

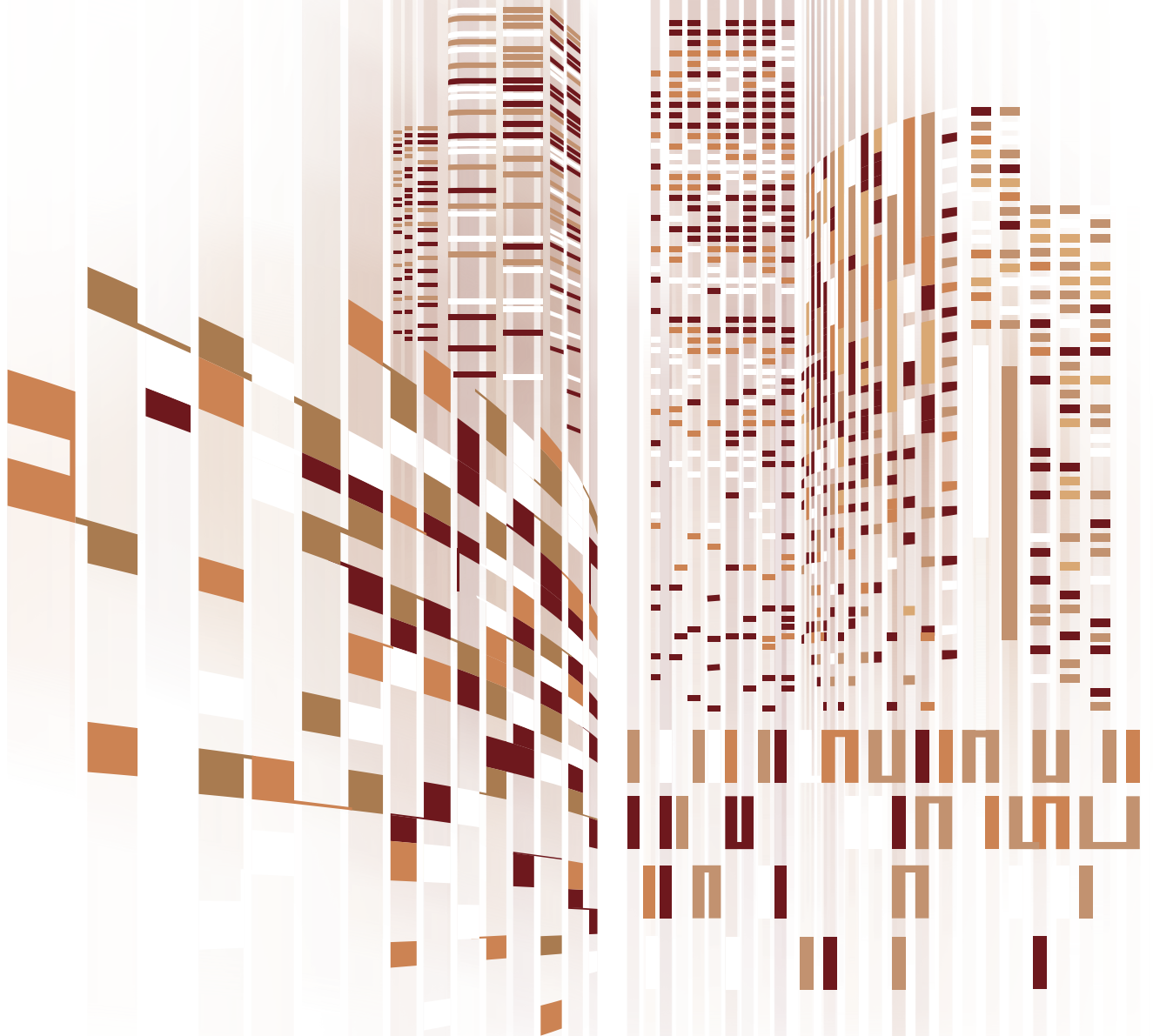


渝太地產集團有限公司
Y. T. REALTY GROUP LIMITED

Stock Code : 75

2016

INTERIM REPORT



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Corporate Information

Executive Director

Cheung Chung Kiu¹
(*Chairman and Managing Director*)
Wong Chi Keung²
Yuen Wing Shing
Tung Wai Lan, Iris

Non-executive Director

Lee Ka Sze, Carmelo³
Wong Yat Fai⁴

Independent

Non-executive Director

Ng Kwok Fu
Luk Yu King, James
Leung Yu Ming, Steven

Audit Committee

Luk Yu King, James (*Chairman*)
Lee Ka Sze, Carmelo³
Ng Kwok Fu
Leung Yu Ming, Steven

Remuneration Committee

Leung Yu Ming, Steven (*Chairman*)
Cheung Chung Kiu
Ng Kwok Fu

Nomination Committee

Cheung Chung Kiu (*Chairman*)
Ng Kwok Fu
Leung Yu Ming, Steven

Authorised Representative

Cheung Chung Kiu
Yuen Wing Shing (*Alternate to Cheung Chung Kiu*)
Yuen Wing Shing
Cheung Chung Kiu (*Alternate to Yuen Wing Shing*)

Company Secretary

Albert T. da Rosa, Jr.

Registered Office

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal Place of Business

3301-3307, China Resources Building
26 Harbour Road
Wanchai
Hong Kong
Tel: (852) 2500 5555
Fax: (852) 2507 2120
Website: www.ytrealtygroup.com.hk
Email: investors@ytrealtygroup.com.hk

External Auditors

Ernst & Young

Principal Banker

The Hongkong and Shanghai Banking
Corporation Limited
The Bank of East Asia, Limited

Legal Adviser

Bermuda:
Conyers Dill & Pearman

Hong Kong:
Woo, Kwan, Lee & Lo
Cheung Tong & Rosa Solicitors

Registrar & Transfer Office

Bermuda:
MUGF Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

Hong Kong:
Tricor Abacus Limited
Level 22, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong
Tel: (852) 2980 1700
Fax: (852) 2890 9350

Share Listing

The Stock Exchange of Hong Kong Limited
Stock Code: 75

¹ appointed as managing director on 29 February 2016
² resigned as managing director and executive director on 29 February 2016
³ resigned as non-executive director and audit committee member on 29 February 2016
⁴ resigned as non-executive director on 29 February 2016

Management Discussion and Analysis

The board of directors is pleased to present the Group's interim report and condensed accounts for the six months ended 30 June 2016. The consolidated results, consolidated statement of cash flows and consolidated statement of changes in equity of the Group for the six months ended 30 June 2016, and the consolidated statement of financial position of the Group as at 30 June 2016, all of which are unaudited and condensed, along with selected explanatory notes, are set out on pages 11 to 37 of this report.

