



雅居樂地產控股有限公司  
**AGILE PROPERTY HOLDINGS LIMITED**  
(Incorporated in the Cayman Islands with limited liability)  
(於開曼群島註冊成立的有限公司) Stock code 股份代號 : 3383

遠見、心建、共建未來  
Develop our future with  
vision and enthusiasm

二零零九中期報告  
Interim Report 2009





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# Corporate Information and Information for Shareholders

## Board of Directors

### Executive Directors

Mr. Chen Zhuo Lin (*Chairman*)  
Mr. Chan Cheuk Yin (*Vice-Chairman and Co-President*)  
Ms. Luk Sin Fong, Fion (*Vice-Chairlady and Co-President*)  
Mr. Chan Cheuk Hung  
Mr. Chan Cheuk Hei  
Mr. Chan Cheuk Nam

### Independent Non-executive Directors

Dr. Cheng Hon Kwan *GBS, OBE, JP*  
Mr. Kwong Che Keung, Gordon  
Mr. Cheung Wing Yui

## Company Secretary

Ms. Wai Ching Sum

## Authorised Representatives

Ms. Luk Sin Fong, Fion  
Ms. Wai Ching Sum

## Auditors

PricewaterhouseCoopers

## Legal Advisors

*as to Hong Kong law:*  
Sidley Austin Brown & Wood  
lu, Lai & Li

*as to PRC law:*  
Jingtian & Gongcheng

*as to BVI and Cayman Islands law:*  
Conyers Dill & Pearman

*as to the US law:*  
Sidley Austin Brown & Wood

## Committees

### Nomination Committee

Mr. Cheung Wing Yui (*Committee Chairman*)  
Dr. Cheng Hon Kwan *GBS, OBE, JP*  
Mr. Kwong Che Keung, Gordon  
Ms. Luk Sin Fong, Fion

### Remuneration Committee

Dr. Cheng Hon Kwan *GBS, OBE, JP* (*Committee Chairman*)  
Mr. Kwong Che Keung, Gordon  
Mr. Cheung Wing Yui  
Ms. Luk Sin Fong, Fion

### Audit Committee

Mr. Kwong Che Keung, Gordon (*Committee Chairman*)  
Dr. Cheng Hon Kwan *GBS, OBE, JP*  
Mr. Cheung Wing Yui

## Principal Bankers

Bank of China Limited  
Industrial and Commercial Bank of China Limited  
China Construction Bank Corporation  
Agricultural Bank of China Limited  
The Bank of East Asia, Limited  
The Hongkong and Shanghai Banking Corporation Limited

## Principal Share Registrar

Butterfield Fund Services (Cayman) Limited  
Butterfield House  
68 Fort Street  
P.O. Box 705, George Town  
Grand Cayman  
Cayman Islands

## Corporate Information

and Information for Shareholders

### Branch Share Registrar in Hong Kong

Tricor Investor Services Limited  
26th Floor, Tesbury Centre  
28 Queen's Road East  
Hong Kong

### Registered Office

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

### Principal Place of Business in the PRC

Agile Hotel  
Jinyong Road  
Sanxiang Town  
Zhongshan City  
Guangdong Province, PRC  
Postal Code: 528463

### Place of Business in Hong Kong

20th Floor  
238 Nathan Road  
Kowloon  
Hong Kong

### Investor Relations

Corporate Communications Department  
E-mail: [ir@agile.com.cn](mailto:ir@agile.com.cn)  
Telephone: (852) 2780 8688  
(86) 760 8668 6868  
Facsimile: (852) 2780 8822  
(86) 760 8632 7753

### Website

<http://www.agile.com.cn>

### Listing Information

#### Share Listing

The Company's ordinary shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (Stock Code: 3383)

#### Senior Notes Listing

The Company's 9% 7-year senior notes are listed on The Singapore Exchange Securities Trading Limited

### Financial Calendar

Closure of register of members:  
28 September 2009 to 30 September 2009 (both dates inclusive)

#### Interim Dividends

Interim Dividend:	HK5.6 cents per share
Ex-dividend Date:	24 September 2009
Dividend Record Date:	30 September 2009
Dividend Payment Date:	9 October 2009

# Financial Highlights

## Income statement highlights

	For the six months ended 30 June		
	2009	2008	Change
Turnover (RMB million)	5,613	2,343	+139.5%
Gross profit (RMB million)	1,915	1,116	+71.6%
Gross profit margin	34.1%	47.6%	-13.5%
Net profit (RMB million)	705	289*	+143.9%
Profit attributable to the shareholders (RMB million)	706	288*	+144.8%
Net profit margin	12.6%	12.3%*	+0.3%
Basic earnings per share (RMB)	0.195	0.077*	+153.2%
Interim dividend per share (HK cents)	5.6	27.1	-79.3%

\* Excluding the gain from the disposal of 30% equity interest in the Hainan Clearwater Bay project for the corresponding period in 2008.

## Balance sheet highlights

	As at	As at	Change
	30 June 2009	31 December 2008	
Total assets (RMB million)	35,177	34,978	+0.6%
Cash and cash equivalents (RMB million)	4,912	3,044	+61.4%
Short-term loans (RMB million)	2,151	3,510	-38.7%
Long-term loans (RMB million)	6,169	6,559	-5.9%
Shareholders' equity (RMB million)	13,179	12,916	+2.0%
Return on equity (ROE)	5.4%	10.2%*	-4.8%
Total debt/total assets	23.7%	28.8%	-5.1%
Net debt/shareholders' equity	22.4%	54.4%	-32.0%

\* Excluding the gain from the disposal of 30% equity interest in the Hainan Clearwater Bay project in 2008.

# Chairman's Statement

## Dear shareholders

I am pleased to present the interim results of Agile Property Holdings Limited ("Agile" or the "Company"), together with its subsidiaries (the "Group"), for the six months ended 30 June 2009.

For the six months ended 30 June 2009, the Group's turnover and gross profit amounted to approximately RMB5,612.7 million and RMB1,915.0 million, representing an increase of 139.5% and 71.6% respectively when compared with the corresponding period in 2008. Profit attributable to shareholders was RMB706.1 million and basic earnings per share were RMB0.195.

## Dividend

Thanks to the shareholders for their continued support and trust, as the Group strives to cope with its future development needs, the board of directors of Agile (the "Board") has resolved to declare an interim dividend of HK5.6 cents per share, representing a decrease of 79.3% from that of HK27.1 cents per share in the corresponding period in 2008. The relatively high interim dividends in 2008 is attributable to a gain from the disposal of 30% equity interest in Hainan Clearwater Bay project in the first half of 2008.

## Business review

Affected by the financial tsunami in 2008, the mainland property purchasers adopted a wait-and-see attitude, hence the decrease in overall prices and volumes. In late 2008, the Central Government had timely and suitably adjusted the macroeconomic policies and introduced various measures in favour of the real estate industry, a national pillar industry, in order to support its long-term and rational development. In the first half of 2009, the mainland property market has gradually recovered with a steady rise in both price and volume, which not only demonstrates the full release of solid market demand under the properly implemented policies, but also has a positive impact on the industry integration and its long-term development.

With the market conditions improving, the Group had timely adjusted its strategies in response to market demand. During the period, the turnover of the Group's projects on sale including Agile Egret Lake Huizhou and La Cite Greenville Zhongshan had been largely improved. Certain projects, including Agile Garden Guangzhou and Agile Garden Nanjing have even fulfilled their annual sales target. In addition, the Group has launched the sales of new components during the period, and certain new components by the projects such as Agile Binjiang Garden Conghua were sold out on the launch day.

While solidifying its leading market position in Pearl River Delta region, the Group has actively implemented a diversified development strategy, and the sales performance of projects outside Guangdong Province was remarkable. Hainan Clearwater Bay, being the Group's third project outside Guangdong Province, was launched for sale on 28 March 2009 with fanfare and had achieved encouraging sales results. As at 30 June 2009, its contracted sales reached RMB2.1 billion, and the brand of Agile had been successfully established in the region. On 28 June 2009, Agile Garden Xi'an, the Group's fourth project outside Guangdong Province, was also launched for sale by the Group and had achieved satisfactory sales results.



# Chairman's

## Statement

### Land bank

The Group has been capable of seizing land acquisition opportunities in a timely manner. Taking into account its cash flow and development strategies, the Group is primarily seeking investment opportunities in cities that ride on its well-established brand, particularly in the peripheral areas of projects near completion, as well as other cities with potential.

As at 30 June 2009, the Group had a land bank in GFA of 27.72 million sq.m., including completed GFA for sale of 750,000 sq.m. and GFA under development of 3,330,000 sq.m..

Following the recovery in market sentiment, the Group suitably replenished its land bank during July to August to cope with future development. On 3 July 2009, the Group acquired Nanhai Yanbu Project through land auction, for a consideration of RMB1.12 billion, with a GFA of over 370,000 sq.m.. Moreover, on 12 August 2009, the Group acquired Shenyang Shenbei Project by means of listing, for a consideration of RMB360 million, with a GFA of over 700,000 sq.m.. On 19 August 2009, the Group also acquired through public auction Panyu Southern District Project and Huadu No.107 National Road Project B, for a respective consideration of RMB480 million and RMB240 million, with a respective GFA of over 190,000 sq.m. and 140,000 sq.m.. Furthermore, on 6 September 2009, the Group acquired Zhongshan Nanlang Binhai Project by means of assignment, for a consideration of RMB330 million, with a GFA of over 490,000 sq.m.. As at 9 September 2009, the Group had 56 projects in 21 cities and districts, and a land bank with total GFA of over 29.55 million sq.m., which is sufficient to meet its development needs in the next 8 to 10 years.

### Business portfolio

While maintaining solid growth, the Group will continue to develop its hotel business and strive for a more optimal and diversified business portfolio, with a view to generating stable returns and diversifying operational risks. During the period, the Group owned a total of two self-operated hotels, namely Guangzhou Agile Hotel and Foshan Agile Hotel. Looking forward, the Group will prudently and gradually expand its business portfolio. Agile International Plaza Shanghai will be opened in mid-2010, and Sheraton Bailuhu Resort Huizhou and Raffles Sanya Qingshui Bay will be opened in 2011.

### Investor relations

The Company always values effective two-way communication with shareholders and investors. During the period, the management regularly participated in various domestic and international investor conferences, and attended group or one-on-one meetings with investors. The meetings not only provided the investors with clear and accurate information on latest operations, development strategies, and market outlook in a timely manner. They also answered to their queries about the Company and industry being the Company's effort in maintaining an appropriate degree of transparency and excellent corporate governance.

### Corporate social responsibilities

The Group upholds the belief of "Benefiting from Society, Giving back to Society" and shoulders its social responsibilities.

During the period, the Group actively participated in various social welfare activities. In respect of education and study aid, the Group implemented a project monitoring mechanism and the reconstruction plan of 14 schools in Sichuan earthquake-stricken areas, so as to ensure all buildings are safe and of good quality. To date, 7 schools have been constructed and put into use on 1 September 2009, the construction of 3 others schools has begun, and the remaining 4 are under planning. Meanwhile, the Group continued to support of "Agile Property Scholarship and Study Subsidy" designed for 10 leading colleges and universities, including Tsinghua University, and benefited a total of 200 students so far. In respect of medical support, the Group donated RMB3 million to the Foundation of Chinese Lifeline Express to sponsor impoverished cataract patients in Jiaozuo City of Henan Province and Suining City of Sichuan Province for free operation. In addition, the Group proactively organised the staff to form the "Agile Volunteer Team" and undertook a series of charitable activities, including "Oneirromancy for Children in Disaster-stricken Area", "Love in Action to Disabled Children and Orphans" and "Oxfam Rice Sale, Hong Kong".

Agile's spirit of undertaking its social responsibility and obligations as a corporate citizen is highly recognised and widely appraised by the society. In the first half of 2009, the Group was granted "China Charity Outstanding Contribution Award" and respectively ranked fourth and fifth in "Forbes China Philanthropy List 2009" and "List of Hurun Philanthropy Branch 2009" respectively.

## Property management

With national class one accreditation in property management, Zhongshan Agile Property Management Services Co., Ltd. provides comprehensive property management services to properties developed by the Group. While advocating customer-oriented service, the company is accredited with ISO9001:2008 International Quality System Certificate by BSI Group, showing that its service quality has reached international standard.

In addition to the provision of services, including security, cleaning and greenery, repairing and maintenance, and clubhouse management, the Group also cares about the lifestyle and the customized requirements of its 160,000 residents, enabling them to live in peace and enjoy their work.

The Group has expanded its services to include high-end tourism resort and commercial property management and has prepared to set up a high-end residential and commercial property management company to cope with the Group's all round development in the future.

## Development strategies

The Group will continue to pay close attention to market changes, flexibly adjust its sales strategy and further optimise its product type and design, and will strive for the provision of quality products to meet market demand. Meanwhile, the Group will further enhance its national layout and nationwide sales. Currently, the Group focuses on large-scale comprehensive property development, while prudently developing its hotel business and investment properties, in a bid to exploit revenue sources and diversify operational risks.

With regard to financial management, the Group will maintain a sound financial policy with stringent cost control, and will strive to maintain the gearing ratio at a reasonable level with sufficient cash flow. As at 30 June 2009, the Group's cash and cash equivalents amounted to RMB4.9 billion, and its net gearing ratio was only 22.4%.

With regard to corporate governance, the Group will continue to improve corporate governance and management efficiency, enhance the operational management structure, refine internal monitoring system and management standardization, foster the work flow, increase work efficiency, establish internal control stipulations, in order to optimise an effective management framework.

## Prospect

In the first half of 2009, the Group achieved satisfactory results. Looking forward to the second half, we are cautiously optimistic about the short-term market conditions and yet remain confident in the long-term outlook. With a business philosophy of "Stability, Prudence, Sustainability", we will maintain our visionary development strategy, sound financial policy, and efficient business management with a view to maximising returns for our shareholders and investors.

## Acknowledgement

On behalf of the Board, I would like to express heartfelt gratitude to our shareholders and customers for their enormous support and to our staff for their concerted efforts and enthusiasm for a prudent and solid growth of Agile.

