釐定價格。
- (vi) 來自中間控股公司的貸款之詳情載於財務報表附註31。

(b) 與關聯方之未清償結餘：

- (i) 本集團向聯營公司提供的貸款之詳情於財務報表附註18披露。
- (ii) 本集團向關聯公司提供的貸款之詳情於財務報表附註25披露。
- (iii) 本集團與附屬公司之非控股股東之結餘之詳情於財務報表附註30披露。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

45. RELATED PARTY TRANSACTIONS
(continued)

(b) *(continued)*

(iv) Details of the Group's balances with an intermediate holding company are disclosed in note 31 to the financial statements.

(v) Details of the Group's balances with fellow subsidiaries are disclosed in note 32 to the financial statements.

(c) Compensation of key management personnel of the Group:

		2016	2015
		二零一六年	二零一五年
		HK\$'000	HK\$'000
		千港元	千港元
Short term employee benefits	短期僱員福利	370	3,262
Post-employment benefits	僱用後福利	14	183
Total compensation paid to key management personnel	支付關鍵管理人員之報酬總額	384	3,445

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

The related party transactions in respect of item (a)(iv) above also constitute continuing connected transactions as defined in Chapter 14A of the Listing Rules.

45. 關聯方交易 (續)

(b) (續)

(iv) 本集團與中間控股公司之結餘之詳情於財務報表附註31披露。

(v) 本集團與同系附屬公司之結餘之詳情於財務報表附註32披露。

(c) 本集團關鍵管理人員之報酬：

	2016	2015
	二零一六年	二零一五年
	HK\$'000	HK\$'000
	千港元	千港元
Short term employee benefits	370	3,262
Post-employment benefits	14	183
Total compensation paid to key management personnel	384	3,445

有關董事酬金之進一步詳情載於財務報表附註8。

有關以上(a)(iv)項之關聯方交易亦構成上市規則第14A章所定義之關連交易。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

46. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

2016

二零一六年

Financial assets

財務資產

46. 金融工具分類

於報告期末，各類別之金融工具賬面值如下：

		Financial assets at fair value through profit or loss – held for trading 按公平值計入損益之財務資產 – 持作買賣 HK\$'000 千港元	Loans and receivables 貸款及應收賬款 HK\$'000 千港元	Available-for-sale financial assets 可供出售的財務資產 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Loans to associates	向聯營公司提供的貸款	–	9,497	–	9,497
Available-for-sale investments	可供出售的投資	–	–	278,745	278,745
Derivative financial instruments	衍生金融工具	11,338	–	–	11,338
Trade and bills receivables	應收貿易賬款及票據	–	89,620	–	89,620
Due from fellow subsidiaries	應收同系附屬公司	–	10,960	–	10,960
Loans to related companies	向關聯公司提供的貸款	–	16,760	–	16,760
Due from an intermediate holding company	應收中間控股公司	–	5,282	–	5,282
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收賬款的財務資產	–	15,407	–	15,407
Equity investment at fair value through profit or loss	按公平值計入損益之股本投資	87,619	–	–	87,619
Cash and cash equivalents	現金及現金等值	–	605,925	–	605,925
		98,957	753,451	278,745	1,131,153

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

46. FINANCIAL INSTRUMENTS BY CATEGORY
(continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows: *(continued)*

2016 *(continued)*

二零一六年 *(續)*

Financial liabilities

財務負債

46. 金融工具分類 *(續)*

於報告期末，各類別之金融工具賬面值如下：*(續)*

		Financial liabilities at amortised cost 按攤銷成本列賬的財務負債 HK\$'000 千港元
Due to non-controlling shareholders of subsidiaries	應付附屬公司之非控股股東	88,444
Due to fellow subsidiaries	應付同系附屬公司	1,643
Loans from fellow subsidiaries	來自同系附屬公司的貸款	1,234,637
Trade and bills payables	應付貿易賬款及票據	41,213
Other payables and accruals	其他應付款項及應計費用	17,223
Interest-bearing bank borrowings	計息銀行貸款	230,134
Loans from an intermediate holding company	來自中間控股公司的貸款	475,419
		2,088,713

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

46. FINANCIAL INSTRUMENTS BY CATEGORY
(continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows: (continued)

2015

二零一五年

Financial assets

財務資產

46. 金融工具分類 (續)

於報告期末，各類別之金融工具賬面值如下：(續)