Business Review

During the first half of 2016, market conditions continued to be difficult and we witnessed great market volatility and uncertainties in global economy. Geopolitical risks continued, such as violent incidents in Europe and Middle East and disputes in South China Sea. In June, UK voted by referendum to leave the European Union and its result further fueled uncertainty on the weak European markets and dampened its pace for long-term recovery and stability.

The US market experienced signs of slow economic recovery with mixed results. Despite interest rate was raised at the end of 2015, continuous upward movement of interest rates would only be expected at slow pace. However, worry of potential interest rate hike created inevitable negative impact on global economic stability to some extent.

For Mainland China, the pace of economic growth had slowed and was expected to be below 7%. Confidence in stock market and the general economy for the first half of the year had yet been restored.

In Hong Kong, the property market continued to experience downward adjustments with the retail sector being the weakest performer. It was inevitable that the retail segment of our local economy was most impacted by the weak spending of the Mainland tourists due to devaluation of Renminbi against our local currency which exchange rate is pegged to US dollar as well as the ripple effects of the weak stock market in the Mainland.

In December 2015, the Group entered into a disposal agreement to dispose of the entire issued share capital of its then indirect wholly-owned subsidiaries, Y. T. Properties International Limited ("Y. T. Properties International") and Y. T. Property Services Limited ("Y. T. Property Services"). Y. T. Properties International through its direct and indirect wholly-owned subsidiaries owned 100% interest of Century Square and Prestige Tower. Y. T. Property Services and its wholly-owned subsidiary were engaged mainly in property management and related services and primarily provided their services to Century Square and Prestige Tower. The transaction was completed on 29 February 2016.

Management Discussion and Analysis

Business Review *(continued)*

In December 2015, the Group also entered into an acquisition agreement to acquire from its joint venture partner 50% of the issued share capital of Solent Ventures Limited which indirectly own 100% of a prime commercial property, 1 Chapel Place in London, UK (the "London Property"). The acquisition enabled the Group to expand its overseas property portfolio by increasing its interest in the London Property from 50% to 100%. The transaction was completed on 29 February 2016. The rental income from 1 Chapel Place had been stable and the occupancy rate was 100% as at 30 June 2016.

For the first half of 2016, the Group's revenue decreased by 57.2% to HK\$46.1 million as compared to HK\$107.7 million in the last corresponding period mainly due to the disposal of the two major Hong Kong investment properties. Rental income from investment properties amounted to HK\$44.4 million, down 56.9% from HK\$102.8 million.

The Group's net profit attributable to shareholders for the first six months of 2016 amounted to HK\$168.6 million which was 46.3% lower than the results of the corresponding period of 2015. Earnings per share for the first six-month period of 2016 amounted to HK21.1 cents (2015: HK39.3 cents).

The Group's investment property portfolio was independently valued at the end of the period resulting in revaluation deficit of HK\$5.9 million as compared to revaluation surplus of HK\$115.1 million in the last corresponding period.

The Group's share of profit after taxation from the associated company, The Cross-Harbour (Holdings) Limited ("Cross-Harbour"), for the period was HK\$51.3 million (2015: HK\$131.3 million), decreased by 60.9% from last period. Cross-Harbour is listed on The Stock Exchange of Hong Kong Limited and it is engaged in investment and management of tunnels, motoring schools and highway and tunnel toll system.

During the period under review, the Group has stepped up its efforts to look for investment opportunities in prime properties in established overseas market. On 18 July 2016, the Group entered into an agreement to acquire directly and indirectly the entire issued units in a property unit trust, Grove Property Unit Trust 4, which owns a prime hotel property in London, UK. The property is leased to Travelodge Hotels. The total purchase consideration is approximately GBP42.3 million (equivalent to approximately HK\$434.4 million). Completion took place on the same day immediately following the entering into of the agreement.

Management Discussion and Analysis

Prospects

In the second half of 2016, the Group expects uncertainty and volatility of the global economy will continue. The continuous impact of Brexit, pending gradual interest rate hike by US Federal Reserve, weak Euro and Pound Sterling, and the unstable geopolitical environment will pose threats to market confidence and dampen economic recovery. The local economy and the economic development on the Mainland will continue to be weak in the near future before sustainable recovery and growth can be achieved.

In anticipation of challenging and uncertain economic and political environment ahead, the Group will continue to adopt a cautious but proactive approach to look for sound and stable investment opportunities in well-developed overseas markets to produce sustainable returns for our shareholders.

To expand the Group's investment in overseas prime properties, the Group acquired the entire issued units in a property unit trust, which owns a prime hotel property in London, UK in July 2016. The acquisition increased the Group's overseas property portfolio in addition to the 1 Chapel Place property and will generate stable and long-term rental income for the Group.

Financing and Liquidity

The Group's financial expenses for the period amounted to HK\$0.5 million, decreased by 66.8% from HK\$1.4 million when compared to the same period last year as the Group's bank borrowings was fully paid off in February 2016.

As at 30 June 2016, the Group's cash and cash equivalents was HK\$789.5 million and the Group did not have any bank borrowings. The gearing ratio of the Group was zero (31 December 2015: zero). The gearing ratio, if any, is calculated as the ratio of net bank borrowings to shareholders' funds. With cash and recurring rental income, the Group has sufficient resources to meet the foreseeable funding needs for working capital and capital expenditure.

Following the disposal of the Group's major investment properties in Hong Kong and the increased interest to 100% of the London Property on 29 February 2016, the Group's main source of rental income is denominated in British Pound Sterling which is subject to foreign exchange rate fluctuation.

Management Discussion and Analysis

Contingent Liabilities

As at 30 June 2016, the Group did not have any material contingent liabilities. At 31 December 2015, the Group had contingent liabilities in respect of a guarantee provided by the Company for an amount not exceeding HK\$235.8 million in respect of the banking facilities made available to its joint venture, out of which HK\$232.0 million was utilised.

Staff

As at 30 June 2016, the Group employed 4 staff members. Staff remuneration is reviewed by the Group from time to time. In addition to salaries, the Group provides staff benefits including medical insurance, pension scheme and discretionary vocational tuition/training subsidies. Share options and bonuses are also available to employees of the Group at the discretion of the board depending upon the financial performance of the Group.

Interim Dividend

The board of directors does not recommend the payment of an interim dividend for the six months ended 30 June 2016 (2015: Nil).