**CHEN Zhuo Lin**

*Chairman*

Hong Kong, 9 September 2009



# Land Bank

of the Group (as at 9 September 2009)

No.	Project Name	City/District	Classified by Location	Planning Nature	Unit Land Cost (RMB/sq. m.)	Interest Attributable to the Group
<b>Pearl River Delta Region</b>						
1	Agile Garden Guangzhou	Panyu	City outskirts	Residential & Ancillary Facilities, Hotel	259	100%
2	Jiangbei Estate Guangzhou	Panyu	City outskirts	Residential & Ancillary Facilities	259	100%
3	Jiacheng Mansion Panyu	Panyu	City centre	Residential & Ancillary Facilities	3,650	100%
4	Hongxi Huating Panyu	Panyu	City centre	Residential & Ancillary Facilities, Commercial & Office	3,619	100%
5	Panyu Southern District Qingxin Road Project	Panyu	City centre	Residential & Ancillary Facilities	5,409	100%
6	Panyu Shilou Town Project	Panyu	City outskirts	Residential & Ancillary Facilities	2,960	100%
7	South Lagoon Guangzhou	Baiyun	City centre	Residential & Ancillary Facilities	357	100%
8	Royal Hillside Villa Guangzhou	Baiyun	City centre	Residential & Ancillary Facilities	361	100%
9	Guangzhou Royal Hillside Villa No. 3 Land	Baiyun	City centre	Residential & Ancillary Facilities	361	100%
10	Lishang International Mansion Guangzhou	Guangzhou	City centre	Residential & Ancillary Facilities	5,700	100%
11	Guangzhou Haizhu Project	Guangzhou	City centre	Residential & Ancillary Facilities	5,700	100%
12	Guangzhou Zhujiang New City B1-7 Project	Tianhe	City centre	Commercial & Office	3,674	100%
13	Zengcheng Project	Zengcheng	City centre	Residential & Ancillary Facilities	1,791	100%
14	Majestic Garden Huadu	Huadu	City centre	Residential & Ancillary Facilities	345	100%
15	No. 2 Huadu Project (Furong Town)	Huadu	City centre	Residential & Ancillary Facilities	375	100%
16A	Huadu No.107 National Road Project A	Huadu	City centre	Residential & Ancillary Facilities	1,740	100%
17	Agile Binjiang Garden Conghua	Conghua	City with high growth potential	Residential & Ancillary Facilities	282	100%
18	Conghua Liangkou Town Project	Conghua	City with high growth potential	Residential & Ancillary Facilities	380	100%
19	La Cite Greenville Zhongshan	Zhongshan	City outskirts	Residential & Ancillary Facilities, Hotel, Commercial & Office	170	100%
20	La Nobleu Zhongshan	Zhongshan	City outskirts	Residential & Ancillary Facilities	170	100%
21	Metro Agile Zhongshan	Zhongshan	City outskirts	Residential & Ancillary Facilities	137	100%
22	Metropolis Zhongshan	Zhongshan	City outskirts	Commercial & Office	325	100%
23	Majestic Garden Zhongshan	Zhongshan	City centre	Residential & Ancillary Facilities	565	100%
24	Grand Garden Zhongshan	Zhongshan	City centre	Residential & Ancillary Facilities	250	100%
25	Star Palace Zhongshan	Zhongshan	City centre	Residential & Ancillary Facilities	278	100%
26	The Riverside Zhongshan	Zhongshan	City centre	Residential & Ancillary Facilities	739	100%
27	The Century Zhongshan	Zhongshan	City centre	Residential & Ancillary Facilities	479	100%
28	Agile Garden Dachong Zhongshan	Zhongshan	City outskirts	Residential & Ancillary Facilities	366	100%
29	Zhongshan No.1 Ever Creator Project	Zhongshan	City outskirts	Residential & Ancillary Facilities	65	100%
30	Phase II The Landmark Zhongshan	Zhongshan	City centre	Residential & Ancillary Facilities, Commercial & Office	562	100%
31	Zhongshan Minzhong Town Project	Zhongshan	City outskirts	Residential & Ancillary Facilities	260	100%
32	Zhongshan Western District Bo'ai Road Project	Zhongshan	City centre	Residential & Ancillary Facilities	600	100%
33	Zhongshan Kuchong Project	Zhongshan	City centre	Residential & Ancillary Facilities	2,052	100%
34	Zhongshan Wuguishan Project	Zhongshan	City outskirts	Residential & Ancillary Facilities	473	100%
35	Zhongshan Zhangjiabian Land	Zhongshan	City outskirts	Residential & Ancillary Facilities	800	100%
36	Zhongshan Kunlun Hotel Project	Zhongshan	City outskirts	Hotel, Commercial & Office	1,429	100%
37	Majestic Garden Nanhai	Nanhai	City outskirts	Residential & Ancillary Facilities	510	100%
38	Majestic Metropolis Nanhai	Nanhai	City outskirts	Hotel, Commercial & Office	325	100%
39	Nanhai Xiqiao Commercial Project	Nanhai	City outskirts	Residential & Ancillary Facilities, Commercial & Office	1,400	100%
40	Agile Garden Foshan	Foshan	City centre	Residential & Ancillary Facilities	2,200	100%
41	Agile Garden Sanshui	Sanshui	City with high growth potential	Residential & Ancillary Facilities	317	100%
42	Agile Garden Shunde	Shunde	City centre	Residential & Ancillary Facilities, Hotel, Commercial & Office	962	100%
<b>Subtotal</b>						

Total GFA of the Project (sq. m.)							Land Bank (sq. m.)							
							Development Stage (A)				Planning Nature (B)			
Total Site Area (sq. m.)	Total GFA of the Project (note 1) (sq. m.)	Completed in or before 2008	Completed in the First Half of 2009	Completed in the Second Half of 2009	Estimated to be Completed in or after 2010	Estimated Quarter of Overall Completion	Total GFA (note 2) (sq. m.)	Completed for Sale (A1)	Under Development (A2)	Held for Future Development (A3)	Residential & Ancillary Facilities (B1)	Hotel (B2)	Commercial & Office (B3)	
1,518,417	1,846,814	1,082,692	163,412	72,794	527,916	2Q 2011	682,640	13,955	141,451	527,234	682,640	—	—	
624,701	1,128,256	—	—	—	1,128,256	4Q 2013	1,128,256	—	96,366	1,031,890	1,128,256	—	—	
4,070	10,410	—	—	—	10,410	2Q 2010	10,410	—	—	10,410	10,410	—	—	
55,999	127,096	51,043	—	23,289	52,764	4Q 2010	77,635	1,582	—	76,053	53,412	—	24,223	
86,355	154,077	—	—	—	154,077	4Q 2011	154,077	—	—	154,077	154,077	—	—	
14,388	26,000	—	—	—	26,000	2Q 2010	26,000	—	—	26,000	26,000	—	—	
304,422	274,951	274,951	—	—	—	4Q 2006	1,473	1,473	—	—	1,473	—	—	
122,742	198,940	95,973	—	—	102,967	4Q 2010	107,402	4,436	82,059	20,907	107,402	—	—	
39,384	78,768	—	—	—	78,768	4Q 2010	78,768	—	—	78,768	78,768	—	—	
7,836	54,864	47,791	—	7,073	—	2Q 2009	7,828	755	7,073	—	7,828	—	—	
4,642	24,834	—	—	—	24,834	3Q 2011	24,834	—	—	24,834	24,834	—	—	
5,729	88,466	—	—	—	88,466	4Q 2010	88,466	—	—	88,466	—	—	88,466	
44,672	111,680	—	—	—	111,680	1Q 2010	111,680	—	—	111,680	111,680	—	—	
154,081	250,948	212,721	38,227	—	—	2Q 2009	413	413	—	—	413	—	—	
52,600	84,160	—	—	—	84,160	1Q 2010	84,160	—	—	84,160	84,160	—	—	
282,681	528,922	—	—	—	528,922	4Q 2012	528,922	—	115,643	413,279	528,922	—	—	
303,358	486,920	239,462	39,994	100,399	107,065	4Q 2010	254,482	43,982	70,154	140,346	254,482	—	—	
131,091	143,333	—	—	—	143,333	4Q 2010	143,333	—	—	143,333	143,333	—	—	
1,970,275	2,084,093	1,150,311	130,583	66,784	736,415	4Q 2011	895,520	119,036	66,784	709,700	820,679	37,420	37,421	
542,169	542,169	188,857	—	—	353,312	4Q 2011	373,022	30,612	158,756	183,654	373,022	—	—	
660,057	1,078,151	677,320	65,985	—	334,846	4Q 2011	444,190	109,344	96,438	238,408	444,190	—	—	
72,421	107,601	107,601	—	—	—	4Q 2006	1,067	1,067	—	—	—	—	1,067	
143,377	236,926	236,926	—	—	—	4Q 2002	1,049	1,049	—	—	1,049	—	—	
96,374	150,357	150,357	—	—	—	2Q 2007	1,349	1,349	—	—	1,349	—	—	
112,155	176,226	176,226	—	—	—	4Q 2006	405	405	—	—	405	—	—	
102,226	72,645	72,645	—	—	—	4Q 2005	4,146	4,146	—	—	4,146	—	—	
492,475	754,469	306,853	—	20,663	426,953	4Q 2012	464,677	17,061	188,717	258,899	464,677	—	—	
122,000	187,303	145,027	—	42,276	—	4Q 2008	161,643	119,367	42,276	—	161,643	—	—	
587,289	880,934	21,183	—	—	859,751	4Q 2014	859,751	—	—	859,751	859,751	—	—	
15,968	31,936	—	—	—	31,936	2Q 2010	31,936	—	—	31,936	31,936	—	—	
63,450	95,175	—	—	—	95,175	4Q 2010	95,175	—	—	95,175	95,175	—	—	
539,244	1,448,000	—	—	—	1,448,000	4Q 2014	1,448,000	—	—	1,448,000	1,448,000	—	—	
37,648	82,826	—	—	—	82,826	2Q 2010	82,826	—	—	82,826	82,826	—	—	
434,820	652,230	—	—	27,803	624,427	4Q 2012	652,230	—	27,803	624,427	652,230	—	—	
164,539	246,808	—	—	—	246,808	4Q 2010	246,808	—	—	246,808	246,808	—	—	
29,267	87,801	—	—	—	87,801	4Q 2010	87,801	—	—	87,801	—	21,854	65,947	
601,230	859,759	729,403	—	—	130,356	4Q 2010	155,069	24,713	—	130,356	155,069	—	—	
48,949	63,373	63,373	—	—	—	4Q 2005	772	772	—	—	—	—	772	
52,950	133,657	—	—	53,014	80,643	4Q 2010	133,657	—	53,014	80,643	80,643	—	53,014	
184,373	365,476	118,043	17,852	24,481	205,100	4Q 2010	285,482	38,049	247,433	—	285,482	—	—	
266,652	481,608	69,764	70,985	65,674	275,185	4Q 2011	366,389	4,180	213,383	148,826	366,389	—	—	
212,410	488,500	—	—	46,940	441,560	4Q 2011	488,500	—	120,568	367,932	430,500	25,000	33,000	
<b>11,309,486</b>	<b>16,927,462</b>	<b>6,218,522</b>	<b>527,038</b>	<b>551,190</b>	<b>9,630,712</b>		<b>10,792,243</b>	<b>537,746</b>	<b>1,727,918</b>	<b>8,526,579</b>	<b>10,404,059</b>	<b>84,274</b>	<b>303,910</b>	

# Land Bank

of the Group (as at 9 September 2009)

10

No.	Project Name	City/District	Classified by Location	Planning Nature	Unit Land Cost (RMB/sq. m.)	Interest Attributable to the Group
<b>Eastern Guangdong</b>						
43	Agile Garden Heyuan	Heyuan	City with high growth potential	Residential & Ancillary Facilities, Hotel, Commercial & Office	267	100%
44	Agile Egret Lake Huizhou	Huizhou	City outskirts	Residential & Ancillary Facilities, Hotel, Commercial & Office	325	99.75%
<b>Subtotal</b>						
<b>Yangtze River Delta Region</b>						
45	Agile Garden Nanjing	Nanjing	City centre	Residential & Ancillary Facilities	4,165	100%
46	No. 2 Nanjing Qinhuai Project	Nanjing	City centre	Residential & Ancillary Facilities, Commercial & Office	11,745	100%
47	Agile International Plaza Shanghai	Shanghai	City centre	Hotel, Commercial & Office	15,285	100%
48	Shanghai Nanhui Project	Shanghai	City centre	Hotel, Commercial & Office	2,337	100%
<b>Subtotal</b>						
<b>Western China</b>						
49	Agile Garden Chengdu	Chengdu	City outskirts	Residential & Ancillary Facilities, Hotel, Commercial & Office	1,163	100%
50	Agile Garden Xi'an	Xi'an	City outskirts	Residential & Ancillary Facilities	450	100%
51	Agile Garden Chongqing	Chongqing	City outskirts	Residential & Ancillary Facilities	880	100%
<b>Subtotal</b>						
<b>Hainan Province</b>						
52	Hainan Clearwater Bay	Hainan	City with high growth potential	Residential & Ancillary Facilities, Hotel, Commercial & Office	273	70%
<b>Subtotal</b>						
<b>Grand Total</b>						
Newly Acquired Land from 1 July 2009 to 9 September 2009						
<b>Pearl River Delta Region</b>						
16B	Huadu No.107 National Road Project B	Huadu	City centre	Residential & Ancillary Facilities	1,689	100%
53	Nanhai Yanbu Project	Nanhai	City outskirts	Residential & Ancillary Facilities	3,004	100%
54	Panyu Southern District Project	Panyu	City centre	Residential & Ancillary Facilities	2,547	100%
55	Zhongshan Nanlang Binhai Project	Zhongshan	City outskirts	Residential & Ancillary Facilities	671	100%
<b>Subtotal</b>						
<b>Northeast China</b>						
56	Shenyang Shenbei Project	Shenyang	City outskirts	Residential & Ancillary Facilities	512	100%
<b>Subtotal</b>						
<b>Grand Total</b>						