		Financial assets at fair value through profit or loss – held for trading 按公平值計入損益之財務資產 – 持作買賣 HK\$'000 千港元	Loans and receivables 貸款及應收賬款 HK\$'000 千港元	Available-for-sale financial assets 可供出售的財務資產 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Loans to associates	向聯營公司提供的貸款	–	10,180	–	10,180
Available-for-sale investments	可供出售的投資	–	–	400,421	400,421
Derivative financial instruments	衍生金融工具	119,896	–	–	119,896
Trade and bills receivables	應收貿易賬款及票據	–	177,078	–	177,078
Due from fellow subsidiaries	應收同系附屬公司	–	49,194	–	49,194
Loans to related companies	向關聯公司提供的貸款	–	29,206	–	29,206
Due from non-controlling shareholder of a subsidiary	應收附屬公司之非控股股東	–	323	–	323
Financial assets included in prepayments, deposits and other receivables	計入預付款項、按金及其他應收賬款的財務資產	–	45,064	–	45,064
Equity investment at fair value through profit or loss	按公平值計入損益之股本投資	285,713	–	–	285,713
Pledged time deposits	已抵押定期存款	–	359	–	359
Cash and cash equivalents	現金及現金等值	–	473,330	–	473,330
		405,609	784,734	400,421	1,590,764

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

46. FINANCIAL INSTRUMENTS BY CATEGORY
(continued)

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows: *(continued)*

2015 *(continued)*

二零一五年 *(續)*

Financial liabilities

財務負債

46. 金融工具分類 *(續)*

於報告期末，各類別之金融工具賬面值如下：*(續)*

		Financial liabilities at amortised cost 按攤銷成本列賬 的財務負債 HK\$'000 千港元
Due to non-controlling shareholders of subsidiaries	應付附屬公司之非控股股東	64,301
Due to an intermediate holding company	應付中間控股公司	14,164
Due to fellow subsidiaries	應付同系附屬公司	4
Loans from fellow subsidiaries	來自同系附屬公司的貸款	1,864,671
Trade and bills payables	應付貿易賬款及票據	92,358
Other payables and accruals	其他應付款項及應計費用	31,892
Interest-bearing bank borrowings	計息銀行貸款	37,964
Loans from an intermediate holding company	來自中間控股公司的貸款	509,581
		2,614,935

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

47. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

47. 金融工具之公平值及公平值等級制度

本集團金融工具之賬面值及公平值(其賬面值與公平值合理相若者除外)載列如下:

		Carrying amounts		Fair values	
		賬面值		公平值	
		2016	2015	2016	2015
		二零一六年	二零一五年	二零一六年	二零一五年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Financial assets	財務資產				
Trade receivable (non-current portion)	應收貿易賬款(非流動部份)	20,178	21,628	18,862	19,356
Due from a fellow subsidiary (non-current portion)	應收同系附屬公司(非流動部份)	–	3,178	–	3,022
Loans to associates (non-current portion)	向聯營公司提供的貸款(非流動部份)	–	10,180	–	10,373
Loans to related companies (non-current portion)	向關聯公司提供的貸款(非流動部份)	–	11,976	–	12,065
Available-for-sale investments	可供出售的投資	278,745	400,421	278,745	400,421
Equity investment at fair value through profit or loss	按公平值計入損益之股本投資	87,619	285,713	87,619	285,713
Derivative financial instruments	衍生金融工具	11,338	119,896	11,338	119,896
		397,880	852,992	396,564	850,846
Financial liabilities	財務負債				
Loans from a fellow subsidiary (non-current portion)	來自同系附屬公司的貸款(非流動部份)	648,045	1,658,683	646,682	1,791,586
Interest-bearing bank borrowings (non-current portion)	計息銀行貸款(非流動部份)	230,134	–	227,430	–
Loans from an intermediate holding company	來自中間控股公司的貸款	475,419	509,581	473,114	607,026
		1,353,598	2,168,264	1,347,226	2,398,612

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

47. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Management has assessed that the fair values of trade and bills receivables (current portion), balances with fellow subsidiaries (current portion), an intermediate holding company, non-controlling shareholders of subsidiaries, associates (current portion) and related companies (current portion), financial assets included in prepayments, deposits and other receivables, pledged time deposits, cash and cash equivalents, trade and bills payables, other payables and accruals and interest-bearing bank borrowings (current portion) approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's finance department headed by the chief financial officer is responsible for determining the policies and procedures for the fair value measurement of financial instruments. At each reporting date, the finance department analyses the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the chief financial officer and then reported to the chief executive officer. The valuation process and results are discussed with the audit committee twice a year for interim and annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

47. 金融工具之公平值及公平值等級制度 (續)

管理層評估後認為，應收貿易賬款及票據（流動部份）、與同系附屬公司（流動部份）、中間控股公司、附屬公司之非控股股東、聯營公司（流動部份）及關聯公司（流動部份）之結餘、計入預付款項、按金及其他應收賬款的財務資產、已抵押定期存款、現金及現金等值、應付貿易賬款及票據、其他應付款項及應計費用、以及計息銀行貸款（流動部份）之公平值與其各自之賬面值相若，主要是由於該等工具於短期內到期。

由財務總監領導之本集團之財務部門負責釐定金融工具公平值計量之政策及程序。於每個報告日期，財務部門分析金融工具的價值變動並釐定估值中適用的主要參數。估值由財務總監審核及批准，繼而報告予行政總裁。估值過程及結果每年兩次於中期及年度財務申報時與審核委員會進行討論。

財務資產及負債之公平值計入自願（而非強迫或清盤出售）交易雙方於當前交易中可互換工具之金額內。

於估計公平值時，會使用下列方式及假設：

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

47. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

The fair values of the non-current portion of trade receivables, loans to related companies, loans from a fellow subsidiary, interest-bearing bank borrowings and loans from an intermediate holding company have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for loans from a fellow subsidiary, interest-bearing bank borrowings and loans from an intermediate holding company as at 31 December 2016 was assessed to be insignificant.