Disclosure of Interests

Directors' and Chief Executive's Interests and Short Positions

The register kept by the Company under section 352 of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") shows, as at 30 June 2016, the following interests of directors in the shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO):

(a) Interests in the Company

Name	Capacity	No. of shares ³	Total no. of shares	% of shareholding
Cheung Chung Kiu	Interest of controlled corporation	273,000,000 ¹	273,000,000	34.14%
Ng Kwok Fu	Beneficial owner	50,000		
	Interest of spouse	<u>40,000</u>	90,000	0.01%

(b) Interests in The Cross-Harbour (Holdings) Limited (associated corporation)

Name	Capacity	No. of shares ³	% of shareholding
Cheung Chung Kiu	Interest of controlled corporation	155,254,432 ²	41.66%

Disclosure of Interests

Directors' and Chief Executive's Interests and Short Positions

(continued)

Notes:

- ¹ Mr. Cheung Chung Kiu ("Mr. C.K. Cheung") was deemed to be interested in 273,000,000 shares in the Company by virtue of his indirect interest in Funrise Limited ("Funrise") which owned those shares. Funrise was a wholly owned subsidiary of Yugang International (B.V.I.) Limited ("Yugang BVI") which in turn was a wholly owned subsidiary of Yugang International Limited ("Yugang International"). Mr. C.K. Cheung, Timmex Investment Limited (a company wholly owned by Mr. C.K. Cheung) and Chongqing Industrial Limited ("Chongqing Industrial") owned 0.57%, 9.16% and 34.33% of the issued share capital of Yugang International respectively. Chongqing Industrial was owned as to 35% by Mr. C.K. Cheung, as to 30% by Prize Winner Limited (a company owned by Mr. C.K. Cheung and his associates), as to 30% by Peking Palace Limited ("Peking Palace") and as to 5% by Miraculous Services Limited ("Miraculous Services"). Peking Palace and Miraculous Services were companies controlled by Palin Discretionary Trust, the trustee of which was Palin Holdings Limited ("Palin Holdings") and the objects of which included Mr. C.K. Cheung and his family.
- ² Honway Holdings Limited (an indirect wholly owned subsidiary of the Company) held 155,254,432 shares in The Cross-Harbour (Holdings) Limited. Mr. C.K. Cheung was deemed to be interested in those shares by virtue of his deemed interest in the shares of the Company as described in note 1 above.
- ³ All of the interests disclosed above represent long positions.

Save as disclosed herein, as at 30 June 2016, no director or chief executive had any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register kept by the Company under section 352 of the SFO, or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited pursuant to the Code for Securities Transactions by Directors of the Company.

Share Options

The share option scheme adopted by the Company on 21 May 2015 (the "Scheme") is the only share option scheme of the Company. A summary of the principal terms of the Scheme is given in the circular to shareholders dated 17 April 2015.

No option lapsed and no option was granted, exercised or cancelled under the Scheme during the six months ended 30 June 2016. Nor were there any outstanding options with regard to the Scheme and any other schemes of the Company at the beginning and/or at the end of the period.

Disclosure of Interests

Other Persons' Interests and Short Positions

As at 30 June 2016, so far as is known to the directors of the Company, the following persons, other than the directors, had, or were deemed to have, interests in the shares of the Company as recorded in the register kept by the Company under section 336 of the SFO:

Name	Capacity	No. of shares ³	Total no. of shares	% of shareholding
Palin Holdings	Interest of controlled corporation	273,000,000 ¹	273,000,000	34.14%
Chongqing Industrial	Interest of controlled corporation	273,000,000 ¹	273,000,000	34.14%
Yugang International	Interest of controlled corporation	273,000,000 ¹	273,000,000	34.14%
Yugang BVI	Interest of controlled corporation	273,000,000 ¹	273,000,000	34.14%
Funrise	Beneficial owner	273,000,000 ¹	273,000,000	34.14%
Lo Ki Yan, Karen	Beneficial owner	39,128,000		
	Interest of controlled corporation	<u>32,166,000²</u>	71,294,000	8.92%

Notes:

- ¹ Each parcel of 273,000,000 shares represents Funrise's interest in the Company (which is also duplicated in Mr. C.K. Cheung's interest in the Company's shares). Palin Holdings, Chongqing Industrial, Yugang International and Yugang BVI were deemed to be interested in those shares by virtue of their direct or indirect interest in Funrise.
- ² Ms. Lo Ki Yan, Karen was deemed to be interested in the 32,166,000 shares in the Company directly held by Murtsa Capital Management Limited. Murtsa Capital Management Limited was a wholly owned subsidiary of HEC Development Limited which in turn was a wholly owned subsidiary of HEC Capital Limited. C.C Rider Investments Limited owned 84.23% of the issued share capital of HEC Capital Limited. C.C Rider Investments Limited was a wholly owned subsidiary of Easy Rider Investments Limited which in turn was owned as to 70.97% by Ristora Investments Ltd. Ristora Investments Ltd. was wholly owned by Ms. Lo Ki Yan, Karen.
- ³ All of the interests disclosed above represent long positions.

Save as disclosed herein, there was no person known to the directors of the Company, who, as at 30 June 2016, had, or was deemed to have, any interest or short position in the shares and underlying shares of the Company as recorded in the register kept by the Company under section 336 of the SFO, other than as disclosed on pages 6 and 7.

Other Information

Corporate Governance Code

Throughout the accounting period covered by the interim report, the Company complied with the code provisions of the Corporate Governance Code (the “CG Code”) set out within Appendix 14 to the Main Board Listing Rules (the “Listing Rules”) save for the deviations described below.

Mr. Cheung Chung Kiu (“Mr. Cheung”) is the chairman of the board and has assumed the role of managing director since 29 February 2016 following the resignation of former managing director and executive director, Mr. Wong Chi Keung (“Mr. Wong”), on that date. As a result, the Company has deviated from A.2.1 of the CG Code to the extent that the roles of chairman and chief executive have both been performed by Mr. Cheung since 29 February 2016. However, in view of the structure and composition of the board and the reduced operations of the Company and its subsidiaries (the “Group”) in Hong Kong after completion of the disposal of Prestige Tower and the shops and offices at Century Square in Hong Kong on 29 February 2016 (as disclosed in the announcement published by the Company on that date), the board considers that vesting the roles of both chairman and managing director in Mr. Cheung can facilitate the effective implementation and execution of its business strategies by, and ensure a consistent leadership for, the Group. Further, a balance of power and authority between the board and management can be ensured by the operation of the board, whose members (including the three independent non-executive directors) are individuals of high calibre with ample experience, such that the interests of shareholders can be safeguarded. The Company will from time to time review the structure and composition of the board to ensure that a balance of power and authority between the board and management is appropriately maintained for the Group.