**Notes:**

- Total GFA of the Project = Completed in or before 2008 + Completed in the First Half of 2009 + Estimated to be Completed in the Second Half of 2009 + Estimated to be Completed in or after 2010
- Land bank (Total GFA) = A + B ; A = Completed for Sale (A1) + Under Development (A2) + Held for Future Development (A3); B = Residential & Ancillary Facilities (B1) + Hotel (B2) + Commercial & Office (B3)
- Shenyang Puhe New City Project (GFA: 76,020 sq.m.) was surrendered to the PRC Government on 12 August 2009 due to the city planning reason

Total Site Area (sq. m.)	Total GFA of the Project (note 1) (sq. m.)	Total GFA of the Project (sq. m.)					Land Bank (sq. m.)							
		Completed in or before 2008	Completed in the First Half of 2009	Completed in the Second Half of 2009	Estimated to be Completed in or after 2010	Estimated Quarter of Overall Completion	Development Stage (A)				Planning Nature (B)			
							Total GFA (note 2) (sq. m.)	Completed for Sale (A1)	Under Development (A2)	Held for Future Development (A3)	Residential & Ancillary Facilities (B1)	Hotel (B2)	Commercial & Office (B3)	
1,364,741	2,729,481	217,207	91,546	20,582	2,400,146	4Q 2018	2,493,717	72,989	85,142	2,335,586	2,391,120	60,000	42,597	
2,000,000	2,000,000	94,754	175,485	111,322	1,618,439	4Q 2016	1,746,788	17,027	410,030	1,319,731	1,631,769	97,082	17,937	
<b>3,364,741</b>	<b>4,729,481</b>	<b>311,961</b>	<b>267,031</b>	<b>131,904</b>	<b>4,018,585</b>		<b>4,240,505</b>	<b>90,016</b>	<b>495,172</b>	<b>3,655,317</b>	<b>4,022,889</b>	<b>157,082</b>	<b>60,534</b>	
141,178	365,624	190,001	–	–	175,623	4Q 2010	207,985	32,362	175,623	–	207,985	–	–	
59,900	59,600	–	–	–	59,600	2Q 2011	59,600	–	–	59,600	30,000	–	29,600	
13,192	93,330	–	–	–	93,330	2Q 2010	93,330	–	93,330	–	–	60,980	32,350	
504,927	232,268	–	–	–	232,268	4Q 2011	232,268	–	–	232,268	–	–	232,268	
<b>719,197</b>	<b>750,822</b>	<b>190,001</b>	<b>–</b>	<b>–</b>	<b>560,821</b>		<b>593,183</b>	<b>32,362</b>	<b>268,953</b>	<b>291,868</b>	<b>237,985</b>	<b>60,980</b>	<b>294,218</b>	
1,338,970	1,606,751	110,920	40,193	488,766	966,872	4Q 2013	1,498,377	42,739	501,148	954,490	1,458,377	40,000	–	
90,644	234,439	–	–	139,663	94,776	4Q 2010	234,439	–	139,663	94,776	234,439	–	–	
321,073	463,842	–	–	–	463,842	4Q 2011	463,842	–	77,098	386,744	463,842	–	–	
<b>1,750,687</b>	<b>2,305,032</b>	<b>110,920</b>	<b>40,193</b>	<b>628,429</b>	<b>1,525,490</b>		<b>2,196,658</b>	<b>42,739</b>	<b>717,909</b>	<b>1,436,010</b>	<b>2,156,658</b>	<b>40,000</b>	<b>–</b>	
9,096,570	9,854,037	–	72,688	182,403	9,598,946	4Q 2017	9,825,828	44,479	120,577	9,660,772	9,231,026	544,842	49,960	
<b>9,096,570</b>	<b>9,854,037</b>	<b>–</b>	<b>72,688</b>	<b>182,403</b>	<b>9,598,946</b>		<b>9,825,828</b>	<b>44,479</b>	<b>120,577</b>	<b>9,660,772</b>	<b>9,231,026</b>	<b>544,842</b>	<b>49,960</b>	
<b>26,240,681</b>	<b>34,566,834</b>	<b>6,831,404</b>	<b>906,950</b>	<b>1,493,926</b>	<b>25,334,554</b>		<b>27,648,417</b>	<b>747,342</b>	<b>3,330,529</b>	<b>23,570,546</b>	<b>26,052,617</b>	<b>887,178</b>	<b>708,622</b>	
							(note 3)							
57,059	142,648	–	–	–	142,648	1Q 2014	142,648	–	–	142,648	142,648	–	–	
106,524	372,834	–	–	–	372,834	2Q 2013	372,834	–	–	372,834	372,834	–	–	
103,825	186,885	–	–	–	186,885	1Q 2014	186,885	–	–	186,885	186,885	–	–	
347,323	491,859	–	–	–	491,859	4Q 2014	491,859	–	–	491,859	491,859	–	–	
<b>614,731</b>	<b>1,194,226</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>1,194,226</b>		<b>1,194,226</b>	<b>–</b>	<b>–</b>	<b>1,194,226</b>	<b>1,194,226</b>	<b>–</b>	<b>–</b>	
342,536	702,852	–	–	–	702,852	4Q 2014	702,852	–	–	702,852	702,852	–	–	
<b>342,536</b>	<b>702,852</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>702,852</b>		<b>702,852</b>	<b>–</b>	<b>–</b>	<b>702,852</b>	<b>702,852</b>	<b>–</b>	<b>–</b>	
<b>27,197,948</b>	<b>36,463,912</b>	<b>6,831,404</b>	<b>906,950</b>	<b>1,493,926</b>	<b>27,231,632</b>		<b>29,545,495</b>	<b>747,342</b>	<b>3,330,529</b>	<b>25,467,624</b>	<b>27,949,695</b>	<b>887,178</b>	<b>708,622</b>	



# Management

## Discussion and Analysis

### Business review

In the first half of 2009, the global economy continued to stagnate, financial markets remained volatile, and many countries were in recession. These countries co-operated to adopt proactive fiscal and monetary policies in order to counter the adverse economic conditions and boost business confidence. China is among the very few countries exhibiting economic rebound and recovery. The Central Government implemented a series of stimulus policies stabilizing both the macro-economy and property market of Mainland China. With the support of Central Government's initiatives, China's economy has recently shown signs of stabilization. China's property market was also benefited from the macro recovery packages, relaxed policy environment towards the industry and monetary liquidity, and revival was seen — transaction volume increased and prices soared during the second quarter.

### Prospects and outlook

In spite of uncertainties in the property market, the Group will continue to build on its solid foundation. The Group will further enhance the cost advantages of our products, rationally schedule development and construction plan, and strengthen cost control on construction and investment. The Group will also apply different sales and marketing strategies according to stages of development and characteristics of different projects with an aim to achieve better sales performance. Also, the Group will step up efforts on supervision of cash flows, cost, sales and project progress. The Group will also strive for improving operating profits, capital turnover and fund utilization by proper product positioning, efficient management and corporate strategies in the property market. The Group will be swift to grasp desirable opportunities in land acquisition to enhance profitability and capability in sustainable development.

### Overall performance

The turnover of the Group during the review period was RMB5,612.7 million (the corresponding period in 2008: RMB2,343.3 million), representing an increase of 139.5% as compared to the corresponding period of last year. The operating profit was RMB1,324.3 million (the corresponding period in 2008: RMB4,777.9 million), representing an increase of 109.1% after excluding the gain from the disposal of 30% equity interest in Hainan Clearwater Bay project for the corresponding period in 2008. Profit attributable to shareholders amounted to RMB706.1 million (the corresponding period in 2008: RMB4,433.1 million), representing an increase of 144.8% after excluding the gain from the disposal of 30% equity interest in Hainan Clearwater Bay project for the corresponding period in 2008. Basic earnings per share was RMB0.195 (the corresponding period in 2008: RMB1.184), representing an increase of 153.2% after excluding the gain from the disposal of 30% equity interest in Hainan Clearwater Bay project for the corresponding period in 2008.

### Land bank

The Group continued to undertake appropriate expansion and adjustment of its land portfolio in accordance with its development needs and the market conditions. As at 30 June 2009, the Group had a total land bank of 27.72 million sq.m. of GFA in 21 cities or districts located in Pearl River Delta Region, Eastern Guangdong, Yangtze River Delta Region, Western China, Hainan Province and Northeast China. In the third quarter of 2009, 5 land sites with a total GFA of approximately 1.90 million sq.m. were newly acquired. These newly acquired sites are mainly situated in cities such as Nanhai, Shenyang, Huadu, Panyu and Zhongshan. We believe that the existing land bank is sufficient to meet the development needs of the Group in the coming 8 to 10 years.

### Property development and sales

During the period under review, the total recognised GFA sold was approximately 875,899 sq.m. and the corresponding recognised sales was approximately RMB5,488.9 million, representing an increase of 2.1 times and 1.4 times respectively as compared with the corresponding period in 2008. Total recognised sales in Zhongshan reached RMB1,720.5 million, accounting for 31.4% of the total recognised sales and representing an increase of 1.1 times compared with the corresponding period in last year. The total recognised GFA sold in Zhongshan was 342,285 sq.m., representing an increase of 1.9 times compared with the corresponding period in 2008.

Total recognised sales in Guangzhou reached RMB1,193.5 million, accounting for 21.7% of total recognised sales and representing an increase of 60.6% compared with that of the corresponding period in last year. The total recognised GFA sold in Guangzhou was 173,925 sq.m., doubled that in the corresponding period in 2008.

Total recognised sales in Foshan, Nanhai and Sanshui amounted to RMB573.2 million, accounting for 10.4% of the total recognised sales and representing an increase of 1.6% over the corresponding period in 2008. The total recognised GFA sold in Foshan, Nanhai and Sanshui was 106,423 sq.m., representing an increase of 71.5% over the corresponding period in 2008.

Total recognised sales in Eastern Guangdong such as Heyuan and Huizhou amounted to RMB681.9 million, accounting for 12.4% of the total recognised sales and representing an increase of 5.1 times over the corresponding period in 2008. The total recognised GFA sold in Eastern Guangdong was 135,044 sq.m., representing an increase of 10.7 times over the corresponding period in 2008.

Total recognised sales in Western China such as Chengdu amounted to RMB315.8 million, accounting for 5.8% of the total recognised sales and representing an increase of 10.6 times over the corresponding period in 2008. The total recognised GFA sold in Chengdu was 39,330 sq.m., representing an increase of 19 times over the corresponding period in 2008.

Total recognised sales in Nanjing amounted to RMB634.2 million and the total recognised GFA sold was 50,515 sq.m..

Total recognised sales in Hainan Clearwater Bay amounted to RMB369.8 million and the total recognised GFA sold was 28,377 sq.m..

During the reporting period, the average selling price of the Group decreased by 22.5% to RMB6,267 from RMB8,081 in the corresponding period in 2008.

# Management

## Discussion and Analysis

The following table sets forth the projects expected to be completed in the second half of 2009:

Project Name	City/District	Total GFA (sq.m.)
<b>Pearl River Delta</b>		
Agile Garden Guangzhou	Panyu	72,794
Lishang International Mansion Guangzhou	Guangzhou	7,073
Hongxi Huating Panyu	Panyu	23,289
Agile Binjiang Garden Conghua	Conghua	100,399
La Cite Greenville Zhongshan	Zhongshan	66,784
The Century Zhongshan	Zhongshan	20,663
Agile Garden Dachong Zhongshan	Zhongshan	42,276
Zhongshan Wuguishan Project	Zhongshan	27,803
Nanhai Xiqiao Commercial Project	Nanhai	53,014
Agile Garden Foshan	Foshan	24,481
Agile Garden Sanshui	Sanshui	65,674
Agile Garden Shunde	Shunde	46,940
<b>Subtotal</b>		<b>551,190</b>
<b>Eastern Guangdong</b>		
Agile Garden Heyuan	Heyuan	20,582
Agile Egret Lake Huizhou	Huizhou	111,322
<b>Subtotal</b>		<b>131,904</b>
<b>Western China</b>		
Agile Garden Chengdu	Chengdu	488,766
Agile Garden Xi'an	Xi'an	139,663
<b>Subtotal</b>		<b>628,429</b>
<b>Hainan Province</b>		
Hainan Clearwater Bay	Hainan	182,403
<b>Grand Total</b>		<b>1,493,926</b>

The following table sets forth the recognised GFA sold and sales of each projects in the period under review:

Project Name	City/District	Recognised GFA sold (sq.m.)	Recognised Sales (RMB'000)
<b>Pearl River Delta</b>			
Agile Garden Guangzhou	Panyu	133,875	941,701
Royal Hillside Villa Guangzhou	Baiyun	762	5,050
Majestic Garden Huadu	Huadu	36,316	233,353
Agile Binjiang Garden Conghua	Conghua	2,739	10,687
Lishang International Mansion Guangzhou	Guangzhou	233	2,721
Metro Agile Zhongshan	Zhongshan	56,579	260,715
The Century Zhongshan	Zhongshan	117,732	515,722
La Cite Greenville Zhongshan	Zhongshan	149,136	888,931
Agile Garden Dachong Zhongshan	Zhongshan	18,838	55,172
Majestic Garden Nanhai	Nanhai	8,807	34,009
Agile Garden Foshan	Foshan	34,281	250,806
Agile Garden Sanshui	Sanshui	63,335	288,375
<b>Subtotal</b>		<b>622,633</b>	<b>3,487,242</b>
<b>Eastern Guangdong</b>			
Agile Garden Heyuan	Heyuan	52,281	180,907
Agile Egret Lake Huizhou	Huizhou	82,763	501,005
<b>Subtotal</b>		<b>135,044</b>	<b>681,912</b>
<b>Western China</b>			
Agile Garden Chengdu	Chengdu	39,330	315,775
<b>Yangtze River Delta Region</b>			
Agile Garden Nanjing	Nanjing	50,515	634,225
<b>Hainan Province</b>			
Hainan Clearwater Bay	Hainan	28,377	369,777
<b>Grand Total</b>		<b>875,899</b>	<b>5,488,931</b>



# Management

## Discussion and Analysis

### Property management

The Group provides the residents with safe, civilised, comfortable and excellent property management services. During the period under review, the Group's property management companies recorded property management fee income of RMB105.9 million, representing an increase of 14.5% over the corresponding period in 2008. As at 30 June 2009, the Group's property management companies managed a total GFA of over 9.18 million sq.m. in Mainland China.