The fair values of listed equity investments are based on quoted market prices. The fair values of unlisted available-for-sale investments and derivative financial instruments, including PMH Derivatives and AVIC Joy Derivative, have been estimated using a valuation technique based on assumptions that are supported by observable market prices or rates. The directors believe that the estimated fair values resulting from the valuation technique, which are recorded in the consolidated statement of financial position, and the related changes in fair values, which are recorded in other comprehensive income and consolidated statement of profit or loss, are reasonable, and that they were the most appropriate values at the end of the reporting period.

The Group enters into derivative financial instruments with various counterparties. Derivative financial instruments were measured using valuation models which incorporate various market observable inputs including the credit quality of counterparties and interest rate curves. The carrying amounts of derivative financial instruments were the same as their fair values. As at 31 December 2016, the marked to market value of the above derivative asset position was net of a credit valuation adjustment attributable to derivative counterparty default risk.

47. 金融工具之公平值及公平值等級制度 (續)

應收貿易賬款、向關聯公司提供的貸款、來自同系附屬公司的貸款、計息銀行貸款及來自中間控股公司的貸款的非流動部份的公平值乃按具有類似條款、信貸風險及剩餘年期之工具現行之利率折現預期未來現金流量計算。於二零一六年十二月三十一日，本集團本身來自同系附屬公司的貸款、計息銀行貸款及來自中間控股公司的貸款的不履約風險被評估為不重大。

上市股本投資之公平值乃以所報市價作為基礎。非上市可供出售的投資及衍生金融工具(包括天下圖控股衍生工具及幸福控股衍生工具)之公平值乃以估值技術來估量，該估值技術採納之假設皆有可觀察市價或比率作為支持。董事認為，綜合財務狀況表記錄之按估值技術所估量之公平值以及其他全面收益及綜合損益表內記錄之公平值相關變動乃屬合理，於報告期末，其價值最為恰當。

本集團與多個交易方訂立衍生金融工具合約。衍生金融工具採用結合多項市場可觀察輸入數據的估值模型進行計量，包括交易方的信貸質量及利率曲線。衍生金融工具的賬面值等於其公平值。於二零一六年十二月三十一日，上述衍生資產持倉的市值已扣除因衍生工具交易方違約風險而產生的信貸估值調整。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

47. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

以公平值計量之資產：

47. 金融工具之公平值及公平值等級制度 (續)

公平值等級制度

下表列示本集團金融工具之公平值計量等級：

		Fair value measurement using 使用以下各項進行公平值計量			
		Quoted prices in active markets (Level 1) 於活躍市場的報價 (第一級) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察輸入數據 (第二級) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察輸入數據 (第三級) HK\$'000 千港元	Total 合計 HK\$'000 千港元
As at 31 December 2016	於二零一六年十二月三十一日				
Available-for-sale investments:	可供出售的投資：				
Equity investments	股本投資	149,581	-	-	149,581
Debt investments	債務投資	-	129,164	-	129,164
Equity investment at fair value through profit or loss	按公平值計入損益之股本投資	87,619	-	-	87,619
Derivative financial instruments	衍生金融工具	-	11,338	-	11,338
		237,200	140,502	-	377,702
As at 31 December 2015	於二零一五年十二月三十一日				
Available-for-sale investments:	可供出售的投資：				
Equity investments	股本投資	283,688	-	-	283,688
Debt investments	債務投資	2,290	114,443	-	116,733
Equity investment at fair value through profit or loss	按公平值計入損益之股本投資	285,713	-	-	285,713
Derivative financial instruments	衍生金融工具	-	119,896	-	119,896
		571,691	234,339	-	806,030

The Group did not have any financial liabilities measured at fair value as at 31 December 2016 and 2015.

During the year, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and financial liabilities (2015: Nil).

於二零一六年及二零一五年十二月三十一日，本集團並無任何按公平值計量之財務負債。

年內，財務資產及財務負債之第一級及第二級之間均無轉移公平值計量，亦無轉入或轉出第三級（二零一五年：無）。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

47. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments: (continued)

Assets for which fair values are disclosed:

有披露公平值之資產：

47. 金融工具之公平值及公平值等級制度 (續)

公平值等級制度 (續)

下表列示本集團金融工具之公平值計量等級：(續)