With the exception of Mr. Wong who resigned from office on 29 February 2016, no director has a formal letter of appointment setting out the key terms and conditions of his/her appointment. The Company has therefore deviated from D.1.4 of the CG Code. This notwithstanding, every director, including those appointed for a specific term, shall be subject to retirement by rotation at least once every three years. Shareholders are sent (at the same time as the notice of the relevant general meeting) a circular containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the re-election of each retiring director who stands for re-election at the meeting, including the information required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

Other Information

Model Code for Securities Transactions

The Company has adopted codes of conduct regarding securities transactions by directors and by relevant employees (within the meaning of the CG Code) no less exacting than the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) set out within Appendix 10 to the Listing Rules.

All directors confirmed that they had complied with the required standard set out within the Model Code and the Company’s code of conduct regarding directors’ securities transactions throughout the period.

Purchase, Sale or Redemption of Shares

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any shares in the Company during the period.

Review by Audit Committee

The interim report has been reviewed by the audit committee. The audit committee has also reviewed the accounting principles and practices adopted by the Company and discussed internal control, risk management and financial reporting matters with management.

Directors’ Information

The Company has not been advised by its directors of any change in the information required to be disclosed pursuant to paragraphs (a) to (e) and (g) of Rule 13.51(2) of the Listing Rules since its last update to shareholders.

Appreciation

On behalf of the board, I wish to express our gratitude and sincere appreciation to the management and staff for their hard work and contributions.

On behalf of the board

Cheung Chung Kiu

Chairman and Managing Director

Hong Kong, 25 August 2016

Condensed Consolidated Statement of Profit or Loss

For the six months ended 30 June 2016

	<i>Notes</i>	Unaudited	
		Six months ended 30 June	
		2016	2015
		<i>HK\$'000</i>	<i>HK\$'000</i>
REVENUE	2, 3	46,118	107,728
Direct outgoings		<u>(803)</u>	<u>(3,271)</u>
		45,315	104,457
Other income and other net losses		94,734	3,046
Administrative expenses		(9,902)	(15,475)
Finance costs		(454)	(1,369)
Changes in fair value of investment properties		(5,920)	115,056
Share of results of an associate		51,296	131,324
Share of results of a joint venture		<u>756</u>	<u>(8,986)</u>
PROFIT BEFORE TAX	4	175,825	328,053
Income tax expense	5	<u>(7,204)</u>	<u>(13,797)</u>
PROFIT FOR THE PERIOD ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		<u>168,621</u>	<u>314,256</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY			
Basic and diluted	6	<u>HK21.1 cents</u>	<u>HK39.3 cents</u>

Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2016

	Unaudited	
	Six months ended 30 June	
	2016	2015
	HK\$'000	HK\$'000
PROFIT FOR THE PERIOD	168,621	314,256
OTHER COMPREHENSIVE (LOSS)/INCOME		
<i>Other comprehensive (loss)/income to be reclassified to profit or loss in subsequent periods:</i>		
Share of other comprehensive (loss)/income of an associate	(74,231)	64,057
Release of exchange fluctuation reserve upon deemed disposal of a joint venture	18,690	—
Exchange differences on translation of foreign operations	(24,275)	—
Share of other comprehensive (loss)/income of a joint venture	(14,117)	2,112
OTHER COMPREHENSIVE (LOSS)/INCOME FOR THE PERIOD	(93,933)	66,169
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		
ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY	74,688	380,425

Condensed Consolidated Statement of Financial Position

30 June 2016

	<i>Notes</i>	30 June 2016 <i>HK\$'000</i> (Unaudited)	31 December 2015 <i>HK\$'000</i> (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment	8	119	1,342
Investment properties	9	680,440	4,099,900
Investment in an associate	10	2,177,871	2,236,514
Investment in a joint venture		—	119,665
Goodwill		12,311	—
Other investments		1,777	1,777
Total non-current assets		<u>2,872,518</u>	<u>6,459,198</u>
CURRENT ASSETS			
Trade receivables	11	194	605
Other receivables, deposits and prepayments		1,425	6,998
Dividend receivable from an associate		9,315	—
Cash and cash equivalents		789,527	417,138
Total current assets		<u>800,461</u>	<u>424,741</u>
CURRENT LIABILITIES			
Trade payables	12	2	735
Other payables and accrued expenses		16,132	100,368
Bank loans, secured	13	—	81,600
Tax payable		688	827
Total current liabilities		<u>16,822</u>	<u>183,530</u>
NET CURRENT ASSETS		<u>783,639</u>	<u>241,211</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,656,157</u>	<u>6,700,409</u>
NON-CURRENT LIABILITIES			
Deferred tax liabilities		3,768	84,390
Total non-current liabilities		<u>3,768</u>	<u>84,390</u>
Net assets		<u>3,652,389</u>	<u>6,616,019</u>
EQUITY			
Equity attributable to equity holders of the Company			
Issued share capital	14	79,956	79,956
Reserves		3,572,433	6,536,063
Total equity		<u>3,652,389</u>	<u>6,616,019</u>

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2016 - Unaudited

	Attributable to equity holders of the Company										
	Issued share capital HK\$'000	Share premium account HK\$'000	Capital redemption reserve HK\$'000	Capital reserve HK\$'000	Contributed surplus HK\$'000	Investment revaluation reserve of an associate HK\$'000	Exchange fluctuation reserve of a joint venture HK\$'000	Exchange fluctuation reserve HK\$'000	Other reserve HK\$'000	Retained profits HK\$'000	Total HK\$'000
At 1 January 2016	79,956	95,738	1,350	1,800	1,321,935	87,381	(4,573)	—	4,083	5,028,349	6,616,019
Profit for the period	—	—	—	—	—	—	—	—	—	168,621	168,621
Other comprehensive income/ (loss) for the period	—	—	—	—	—	(74,231)	4,573	(24,275)	—	—	(93,933)
Total comprehensive income/(loss) for the period	—	—	—	—	—	(74,231)	4,573	(24,275)	—	168,621	74,688
Special cash dividend declared and paid	—	—	—	—	—	—	—	—	—	(3,038,318)	(3,038,318)
At 30 June 2016	<u>79,956</u>	<u>95,738*</u>	<u>1,350*</u>	<u>1,800*</u>	<u>1,321,935*</u>	<u>13,150*</u>	<u>—</u>	<u>(24,275)*</u>	<u>4,083*</u>	<u>2,158,652*</u>	<u>3,652,389</u>
At 1 January 2015	79,956	95,738	1,350	1,800	1,321,935	11,876	—	—	3,933	4,521,982	6,038,570
Profit for the period	—	—	—	—	—	—	—	—	—	314,256	314,256
Other comprehensive income for the period	—	—	—	—	—	64,057	—	—	2,112	—	66,169
Total comprehensive income for the period	—	—	—	—	—	64,057	—	—	2,112	314,256	380,425
2014 final dividend declared and paid	—	—	—	—	—	—	—	—	—	(27,985)	(27,985)
At 30 June 2015	<u>79,956</u>	<u>95,738</u>	<u>1,350</u>	<u>1,800</u>	<u>1,321,935</u>	<u>75,933</u>	<u>—</u>	<u>—</u>	<u>6,045</u>	<u>4,808,253</u>	<u>6,391,010</u>

