

NOTES TO FINANCIAL STATEMENTS

31 December 2016

19. CONTRACT IN PROGRESS *(Continued)*

On 22 February 2016, the Group entered into a supplemental Land Development Contract (the “Supplemental Contract”) with the Nan’an Government, pursuant to which certain terms and conditions of the Land Development Contract were revised. In accordance with the Supplemental Contract, the Group continues to carry out the construction and preparation works in respect of land infrastructure and ancillary public facilities over certain land parcels in Nan’an City and the Nan’an Government will pay the Group the construction and other related costs plus a margin. Such amount will be paid by the Nan’an Government upon the related land parcels to be sold by the Nan’an Government through public auction.

20. INVESTMENTS IN JOINT VENTURES

	2016 RMB’000	2015 RMB’000
Share of net assets	1,301,941	593,496
Due to joint ventures	(11,913)	(11,913)
	1,290,028	581,583

The amounts due to joint ventures are unsecured, interest-free and have no fixed terms of repayment.

Particulars of the Group’s material joint ventures are as follows:

Name	Nominal value of registered/ paid-up capital	Place of incorporation/ registration and business	Percentage of ownership interest attributable to the Group	Principal activities
Shanghai Zhongjun Chuangfu Real Estate Co., Ltd. * (“Shanghai Zhongjun Chuangfu”) (上海中駿創富房地產有限公司#)	Registered capital of RMB1,800,000,000	China	50 ⁽¹⁾	Property development and property investment

* Registered as Sino-foreign joint venture under the PRC law

The English name of this company represents the best effort made by management of the Company to directly translate its Chinese name as no official English name is registered.

⁽¹⁾ Pursuant to the relevant shareholders’ agreements, the Group is entitled to a 40% voting right in the board of directors of this entity.

The above investment is held indirectly by subsidiaries of the Company.