		Fair value measurement using 使用以下各項進行公平值計量			
		Quoted prices in active markets (Level 1) 於活躍市場 的報價 (第一級) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) HK\$'000 千港元	Total 合計 HK\$'000 千港元
As at 31 December 2016	於二零一六年 十二月三十一日				
Trade receivable (non-current portion)	應收貿易賬款 (非流動部份)	-	18,862	-	18,862
As at 31 December 2015	於二零一五年 十二月三十一日				
Trade receivable (non-current portion)	應收貿易賬款 (非流動部份)	-	19,356	-	19,356
Due from a fellow subsidiary (non-current portion)	應收同系附屬公司 (非流動部份)	-	3,022	-	3,022
Loans to associates	向聯營公司提供的貸款	-	10,373	-	10,373
Loans to related companies (non-current portion)	向關聯公司提供的貸款 (非流動部份)	-	12,065	-	12,065
		-	44,816	-	44,816

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

47. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy (continued)

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments: (continued)

Liabilities for which fair values are disclosed:

有披露公平值之資產：

47. 金融工具之公平值及公平值等級制度 (續)

公平值等級制度 (續)

下表列示本集團金融工具之公平值計量等級：(續)

		Fair value measurement using 使用以下各項進行公平值計量			
		Quoted prices in active markets (Level 1) 於活躍市場 的報價 (第一級) HK\$'000 千港元	Significant observable inputs (Level 2) 重大可觀察 輸入數據 (第二級) HK\$'000 千港元	Significant unobservable inputs (Level 3) 重大不可觀察 輸入數據 (第三級) HK\$'000 千港元	Total 合計 HK\$'000 千港元
As at 31 December 2016	於二零一六年 十二月三十一日				
Loans from a fellow subsidiary (non-current portion)	來自同系附屬公司的貸款 (非流動部份)	-	646,682	-	646,682
Interest-bearing bank borrowings (non-current portion)	計息銀行貸款 (非流動部份)	-	227,430	-	227,430
Loans from an intermediate holding company	來自中間控股公司的貸款	-	473,114	-	473,114
		-	1,347,226	-	1,347,226
As at 31 December 2015	於二零一五年 十二月三十一日				
Loans from a fellow subsidiary (non-current portion)	來自同系附屬公司的 貸款 (非流動部份)	-	1,791,586	-	1,791,586
Loans from an intermediate holding company	來自中間控股公司 的貸款	-	607,026	-	607,026
		-	2,398,612	-	2,398,612

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments, other than derivatives, comprise bank loans and cash and short term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations. The Group has various other financial assets and liabilities, such as trade and bills receivables and trade and bills payables, which arise directly from its operations.

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

Foreign currency risk

The Group's foreign currency exposures primarily arise from certain sales or purchases by operating units in currencies other than the units' functional currencies. In view of the fact that the Group tries to match its assets and liabilities with the same currency, the Group's exposure to foreign currency risk is minimal.

Interest rate risk

The Group has no significant interest rate risk because the Group's interest-bearing debts, including loans from fellow subsidiaries and an intermediate holding company and interest-bearing bank borrowings, are arranged on a fixed rate basis.

Credit risk

The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis and the Group's exposure to bad debts is not significant.

48. 財務風險管理目標及政策

本集團的主要金融工具（而非衍生）包括銀行貸款及現金及短期存款。此等金融工具的主要用途是為本集團的營運提供財源。本集團亦有各樣的其他財務資產及負債，例如應收貿易賬款及票據及應付貿易賬款及票據，乃直接由營運而產生。

本集團的金融工具所產生的主要風險是外匯風險、利率風險、信貸風險、流動性風險及股價風險。董事會已審議並批准管理此等風險的政策，概述如下。

外匯風險

本集團的外匯風險主要產生自營運單位以該單位功能貨幣以外的其他貨幣進行的若干銷售或採購。鑒於本集團致力把相同貨幣的資產及負債配合，因此本集團所承受的外匯風險很低。

利率風險

由於本集團的計息債務（包括來自同系附屬公司和中間控股公司的貸款以及計息銀行貸款）是以固定利率計息，因此本集團並無重大利率風險。

信貸風險

本集團僅與經認可的及信譽良好的第三方進行交易。本集團的政策是所有有意進行信貸交易的客戶均需通過信貸驗證措施。再者，本集團持續監察應收款項的結餘，因此壞賬的風險並不重大。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Credit risk (continued)

The credit risk of the Group's other financial assets, which comprise cash and cash equivalents, time deposit with original maturity of more than three months, pledged time deposits, available-for-sale investments, derivative financial instruments, deposits and other receivables, an amount due from non-controlling shareholder of a subsidiary, and loans to associates and related companies, arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these instruments.

Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risk are managed by customer/counterparty, by geographical region and by industry sector. There are no significant concentrations of credit risk within the Group as the customer bases of the Group's trade and bills receivables are widely dispersed in different sectors and industries.

Further quantitative data in respect of the Group's exposure to credit risk arising from trade and bills receivables are disclosed in note 24 to the financial statements.

Liquidity risk

The Group monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial instruments and financial assets (e.g., trade and bills receivables) and projected cash flows from operations.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans and loans from fellow subsidiaries and an intermediate holding company. The Group's policy is to minimise borrowings.