### Hotel operations

The Group continued to develop hotel business in a prudent and cautious manner with an aim to developing a diversified business portfolio and creating a stable and reliable revenue stream for the Group. During the period under review, the hotel operations segment of the Group recorded a revenue of RMB17.8 million, representing an increase of 52.5% over the corresponding period in 2008, which was primarily attributable to the revenue generated from Guangzhou Agile Hotel and Foshan Agile Hotel.

### Gross profit

Gross profit of the Group increased by 71.6% to approximately RMB1,915.0 million for the six months ended 30 June 2009 from approximately RMB1,116.1 million in the corresponding period in 2008. Gross profit margin for the first half of 2009 decreased to 34.1% from 47.6% for the corresponding period in 2008. The decline was due to the pre-sale portion at the end of 2008 was sold at a comparatively lower average selling price and recognised in the period under review.

### Other gains

Other gains of the Group decreased by 99.2% to approximately RMB33.3 million for the six months ended 30 June 2009 from approximately RMB4,201.9 million for the corresponding period in 2008. The significant large amount of other gains in the first half of 2008 was due to the profit arising from the disposal of 30% equity interest in Hainan Clearwater Bay project.

### Selling and marketing costs

Selling and marketing costs of the Group increased by 45.3% to RMB247.6 million for the six months ended 30 June 2009 from approximately RMB170.4 million for the corresponding period in 2008. The increase was primarily attributable to the sizeable promotional campaign for the sales of new properties including Agile Egret Lake Huizhou and Hainan Clearwater Bay. Considerable amount of resources used for advertising had led to the increase in advertising expenses by 51.4% to approximately RMB198.9 million for the six months ended 30 June 2009 from approximately RMB131.3 million for the six months ended 30 June 2008.

### Administrative expenses

Administrative expenses of the Group decreased by 1.1% to approximately RMB326.1 million for the six months ended 30 June 2009 from approximately RMB329.6 million for the corresponding period in 2008, demonstrating the effective cost control policy on administrative expenses. The salaries and wages decreased by 2.6% to approximately RMB140.3 million for the six months ended 30 June 2009 from approximately RMB144.1 million for the corresponding period in 2008.

## Profit attributable to shareholders

Profit attributable to shareholders amounted to RMB706.1 million (the corresponding period in 2008: RMB4,433.1 million), representing a decrease of 84.1%. After excluding the gain from the disposal of 30% equity interest in Hainan Clearwater Bay project for the corresponding period in 2008, profit attributable to shareholders of the Group for the six months ended 30 June 2009 increased by 144.8% to approximately RMB706.1 million from approximately RMB288.5 million for the same period in 2008.

## Liquidity, financial and capital resources

### Cash position and fund available

The Group's cash and bank deposits (including the restricted cash) amounted to approximately RMB6,787.7 million as at 30 June 2009 (31 December 2008: RMB5,252.5 million).

As at 30 June 2009, the carrying amount of the restricted cash was approximately RMB1,875.3 million (31 December 2008: RMB2,208.2 million).

As at 30 June 2009, the undrawn borrowing facilities amounted to RMB963.8 million.

### Borrowings and gearing ratio

As at 30 June 2009, the Group's bank loans and senior notes were RMB5,642.9 million and RMB2,677.5 million (equivalent) respectively. Amongst the bank loans, RMB2,151.3 million were repayable within one year, RMB1,564.6 million were repayable in the second to third year, RMB1,677.0 million were repayable in the third to fifth year and RMB250.0 million were repayable over five years. The senior notes were repayable in the third to fifth year.

The Group's bank borrowings of RMB3,778.0 million as at 30 June 2009 were secured by the Group's land use right, completed properties held for sale and bank deposits with an aggregate carrying value of RMB4,470.0 million. The senior notes were jointly and severally guaranteed by certain subsidiary companies of the Group and by pledge of their shares. The net assets of these subsidiary companies were approximately RMB1,080.4 million as at 30 June 2009.

The gearing ratio is calculated by the net borrowings (total borrowings net of cash and cash equivalents) over the total capital and reserves attributable to equity owners. As at 30 June 2009, the gearing ratio was 22.4% (31 December 2008: 54.4%).

The Group conducts its business almost exclusively in Renminbi. Other than the foreign currency denominated bank deposits, the senior notes denominated in US dollar and the dual-currency revolving credit facility denominated in HK dollar and US dollar, the Group does not have any material exposure directly due to foreign exchange fluctuations.

### Cost of borrowings

As at 30 June 2009, the Group's total cost of borrowings was RMB334.9 million, representing a decrease of RMB43.4 million over the same period in 2008. The decrease was attributable to bank loans whose average balance for the review period is less than that of the corresponding period of the previous year.

### Contingencies

#### (a) *Financial guarantee provided in respect of mortgage facilities for property purchasers*

The Group has in cooperation with certain financial institutions and arranged mortgage loan facility for its purchasers of property and provided guarantees to secure obligations of such purchasers for repayments. As at 30 June 2009, the outstanding guarantees amounted to RMB8,307.8 million (31 December 2008: RMB6,021.5 million). Such guarantees terminate upon earlier of (i) issuance of the real estate ownership certificate which will generally be available within one year after the Group delivers possession of the relevant property to its purchasers; and (ii) the satisfaction of relevant mortgage loan by purchasers.

Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties. The Group's guarantee period starts from the dates the mortgagees grant the mortgage loans. No provision has been made for the guarantees as the estimated net realisable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalty in case of default in payments.

#### (b) *Dispute in relation to a cooperation framework agreement*

On 29 November 2007, the Company and its subsidiaries, Ma Lee International Holdings Limited and Huizhou Bailuhu Tour Enterprise Development Company Limited ("Huizhou Bailuhu"), entered into a framework agreement with Aetos Capital Asia TE II, Ltd., Aetos Capital Asia II, Ltd. and ACA II Co-Investment Fund, LP (collectively "Aetos"), who are independent third parties to the Group, to dispose of 25% of the Group's equity interests in Huizhou Bailuhu project to Aetos at a consideration of approximately RMB1.2 billion. In December 2007, the Group has received an amount of US\$164,089,000 (equivalent to RMB1.2 billion) from Aetos, being the deposit for entering into the framework agreement.

On 10 October 2008, the Group received a purported notice of termination of the framework agreement from Aetos, which demanded the Group to refund the paid deposit together with interest accrued thereon on the ground that the Group could not finalise the sales and purchase agreement in relation to the said disposal of equity interests in Huizhou Bailuhu project on 30 June 2008, as stipulated in the framework agreement. In accordance with the liquidated damages provisions in the framework agreement, the interest rate on the received deposit is 8% per annum for the period from date of receipt of the deposit to 30 June 2008 and 20% per annum for the period from 1 July 2008 to 90 days after the date of receipt of a termination notice for terminating the framework agreement, and 25% per annum thereafter.

The Group considers that Aetos have no grounds for terminating the framework agreement and that Aetos have no right to claim a return of the deposit and interest. In view of the dispute set out above, the mechanism for dispute resolution under the framework agreement was invoked by the Company and arbitration proceedings were commenced by the Company against Aetos on 24 December 2008.

Based on the Ruling and Order for Interim Measure issued by arbitral tribunal on 19 August 2009, the Company was required to put a deposit of US\$164,089,000 (equivalent to the deposit paid by Aetos to the Group for entering into the framework agreement) to an escrow account of the Hong Kong International Arbitration Centre within 30 days of the ruling, as a security for Aetos' claim for a return of the deposit in the arbitration.

As at the date of approval of this condensed consolidated interim financial information, the result of the dispute resolution process is not yet known. The deposit received is recorded under other payables and no interests have been provided for in the condensed consolidated interim financial information. Should the Company not succeed in the arbitration, the Company may be required to return the deposit and pay interests to Aetos. In this regard, the amount of the interest will be one of the issues to be resolved in the arbitration.

# Management

## Discussion and Analysis

### Return on equity

Return on equity is calculated by dividing the profit attributable to the shareholders of the Company by the equity attributable to the shareholders of the Group. The return on equity for the review period of 2009 was 5.4% (the corresponding period in 2008: 34.3%, including gain on partial disposal of a subsidiary).

### Commitments

As at 30 June 2009, commitments in connection with the property development activities amounted to approximately RMB4,436.8 million (31 December 2008: approximately RMB3,895.5 million). The Group has also committed to pay the land premium on land acquisitions amounted to approximately RMB264.5 million (31 December 2008: RMB379.5 million).

### Human resources

As at 30 June 2009, the Group had a total of 8,103 employees, among which the Group's senior management accounted for 245 and middle management accounted for 561. By geographical location, there were 8,058 employees in Mainland China and 45 in Hong Kong and Macau. Total staff costs, including directors' remunerations, for the period ended 30 June 2009 amounted to RMB235.2 million (the corresponding period in 2008: RMB244.9 million).



# Condensed

## Consolidated Interim Balance Sheet

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Agile Property Holdings Limited Interim Report 2009

	Note	As at	
		30 June 2009 (Unaudited) RMB'000	31 December 2008 (Audited) RMB'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	347,113	260,813
Land use rights	4	7,905,946	6,967,202
Intangible assets	4	10,285	10,718
Prepayments	5, 27(c)	126,820	92,820
Deferred income tax assets		66,625	54,898
		<b>8,456,789</b>	<b>7,386,451</b>
<b>Current assets</b>			
Land use rights	4	5,990,674	5,797,924
Properties under development	6	7,816,719	8,252,303
Completed properties held for sale	7	2,080,338	2,203,357
Prepayments for acquisition of land use rights	8	2,792,154	4,558,833
Trade and other receivables	9	1,169,355	1,478,535
Prepaid taxes		83,612	47,911
Restricted cash	10	1,875,297	2,208,171
Cash and cash equivalents	11	4,912,356	3,044,292
		<b>26,720,505</b>	<b>27,591,326</b>
<b>Total assets</b>		<b>35,177,294</b>	<b>34,977,777</b>
<b>OWNERS' EQUITY</b>			
<b>Capital and reserves attributable to the shareholders of the Company</b>			
Share capital and premium	12	4,696,893	4,937,054
Other reserves	13	684,062	684,062
Retained earnings			
— Proposed dividend		176,537	206,756
— Unappropriated retained earnings		7,621,578	7,088,079
		<b>13,179,070</b>	<b>12,915,951</b>
<b>Minority interests</b>		<b>877,144</b>	<b>878,675</b>
<b>Total equity</b>		<b>14,056,214</b>	<b>13,794,626</b>

# Condensed

## Consolidated Interim Balance Sheet

	Note	As at	
		30 June 2009 (Unaudited) RMB'000	31 December 2008 (Audited) RMB'000
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	14	6,169,147	6,559,055
Deferred income tax liabilities		844,424	1,023,414
		<b>7,013,571</b>	<b>7,582,469</b>
<b>Current liabilities</b>			
Borrowings	14	2,151,281	3,509,518
Trade and other payables	15	9,048,085	7,317,761
Current income tax liabilities	16	2,908,143	2,773,403
		<b>14,107,509</b>	<b>13,600,682</b>
<b>Total liabilities</b>		<b>21,121,080</b>	<b>21,183,151</b>
<b>Total equity and liabilities</b>		<b>35,177,294</b>	<b>34,977,777</b>
<b>Net current assets</b>		<b>12,612,996</b>	<b>13,990,644</b>
<b>Total assets less current liabilities</b>		<b>21,069,785</b>	<b>21,377,095</b>

The notes on page 26 to 50 form an integral part of this condensed consolidated interim financial information.

# Condensed

## Consolidated Interim Income Statement

	Note	Six months ended 30 June	
		2009 (Unaudited) RMB'000	2008 (Unaudited) RMB'000
Turnover	3	5,612,688	2,343,303
Cost of sales		(3,697,665)	(1,227,227)
<b>Gross profit</b>		<b>1,915,023</b>	<b>1,116,076</b>
Other gains	18	33,341	4,201,898
Selling and marketing costs		(247,639)	(170,432)
Administrative expenses		(326,102)	(329,609)
Other expenses	19	(50,861)	(103,674)
Exchange gains, net	20	576	63,682
<b>Operating profit</b>		<b>1,324,338</b>	<b>4,777,941</b>
Finance (costs)/income	21	(36,150)	14,573
<b>Profit before income tax</b>		<b>1,288,188</b>	<b>4,792,514</b>
Income tax expenses	22	(583,570)	(358,921)
<b>Profit for the period</b>		<b>704,618</b>	<b>4,433,593</b>
<b>Attributable to:</b>			
Shareholders of the Company		706,149	4,433,125
Minority interests		(1,531)	468
		<b>704,618</b>	<b>4,433,593</b>
<b>Basic earnings per share for profit attributable to the shareholders of the Company during the period</b> (expressed in RMB per share)	23	<b>0.195</b>	1.184
<b>Dividends</b>	24	<b>176,537</b>	886,625

The notes on page 26 to 50 form an integral part of this condensed consolidated interim financial information.

# Condensed

## Consolidated Interim Statement of Comprehensive Income

	Six months ended 30 June	
	2009 (Unaudited) RMB'000	2008 (Unaudited) RMB'000
<b>Profit for the period</b>	704,618	4,433,593
<b>Other comprehensive income for the period (net of tax)</b>	—	—
<b>Total comprehensive income for the period</b>	704,618	4,433,593
<b>Total comprehensive income attributable to:</b>		
— Shareholders of the Company	706,149	4,433,125
— Minority interests	(1,531)	468
	704,618	4,433,593

The notes on page 26 to 50 form an integral part of this condensed consolidated interim financial information.