* These reserve accounts comprise the consolidated reserves of HK\$3,572,433,000 (31 December 2015: HK\$6,536,063,000) in the condensed consolidated statement of financial position.

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2016

	Notes	Unaudited	
		Six months ended 30 June	
		2016	2015
		HK\$'000	HK\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		13,448	76,339
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends received from an associate		26,393	23,288
Renovation of investment properties		—	(2,744)
Proceeds from disposal of an item of property, plant and equipment		1,170	—
Acquisition of subsidiaries	17	(567,317)	—
Proceeds from disposal of subsidiaries	18	4,018,040	—
Investment in a joint venture		—	(120,000)
Other cash flows arising from investing activities		1,176	1,393
Net cash flows from/(used in) investing activities		3,479,462	(98,063)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of bank loans		(81,600)	(10,000)
Dividends paid		(3,038,318)	(27,985)
Net cash flows used in financing activities		(3,119,918)	(37,985)
Net increase/(decrease) in cash and cash equivalents		372,992	(59,709)
Cash and cash equivalents at 1 January		417,138	380,717
Effect on foreign exchange rate changes, net		(603)	—
CASH AND CASH EQUIVALENTS AT 30 JUNE		789,527	321,008
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS			
Cash and bank balances		669,027	15,864
Non-pledged time deposits with original maturity of less than three months when acquired		120,500	305,144
		789,527	321,008

Notes to Interim Financial Statements

30 June 2016

1 Basis of Preparation and Accounting Policies

These unaudited interim condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) No. 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the disclosure requirements of Appendix 16 to the Listing Rules. These unaudited interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements for the year ended 31 December 2015.

The accounting policies and basis of preparation adopted in the preparation of these unaudited interim condensed consolidated financial statements are consistent with those used in the preparation of the Group’s annual financial statements for the year ended 31 December 2015 and in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, HKASs and Interpretations) issued by HKICPA, except that the Group has in the current period applied, for the first time the following new amendments to HKFRSs:

Amendments to HKFRS 10 and HKAS 28 (2011)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011)	Investment Entities: Applying the Consolidation Exception
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operation
Amendments to HKAS 1	Disclosure Initiative
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants
Amendments to HKAS 27 (2011)	Equity Method in Separate Financial Statements
Annual Improvements 2012-2014 Cycle	Amendments to a number of HKFRSs

The adoption of the revised HKFRSs has had no significant financial effect on these unaudited interim condensed consolidated financial statements.

The Group has not early applied any new and revised HKFRSs, that have been issued but are not yet effective, in these unaudited interim condensed consolidated financial statements. However, the Group is in the process of making an assessment of the impact of the new and revised HKFRSs upon initial application, certain of which may be relevant to the Group’s operation and may result in changes in the Group’s accounting policies, and changes in presentation and measurement of certain items of the Group’s financial information.

Notes to Interim Financial Statements

30 June 2016

2 Operating Segment Information

For management purposes, the Group is organised into business units based on its business activities and has four reportable operating segments as follows:

- (a) The property investment segment invests in properties for rental income and potential capital appreciation;
- (b) The property trading segment comprises the trading of properties;
- (c) The property management and related services segment comprises the provision of property management and related technical consultancy services; and
- (d) The operation of driver training centres and tunnel operation and management segment refers to the Group's share of results of its associate which is engaged in the operation of and investment in driver training centres and tunnel operation and management.

Management monitors the results of its operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss. The adjusted profit/loss is measured consistently with the Group's profit/loss except that finance costs and head office income tax expense/credit are excluded from this measurement.

Segment assets exclude other investments, cash and cash equivalents as these assets are managed on a group basis.

Segment liabilities exclude bank loans, head office tax payable and head office deferred tax liabilities as these liabilities are managed on a group basis.

Notes to Interim Financial Statements

30 June 2016

2 Operating Segment Information *(continued)*

	Unaudited				Consolidated
	Six months ended 30 June				
	Property investment	Property trading	Property management and related services	Operation of driver training centres and tunnel operation and management	
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
2016					
Segment revenue	44,354	—	1,764	—	46,118
Segment results	122,652	—	1,575	—	124,227
Finance costs					(454)
Share of results of an associate	—	—	—	51,296	51,296
Share of results of a joint venture	—	756	—	—	756
Profit before tax					175,825
Income tax expense	(6,962)	—	(163)	—	(7,125)
Unallocated income tax expense					(79)
Profit for the period					168,621

Notes to Interim Financial Statements

30 June 2016

2 Operating Segment Information *(continued)*

	Unaudited				Consolidated
	Six months ended 30 June				
	Property investment	Property trading	Property management and related services	Operation of driver training centres and tunnel operation and management	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
2016					
Assets and liabilities					
Segment assets	694,489	—	—	—	694,489
Investment in an associate	—	—	—	2,177,871	2,177,871
Dividend receivable					
from an associate	—	—	—	9,315	9,315
Unallocated assets					791,304
Total assets					<u>3,672,979</u>
Segment liabilities	17,218	—	—	41	17,259
Unallocated liabilities					3,331
Total liabilities					<u>20,590</u>
Other segment information:					
Capital expenditure	36	—	—	—	36
Depreciation	67	—	1	—	68
Changes in fair value of investment properties (deficit)	<u>5,920</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>5,920</u>