48. 財務風險管理目標及政策 (續)

信貸風險 (續)

本集團其他財務資產(包括現金及現金等值、取得時原到期日超過三個月之定期存款、已抵押定期存款、可供出售的投資、衍生金融工具、按金及其他應收賬款、應收附屬公司之非控股股東款項、以及向聯營公司及關聯公司提供的貸款)的信貸風險，乃由交易對方違約而產生，有關風險以該等工具的賬面值為限。

由於本集團僅與經認可的及信譽良好的第三方進行交易，因此並無收取抵押品的需要。集中信貸風險透過客戶／交易對方管理，按地區及行業分類。由於本集團應收貿易賬款及票據的客戶基礎分佈於不同產業及行業，故集團無內部集中信貸風險。

有關本集團面臨來自應收貿易賬款及票據的信貸風險的更多量化數據乃於財務報表附註24披露。

流動性風險

本集團利用經常性流動規劃工具監控資金短缺風險。該工具衡量金融工具及財務資產(如應收貿易賬款及票據)的到期日期及規劃營運產生的現金流。

本集團的目標乃是透過利用銀行貸款及來自同系附屬公司及中間控股公司的貸款以保持融資的持續性和靈活性的平衡。本集團的政策是將借貸減至最低。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

48. FINANCIAL RISK MANAGEMENT
OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:

48. 財務風險管理目標及政策 (續)

流動性風險 (續)

於報告期末，本集團基於已訂約但未貼現付款之財務負債到期情況如下：

		2016 二零一六年				
		On demand	Less than 3 months	3 to less than 12 months	1 – 5 years	Total
		於要求時	少於三個月	三個月以上及少於十二個月	一至五年	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Due to non-controlling shareholders of subsidiaries	應付附屬公司之非控股股東	88,444	-	-	-	88,444
Due to fellow subsidiaries	應付同系附屬公司	717	-	926	-	1,643
Loans from fellow subsidiaries	來自同系附屬公司的貸款	-	566,006	30,922	707,765	1,304,693
Trade and bills payables	應付貿易賬款及票據	-	41,213	-	-	41,213
Other payables and accruals	其他應付款項及應計費用	-	17,223	-	-	17,223
Interest-bearing bank borrowings	計息銀行貸款	-	3,143	12,571	242,705	258,419
Loans from an intermediate holding company	來自中間控股公司的貸款	-	7,131	21,394	553,863	582,388
Guarantee given to banks (note 44)	向銀行提供之擔保(附註44)	76,085	-	-	-	76,085
		165,246	634,716	65,813	1,504,333	2,370,108

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

48. FINANCIAL RISK MANAGEMENT
OBJECTIVES AND POLICIES (continued)

Liquidity risk (continued)

The maturity profile of the Group's financial liabilities as at the end of the reporting period, based on the contractual undiscounted payments, is as follows:
(continued)

		2015 二零一五年				
		On demand	Less than 3 months	3 to less than 12 months	1 – 5 years	Total
		於要求時	少於三個月	十二個月	一至五年	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
Due to non-controlling shareholders of subsidiaries	應付附屬公司之非控股股東	64,301	–	–	–	64,301
Due to an intermediate holding company	應付中間控股公司	14,164	–	–	–	14,164
Due to fellow subsidiaries	應付同系附屬公司	4	–	–	–	4
Loans from fellow subsidiaries	來自同系附屬公司的貸款	–	46,617	335,539	1,807,322	2,189,478
Trade and bills payables	應付貿易賬款及票據	–	84,345	8,013	–	92,358
Other payables and accruals	其他應付款項及應計費用	–	31,892	–	–	31,892
Interest-bearing bank borrowings	計息銀行貸款	–	609	39,238	–	39,847
Loans from an intermediate holding company	來自中間控股公司的貸款	–	12,739	38,219	700,674	751,632
Guarantee given to banks (note 44)	向銀行提供之擔保(附註44)	36,489	–	–	–	36,489
		114,958	176,202	421,009	2,507,996	3,220,165

48. 財務風險管理目標及政策 (續)

流動性風險 (續)

於報告期末，本集團基於已訂約但未貼現付款之財務負債到期情況如下：(續)

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

48. FINANCIAL RISK MANAGEMENT
OBJECTIVES AND POLICIES (continued)

Equity price risk

Equity price risk is the risk that the fair values of financial instruments decrease as a result of changes in the levels of equity indices and the value of individual securities. The Group is exposed to equity price risk arising from a listed equity investment classified as trading equity investment (note 27) as at 31 December 2016. The Group's listed equity investment is listed on the Stock Exchange and is valued at quoted market price at the end of the reporting period.