# Condensed

## Consolidated Interim Statement of Changes in Equity

	Unaudited					
	Attributable to the shareholders of the Company					
	Share capital and premium	Other reserves	Retained earnings	Subtotal	Minority interests	Total
	(note 12) RMB'000	(note 13) RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Balance at 1 January 2008 (Audited)</b>	5,102,222	684,062	3,228,613	9,014,897	18,808	9,033,705
Profit for the period	—	—	4,433,125	4,433,125	468	4,433,593
Other comprehensive income	—	—	—	—	—	—
Partial disposal of interest in a subsidiary	—	—	—	—	884,656	884,656
Dividends	—	—	(514,058)	(514,058)	—	(514,058)
<b>Balance at 30 June 2008</b>	5,102,222	684,062	7,147,680	12,933,964	903,932	13,837,896
<b>Balance at 1 January 2009 (Audited)</b>	4,937,054	684,062	7,294,835	12,915,951	878,675	13,794,626
Repurchase of shares of the Company (note 12(a))	(240,161)	—	—	(240,161)	—	(240,161)
Profit for the period	—	—	706,149	706,149	(1,531)	704,618
Other comprehensive income	—	—	—	—	—	—
Dividends (note 24(a))	—	—	(202,869)	(202,869)	—	(202,869)
<b>Balance at 30 June 2009</b>	<b>4,696,893</b>	<b>684,062</b>	<b>7,798,115</b>	<b>13,179,070</b>	<b>877,144</b>	<b>14,056,214</b>

The notes on page 26 to 50 form an integral part of this condensed consolidated interim financial information.

# Condensed

## Consolidated Interim Cash Flow Statement

	Note	Six months ended 30 June	
		2009 (Unaudited) RMB'000	2008 (Unaudited) RMB'000
<b>Net cash generated from/(used in) operating activities</b>		<b>3,447,223</b>	<b>(3,062,587)</b>
<b>Net cash (used in)/generated from investing activities</b>		<b>(65,685)</b>	<b>1,418,903</b>
<b>Net cash (used in)/generated from financing activities</b>		<b>(1,513,006)</b>	<b>1,426,204</b>
<b>Increase/(decrease) in cash and cash equivalents</b>		<b>1,868,532</b>	<b>(217,480)</b>
Exchange losses on cash and cash equivalents		(468)	(159,771)
Cash and cash equivalents at 1 January	11	3,044,292	2,582,513
<b>Cash and cash equivalents at 30 June</b>	11	<b>4,912,356</b>	<b>2,205,262</b>

The notes on page 26 to 50 form an integral part of this condensed consolidated interim financial information.

# Notes to the Condensed Consolidated Interim Financial Information

## 1 General information

Agile Property Holdings Limited (the “Company”) is a limited liability company incorporated in the Cayman Islands on 14 July 2005 and is principally engaged in investment holding. The address of its registered office is Cricket Square, Hutchins Drive, P. O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company and its subsidiaries (the “Group”) are principally engaged in property development in the People’s Republic of China (the “PRC”).

The Company’s shares were listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 15 December 2005.

The condensed consolidated interim financial information was approved for issue by the Board of Directors on 9 September 2009.

This condensed consolidated interim financial information has not been audited.

## 2 Basis of preparation and accounting policies

### 2.1 Basis of preparation

This condensed consolidated interim financial information for the six months ended 30 June 2009 has been prepared in accordance with Hong Kong Accounting Standard 34 (“HKAS 34”) “Interim Financial Reporting”. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2008, which have been prepared in accordance with Hong Kong Financial Reporting Standards (the “HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants.

### 2.2 Accounting policies

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2008, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

**(a) *The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2009***

- HKAS 1 (revised), “Presentation of financial statements”. The revised standard prohibits the presentation of items of income and expenses (that is “non-owner changes in equity”) in the statement of changes in equity, requiring “non-owner changes in equity” to be presented separately from owner changes in equity. All “non-owner changes in equity” are required to be shown in a performance statement.

Entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income).

The Group has elected to present two statements: an income statement and a statement of comprehensive income. This condensed consolidated interim financial information has been prepared in accordance with the revised disclosure requirements.



## 2 Basis of preparation and accounting policies (continued)

### 2.2 Accounting policies (continued)

(a) *The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2009* (continued)

- HKFRS 8, “Operating segments”. HKFRS 8 replaces HKAS 14, “Segment reporting”. It requires a “management approach” under which segment information is presented on the same basis as that used for internal reporting purposes.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. There is no substantial impact on the Group’s accounting policy.

- Amendment to HKFRS 7, “Financial instruments: disclosures”. The amendment increases the disclosure requirements about fair value measurement and amends the disclosure about liquidity risk. The amendment introduces a three-level hierarchy for fair value measurement disclosures about financial instruments and requires some specific quantitative disclosures for those instruments classified in the lowest level in the hierarchy. These disclosures will help to improve comparability between entities about the effects of fair value measurements. In addition, the amendment clarifies and enhances the existing requirements for the disclosure of liquidity risk primarily requiring a separate liquidity risk analysis for derivative and non-derivative financial liabilities. It also requires a maturity analysis for financial assets where the information is needed to understand the nature and context of liquidity risk. There is no substantial impact on the disclosure of the condensed consolidated interim financial information. The Group will make additional relevant disclosures in its financial statements for the year ending 31 December 2009.
- HKAS 23 (Amendment), “Borrowing costs”. The definition of borrowing costs has been amended so that interest expense is calculated using the effective interest method defined in HKAS 39 “Financial instruments: Recognition and measurement”. This eliminates the inconsistency of terms between HKAS 39 and HKAS 23. The amendment requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial period of time to get ready for use or sale) as part of the cost of that asset. The option of immediately expensing those borrowing costs has been removed. There is no substantial impact on the Group’s accounting policies because the Group has already adopted the capitalisation option on the borrowing costs for qualifying assets;
- HKAS 36 (Amendment), “Impairment of assets”. Where fair value less costs to sell is calculated on the basis of discounted cash flows, disclosures equivalent to those for value-in-use calculation should be made. The Group will provide the required disclosure where applicable for impairment tests;
- HKAS 38 (Amendment), “Intangible assets”. A prepayment may only be recognised in the event that payment has been made in advance of obtaining right of access to goods or receipt of services. There is no material impact on the Group’s consolidated financial statements;

# Notes to the Condensed

Consolidated Interim Financial Information

## 2 Basis of preparation and accounting policies (continued)

### 2.2 Accounting policies (continued)

(a) *The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2009* (continued)

- HKAS 39 (Amendment), “Financial instruments: Recognition and measurement”. When remeasuring the carrying amount of a debt instrument on cessation of fair value hedge accounting, the amendment clarifies that a revised effective interest rate (calculated at the date fair value hedge accounting ceases) are used. There is no material impact on the Group’s consolidated financial statements;
- HKAS 40 (Amendment), “Investment property” (and consequential amendments to HKAS 16). Property that is under construction or development for future use as investment property is within the scope of HKAS 40. Where the fair value model is applied, such property is, therefore, measured at fair value. However, where fair value of investment property under construction is not reliably measurable, the property is measured at cost until the earlier of the date construction is completed and the date at which fair value becomes reliably measurable. The amendment does not have an impact on the Group’s operations as no investment properties are held by the Group;
- HK(IFRIC)-Int 15, “Agreements for construction of real estates”. HK(IFRIC)-Int 15 clarifies whether HKAS 18, “Revenue” or HKAS 11, “Construction contracts” should be applied to particular transactions. It is likely to result in HKAS 18 being applied to a wider range of transactions. HK(IFRIC)-Int 15 is unlikely to impact the Group’s financial statements as all revenue transactions are accounted for under HKAS 18 and not HKAS 11.

(b) *The following new standards, amendments to standards and interpretations are mandatory for the first time for the financial year beginning 1 January 2009, but are not relevant for the Group’s current operations*

- HKFRS 2 (Amendment), “Share-based payment”.
- HKAS 32 (Amendment), “Financial instruments: presentation”.
- HK(IFRIC) 9 (Amendment), “Reassessment of embedded derivatives” and HKAS 39 (amendment), “Financial instruments: Recognition and measurement”.
- HK(IFRIC) 13, “Customer loyalty programmes”.
- HK(IFRIC) 16, “Hedges of a net investment in a foreign operation”.

# Notes to the Condensed

## Consolidated Interim Financial Information

### 3 Segment information

The Board of Directors of the Company, which is the chief operating decision-maker of the Group, reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports. The Group is organised into three business segments: property development, property management and hotel operations. As the chief operating decision-maker of the Group considers most of the Group's consolidated revenue and results are attributable to the market in the PRC and less than 10% of the Group's consolidated assets are located outside the PRC, geographical segment information is not necessary to be prepared.

The Board of Directors assesses the performance of the operating segments based on a measure of segment results. Interest income and finance (costs)/income are not included in the result for each operating segment.

Turnover between segments are carried out on terms equivalent to those that prevail in arm's length transactions. The revenue from external parties reported to the Board of Directors is measured in a manner consistent with that in the condensed consolidated interim income statement.

Analysis of turnover by the Group's operating segments for the six months ended 30 June 2009 and 2008 is as follows:

	Six months ended 30 June	
	2009	2008
	<i>RMB'000</i>	<i>RMB'000</i>
Property development	5,488,931	2,239,127
Property management	105,938	92,491
Hotel operations	17,819	11,685
	<b>5,612,688</b>	2,343,303

## Notes to the Condensed

### Consolidated Interim Financial Information

### 3 Segment information (continued)

Segment results for the six months ended 30 June 2009 and 30 June 2008 are as follows:

#### Six months ended 30 June 2009

	Property development <i>RMB'000</i>	Property management <i>RMB'000</i>	Hotel operations <i>RMB'000</i>	Group <i>RMB'000</i>
Gross segment sales	5,488,931	125,359	17,819	5,632,109
Inter-segment sales	—	(19,421)	—	(19,421)
Sales to external customers	5,488,931	105,938	17,819	5,612,688
Segment results	1,321,194	2,653	491	1,324,338
Finance costs (note 21)				(36,150)
Profit before income tax				1,288,188
Income tax expenses (note 22)				(583,570)
Profit for the period				704,618
Capital expenditure	111,493	1,018	361	112,872
Depreciation	19,981	3,197	1,580	24,758
Amortisation of land use rights and intangible assets	179,990	2	24	180,016

#### Six months ended 30 June 2008

	Property development <i>RMB'000</i>	Property management <i>RMB'000</i>	Hotel operations <i>RMB'000</i>	Group <i>RMB'000</i>
Gross segment sales	2,239,127	100,765	11,685	2,351,577
Inter-segment sales	—	(8,274)	—	(8,274)
Sales to external customers	2,239,127	92,491	11,685	2,343,303
Segment results	4,792,743	(8,241)	(6,561)	4,777,941
Finance income (note 21)				14,573
Profit before income tax				4,792,514
Income tax expenses (note 22)				(358,921)
Profit for the period				4,433,593
Capital expenditure	17,951	3,122	15,419	36,492
Depreciation	8,223	3,323	339	11,885
Amortisation of land use rights and intangible assets	93,994	292	4	94,290

## Notes to the Condensed

Consolidated Interim Financial Information

### 3 Segment information (continued)

Segment assets and liabilities as at 30 June 2009 are as follows:

	Property development <i>RMB'000</i>	Property management <i>RMB'000</i>	Hotel operations <i>RMB'000</i>	Elimination <i>RMB'000</i>	Group <i>RMB'000</i>
Segment assets	34,752,930	159,735	256,765	(142,373)	35,027,057
Unallocated assets					150,237
Total assets					35,177,294
Segment liabilities	8,944,901	212,946	32,611	(142,373)	9,048,085
Unallocated liabilities					12,072,995
Total liabilities					21,121,080

Segment assets and liabilities as at 31 December 2008 are as follows:

	Property development <i>RMB'000</i>	Property management <i>RMB'000</i>	Hotel operations <i>RMB'000</i>	Elimination <i>RMB'000</i>	Group <i>RMB'000</i>
Segment assets	34,821,559	137,486	42,622	(126,699)	34,874,968
Unallocated assets					102,809
Total assets					34,977,777
Segment liabilities	7,211,202	191,960	41,298	(126,699)	7,317,761
Unallocated liabilities					13,865,390
Total liabilities					21,183,151

## Notes to the Condensed

### Consolidated Interim Financial Information

### 3 Segment information (continued)

Segment assets and liabilities as at 30 June 2009 and 31 December 2008 are reconciled to total assets and liabilities as follows:

	30 June 2009		31 December 2008	
	Assets RMB'000	Liabilities RMB'000	Assets RMB'000	Liabilities RMB'000
Segment assets/liabilities	35,027,057	9,048,085	34,874,968	7,317,761
Unallocated:				
Deferred income taxes	66,625	844,424	54,898	1,023,414
Prepaid income taxes	83,612	—	47,911	—
Current income taxes	—	2,908,143	—	2,773,403
Current borrowings	—	2,151,281	—	3,509,518
Non-current borrowings	—	6,169,147	—	6,559,055
Total	35,177,294	21,121,080	34,977,777	21,183,151

In the six months ended 30 June 2008, hotel operations were not identified as a separate segment. However, with the development of hotel business in the second half year of 2008, the chief operating decision-maker has designated hotel operations as a separate segment. In addition, the chief operating decision-maker has considered not to report decoration as a separate segment in 2009 as it does not generate any external revenue. Comparative information of the six months ended 30 June 2008 has been restated for consistency of disclosure of this period.

Segment assets consist primarily of property, plant and equipment, land use rights, properties under development, completed properties held for sale, receivables and cash balances. Unallocated assets comprise deferred tax assets and prepaid income taxes.

Segment liabilities comprise operating liabilities. Unallocated liabilities comprise items such as taxation and borrowings.

Capital expenditure comprises additions to property, plant and equipment and intangible assets, including additions resulting from acquisitions through business combinations.

## Notes to the Condensed

Consolidated Interim Financial Information

### 4 Land use rights, property, plant and equipment and intangible assets

	Land use rights RMB'000	Property, plant and equipment RMB'000	Intangible assets RMB'000
<b>Six months ended 30 June 2008</b>			
Opening net book amount as at 1 January 2008	8,968,974	127,798	3,152
Acquisition of subsidiaries	1,802,994	577	—
Additions	680,659	32,943	2,972
Disposals	—	(437)	—
Depreciation/amortisation charges			
— Capitalised in properties under development	(41,969)	—	—
— Recognised as expenses	(51,849)	(11,885)	(472)
Transfer to cost of properties sold	(160,204)	—	—
Closing net book amount as at 30 June 2008	11,198,605	148,996	5,652
<b>Six months ended 30 June 2009</b>			
Opening net book amount as at 1 January 2009	12,765,126	260,813	10,718
Transfer from properties under development	—	106,188	—
Additions	1,942,100	5,650	1,034
Disposals	—	(780)	—
Depreciation/amortisation charges			
— Capitalised in properties under development	(116,247)	—	—
— Recognised as expenses	(62,302)	(24,758)	(1,467)
Transfer to cost of properties sold	(632,057)	—	—
Closing net book amount as at 30 June 2009	13,896,620	347,113	10,285
Land use rights included in non-current assets	7,905,946		
Land use rights will be realised within one normal operating cycle	5,990,674		
	13,896,620		

Land use rights comprise cost of acquiring rights to use certain land, which are all located in the PRC, mainly for property development over fixed periods. Cost of prepaid lease for land use rights is amortised on a straight-line basis over the unexpired period of the rights and the remaining carrying amount is recognised as cost of sales when the relevant properties are sold.