Notes to Interim Financial Statements

30 June 2016

2 Operating Segment Information *(continued)*

	Property investment <i>HK\$'000</i>	Property trading <i>HK\$'000</i>	Property management and related services <i>HK\$'000</i>	Operation of driver training centres and tunnel operation and management <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
2015					
Six months ended 30 June (Unaudited)					
Segment revenue	<u>102,796</u>	<u>—</u>	<u>4,932</u>	<u>—</u>	<u>107,728</u>
Segment results	202,762	—	4,322	—	207,084
Finance costs					(1,369)
Share of results of an associate	—	—	—	131,324	131,324
Share of results of a joint venture	—	(8,986)	—	—	<u>(8,986)</u>
Profit before tax					328,053
Income tax expense	(13,207)	—	(456)	—	(13,663)
Unallocated income tax expense					<u>(134)</u>
Profit for the period					<u><u>314,256</u></u>

Notes to Interim Financial Statements

30 June 2016

2 Operating Segment Information *(continued)*

	Property investment <i>HK\$'000</i>	Property trading <i>HK\$'000</i>	Property and related services <i>HK\$'000</i>	Operation of driver training centres and tunnel operation and management <i>HK\$'000</i>	Consolidated <i>HK\$'000</i>
2015					
At 31 December					
(Audited)					
Assets and liabilities					
Segment assets	4,108,469	—	376	—	4,108,845
Investment in an associate	—	—	—	2,236,514	2,236,514
Investment in a joint venture	—	119,665	—	—	119,665
Unallocated assets					<u>418,915</u>
Total assets					<u><u>6,883,939</u></u>
Segment liabilities	177,836	—	9,186	33	187,055
Unallocated liabilities					<u>80,865</u>
Total liabilities					<u><u>267,920</u></u>
Six months ended 30 June					
(Unaudited)					
Other segment information:					
Capital expenditure	2,744	—	14	—	2,758
Depreciation	177	—	6	—	183
Changes in fair value of investment properties (surplus)	<u>115,056</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>115,056</u>

Notes to Interim Financial Statements

30 June 2016

2 Operating Segment Information *(continued)*

Geographical information

(a) Revenue from external customers

	Unaudited	
	Six months ended 30 June	
	2016	2015
	HK\$'000	HK\$'000
Hong Kong	37,885	107,728
United Kingdom	8,233	—
	<u>46,118</u>	<u>107,728</u>

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

(b) Non-current assets

	30 June	31 December
	2016	2015
	HK\$'000	HK\$'000
	(Unaudited)	(Audited)
Hong Kong	2,190,990	6,320,856
United Kingdom	658,351	119,665
Mainland China	21,400	16,900
	<u>2,870,741</u>	<u>6,457,421</u>

The non-current assets information above is based on the location of assets and excludes financial instruments.

Information about a major customer

During the period ended 30 June 2016, revenue of approximately HK\$5,825,000 (2015: HK\$17,496,000) was derived from a single customer under the property investment segment.

Notes to Interim Financial Statements

30 June 2016

3 Revenue

Revenue represents the aggregate of gross rental income received and receivable from investment properties and the income from property management and related services.

4 Profit Before Tax

The Group's profit before tax is arrived at after charging/(crediting):

	Unaudited	
	Six months ended 30 June	
	2016	2015
	HK\$'000	HK\$'000
Depreciation	68	183
Staff costs (including executive directors' remuneration):		
Wages and salaries	5,630	8,358
Pension scheme contributions	139	261
	<u>5,769</u>	<u>8,619</u>
Interest expenses	161	652
Loss on deemed disposal of a joint venture*	7,436	—
Foreign exchange differences, net*	(487)	(1,520)
Gain on disposal of subsidiaries*	(100,510)	—
Interest income	<u>(1,149)</u>	<u>(1,308)</u>

* These items are included in "Other income and other net losses" in the condensed consolidated statement of profit or loss.

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5 Income Tax Expense

	Unaudited	
	Six months ended 30 June	
	2016	2015
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current - Hong Kong	4,087	11,125
Current - United Kingdom	<u>1,358</u>	<u>—</u>
	5,445	11,125
Deferred	<u>1,759</u>	<u>2,672</u>
Total tax charge for the period	<u><u>7,204</u></u>	<u><u>13,797</u></u>

Hong Kong profits tax has been provided at the rate of 16.5% (2015: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdiction in which the Group operates.

6 Earnings Per Share Attributable to Ordinary Equity Holders of the Company

The calculation of the basic earnings per share amount for the period is based on the profit for the period attributable to ordinary equity holders of the Company, and the weighted average number of ordinary shares in issue during the period.

No adjustment has been made to the basic earnings per share amount presented for the periods ended 30 June 2016 and 2015 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during these periods.

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30 June 2016

6 Earnings Per Share Attributable to Ordinary Equity Holders of the Company *(continued)*

The calculation of basic and diluted earnings per share is based on:

	Unaudited	
	Six months ended 30 June	
	2016	2015
	HK\$'000	HK\$'000
<u>Earnings</u>		
Profit for the period attributable to ordinary equity holders of the Company	<u>168,621</u>	<u>314,256</u>
	Number of shares	
	2016	2015
<u>Shares</u>		
Weighted average number of ordinary shares in issue during the period	<u>799,557,415</u>	<u>799,557,415</u>

7 Dividends

The board of directors has resolved not to declare an interim dividend for the six months ended 30 June 2016 (2015: Nil).

A special cash dividend in the amount of HK\$3.8 per share was declared on 28 January 2016 and paid to the shareholders on 4 March 2016, totalling HK\$3,038.3 million.

Notes to Interim Financial Statements

30 June 2016

8 Property, Plant and Equipment

	30 June 2016 <i>HK\$'000</i> (Unaudited)	31 December 2015 <i>HK\$'000</i> (Audited)
Net carrying amount at 1 January	1,342	691
Additions	36	1,307
Disposal/write-off	(1,324)	(1,405)
Disposal of subsidiaries (<i>note 18</i>)	(21)	—
Depreciation provided during the period/year	(68)	(376)
Write-back of depreciation	154	1,125
Net carrying amount at 30 June/31 December	<u>119</u>	<u>1,342</u>

9 Investment Properties

	30 June 2016 <i>HK\$'000</i> (Unaudited)	31 December 2015 <i>HK\$'000</i> (Audited)
Carrying amount at 1 January	4,099,900	3,959,200
Additions	—	3,565
Acquisition of subsidiaries (<i>note 17</i>)	680,148	—
Disposal of subsidiaries (<i>note 18</i>)	(4,070,000)	—
Fair value adjustment	(5,920)	137,135
Exchange realignment	(23,688)	—
Carrying amount at 30 June/31 December	<u>680,440</u>	<u>4,099,900</u>

The revaluation of the above investment properties was carried out by Savills Valuation and Professional Services Limited and John D Wood, independent firms of professionally qualified valuers, on an open market, existing use basis at 30 June 2016 and 31 December 2015, respectively.