The market equity index for the following stock exchange, at the close of business of the nearest trading day in the year to the end of the reporting period, and its respective highest and lowest points during the year was as follows:

	31 December 2016 二零一六年 十二月三十一日	High/low 2016 高/低 二零一六年	31 December 2015 二零一五年 十二月三十一日	High/low 2015 高/低 二零一五年
Hong Kong – Hang Seng Index 香港 – 恒生指數	22,001	22,070/21,819	21,914	21,970/21,864

48. 財務風險管理目標及政策 (續)

股價風險

股價風險即因股票指數水平及個別證券價值變動而使金融工具公平值降低的風險。於二零一六年十二月三十一日，本集團承受分類為買賣股本投資(附註27)之上市股本投資所產生之股價風險。本集團上市股本投資乃於聯交所上市，並按報告期末所報市價估值。

年內最接近報告期末交易日收市時下列證券交易所市場股價指數及其於年內之最高及最低點數如下：

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

48. FINANCIAL RISK MANAGEMENT
OBJECTIVES AND POLICIES (continued)

Equity price risk (continued)

The following table demonstrates the sensitivity to every 1% change in the fair values of the listed equity investments and the underlying equity investments of the derivative financial instruments, with all other variables held constant and before any impact on tax, based on their carrying amounts at the end of the reporting period.

48. 財務風險管理目標及政策（續）

股價風險（續）

下表呈列，在所有其他可變因素維持不變且不計稅項影響的條件下，基於報告期末上市股本投資及衍生金融工具之相關股本投資之賬面值，其公平值每改變1%的敏感度。

		Carrying amount of financial instruments 金融工具之 賬面值 HK\$'000 千港元	Increase/ (decrease) in profit before tax 稅前溢利 增加/(減少) HK\$'000 千港元	Increase/ (decrease) in equity* 權益增加/ (減少)* HK\$'000 千港元
2016	二零一六年			
Investment listed in Hong Kong	於香港上市之投資			
– Available-for-sale investment	– 可供出售的投資	149,581	–	1,496/ (1,496)
– Equity investment at fair value through profit or loss	– 按公平值計入損益之股本投資	87,619	877/ (877)	–
PMH Derivatives	天下圖控股衍生工具	9,277	176/ (176)	–
AVIC Joy Derivative	幸福控股衍生工具	2,061	70/ (155)	–
2015	二零一五年			
Investment listed in Hong Kong	於香港上市之投資			
– Available-for-sale investment	– 可供出售的投資	283,688	–	2,837/ (2,837)
– Equity investment at fair value through profit or loss	– 按公平值計入損益之股本投資	285,713	2,857/ (2,857)	–
PMH Derivatives	天下圖控股衍生工具	90,444	1,130/ (1,130)	–
AVIC Joy Derivative	幸福控股衍生工具	29,452	342/ (3)	–

* Excluding retained profits

* 不包括留存溢利

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. Except for the composition of debt in the calculation of the gearing ratio, no changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2016 and 31 December 2015.

The Group monitors capital using a gearing ratio, which is the interest-bearing debts divided by equity attributable to owners of the parent plus the interest-bearing debt. Interest-bearing debts include loans from fellow subsidiaries, interest-bearing bank borrowings and loans from an intermediate holding company.

48. 財務風險管理目標及政策 (續)

資本管理

本集團資本管理的首要目標，為確保本集團具備持續發展的能力，且維持穩健的資本比率，以支持其業務運作，爭取最大的股東價值。

本集團根據經濟情況的變動及相關資產的風險特徵，管理其資本結構並作出調整。為維持或調整資本結構，本集團可能會調整向股東派發的股息、向股東退回資本或發行新股。本集團不會受制於任何外部施加之資本需求。除計算資本負債率時之負債構成外，截至二零一六年十二月三十一日及二零一五年十二月三十一日止年度內，資本管理之目標、政策或程序並無改變。

本集團以資本負債率(計息債務除以母公司所有者應佔權益加計息債務)監控資本的情況。計息債務包括來自同系附屬公司的貸款、計息銀行貸款及來自中間控股公司的貸款。

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

48. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

Capital management (continued)

The gearing ratios as at the end of the reporting periods were as follows:

48. 財務風險管理目標及政策（續）

資本管理（續）

報告期末之資本負債率如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Loans from fellow subsidiaries	來自同系附屬公司的貸款	1,234,637	1,864,671
Interest-bearing bank borrowings	計息銀行貸款	230,134	37,964
Loans from an intermediate holding company	來自中間控股公司的貸款	475,419	509,581
Interest-bearing debts	計息債務	1,940,190	2,412,216
Equity attributable to owners of the parent	母公司所有者應佔權益	1,973,272	2,737,534
Equity attributable to owners of the parent plus the interest-bearing debts	母公司所有者應佔權益 加計息債務	3,913,462	5,149,750
Gearing ratio	資本負債率	50%	47%

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

49. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period is as follows:

49. 本公司財務狀況表

有關本公司於報告期末的財務狀況表的資料載列如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產		
Property, plant and equipment	物業、廠房和設備	23,211	24,411
Investments in subsidiaries	附屬公司之投資	1,726,465	849,550
Total non-current assets	非流動資產總值	1,749,676	873,961
CURRENT ASSETS	流動資產		
Prepayments, deposits and other receivables	預付款項、按金及其他應收賬款	840	4,016
Due from a subsidiary	應收附屬公司	955	954
Cash and cash equivalents	現金及現金等值	346,020	320,589
Total current assets	流動資產總值	347,815	325,559
CURRENT LIABILITIES	流動負債		
Other payables and accruals	其他應付款項及應計費用	2,358	3,302
NET CURRENT ASSETS	流動資產淨值	345,457	322,257
Net assets	資產淨值	2,095,133	1,196,218
EQUITY	權益		
Issued capital	已發行股本	551,959	551,959
Reserves (Note)	儲備(附註)	1,543,174	644,259
Total equity	權益總值	2,095,133	1,196,218

NOTES TO FINANCIAL STATEMENTS 財務報表附註

31 December 2016 二零一六年十二月三十一日

49. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (continued)

Note:

A summary of the Company's reserves is as follows:

		Share premium account 股份溢價賬 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Retained profits 留存溢利 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2015	於二零一五年一月一日	609,080	5,243	96,944	711,267
Total comprehensive income for the year	本年全面收益總額	-	-	(67,008)	(67,008)
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及二零一六年一月一日	609,080	5,243	29,936	644,259
Total comprehensive income for the year	本年全面收益總額	-	-	898,915	898,915
At 31 December 2016	於二零一六年十二月三十一日	609,080	5,243	928,851	1,543,174

The contributed surplus of the Company represents the excess of the consolidated net asset value of Far East Aluminium (B.V.I.) Limited on 20 November 1991, when its entire issued share capital was acquired by the Company pursuant to a group reorganisation, over the nominal amount of the Company's shares issued in consideration for such acquisition, net of accumulated losses of the Company set off in the prior years. Under the Companies Act of 1981 of Bermuda, the contributed surplus of the Company is distributable to shareholders under certain circumstances.

The Company's share premium account of HK\$609,080,000 (2015: HK\$609,080,000) as at 31 December 2016 may be distributed in the form of fully paid bonus shares.

50. COMPARATIVE AMOUNTS

The comparative consolidated statement of profit or loss has been re-presented as if the operation discontinued during the current year had been discontinued at the beginning of the comparative period (note 11).

51. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 14 March 2017.

49. 本公司財務狀況表（續）

附註：

本公司儲備概述如下：

		Share premium account 股份溢價賬 HK\$'000 千港元	Contributed surplus 繳入盈餘 HK\$'000 千港元	Retained profits 留存溢利 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 1 January 2015	於二零一五年一月一日	609,080	5,243	96,944	711,267
Total comprehensive income for the year	本年全面收益總額	-	-	(67,008)	(67,008)
At 31 December 2015 and 1 January 2016	於二零一五年十二月三十一日及二零一六年一月一日	609,080	5,243	29,936	644,259
Total comprehensive income for the year	本年全面收益總額	-	-	898,915	898,915
At 31 December 2016	於二零一六年十二月三十一日	609,080	5,243	928,851	1,543,174

本公司之繳入盈餘為本公司根據集團重組安排於一九九一年十一月二十日購入Far East Aluminium (B.V.I.) Limited全部已發行股本時，Far East Aluminium (B.V.I.) Limited之綜合資產淨值超過本公司作為收購代價而發行之股份面值之金額，並已扣除於過往年度抵銷之本公司累積虧損。根據百慕達公司法一九八一，本公司之繳入盈餘在若干情況下可供分派予各股東。

本公司於二零一六年十二月三十一日之股份溢價賬609,080,000港元（二零一五年：609,080,000港元）可以繳足紅股方式分派。

50. 比較數字

比較綜合損益表已重列，猶如於本年度內已終止經營業務已於比較期間開始時終止經營（附註11）。

51. 財務報表之批准

財務報表已於二零一七年三月十四日經董事會批准及授權刊發。

PARTICULARS OF PROPERTIES 物業資料

31 December 2016 二零一六年十二月三十一日

INVESTMENT PROPERTIES

投資物業

Location 地點	Use 用途	Tenure 租期	Attributable interest of the Group 本集團 應佔權益
3/F to 13/F, Phase A The International Square Shahekou District Dalian City Liaoning Province The PRC 中國遼寧省大連市沙河口區 中航國際廣場 A期三至十三樓	Office 辦公室	Medium term 中期	52.08%

PROPERTIES UNDER DEVELOPMENT/PROPERTIES FOR SALE

發展中物業／持作出售之已完成物業

Location 地點	Use 用途	Site area 地盤面積 (sq.m.) (平方米)	Gross floor area 總建築面積 (sq.m.) (平方米)	Stage of completion 工程完成階段	Expected completion date 估計竣工日期	Attributable interest of the Group 本集團 應佔權益
The International Square Shahekou District Dalian City Liaoning Province The PRC 中國遼寧省大連市 沙河口區 中航國際廣場	Commercial/ residential 商業／住宅	46,935	435,609	Partly completed and partly work in progress 部份已竣工及 部份工程進行中	December 2019 二零一九年十二月	52.08%
Liangjiangxin District Chongqing City The PRC 中國重慶市兩江新區	Commercial/ residential 商業／住宅	375,252	401,514	Work in progress 工程進行中	December 2019 二零一九年十二月	99%

FIVE YEAR FINANCIAL SUMMARY 五年財務概要

A summary of the results and the assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the published audited financial statements and restated/reclassified as appropriate, is set out below. This summary is not part of the audited financial statements.