As at 30 June 2009, land use rights of RMB3,917,163,000 (31 December 2008: RMB1,744,908,000) were pledged as collateral for the Group's bank borrowings (note 14).



## Notes to the Condensed

### Consolidated Interim Financial Information

#### 5 Prepayments

Amounts represent prepayment for acquisition of a hotel building from Zhongshan Agile Hotel Company Limited, a related party of the Group, and a commercial building from Mr. Chen Zhuo Lin and Ms. Luk Sin Fong, Fion, respectively. These acquisitions have not yet been completed as at 30 June 2009.

#### 6 Properties under development

	<b>30 June 2009 RMB'000</b>	31 December 2008 RMB'000
Properties under development comprises:		
— construction costs and capitalised expenditures	7,520,938	7,784,886
— interest capitalised	295,781	467,417
	<b>7,816,719</b>	8,252,303

All properties under development are located in the PRC.

The capitalisation rate of borrowings was 7.12% for the six months ended 30 June 2009 (for six months ended 30 June 2008: 8.40%).

#### 7 Completed properties held for sale

All completed properties held for sale are located in the PRC.

As at 30 June 2009, completed properties held for sale of approximately RMB74,596,000 (31 December 2008: RMB39,364,000) were pledged as collateral for the Group's bank borrowings (note 14).

#### 8 Prepayments for acquisition of land use rights

Amounts represent up-front payments for acquiring land use rights for property development. The amounts will be transferred to land use rights in the balance sheet when the Group obtains contractual usage rights of the lands.

## Notes to the Condensed

Consolidated Interim Financial Information

### 9 Trade and other receivables

	<b>30 June 2009 RMB'000</b>	31 December 2008 RMB'000
Trade receivables (note (a))	428,962	881,373
Other receivables due from:		
— a related party	—	141
— third parties	706,681	562,622
Prepayments for construction costs	33,712	34,399
	<b>1,169,355</b>	1,478,535

As at 30 June 2009, the fair value of trade and other receivables approximated their carrying amounts.

Note:

- (a) Trade receivables mainly represent un-settled proceeds from sale of properties. Considerations in respect of properties sold are paid in accordance with the terms of the related sales and purchase agreements. As at 30 June 2009 and 31 December 2008, the ageing analysis of the trade receivables is as follows:

	<b>30 June 2009 RMB'000</b>	31 December 2008 RMB'000
Within 90 days	330,448	806,503
Over 90 days and within 365 days	56,559	74,870
Over 365 days and within 2 years	41,955	—
	<b>428,962</b>	881,373

## Notes to the Condensed

Consolidated Interim Financial Information

### 10 Restricted cash

	30 June 2009 RMB'000	31 December 2008 RMB'000
Guarantee deposits for mortgage loans (note (a))	24,603	26,965
Guarantee deposits for construction of pre-sold properties (note (b))	1,341,029	1,072,937
Deposits for compensation to construction labour (note (c))	31,432	50,795
Collateral for borrowings (note (d))	478,233	1,057,474
	<b>1,875,297</b>	2,208,171
Denominated in RMB	1,397,064	1,150,697
Denominated in other currencies	478,233	1,057,474
	<b>1,875,297</b>	2,208,171

*Notes:*

- (a) The amount represents guarantee deposits placed with certain banks for mortgage loan facilities granted by the banks to the purchasers of the Group's properties.
- (b) In accordance with relevant documents issued by local State-Owned Land and Resource Bureau, certain property development companies of the Group are required to place certain amount of proceeds from pre-sales of properties at designated bank accounts as guarantee deposits for constructions of related properties. The deposits can only be used for purchase of construction materials and payments of construction fee of the relevant property projects when approval from local State-Owned Land and Resource Bureau is obtained. Such guarantee deposits will only be released after completion of construction of related pre-sold properties or issuance of the real estate ownership certificate, which is earlier.
- (c) In accordance with regulation issued by local government in 2005, certain property development companies of the Group are required to maintain certain amount of cash at designated bank accounts solely for payments of medical expenses or compensations to construction labour when they are injured in the construction accident.
- (d) Amount represents a HK\$ deposit placed to a bank as the collateral for its loans to the Group of RMB458,000,000 (note 14). Such guarantee will be released after the repayment of the relevant borrowings.

## Notes to the Condensed

Consolidated Interim Financial Information

### 11 Cash and cash equivalents

	<b>30 June 2009 RMB'000</b>	31 December 2008 RMB'000
Cash and cash equivalents comprises the following:		
Cash at bank and in hand	4,004,054	2,945,508
Short-term bank deposits	906,266	96,925
High liquidity investment	2,036	1,859
	<b>4,912,356</b>	3,044,292
Denominated in RMB (note (a))	3,326,069	2,083,081
Denominated in other currencies	1,586,287	961,211
	<b>4,912,356</b>	3,044,292

Note:

- (a) The conversion of RMB denominated cash and bank into foreign currencies and the remittance of such foreign currencies denominated cash and bank out of the PRC are subject to relevant rules and regulations of foreign exchange control promulgated by the PRC government.

### 12 Share capital and premium

	Number of ordinary shares	Nominal value of ordinary shares HK\$'000	Equivalent nominal value of ordinary shares RMB'000	Share premium RMB'000	Total RMB'000
<b>Six months ended 30 June 2008</b>					
Balances as at 1 January 2008 and 30 June 2008	3,745,660,000	374,566	389,135	4,713,087	5,102,222
<b>Six months ended 30 June 2009</b>					
At 1 January 2009	3,679,832,000	367,983	383,358	4,553,696	4,937,054
Repurchase of shares of the Company (note (a))	(93,484,000)	(9,348)	(8,244)	(231,917)	(240,161)
<b>At 30 June 2009</b>	<b>3,586,348,000</b>	<b>358,635</b>	<b>375,114</b>	<b>4,321,779</b>	<b>4,696,893</b>

Note:

- (a) In the six months ended 30 June 2009, the Company has acquired 93,484,000 of its own shares through purchase through the Stock Exchange at a consideration of approximately HK\$272,368,000 (equivalent to RMB240,161,000).

# Notes to the Condensed

Consolidated Interim Financial Information

## 13 Other reserves

	Merger reserve <i>(note (a))</i> RMB'000	Statutory reserve and enterprise expansion fund <i>(note (b))</i> RMB'000	Total RMB'000
<b>Six months ended 30 June 2008</b>			
Balance at 1 January 2008 and 30 June 2008	442,395	241,667	684,062
<b>Six months ended 30 June 2009</b>			
Balance at 1 January 2009 and 30 June 2009	442,395	241,667	684,062

Notes:

- (a) Merger reserve of the Group represents the difference between the share capital of subsidiaries acquired pursuant to a group reorganisation undertaken for listing of Company on the Stock Exchange over the nominal value of the shares of the Company issued in exchange.
- (b) Pursuant to the relevant rules and regulation concerning foreign investment enterprise established in the PRC and the articles of association of certain PRC subsidiaries of the Group, the subsidiaries are required to transfer an amount of their profit after taxation to the statutory reserve fund, until the accumulated total of the fund reaches 50% of their registered capital. The statutory reserve fund may be distributed to equity holders in the form of bonus issue.

The appropriation to the enterprise expansion fund is solely determined by the board of directors of the subsidiaries.

## Notes to the Condensed

Consolidated Interim Financial Information

### 14 Borrowings

	<b>30 June 2009 RMB'000</b>	31 December 2008 RMB'000
Borrowings included in non-current liabilities:		
Senior notes (note (a))	2,677,527	2,673,385
Bank borrowings		
— secured (note (b))	3,746,040	3,792,170
— unsecured	551,750	1,365,000
Less: current portion of long-term borrowings	(806,170)	(1,271,500)
	<b>6,169,147</b>	6,559,055
Borrowings included in current liabilities:		
Bank borrowings		
— secured (note (b))	32,000	880,000
— unsecured	—	9,190
Short-term syndicated loans—unsecured (note (c))	1,313,111	1,348,828
Current portion of long-term borrowings	806,170	1,271,500
	<b>2,151,281</b>	3,509,518
<b>Total borrowings</b>	<b>8,320,428</b>	10,068,573

*Notes:*

- (a) As at 30 June 2009, the senior notes are jointly guaranteed by certain subsidiaries, and are secured by pledges of the shares of the subsidiaries. The net assets of these subsidiaries were approximately RMB1,080,376,000 as at 30 June 2009 (31 December 2008: RMB1,038,946,000).
- (b) As at 30 June 2009, the Group's bank borrowings of RMB458,000,000 (31 December 2008: RMB800,000,000) are secured by HK\$ deposit equivalent to RMB478,233,000 (31 December 2008: RMB1,057,474,000) (note 10(d)), and bank borrowings of RMB3,320,040,000 (31 December 2008: RMB3,872,170,000) are secured by land use rights (note 4) and properties (note 7).
- (c) The Company has entered into a revolving credit facility agreement with a group of banks and financial institutions pursuant to which a revolving loan facility of US\$200,000,000 has been granted to the Company which will expire on 27 June 2010. The facility is jointly guaranteed by certain subsidiaries of the Group. As at 30 June 2009, the loans drawn down by the Company amounted to HK\$1,500,000,000 (equivalent to US\$193,628,420) (31 December 2008: HK\$1,529,457,000 (equivalent to US\$197,353,000)).

## Notes to the Condensed

Consolidated Interim Financial Information

### 14 Borrowings (continued)

Movements in bank borrowings and syndicated loans are analysed as follows:

	Six months ended 30 June	
	2009 RMB'000	2008 RMB'000
<b>Opening amount as at 1 January</b>	7,395,188	5,170,770
Additions of borrowings	2,185,180	2,542,007
Repayments of borrowings	(3,937,467)	(405,250)
<b>Closing amount as at 30 June</b>	<b>5,642,901</b>	<b>7,307,527</b>

The senior notes recognised in the balance sheet are calculated as follows:

	Six months ended 30 June	
	2009 RMB'000	2008 RMB'000
<b>Carrying amount as at 1 January</b>	2,673,385	2,851,641
Amortisation of issuance cost (note 21)	5,222	4,759
Exchange gain	(1,080)	(178,200)
<b>Carrying amount as at 30 June</b>	<b>2,677,527</b>	<b>2,678,200</b>

The Group has the following undrawn borrowing facilities:

	30 June	31 December
	2009 RMB'000	2008 RMB'000
Floating rate — expiring beyond one year	963,760	305,000



## Notes to the Condensed

Consolidated Interim Financial Information

### 15 Trade and other payables

	<b>30 June 2009 RMB'000</b>	31 December 2008 RMB'000
Trade payables (note (a))	3,498,050	3,989,419
Other payables due to:		
— related parties (note 27 (c))	109,619	3,727
— third parties	2,338,828	1,916,202
Advances from customers	2,822,879	1,069,533
Staff welfare benefit payable	21,260	12,435
Accruals	142,150	173,768
Other taxes payable	115,299	152,677
	<b>9,048,085</b>	<b>7,317,761</b>

Note:

- (a) The ageing analysis of trade payables of the Group as at 30 June 2009 and 31 December 2008 is as follows:

	<b>30 June 2009 RMB'000</b>	31 December 2008 RMB'000
Within 90 days	2,945,846	3,403,381
Over 90 days and within 180 days	181,511	151,072
Over 180 days and within 365 days	248,308	290,569
Over 365 days	122,385	144,397
	<b>3,498,050</b>	<b>3,989,419</b>

## Notes to the Condensed

Consolidated Interim Financial Information

### 16 Current income tax liabilities

Current income tax liabilities are analysed as follows:

	30 June 2009 RMB'000	31 December 2008 RMB'000
Income tax payables		
– PRC corporate income tax payables	77,128	214,427
– PRC land appreciation tax payables	2,831,015	2,558,976
	<b>2,908,143</b>	<b>2,773,403</b>

### 17 Expenses by nature

Operating profit has been arrived by deducting the following major expenses.

	Six months ended 30 June	
	2009 RMB'000	2008 RMB'000
Employee benefit expenses—excluding directors' emoluments	225,860	235,413
Auditors' remuneration	2,250	2,124
Advertising costs	198,872	131,341
Depreciation (note 4)	24,758	11,885
Amortisation of intangible assets (note 4)	1,467	472
Amortisation of land use rights (note 4)	62,302	51,849
Cost of properties sold	3,258,224	1,008,195
Business taxes and other levies on sales of properties (note (a))	280,294	111,984
Cost of property management	52,975	50,708
Cost of hotel operations	11,672	11,207
Commission fee	19,430	11,391

Note:

- (a) The PRC companies of the Group are subject to business taxes of 5% and other levies on their revenues from sales of properties.

## Notes to the Condensed

Consolidated Interim Financial Information

### 18 Other gains

	Six months ended 30 June	
	2009 RMB'000	2008 RMB'000
Gain on partial disposal of a subsidiary (note (a))	—	4,144,639
Interest income	20,096	42,391
Forfeited deposits from customers	1,586	3,776
Rental income	8,311	6,765
Miscellaneous	3,348	4,327
	<b>33,341</b>	<b>4,201,898</b>

Note:

- (a) On 27 June 2008, the Group entered into a subscription agreement with an independent third party, whereby the independent third party acquired 30% equity interests of a subsidiary of the Group at a consideration approximately of US\$733,340,000. This partial disposal of a subsidiary has resulted in a gain of approximately RMB4,144,639,000 to the Group.