Notes to Interim Financial Statements

30 June 2016

10 Investment in an Associate

	30 June 2016 <i>HK\$'000</i> (Unaudited)	31 December 2015 <i>HK\$'000</i> (Audited)
Share of net assets	1,942,622	2,001,265
Goodwill on acquisition	<u>235,249</u>	<u>235,249</u>
	<u>2,177,871</u>	<u>2,236,514</u>
Fair value of the Group's investment	<u>1,639,486</u>	<u>1,608,436</u>

Particulars of the associate are as follows:

Name	Particulars of issued shares held	Place of incorporation and operations	Percentage of ownership interest attributable to the Group	
			30 June 2016	31 December 2015
The Cross-Harbour (Holdings) Limited	Ordinary shares	Hong Kong	41.66%	41.66%

The Cross-Harbour (Holdings) Limited ("Cross-Harbour"), is an investment holding company, incorporated and listed in Hong Kong, with its subsidiaries engaged in the operation of driver training centres and the business of tunnel operation and management in Hong Kong. This associate has been accounted for using the equity method in these financial statements.

Notes to Interim Financial Statements

30 June 2016

10 Investment in an Associate *(continued)*

Extracts of the consolidated operating results and consolidated financial position of the associate, Cross-Harbour, are as follows:

	Unaudited	
	Six months ended 30 June	
	2016	2015
	HK\$'000	HK\$'000
Operating results for the period:		
Revenue	205,871	202,150
Other revenue and other net (losses)/gains	(184,049)	3,790
Total expenses	(135,787)	(120,517)
Share of profits less losses of associates	262,596	242,290
Share of profits of a joint venture	12,166	14,672
Income tax	(13,460)	(4,575)
Profit for the period	<u>147,337</u>	<u>337,810</u>
Profit attributable to equity shareholders of Cross-Harbour	<u>123,133</u>	<u>315,242</u>
	30 June	31 December
	2016	2015
	HK\$'000	HK\$'000
	(Unaudited)	(Audited)
Financial positions at 30 June/31 December:		
Non-current assets		
Interest in associates	1,627,452	1,785,632
Other non-current assets	<u>999,174</u>	<u>1,173,231</u>
	<u>2,626,626</u>	<u>2,958,863</u>
Current assets		
Bank deposits and cash	2,288,968	2,086,593
Other current assets	<u>475,483</u>	<u>427,054</u>
	<u>2,764,451</u>	<u>2,513,647</u>
Current liabilities	(319,884)	(290,613)
Non-current liabilities	(283,031)	(257,046)
Non-controlling interests	<u>(125,082)</u>	<u>(120,995)</u>
Net assets	<u>4,663,080</u>	<u>4,803,856</u>

Notes to Interim Financial Statements

30 June 2016

11 Trade Receivables

An aged analysis of the trade receivables at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2016 <i>HK\$'000</i> (Unaudited)	31 December 2015 <i>HK\$'000</i> (Audited)
0 to 30 days	61	605
31 to 60 days	111	—
Over 60 days	22	—
	<u>194</u>	<u>605</u>

The trade receivables primarily include rental receivables and property management and related services receivables which are normally due on the first day of each billing period and within a 14-day period, respectively. The Group seeks to maintain strict control over its outstanding receivables and overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a number of diversified customers, there is no significant concentration of credit risk.

12 Trade Payables

An aged analysis of the trade payables at the end of the reporting period, based on the invoice date, is as follows:

	30 June 2016 <i>HK\$'000</i> (Unaudited)	31 December 2015 <i>HK\$'000</i> (Audited)
0 to 30 days	<u>2</u>	<u>735</u>

The trade payables are normally non-interest-bearing within the 30-day period.

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30 June 2016

13 Bank Loans, Secured

	30 June 2016 <i>HK\$'000</i> (Unaudited)	31 December 2015 <i>HK\$'000</i> (Audited)
Analysed into:		
Bank loans repayable:		
Within one year or on demand	—	81,600
In the second year	—	—
In the third to fifth years, inclusive	—	—
Beyond five years	—	—
	—	81,600
Amounts classified under current liabilities	—	(81,600)
Amounts classified under non-current liabilities	—	—

The bank loans are variable interest rate loans with interest rates based on the HIBOR plus a predetermined spread percentage. The effective interest rates for both the period before the bank loans were fully settled and the year ended 31 December 2015 were 1.33% per annum.

At 31 December 2015, the bank loans are denominated in Hong Kong dollars and secured by:

- (a) The mortgages on certain investment properties with an aggregate carrying value of HK\$4,070,000,000 and the assignment of rental income from certain properties. In addition, the Company has pledged all the issued shares of certain subsidiaries and subordinated its loans to certain subsidiaries in favour of the lenders of the above bank loans; and
- (b) corporate guarantees issued by the Company.

Notes to Interim Financial Statements

30 June 2016

14 Share Capital

Shares

	30 June 2016 <i>HK\$'000</i> (Unaudited)	31 December 2015 <i>HK\$'000</i> (Audited)
Authorised:		
1,500,000,000 ordinary shares of HK\$0.1 each	<u>150,000</u>	<u>150,000</u>
Issued and fully paid:		
799,557,415 ordinary shares of HK\$0.1 each	<u>79,956</u>	<u>79,956</u>

15 Operating Lease Arrangements

(a) As lessor

At the end of the reporting period, the Group had total future minimum lease receivables under non-cancellable operating leases with its tenants falling due as follows:

	30 June 2016 <i>HK\$'000</i> (Unaudited)	31 December 2015 <i>HK\$'000</i> (Audited)
Within one year	23,485	178,973
In the second to fifth years, inclusive	37,138	226,699
In the sixth to tenth years, inclusive	25,008	—
Beyond ten years	<u>43,979</u>	<u>—</u>
	<u>129,610</u>	<u>405,672</u>

Notes to Interim Financial Statements

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15 Operating Lease Arrangements *(continued)*

(b) As lessee

At the end of the reporting period, the Group had total future minimum lease payables under non-cancellable operating leases falling due as follows:

	30 June 2016 <i>HK\$'000</i> (Unaudited)	31 December 2015 <i>HK\$'000</i> (Audited)
Within one year	<u>72</u>	<u>1,457</u>

16 Commitments

At the end of the reporting period, the Group had the capital commitments in respect of investment properties as follows:

	30 June 2016 <i>HK\$'000</i> (Unaudited)	31 December 2015 <i>HK\$'000</i> (Audited)
Contracted, but not provided for	<u>—</u>	<u>215</u>

17 Business Combination

On 29 February 2016, the Group acquired 50% interest in Solent Ventures Limited (“Solent Ventures”). After the completion of the acquisition, Solent Ventures and its subsidiaries (the “Solent Ventures’s group”) become wholly-owned subsidiaries of the Group. Solent Ventures is an investment holding company incorporated in the British Virgin Islands, with its subsidiaries engaged in investment in the properties in the United Kingdom. The purchase consideration of HK\$9.9 million for the acquisition was in the form of cash and was fully paid after completion.