本集團過去五個財政年度的業績及資產、負債和非控股權益概述如下，乃摘錄自己刊發經審核財務報表，並已作適當重列／重新分類。此等概要並非經審核財務報表的部份。

		Year ended 31 December 截至十二月三十一日止年度				
		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元
RESULTS	業績					
CONTINUING OPERATIONS	持續經營業務					
Revenue	收益	102,786	2,154,988	17,443	-	-
PROFIT/(LOSS) BEFORE TAX	除稅前溢利／(虧損)	(742,978)	205,573	50,025	483,143	419,155
Income tax credit/(expense)	所得稅抵免／(開支)	6,685	(108,057)	(569)	(81,117)	(60,903)
PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS	來自持續經營業務之 本年溢利／(虧損)	(736,293)	97,516	49,456	402,026	358,252
DISCONTINUED OPERATION	已終止經營業務					
Profit/(loss) for the year from a discontinued operation	來自已終止經營業務之 本年溢利／(虧損)	27,362	(14,056)	(43,509)	(5,351)	2,743
PROFIT/(LOSS) FOR THE YEAR	本年溢利／(虧損)	(708,931)	83,460	5,947	396,675	360,995
Attributable to:	下列人士應佔：					
Owners of the parent	母公司所有者	(685,842)	41,820	27,266	397,242	359,651
Non-controlling interests	非控股權益	(23,089)	41,640	(21,319)	(567)	1,344
		(708,931)	83,460	5,947	396,675	360,995
ASSETS, LIABILITIES AND NON-CONTROLLING INTERESTS	資產、負債及 非控股權益					
Total assets	資產總值	5,703,073	6,417,546	8,680,613	2,348,352	2,086,453
Total liabilities	負債總值	(3,176,320)	(3,085,888)	(5,318,852)	(118,040)	(128,254)
Non-controlling interests	非控股權益	(553,481)	(594,124)	(578,390)	(5,082)	(5,582)
		1,973,272	2,737,534	2,783,371	2,225,230	1,952,617

CORPORATE INFORMATION 公司資料

DIRECTORS

Liu Hongde (*Chairman*)
Pan Linwu (*Deputy Chairman*)
Lai Weixuan
Zhou Chunhua
Xu Hongge (*Chief Executive Officer*)
Chow Wai Kam*
Chu Yu Lin, David**
Li Ka Fai, David**
Li Zhaoxi**

* *Non-executive Director*
** *Independent Non-executive Directors*

AUDIT COMMITTEE

Chu Yu Lin, David (*Chairman*)
Li Ka Fai, David
Li Zhaoxi

REMUNERATION COMMITTEE

Chu Yu Lin, David (*Chairman*)
Liu Hongde
Li Ka Fai, David

COMPANY SECRETARY

Tsui Choi Yee, Connie

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited

AUDITORS

Ernst & Young

REGISTERED OFFICE

Canon's Court, 22 Victoria Street
Hamilton, HM 12, Bermuda

董事

劉洪德 (*主席*)
潘林武 (*副主席*)
賴偉宣
周春華
徐洪舸 (*行政總裁*)
周偉淦*
朱幼麟**
李家暉**
李兆熙**

* *非執行董事*
** *獨立非執行董事*

審核委員會

朱幼麟 (*主席*)
李家暉
李兆熙

薪酬委員會

朱幼麟 (*主席*)
劉洪德
李家暉

公司秘書

徐彩儀

主要銀行

香港上海滙豐銀行有限公司

核數師

安永會計師事務所

註冊辦事處

Canon's Court, 22 Victoria Street
Hamilton, HM 12, Bermuda

CORPORATE INFORMATION

公司資料

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit B, 15th Floor, United Centre
95 Queensway, Hong Kong

SHARE REGISTRARS

Principal registrars

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM 08
Bermuda

Hong Kong registrars

Computershare Hong Kong Investor Services Limited
Rooms 1712-1716, 17th Floor, Hopewell Centre
183 Queen's Road East, Wan Chai, Hong Kong

WEBSITE

www.avic.com.hk

STOCK CODE

232

總辦事處及主要營業地點

香港金鐘道95號
統一中心15樓B室

股份過戶登記處

主要股份過戶登記處

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM 08
Bermuda

香港股份過戶登記處

香港中央證券登記有限公司
香港灣仔皇后大道東183號
合和中心17樓1712-1716室

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股份代號

232



AVIC International Holding (HK) Limited
中國航空工業國際控股(香港)有限公司