### 19 Other expenses

The amounts mainly represented the donations of approximately RMB48,071,000 made by the Group (six months ended 30 June 2008: RMB95,560,000).

### 20 Exchange gains, net

Net exchange gains are mainly resulted from translation at period-end exchange rate of foreign currency denominated bank deposits and financial liabilities, except for the senior notes and syndicated loans of which the exchange gain or loss is recognised in finance cost.

## Notes to the Condensed

Consolidated Interim Financial Information

### 21 Finance (costs)/income

	Six months ended 30 June	
	2009 RMB'000	2008 RMB'000
Exchange gain of senior notes and syndicated loans	2,939	233,934
Amortisation of issuance costs of senior notes	(5,222)	(4,759)
Interest expenses:		
– bank loans	(206,884)	(246,933)
– senior notes	(122,764)	(126,633)
Interest capitalised	295,781	158,964
	(36,150)	14,573

### 22 Income tax expenses

	Six months ended 30 June	
	2009 RMB'000	2008 RMB'000
Current income tax		
– PRC corporate income tax	432,484	377,032
– PRC land appreciation tax	341,803	271,519
Deferred income tax		
– PRC corporate income tax	(190,717)	(289,630)
	583,570	358,921

#### PRC corporate income tax

PRC corporate income tax is provided for the profit for the PRC statutory financial reporting purpose, adjusted for those items, which are not assessable or deductible for the PRC corporate income tax purpose.

#### PRC land appreciation tax

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

## Notes to the Condensed

Consolidated Interim Financial Information

### 23 Earnings per share

Basic earnings per share arising from continuing operations is calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 June	
	2009	2008
Profit attributable to shareholders of the Company (RMB'000)	706,149	4,433,125
Weighted average number of ordinary shares in issue (thousands)	3,616,081	3,745,660
Basic earnings per share (RMB per share)	0.195	1.184

No diluted earnings per share is presented as there was no potential dilutive share in issue during the six months ended 30 June 2009 and 2008.

### 24 Dividends

	Six months ended 30 June	
	2009 RMB'000 <i>note (b)</i>	2008 RMB'000
Proposed interim dividend	176,537	886,625
	176,537	886,625

Notes:

- (a) A final dividend in respect of 2008 of HK\$0.064 per ordinary share, totalling approximately HK\$230,166,000 (equivalent to RMB202,869,000) was declared in the Company's Annual General Meeting on 3 June 2009.
- (b) An interim dividend in respect of six months ended 30 June 2009 of HK\$0.056 per ordinary share totalling HK\$200,315,000 (equivalent to RMB176,537,000) was proposed at the board meeting on 9 September 2009. The condensed consolidated interim financial information does not reflect this dividend payable.

An interim dividend in respect of six months ended 30 June 2008 of HK\$0.271 per ordinary share totaling HK\$1,013,286,000 (equivalent to RMB886,625,000) was declared by the Board of Directors on 10 September 2008.

## 25 Contingencies

### (a) Financial guarantee provided in respect of mortgage facilities for property purchasers

The Group has in cooperation with certain financial institutions and arranged mortgage loan facility for its purchasers of property and provided guarantees to secure obligations of such purchasers for repayments. As at 30 June 2009, the outstanding guarantees amounted to RMB8,307,777,000 (31 December 2008: RMB6,021,461,000). Such guarantees terminate upon earlier of (i) issuance of the real estate ownership certificate which will generally be available within one year after the Group delivers possession of the relevant property to its purchasers; and (ii) the satisfaction of relevant mortgage loan by purchasers.

Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties. The Group's guarantee period starts from the dates the mortgagees grant the mortgage loans. No provision has been made for the guarantees as the estimated net realisable value of the related properties can cover the repayment of the outstanding mortgage principals together with the accrued interest and penalty in case of default in payments.

### (b) Dispute in relation to a cooperation framework agreement

On 29 November 2007, the Company and its subsidiaries, Ma Lee International Holdings Limited and Huizhou Bailuhu Tour Enterprise Development Company Limited ("Huizhou Bailuhu"), entered into a framework agreement with Aetos Capital Asia TE II, Ltd., Aetos Capital Asia II, Ltd. and ACA II Co-Investment Fund, LP (collectively "Aetos"), who are independent third parties to the Group, to dispose of 25% of the Group's equity interests in Huizhou Bailuhu project to Aetos at a consideration of approximately RMB1.2 billion. In December 2007, the Group has received an amount of US\$164,089,000 (equivalent to RMB1.2 billion) from Aetos, being the deposit for entering into the framework agreement.

On 10 October 2008, the Group received a purported notice of termination of the framework agreement from Aetos, which demanded the Group to refund the paid deposit together with interest accrued thereon on the ground that the Group could not finalise the sales and purchase agreement in relation to the said disposal of equity interests in Huizhou Bailuhu project on 30 June 2008, as stipulated in the framework agreement. In accordance with the liquidated damages provisions in the framework agreement, the interest rate on the received deposits is 8% per annum for the period from date of receipts of deposits to 30 June 2008 and 20% per annum for the period from 1 July 2008 to 90 days after the date of receipt of a termination notice for terminating the framework agreement, and 25% per annum thereafter.

The Group considers that Aetos have no grounds for terminating the framework agreement and that Aetos have no right to claim a return of the deposit and interest. In view of the dispute set out above, the mechanism for dispute resolution under the framework agreement was invoked by the Company and arbitration proceedings were commenced by the Company against Aetos on 24 December 2008.

Based on the Ruling and Order for Interim Measure issued by arbitral tribunal on 19 August 2009, the Company was required to put a deposit of US\$164,089,000 (equivalent to the deposit paid by Aetos to the Group for entering into the framework agreement) in an escrow account of the Hong Kong International Arbitration Centre within 30 days of the ruling, as a security for Aetos' claim for a return of the deposit in the arbitration.

As at the date of approval of this condensed consolidated interim financial information, the result of the dispute resolution process is not yet known. The deposit received is recorded under other payables and no interests have been provided for in the condensed consolidated interim financial information. Should the Company not succeed in the arbitration, the Company may be required to return the deposit and pay interests to Aetos. In this regard, the amount of the interest will be one of the issues to be resolved in the arbitration.

## Notes to the Condensed

Consolidated Interim Financial Information

### 26 Commitments

#### (a) Operating leases commitments

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	<b>30 June 2009 RMB'000</b>	31 December 2008 RMB'000
Property, plant and equipment:		
– Not later than one year	4,507	5,380
– Later than one year and not later than five years	1,882	2,997
	<b>6,389</b>	8,377
Lease of areas adjacent to the property development projects:		
– Not later than one year	400	400
– Later than one year and not later than five years	1,600	1,600
– Later than five years	35,900	36,100
	<b>37,900</b>	38,100

#### (b) Other commitments

	<b>30 June 2009 RMB'000</b>	31 December 2008 RMB'000
Contracted but not provided for		
– property development activities	4,436,807	3,895,490
– acquisition of land use rights and other assets	264,484	379,484
	<b>4,701,291</b>	4,274,974



# Notes to the Condensed

Consolidated Interim Financial Information

## 27 Related party transactions

### (a) Name and relationship with related parties

Name	Relationship
Top Coast Investment Limited	The ultimate holding company of the Group
The Founding Shareholders, including Mr. Chen Zhuo Lin, Mr. Chan Cheuk Yin, Ms. Luk Sin Fong, Fion, Mr. Chan Cheuk Hei, Mr. Chan Cheuk Hung and Mr. Chan Cheuk Nam	The Founding Shareholders are also the directors of the Company
中山長江高爾夫球場 Zhongshan Changjiang Golf and Country Club (note (i))	Controlled by the Founding Shareholders
Agile International Company Limited	Controlled by the Founding Shareholders
中山市雅居樂酒店有限公司 Zhongshan Agile Hotel Company Limited (note (i))	Controlled by the Founding Shareholders
中山雅居樂長江酒店有限公司 Zhongshan Agile Changjiang Hotel Company Limited (note (i))	Controlled by the Founding Shareholders
Famous Tone Investments Limited	Controlled by the Founding Shareholders

Note:

- (i) The names of certain companies referred to in these condensed consolidated financial information represent management's best efforts at translating their Chinese names into English as no English names have been registered or available.

## Notes to the Condensed

Consolidated Interim Financial Information

### 27 Related party transactions (continued)

#### (b) Transactions with related parties

During the six months ended 30 June 2009 and 2008, the Group had the following significant transactions with related parties:

	Six months ended 30 June	
	2009 RMB'000	2008 RMB'000
Restaurant and hotel service fee charged by Zhongshan Agile Hotel Company Limited (note (i))	137	283
Golf facilities service fee charged by Zhongshan Changjiang Golf and Country Club (note (i))	376	1,588
Restaurant and hotel service fee charged by Zhongshan Agile Changjiang Hotel Company Limited (note (i))	1,704	2,295
Key management compensation		
— Salaries and other short-term employee benefits	8,939	9,070
— Retirement scheme contributions	32	32
	8,971	9,102

Note:

- (i) Restaurant and hotel service fees and golf facilities service fees were charged in accordance with the terms of the underlying agreements. In the opinion of the directors of the Company, the fees were determined with reference to the market price at the prescribed period, and the above related party transactions were carried out in the normal course of business and at terms mutually negotiated between the Group and the respective related parties.

# Notes to the Condensed

Consolidated Interim Financial Information

## 27 Related party transactions (continued)

### (c) Balances with related parties

As at 30 June 2009 and 31 December 2008, the Group had the following significant non-trade balances with related parties:

	30 June 2009 RMB'000	31 December 2008 RMB'000
Prepayments to related parties (note (i)):		
– Zhongshan Agile Hotel Company Limited	92,820	92,820
– Mr. Chen Zhuo Lin and Ms. Luk Sin Fong, Fion	34,000	–
	126,820	92,820
Due from a related party:		
– Agile International Company Limited	–	141
Due to related parties:		
– Famous Tone Investments Limited (note (ii))	105,780	–
– Zhongshan Changjiang Golf & Country Club (note (iii))	3,839	3,727
	109,619	3,727

Notes:

- (i) Amounts due from Zhongshan Agile Hotel Company Limited, Mr. Chen Zhuo Lin and Ms. Luk Sin Fong, Fion represent prepayment for the acquisition of a hotel building and a commercial building respectively (note 5).
- (ii) Amounts represented a shareholder's loan of HK\$120,000,000 from Famous Tone Investments Limited, which is controlled by Mr. Chen Zhuo Lin and Ms. Luk Sin Fong, Fion. The interest rate is HIBOR plus 0.145%. The shareholder's loan will be repayable on 15 May 2010.
- (iii) Amounts due to Zhongshan Changjiang Golf & Country Club are cash advances in nature, unsecured, interest-free and are payable on demand.

# Corporate Governance

The Board is committed to achieving and maintaining high standards of corporate governance and has adopted a Statement of Corporate Governance Policy (the “Statement”) since 2006 which has been amended by the Board in several times. The Statement gives guidance on how corporate governance principles are applied to the Company (see the Company’s website at <http://www.agile.com.cn>) which included, inter alia, guidelines to the Board, Audit Committee, Nomination Committee, Remuneration Committee and internal control, and trading of securities by the directors (the “Director”) and employees of the Company.

Currently, the Board comprises nine Directors of which six are executive Directors and three are independent non-executive Directors. The Directors are high-calibre personnel who possess professional knowledge and rich experience. The Board meets at least four times a year to review and enhance its practices from time to time with an aim at improving on a continuous basis, so as to meet international best practices. The Board communicates with the shareholders in annual general meeting. The briefing on the Company’s businesses and the questions and answers session at the meetings allow the shareholders to stay informed of the Group’s strategies and goals.

## Review of interim results

The unaudited interim results for the six months ended 30 June 2009 have been reviewed by PricewaterhouseCoopers in accordance with Hong Kong Standard on Review Engagement 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants. The Audit Committee has reviewed the accounting principles and practices adopted by the Group, as well as the unaudited interim results for the six months ended 30 June 2009 and has recommended their adoption by the Board.

## Compliance with the Model Code set out in Appendix 10 to the Listing Rules

The Company has adopted Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) contained in Appendix 10 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”). The Company has made specific enquiry to all Directors regarding any non-compliance with the Model Code during the six months ended 30 June 2009 and all Directors confirmed that they have fully complied with the required standard set out in the Model Code during the period.

## Compliance with the Code on Corporate Governance Practices

The Company has complied with the code provisions of the Code on Corporate Governance Practices contained in Appendix 14 to the Listing Rules during the six months ended 30 June 2009 except that the chairman was unable to attend the annual general meeting of the Company held on 3 June 2009 due to sickness.

# Other Information

## Share options

On 23 November 2005, the Company adopted a share option scheme ("Share Option Scheme"). No option has been granted under the Share Option Scheme since its adoption.

## Directors' interests in securities

As at 30 June 2009, the interests of each Director and chief executive of the Company in the equity or debt securities of the Company or any associated corporation (within the meaning of the Securities and Futures Ordinance ("SFO")) which (a) were required to be notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Director has taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code as set out in Appendix 10 to the Listing Rules to be notified to the Company and the Stock Exchange were as follows:

### (1) The Shares of the Company

Name of Director	Capacity	Number of Shares of the Company <i>(note 5)</i>	Total	Approximate shareholding percentage %
Mr. Chen Zhuo Lin	Beneficiary of a trust	2,180,530,000	2,192,720,000	60.97
	Interest of controlled corporation (note 1)	12,190,000		
Mr. Chan Cheuk Yin	Beneficiary of a trust	2,180,530,000	2,190,530,000	60.91
	Interest of controlled corporation (note 2)	10,000,000		
Ms. Luk Sin Fong, Fion	Beneficiary of a trust	2,180,530,000	2,192,720,000	60.97
	Interests of controlled corporation (note 1)	12,190,000		
Mr. Chan Cheuk Hung	Beneficiary of a trust	2,180,530,000	2,180,530,000	60.63
Mr. Chan Cheuk Hei	Beneficiary of a trust	2,180,530,000	2,187,530,000	60.83
	Beneficial Interests (note 3)	7,000,000		
Mr. Chan Cheuk Nam	Beneficiary of a trust	2,180,530,000	2,186,558,000	60.80
	Beneficial Interests (note 4)	6,028,000		

*Notes:*

- The shares of the Company (the "Shares") were held by Brilliant Hero Capital Limited ("Brilliant Hero") and Famous Tone Investments Limited ("Famous Tone"). Mr. Chen Zhuo Lin and Ms. Luk Sin Fong, Fion were shareholders of Brilliant Hero and Famous Tone, holding a total of 100% of their equity interest respectively.
- The Shares were held by Renowned Idea Investments Limited, which is wholly-owned by Mr. Chan Cheuk Yin.
- The Shares were jointly held by Mr. Chan Cheuk Hei and his spouse, Ms. Lu Yanping.
- The Shares were jointly held by Mr. Chan Cheuk Nam and his spouse, Ms. Chan Siu Na.
- All interest in the Shares were long positions.