Notes to Interim Financial Statements

30 June 2016

17 Business Combination *(continued)*

The fair values of the identifiable assets and liabilities of Solent Ventures's group as at the date of acquisition were as follows:

	Fair value recognised on acquisition <i>HK\$'000</i>
Investment properties (<i>note 9</i>)	680,148
Prepayments, deposit and other receivables	63
Cash and bank balances	9,435
Other payables and accruals	(7,647)
Shareholders' loan	<u>(686,884)</u>
Total identifiable net liabilities at fair value	(4,885)
Goodwill on acquisition	<u>12,311</u>
	<u>7,426</u>
Satisfied by:	
Cash	9,868
Reclassification from a pre-existing interest in a joint venture to an investment in subsidiaries	<u>(2,442)</u>
	<u>7,426</u>

An analysis of the cash flows in respect of the acquisition of Solent Ventures is as follows:

	<i>HK\$'000</i>
Cash consideration	(9,868)
Cash and bank balances acquired	9,435
Shareholders' loans to Solent Ventures	<u>(566,884)</u>
Net outflow of cash and cash equivalents included in cash flows from investing activities	<u>(567,317)</u>

Notes:

- (a) Since the acquisition, the Solent Ventures's group contributed HK\$8,233,000 to the Group's revenue and HK\$6,851,000 to the operating profit for the period ended 30 June 2016.
- (b) Had the combination taken place at the beginning of the period, the revenue and profit from continuing operations of the Solent Ventures's group for the period would have been HK\$12,423,000 and HK\$8,364,000, respectively.

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30 June 2016

18 Disposal of Subsidiaries

	Unaudited Six months ended 30 June 2016 <i>HK\$'000</i>
Net assets disposed of:	
Property, plant and equipment (<i>note 8</i>)	21
Investment properties (<i>note 9</i>)	4,070,000
Trade receivable	598
Prepayments, deposit and other receivables	9,187
Cash and bank balances	191
Other payables and accruals	(74,327)
Shareholders' loan	(556,574)
Tax payable	(5,568)
Deferred tax liabilities	<u>(82,381)</u>
	3,361,147
Gain on disposal of subsidiaries (<i>note 4</i>)	<u>100,510</u>
	<u><u>3,461,657</u></u>
Satisfied by:	
Cash	<u><u>3,461,657</u></u>

An analysis of the net outflow of cash and cash equivalents in respect of the disposal of subsidiaries is as follows:

	<i>HK\$'000</i>
Cash consideration	3,461,657
Cash and bank balances disposed of	(191)
Settlement of shareholders' loan	<u>556,574</u>
Net inflow of cash and cash equivalents in respect of the disposal of subsidiaries	<u><u>4,018,040</u></u>

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19 Contingent Liabilities

The Group had no contingent liabilities as at 30 June 2016. At 31 December 2015, the Group had contingent liabilities in respect of a guarantee provided by the Company for an amount not exceeding HK\$235,750,000 in respect of the banking facilities made available to its joint venture, out of which HK\$232,041,000 was utilised.

20 Related Party Transactions

- (a) During the period, the Group disposed of its entire interest in its indirect wholly-owned subsidiaries, Y. T. Properties International Limited and Y. T. Property Services Limited (collectively, the "Disposal Group") and the shareholders' loan owing from the Disposal Group to Access Power Group Limited, a company wholly owned by Mr. Cheung Chung Kiu, the Chairman and an executive director of the Company, for a cash consideration of HK\$4,018.2 million (the "Disposal"). The Disposal was completed on 29 February 2016. Further details of the transaction are included in note 18.
- (b) Compensation of key management personnel of the Group:

	Unaudited	
	Six months ended 30 June	
	2016	2015
	HK\$'000	HK\$'000
Short term employee benefits	2,638	2,842
Post-employment benefits	56	142
Total compensation paid to key management personnel	<u>2,694</u>	<u>2,984</u>

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21 Fair Value and Fair Value Hierarchy of Financial Instruments

The fair values of cash and cash equivalents, trade receivables, trade payables, financial assets included in other receivables and deposits, financial liabilities included in other payables and bank loans approximate to their carrying amounts largely due to the short term maturities of these instruments.

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets measured at fair value:

	Fair value measurement using			Total HK\$'000
	Quoted prices in active markets (Level 1) HK\$'000	Significant observable inputs (Level 2) HK\$'000	Significant unobservable inputs (Level 3) HK\$'000	
At 30 June 2016				
(Unaudited)				
Available-for-sale investments:				
Other investments	<u>1,777</u>	<u>—</u>	<u>—</u>	<u>1,777</u>
At 31 December 2015				
(Audited)				
Available-for-sale investments:				
Other investments	<u>1,777</u>	<u>—</u>	<u>—</u>	<u>1,777</u>

During the period/year, there were no transfers into or out of Level 1 fair value measurements.

Notes to Interim Financial Statements

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22 Event After the Interim Period

As disclosed in the announcement of the Company dated 19 July 2016, Super Gain Ventures Limited and Unique Time Investments Limited, which are indirect wholly-owned subsidiaries of the Company, entered into a sale and purchase agreement with two independent third parties to acquire directly and indirectly the entire interest of an unit trust, which owns a commercial property in London, United Kingdom (the "Acquisition"). This transaction was completed on 18 July 2016. The purchase consideration for the acquisition of approximately HK\$434.4 million (subject to adjustment) was satisfied in the form of cash from the Group's internal resources. As the Acquisition was completed shortly before the date of approval of these financial statements, it is not practicable to disclose further details of the Acquisition.

23 Approval of the Interim Financial Statements

These unaudited interim condensed consolidated financial statements were approved by the board of directors on 25 August 2016.