## Other Information

### (2) The debt securities of the Company

Name of Director	Capacity	Amount of senior notes USD	Approximate debenture holding percentage %
Mr. Kwong Che Keung, Gordon	Beneficial interests	500,000	0.125

Save as disclosed above as at 30 June 2009, none of the Directors and the chief executives of the Company had any interest in the share capital of the Company or any associated corporations (within the meaning of the SFO) which (a) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Director has taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, pursuant to the Model Code to be notified to the Company and the Stock Exchange.

### Substantial Shareholders

As at 30 June 2009, the interests of those persons in the share capital of the Company as recorded in the register maintained under section 336 of the SFO were as follows:

Name of shareholder	Capacity	Number of Shares of the Company (note 7)	Total	Approximate shareholding percentage %
Top Coast Investment Limited	Trustee	2,180,530,000	2,180,530,000	60.63
Ms. Zheng Huiqiong	Family Interests (note 1)	2,190,530,000	2,190,530,000	60.91
Ms. Lu Liqing	Family Interests (note 2)	2,180,530,000	2,180,530,000	60.63
Ms. Lu Yanping	Family Interests (note 3)	2,180,530,000	2,187,530,000	60.83
	Beneficial Interests (note 4)	7,000,000		
Ms. Chan Siu Na	Family Interests (note 5)	2,180,530,000	2,186,558,000	60.80
	Beneficial Interests (note 6)	6,028,000		

#### Notes:

- Ms. Zheng Huiqiong, spouse of Mr. Chan Cheuk Yin, Director of the Company.
- Ms. Lu Liqing, spouse of Mr. Chan Cheuk Hung, Director of the Company.
- Ms. Lu Yanping, spouse of Mr. Chan Cheuk Hei, Director of the Company.
- The shares were jointly held by Ms. Lu Yanping and her spouse Mr. Chan Cheuk Hei, Director of the Company. Ms. Lu Yanping was deemed or taken to be interested in such shares.
- Ms. Chan Siu Na, spouse of Mr. Chan Cheuk Nam, Director of the Company.
- The shares were jointly held by Ms. Chan Siu Na and her spouse Mr. Chan Cheuk Nam, Director of the Company. Ms. Chan Siu Na was deemed or taken to be interested in such shares.
- All interest in the Shares were long positions.

## Changes and updated information regarding the Directors

Mr. Kwong Che Keung, Gordon and Mr. Cheung Wing Yui retired and ceased to be the independent non-executive directors of Ping An Insurance (Group) Company of China, Limited on 3 June 2009.

Save as disclosed above, none of the Directors had a change in any of the information required to be disclosed pursuant to paragraphs (a) to (e) and (g) of rule 13.51(2) of the Listing Rules.

## Purchase, sale or redemption of listed securities

During the six months ended 30 June 2009, the Company had repurchased from the market a total of 93,484,000 shares at price per share ranging from HK\$2.46 to HK\$5.81 with a total amount of about HK\$272,368,000.

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the period ended 30 June 2009.

## Specific performance obligations of the controlling shareholders

As disclosed in the Company's announcement dated 27 June 2007, the Company as the borrower, have obtained a USD200,000,000 dual-currency revolving credit facility for a term of 36 months from June 2007 (the "Facility") from a syndicate of banks under the respective several guarantees given by the subsidiaries of the Company. The Facility will become matured in June 2010.

In connection with the Facility, it will be an event of default if (i) Mr. Chen Zhuo Lin, Mr. Chan Cheuk Yin, Ms. Luk Sin Fong, Fion, Mr. Chan Cheuk Hung, Mr. Chan Cheuk Hei and Mr. Chan Cheuk Nam (collectively referred to as the "Controlling Shareholders") do not or cease to collectively own, directly or indirectly, at least 50% of the shares of, and equity interest, in the Company; and/or (ii) the Controlling Shareholders do not or cease to be entitled to exercise management control of the Company. In case of an occurrence of an event of default, the agreement relating to the Facility may be terminated by the agent as defined therein, if directed by the majority lenders, and the loan may become immediately due and repayable.

## Interim dividend

The Board declared an interim dividend of HK5.6 cents (2008: HK27.1 cents) per share payable in cash on 9 October 2009 to shareholders whose names appear on the register of members as at 30 September 2009.

## Closure of register of members

The register of members of the Company will be closed from 28 September 2009 to 30 September 2009, both dates inclusive. To qualify for the interim dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong for registration not later than 4:00 p.m. on 25 September 2009.

# Projects at a Glance 項目巡禮

GFA  
建築面積

1,606,751

sq.m.  
平方米

Agile Garden  
Chengdu  
成都雅居樂花園





# Hainan Clearwater Bay 海南清水灣



GFA  
建築面積

9,854,037

sq.m.  
平方米





# Agile Egret Lake Huizhou 惠州雅居樂白鷺湖



GFA  
建築面積

2,000,000

sq.m.  
平方米





# Agile Garden Guangzhou 廣州雅居樂花園





GFA  
建築面積

1,846,814

sq.m.  
平方米





# La Cite Greenville Zhongshan 中山凱茵新城



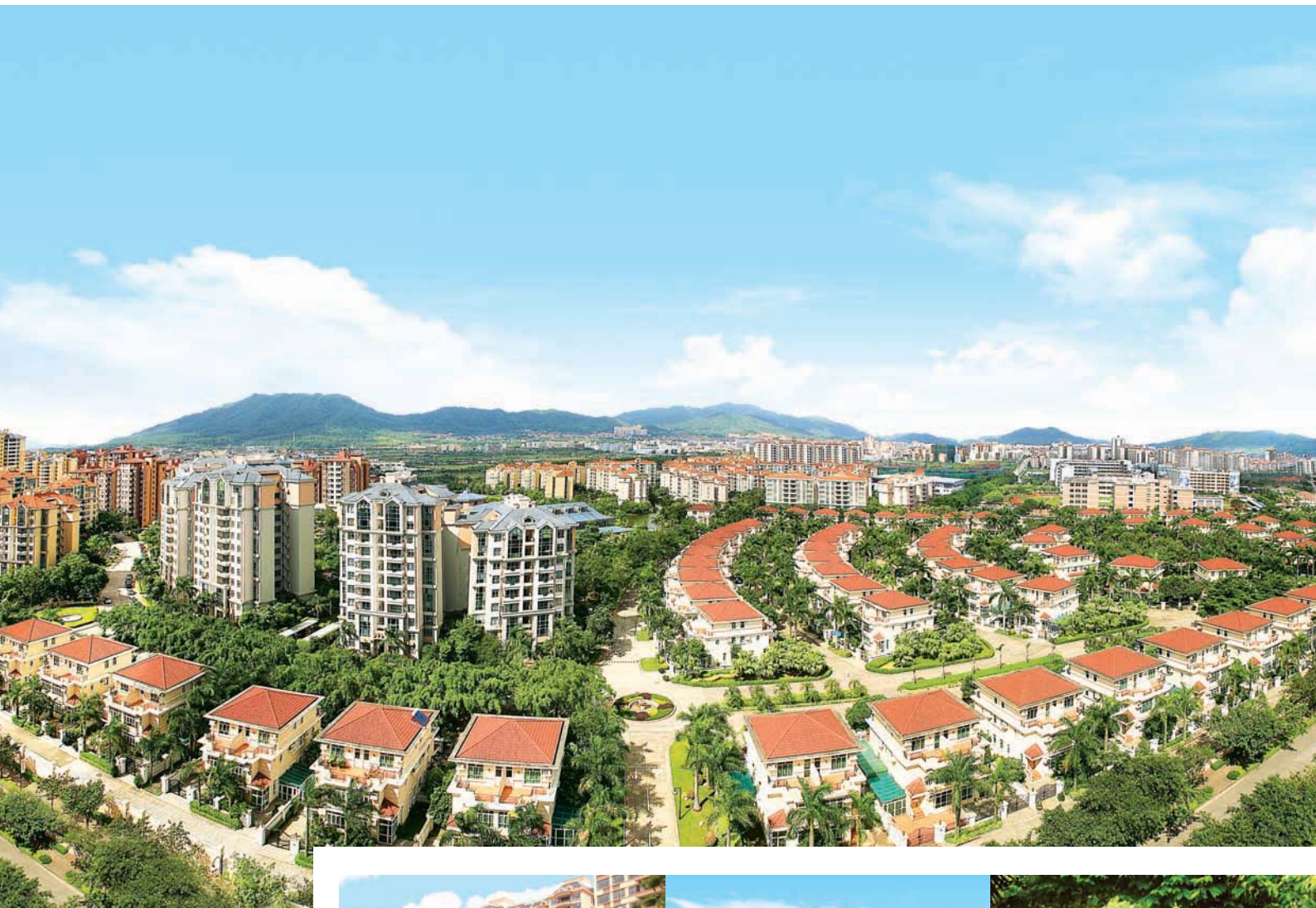
GFA  
建築面積

2,084,093

sq.m.  
平方米







Metro Agile  
Zhongshan  
中山雅居樂新城

GFA  
建築面積

1,078,151

sq.m.  
平方米



# Agile Garden Shunde 順德雅居樂花園

GFA  
建築面積

# 488,500

sq.m.  
平方米







GFA  
建築面積

The Century  
Zhongshan  
中山世紀新城

754,469

sq.m.  
平方米

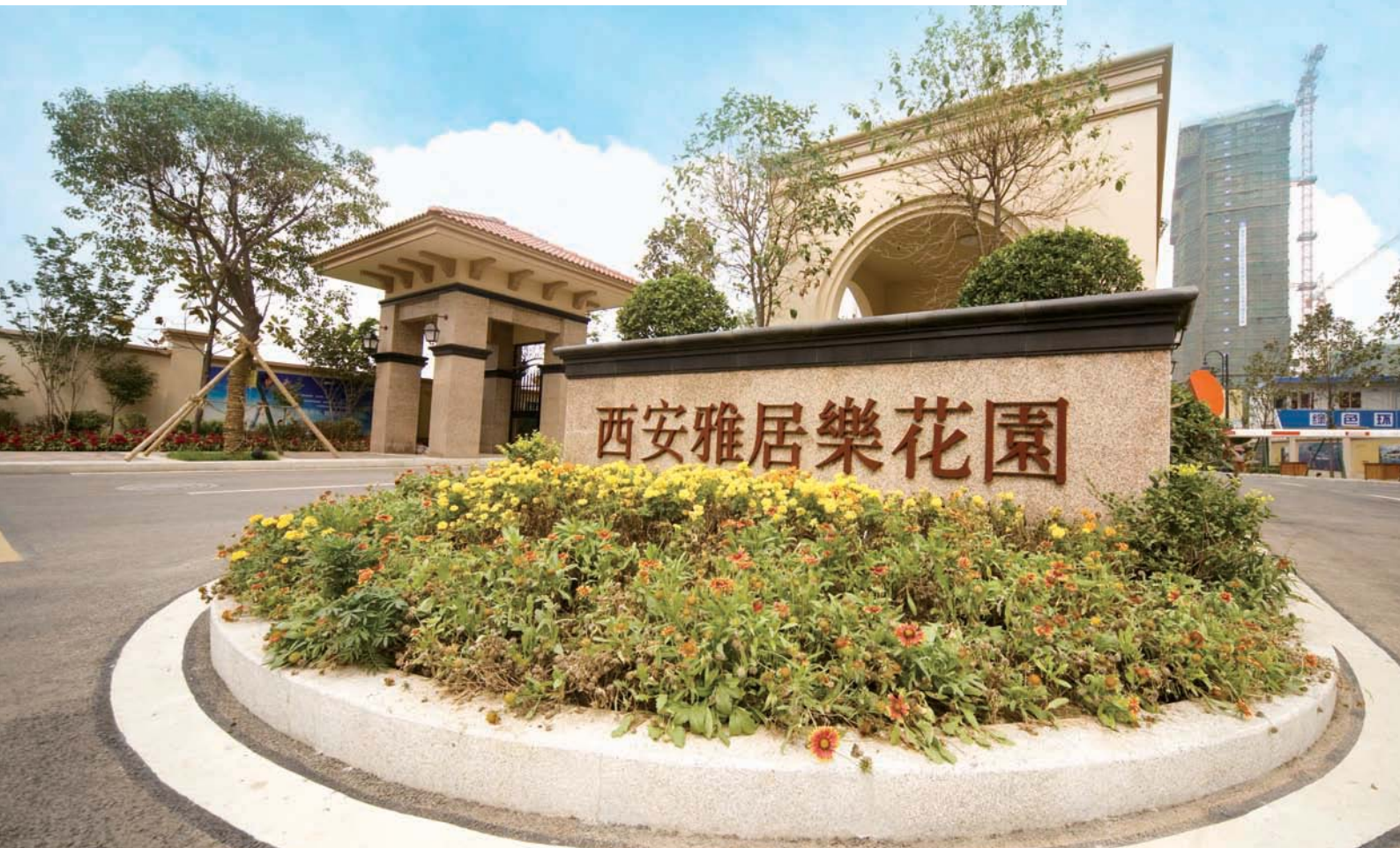


Agile Garden  
Xi'an  
西安雅居樂花園

GFA  
建築面積

234,439

sq.m.  
平方米







GFA  
建築面積

Agile Garden  
Nanjing  
南京雅居樂花園

365,624

sq.m.  
平方米





雅居樂

[www.agile.com.cn](http://www.agile.com.cn)

